

08<sup>th</sup> September, 2023

To,

**National Stock Exchange**  
Exchange Plaza,  
Plot No. C/1, G Block,  
Bandra (E), Mumbai-400051

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai-400001

**(NSE Scrip Code: SPMLINERA)**

**(BSE Scrip Code: 500402)**

**Sub: Annual Report and Notice Convening the 42<sup>nd</sup> Annual General Meeting of the Company**

Dear Sirs,

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and furtherance to our letter dated 14<sup>th</sup> August, 2023 Company is submitting herewith the Notice convening the 42<sup>nd</sup> Annual General Meeting (AGM) of the Company scheduled to be held on Saturday, the 30<sup>th</sup> day of September, 2023 at 12:30 P.M. through Video Conference ("VC") / Other Audio-Visual Means ("OAVM") for taking the same on record.

Further as per the requirement of Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the copy of Annual Report is also attached for your record.

The copy of the above Notice and the Annual Report is also available on the website of the Company at [www.spml.co.in](http://www.spml.co.in)

Kindly take the above on record.

Thanking you,

**For SPML Infra Limited**

Swati  
Agarwal

Digitally signed by  
Swati Agarwal  
Date: 2023.09.08  
15:09:20 +05'30'

**Swati Agarwal**  
Company Secretary





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## CHAIRMAN'S MESSAGE



### SUBHASH SETHI

Chairman  
SPML Infra Ltd.

*Dear esteemed shareholders,*

It is with immense pride and gratitude that our Company has completed another successful year in business. This annual report serves as a testament to the relentless efforts and dedication of our entire team, from the boardroom to the construction sites, who have worked determinedly to shape the future of our nation's water landscape. It will reflect upon the achievements, challenges, and aspirations of our esteemed organization in the fiscal year 2022-23.

The Indian economy exhibited robust resilience in 2022-23 amidst a global turmoil following the war in Ukraine. It recorded a growth of 7%, the highest among major economies in the world. The infrastructure sector witnessed the highest capex allocation, total cost of projects sanctioned by banks and financial institutions during 2022-23 increased to a record high of Rs.2,66,547 crore, highlighting the effect of the government's

efforts to push for robust infrastructure development. A Reserve Bank of India (RBI) report suggested that the infrastructure sector continued to attract the maximum capex projects.

Over the past year, we have continued to uphold our commitment to delivering world-class projects that redefine the landscapes of clean drinking water to people. Our unwavering focus on quality, sustainability, and cutting-edge technology has enabled us to overcome hurdles. From groundbreaking bulk water supply project in Gujarat to water loss management project in Bengaluru, our projects stand as testimonials to our dedication to water sector and transforming projects into sustainable and tangible realities.

I am elated to share that we have made substantial progress. We've sharpened our focus on water segments and completed

a number of water supply projects in Rajasthan, Gujarat, Delhi, and Manipur. These projects have helped us providing clean drinking water facilities to several million people in these states. During the year we have also completed a number of power substation projects funded by the World Bank, in Tripura, that have helped our esteemed clients to augment the quality of electricity supply in the designated areas, thus illuminating the lives of people. By adopting smart technology for project and operational management, we've positioned ourselves to ensure consistent project delivery.

It was an immense pride for us that we were chosen to play a pivotal role in the nation's water infrastructure development under the Jal Jeevan Mission. During the year, we were entrusted with a number of new projects under this flagship scheme in different states. I am confident that these high value projects, along with several others coming our way will help our company to write a new story of accomplishments and pride.

We are infusing innovation and modern technology and streamlining our processes to seamlessly execute projects and transitioning them into the digital realm. We have made substantial investments in advanced tools, automation, and digital platforms that have helped us for having seamless collaboration among project, procurement and finance teams. This collaborative approach empowered the Company to monitor each project's progress individually, identifying risks, and make well-informed decisions with the use of real time information. Our long term objective is to achieve incomparable project execution efficiency and enhanced productivity.

I am happy to inform you that the Company is recognised for its deep industry knowledge, integrated value proposition, sound business practices and strong project delivery parameters through a coveted Infra Focus Awards 2022 as Most Admired Company in Water Infrastructure conferred to us by The Economic Times. It is also moment of pride for us that our company has been featured amongst India's Top 100 Real Estate and Infrastructure Companies, according to a report published by the leading industry publication, Construction Week. Considering the extraordinary growth that we have achieved, it's no wonder that our Company is counted among the Best Infra Companies in India. The result is that SPML Infra has been an innovator and pioneer in India's water infrastructure sector. It is also a preferred partner for a number of esteemed departments and agencies under the aegis of central and states' governments and bilateral organizations for water related projects.

The health, safety, and well-being of our team members have remained paramount. We have implemented robust safety protocols to ensure the protection of our employees at all our project sites. Their unwavering commitment has been instrumental in driving our projects forward, even in the most challenging conditions.

Environmental sustainability has always been integral part to our business philosophy. As responsible corporate, we have integrated eco-friendly practices into our operations and management and using renewable sources as much as possible, reducing our carbon footprints and contributing to the development of greener and more sustainable future. Our social responsibility initiatives has also been unwavering, as we continue to invest in healthcare, and other community development initiatives.

As you are aware, the past three years have been significantly challenging for the infrastructure sector in India. Naturally, these challenges have had an impact on our Company's performance as well. However, despite these obstacles, the Company has managed to maintain profitability and sustain growth, albeit at a slower pace. In the fiscal year 2022-23, our recorded revenue stands at Rs. 883.14 Crore, accompanied by a profit of Rs. 2.93 Crore. This positive trajectory is indeed a favourable development, especially considering the Company's unfavourable profit figures in the previous fiscal year, primarily attributable to unforeseen circumstances.

My optimism remains steadfast, rooted in the fact that our Company has navigated even more formidable challenges in the past, during times when the organization was smaller and more vulnerable. Yet, we confronted those trials and emerged with increased strength. Our Company has since grown into a larger and more robust entity, and I have full confidence in both the resilience of our business model and the resourceful spirit of our team to successfully navigate this challenge as well.

As we move forward and embark on the next fiscal, I am confident that our values, our experiences, our strategies, and our people will continue to propel us to newer heights. Our collective efforts, guided by a shared vision of excellence, will ensure that we remain at the forefront in the water industry.

I extend my heartfelt gratitude to everyone who has played a part in our achievements this year. My gratitude to the board of directors for their valuable guidance, to our esteemed clients for continuing their trust on us, our bankers for their unwavering support, our supportive partners and suppliers, our dedicated employees, and our esteemed shareholders for being an integral part of our journey.

Your dedication, hard work, and belief in our mission are truly inspiring. Let us move forward with renewed energy, confidence in our ability to shape a brighter water future of the nation through our endeavors.

Warm regards,

**Subhash Chand Sethi**  
Chairman



# **STATUTORY REPORTS**

# DIRECTORS' REPORT

## Dear Shareholders,

The Board of Directors of your Company is pleased to submit their 42nd Annual Report on the operations and performance of the Company along with the audited financial statements for the year ended 31st March 2023.

## Financial Results:

The brief summary of the financial performance of the Company for the year under review along with the comparative figures for the previous year is summarized herein below:

₹ In Lakhs

PARTICULARS	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	87,779.58	85,309.69	88,314.31	95,177.28
Other Income	1,931.21	1,699.98	2,753.77	2,933.65
<b>Total Income</b>	<b>89,710.79</b>	<b>87,009.67</b>	<b>91,068.08</b>	<b>98,110.93</b>
Total Expenses	89,444.80	86,123.64	90,778.71	98,303.91
<b>Earnings before Interest, depreciation, tax and amortization (EBIDTA)</b>	<b>1,848.78</b>	<b>3,372.92</b>	<b>5,634.21</b>	<b>3,495.82</b>
Less:- Finance Cost	4,982.83	2,097.07	5,634.21	3287.74
Less:- Depreciation	297.51	389.82	319.16	401.06
Profit/ (Loss) before tax from continuing operations	265.99	886.03	289.37	(192.98)
<b>Tax Expenses of Continuing Operations</b>				
Less: - Current tax	54.94	329.58	261.45	345.65
Less: - Deferred Tax	-	(441.61)	(2.68)	(458.00)
<b>Earning before share of profit/ (loss) of associate and joint venture, with continuing operations</b>	<b>-</b>	<b>-</b>		<b>(80.63)</b>
Share of profit/(loss) of Associates & Joint Ventures	-	-	3.21	66.74
Minorities share of profit/(loss)	-	-	(5.28)	(46.08)
Profit/ (Loss) after tax from continuing operations	211.05	998.06	39.09	32.19
Profit/ (Loss) before tax from discontinued operations	-	-		-
<b>Tax Expenses of discontinued Operations</b>				
Less: - Current tax	-	-		-
Less: - Deferred Tax	-	-		-
Profit/ (Loss) after tax from discontinued operations	-	-		-
<b>Earning Before Tax (EBT)</b>	<b>265.99</b>	<b>886.03</b>	<b>292.58</b>	<b>(126.24)</b>
<b>Tax Expenses</b>				
Less: - Current tax	54.94	329.58	261.45	345.65
Less: - Deferred Tax	-	(441.61)	(2.68)	(458.00)
<b>Profit After Tax</b>	<b>211.05</b>	<b>998.06</b>		<b>32.19</b>
Other Comprehensive Income for the Year (Net of Taxes)	7.09	(21.19)	6.57	(21.20)
Total Comprehensive Income for the year	218.14	976.87	45.66	10.99
Earnings per share (in Rs.) - Basic and Diluted (Nominal value Rs.2 Per Share)	0.44	2.68	0.08	0.09

## Financial Performance

On Standalone basis, the Operating Revenue of your Company for the financial year ended 31st March, 2023 stood at Rs. 87,779.58 Lakh as compared to Rs. 85,309.69 Lakh in the previous year. The Net Profit for the year is Rs. 211.05 Lakh over the previous year Net profit of Rs. 998.06 Lakh.

On Consolidated basis, the Operating Revenue of your Company for the financial year ended 31st March, 2023 stood at Rs. 88,314.31 Lakh as compared to Rs. 95,177.28 Lakh in the previous year. The Consolidated Net Profit in Financial Year 2022-23 is Rs. 39.09 Lakh as compared to Net Profit of Rs. 32.19 Lakh in the previous year.

The financials of your Company has affected mainly due to delay in ongoing resolution plan on account of approval from the lenders, increase in finance cost etc.

## State of Company's Affairs

SPML Infra Ltd. is India's leading Public Listed Infrastructure Development Company with over four decades of experience in the public and private sectors. The Company has executed and commissioned over 650 large and medium infrastructure projects across India and created significant value for the country, thus touching lives of millions of people with provision of drinking water facilities, wastewater treatment, integrated sewerage network, better municipal waste management, power transmission & distribution and lighting up homes. The Company features among the World's Top 50 Private Water Companies and amongst India's 50 Best Real Estate & Infrastructure Companies. The Company operates on engineering, procurement, construction (EPC) segment and as on date, there is no change in the nature of business being undertaken by the Company.

The Company is mainly engaged in the water sector where there is enormous opportunity by way of Govt. spending and allocation of fund for the water infrastructure project. The govt. has allocated approximately 7.30 Lakh Crore to be spend in next few years which will give a good business prospect to the Company in the water sector by obtaining various contracts from the central/state Govt

## The key awards received by the company:

- The Economic Times Infra Focus Awards 2022 as most Admired Company in the Water Infrastructure Sector.
- Construction Times Awards 2023 for Best Water Project of the year.
- Indian Achievers Award 2022 for Business Leadership to Company's Chairman.

## Debt Resolution

The Lenders of the Company are still working on debt resolution of the Company as per the guideline and provision of the Reserve Bank of India and the management is quite hopeful that the debt resolution will be completed soon which will help the Company to grow and take the new businesses in the emerging market available in the water sector.

## Dividend

To cater the need of working capital requirement and other operational efficiencies, the Board of Director expresses their view to retain the profit into the Company and therefore, do not recommend any dividend for the financial year 2022-23

## Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account.

## Deposits

Your Company has not accepted any Deposit from the Public in terms of the provisions of Section 73 of the Companies Act, 2013 read along with the Companies (Acceptance of Deposits) Rules, 2014 including any amendment thereto and as such there is no amount of principal or interest was outstanding as on 31st March 2023.

## Share Capital

During the year under review Company has converted part of an existing unsecured loan of Unsecured Creditors into Equity Shares and converted part of 0% Compulsorily Convertible preferential Shares (CCPS) of promoter and promoter group into Equity Shares on preferential basis.

The Company has allotted 2,742,790 Equity Shares of Rs. 2/- each fully paid-up at an issue price of Rs. 57/- each (including a premium of Rs. 55/- each) aggregating to Rs. 1563,39 Lakh on preferential basis by way of Conversion of Unsecured Loan into Equity. Company further converted 1,627,465 0% Compulsorily Convertible Preference Shares (CCPS) into 3,254,930 equity Shares at a conversion price of Rs. 50/- each (including a premium of Rs. 48/- each) aggregating to Rs. 1627.47 Lakh on preferential basis to improve the net worth of the Company and reduce the financial cost.

As on 31st March, 2023, the revised Equity Share Capital of the Company is Rs. 908.46 Lakh divided into 45,422,996 Equity Shares of Rs. 2/- each and Preference Share Capital of the Company is 1777.46 Lakh divided into 1,777,465 0% Compulsorily Convertible Preference Shares (CCPS) of Rs. 100/- each.

During the period under review there is no change in the Authorised Capital of the Company.

## Subsidiary Companies/ Joint venture Companies / Associate Companies

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read along with the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the performance and financial position of each of the Subsidiaries/ Associates/ Joint Ventures in the prescribed Form AOC-1 has been prepared and is forming the part of the Financial Statements of the Company.

In compliance with the provisions of Section 136 of the Companies Act 2013, a copy of the Financial Statement consisting of the Standalone as well as the Consolidated, along



with all relevant Annexures, Auditors Report, Directors Report are available on the website of the Company and will also be available for in electronic mode during working hours till the Annual General Meeting of the Company.

The Policy for determining the "Material Subsidiaries" in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, may be accessed on the Company's website at [www.spml.co.in](http://www.spml.co.in).

### Directors and Key Managerial Personnel

Pursuant to the provisions of Section 152 (6) of the Companies Act 2013 & the Rules framed thereunder and the applicable provisions of the Articles of Association of the Company Mr. Subhash Chand Sethi (DIN No.:00464390), Whole Time Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

During the year under review Mr. Charan Singh resigned from the post of Directorship because of his appointment as Technical Member in NCLT.

To comply with the provision of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to fill the vacancy caused by the resignation of Mr. Charan Singh, the Board of your Company on the recommendation of Nomination and Remuneration Committee appointed Ms. Arundhuti Dhar as an Additional Independent Director of the Company w.e.f 13th February, 2022 for a term of 5 consecutive years.

Further, as on the date of this report, Shareholder accorded their approval by way of postal ballot to appoint Ms. Arundhuti Dhar as an Independent Director of the Company for a term of 5 consecutive years.

All the Directors seeking appointment/re-appointment in the ensuing Annual General Meeting have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The brief details of all the aforesaid Directors seeking re-appointment at the ensuing Annual General Meeting is furnished in the explanatory statement to the notice calling the Annual General Meeting.

As on 31st March, 2023 Mr. Subhash Chand Sethi Whole-time Director, Mr. Manoj Digga, CFO and Mrs. Swati Agarwal, Company Secretary continue to be the Key Managerial Personnel (KMP) of the Company in accordance with the provisions of Section(s) 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### Board Diversity

Your Company understands and believes that a well diverse Board enhances the quality of decisions by utilizing different skills, qualifications, professional experience, ethnicity and

other distinguished quality of the individual Board members. Company believes that Board diversification is necessary for effective corporate governance, driving business results, sustainable and balanced development and to monitor the effectiveness of the company's practices. In order to achieve the aforesaid your Board has well experienced and expertise combination of industry knowledge which is in the best interest of the Company.

Pursuant to the Regulation 19(4) & 20(4) and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of the Company has adopted a Policy on diversity of Board of Directors. The said policy is available on the website of the company at [www.spml.co.in](http://www.spml.co.in).

### Board Evaluation

In terms of the Regulation 19(4) & 20(4) and Part D of Schedule II of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 and as per Companies Act, 2013 the Board is required evaluate its own performance along with the performance of the Committee and the individual director. The Board Evaluation Framework is conducted annually for all the Board Members on various factors viz Relationship with Stakeholders, Company's performance, decision making, information flow etc. The Board evaluation is conducted through questionnaire having qualitative parameters and feedback based on rating

### Familiarization Program for Independent Directors

In Compliance with Regulation 25(7) of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, the company has put in place the familiarization program for the Independent directors to familiarize them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the company, roles rights and their responsibilities and any other relevant matters if any through various programs. The Policy on Familiarization programs for independent directors adopted by the Board is also available on the company's website at [www.spml.co.in](http://www.spml.co.in)

### Meeting of the Board of Directors

During the year under review, the Board met six (6) times, the details of the Meetings of the Board held during the financial year 2022-23 are given under the section Corporate Governance Report which forms the part of this report.

### Meeting of Independent Directors

Pursuant to the requirements of Schedule IV of the Companies Act, 2013 and as in terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the separate meeting of the Independent Directors of the Company has been convened on 17th March, 2023 to review the matters as laid down in the aforesaid Schedule and Regulations.



### Declaration by Independent Director

In terms of Section 149(7) of the Companies Act, 2013, your Company has received the requisite declaration from each of the Independent Directors of the Company specifying that he/she meets the criteria as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing of Obligations and Disclosure Requirements) Regulations, 2015.

### Directors Responsibility Statements

In terms of the provision of Section 134(5) of the Companies Act, 2013, your Directors hereby confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis;
- e) that proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and
- f) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

### Extract of the Annual Return

In accordance with Section 92 (3) of the Companies Act, 2013 read along with Rule 12 (1) of the Company (Management & Administration) Rules, 2014 including any amendment thereto, an extract of the Annual Return in the prescribed format for the Financial Year ended 31st March, 2023 is available on the website of the Company at <https://www.spml.co.in/Investors/Annual>Returns>

### Statutory Auditors and their Report

At the Annual General Meeting held on 26th September, 2022, M/s Maheshwari & Associates, Chartered Accountants (FRN No. 311008E), Kolkata were re-appointed as Statutory Auditor of the Company for a second term of five years to hold office from the conclusion of 41st Annual General Meeting till the conclusion of the 46th Annual General Meeting of the Company to be held in the Calendar Year 2027.

The Auditor's have confirmed that they are not disqualified from continuing as the Auditors of the Company.

The Auditors' Report(s) to the Members of the Company in respect of the Standalone Financial Statements and the Consolidated Financial Statements for the Financial Year ended March 31, 2023 are self-explanatory and the qualification or observations of the Auditors have been suitably addressed in Note No. 16.5 and 42 to 43 of the notes forming part of the standalone financials, Note No. 17.6 and 42 to 43 of the notes forming part of the consolidated financials and explanations provided in the Director's Report towards CSR and therefore do not call for any further comments.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of your company had appointed Mr. Tumul Maheshwari Proprietor of M/s MT & Co., (erstwhile PTM & Co.,) Company Secretary in Practice as Secretarial Auditor to conduct the secretarial audit for the financial year ended on 31st March, 2023.

The Secretarial Audit Report for the Financial Year ended 31st March, 2023 in Form MR-3 is annexed to the Directors Report - Annexure - 1 and forms part of this Report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.

### Cost Auditors

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit), Rules, 2014 the Company is required to get its cost record audited by a cost accountants in whole time practice. In this regard the Board of Directors, on the recommendation of the Audit Committee, has appointed M/s A. Bhattacharya & Associates., Cost Accountants as the Cost Auditor of the Company for Financial Year 2023-24.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration as recommended by the Board shall be ratified by the Members. Accordingly, requisite resolution seeking ratification of remuneration payable to the Cost Auditors for the Financial Year 2023-24 is forming part of the notice convening the ensuing Annual General Meeting.

### Related Parties Transactions

As a part of its philosophy of adhering to the highest ethical standards, transparency and accountability, your Company has historically adopted the practice of undertaking related party transaction in ordinary course of business and on arm's length basis. In line with the Companies Act, 2013 and Listing Regulations, the Board has approved the policy on related party transaction and the same is placed on the website of the Company.

All the related party transactions are placed on quarterly basis before the Audit Committee and Board for their approval. Prior Omnibus approval also obtained from the Audit Committee and Board for the transactions which are repetitive in nature and entered in the ordinary course of business and at arm's length basis.

During the year under review, Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Companies Act, 2013. Also, there were no material related party contracts entered into by the Company. However, the nil disclosure of related party transactions as required in Form AOC-2 is form part of this report and annexed as Annexure-2.

### Corporate Social Responsibility

As on the date of this report Company has reconstituted the Corporate Social Responsibility Committee comprising of Mr. Sushil Kumar Sethi, Non-Executive Director as the Chairman of the Committee, Mr. Prem Singh Rana Independent Director and Ms. Arundhuti Dhar Independent Director of the Company as the Member of the Committee. The CSR Policy framework is available on Company's website at [www.spml.co.in](http://www.spml.co.in).

The Company has negative average net profit of three immediately preceding financial year as per the provision for calculation of CSR, therefore the Company was not required to spend any amount towards corporate social responsibility during the financial year 2022-23.

The Annual Report on CSR containing particulars specified in Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as Annexure – 3 to this report.

### Committee of the Board

Your Company has the following Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Finance Committee, CSR Committee and Banking & Finance Committee. The details pertaining to such Committees are provided in the Corporate Governance Report, forming part of this report.

### Internal Financial Control Systems and their Adequacy

The Board of your Company has laid down internal financial Controls to be followed by the Company and that such controls are adequate and operating effectively. Such Systems are inherent in the Company and are working effectively and efficiently. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosure.

### Vigil Mechanism

In line with the requirement under Section 177(9) & (10) of the Companies Act, 2013, read with the Companies (Meeting of the Board and its Powers) Rules 2014 and Regulation 22

of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted a Whistle Blower Policy establishing Vigil Mechanism, to provide a formal mechanism to the directors and employees to report any fraudulent financial or other information any unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The functioning of the vigil mechanism is reviewed by the Audit Committee. It is hereby affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is available at Company's website at [www.spml.co.in](http://www.spml.co.in).

### Risk Management

The Board of your Company has framed a policy on Risk Management which provides for identification, assessment and control of risks that in the opinion of the Board may threaten the existence of the Company. The Management review, monitors, identifies and controls risks through a properly defined framework in terms of the Risk Management Policy.

### Particulars of Investments, Loans, Guarantees given or Securities Provided

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the Securities and exchange Board of India (Listing Obligations and disclosures Requirements) Regulations, 2015, disclosure on particulars relating to Investments, Loans, Guarantees and Securities are forming part of the Annual Report.

The Company has made the necessary impairment of Investment and Loan given to various Companies based on the need and requirement of the Indian Accounting Standard (IND AS)

### Policy on Director's Appointment and Remuneration

The policy of the Company on Director's Appointment and Remuneration including qualification, positive attributes and independence of a Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration and other matters as required under Section 178(3) of the Companies Act, 2013 is available on our website at [www.spml.co.in](http://www.spml.co.in)

We further affirm that the remuneration paid to the directors is as per the terms laid down in the Nomination and Remuneration Policy.

### Material Changes and Commitments

During the year under review there have been no other material changes and commitments affecting the financial position of the Company which occurred between the end of the Financial Year of the Company as on 31st March 2023 and the date of this report.

### Significant and Material Orders impacting Operations of Company in Future

There are no significant or material orders that have been passed by any Regulators/Court or Tribunals impacting the going concern status and future operations of your company.

### Investor Education and Protection Fund (IEPF)

Pursuant to Provisions of Section 124 of the Companies Act 2013 read with Rule 6 of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all unpaid or unclaimed dividends, which remains unpaid or unclaimed for a period of seven years are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Central Government.

Further, the Company is also required to transfer all the shares in respect of which dividend has not been paid or claimed for Seven (7) consecutive years or more to the Demat Account created by the IEPF Authority. However, in case if any dividend is paid or claimed for any year during the said period of Seven (7) consecutive years, the shares in respect of which dividend is paid so paid or claimed shall not be transferred to demat account of IEPF.

In compliance with the aforesaid provisions the Company has transferred the unclaimed and unpaid dividends and corresponding shares to IEPF. The details of the unclaimed / unpaid dividend during the last seven (7) years and also the details of the unclaimed shares transferred to IEPF are available on the website of the Company at [www.spml.co.in](http://www.spml.co.in)

### Employee Stock Option Scheme

In Compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Nomination and Remuneration Committee of the Board of Directors of your Company administered and implemented the Company's Employee Stock Option Scheme (ESOP-2021).

As on date of the report Nomination and Remuneration Committee has granted 1,950,698 options to certain eligible employees of the Company. Each option would be converted into 1 (one) equity shares of the Company upon exercise.

Applicable disclosures relating to Employees Stock Options, pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time are placed on the website of the Company at [www.spml.co.in](http://www.spml.co.in). The ESOP-2021 Scheme of the Company is in compliance with (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

The Company has obtained Secretarial Auditors' certificate to the effect that the ESOP - 2021 Scheme of the Company is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

### Secretarial Standards

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### Reporting of Frauds

There have been no instances of fraud reported by the Statutory Auditors of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder either to the Company or to the Central Government.

### Management Discussion and Analysis

In terms of the Regulation 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Report on Management Discussion and Analysis forms part of the Annual Report.

### Corporate Governance Report

Pursuant to Listing Regulations and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section titled 'Corporate Governance' has incorporated in the Annual Report.

A certificate from the auditors of the company regarding compliance with the conditions of Corporate Governance also forms part of the Annual Report.

### Employees Relations

During the year under review the relations with the employees has been cordial. Your directors place on record their sincere appreciation for services rendered by the employees of the Company.

### Protection of Women at Workplace

SPML strives to provide a safe working environment to woman employees to avoid any gender discrimination. Therefore, the Company has formulated a Policy on Prevention of Sexual Harassment at work place in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The objective of the policy is to prohibit, prevent and address issues of sexual harassment at work place. Pursuant to the said act the Company has constituted the Internal Complaint Committee for Prevention of Sexual Harassment (ICC) of all women employees whether they are permanent, temporary or contractual. The said policy also covered the women service provider or women who visit any office premises of the Company. In order to raise awareness among the employees the aforesaid policy has been widely circulated to all the employees of the Company.

During the year under review, no case of sexual harassment was reported.

### Particulars of Employees

Disclosures required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Statement containing the name of top

ten employee of the Company in terms of the receipt of the remuneration of Rs.102 lakhs if employed throughout the year and receipt of Rs. 8.50 lakhs if employed for a part of the financial year in terms of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure- 4 to this report.

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo Conservation of Energy**

The Particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rule, 2014 pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo conservation of energy are attached as Annexure – 5 and form part of this report.

### **Insolvency and Bankruptcy Code, 2016**

During the year under review the NCLT has not given any verdict against the Company under the Insolvency and Bankruptcy Code, 2016.

### **One Time Settlement**

During the year under review, the Company has entered into One Time Settlement with IFCI Ltd primarily through the sale proceeds of the property exclusively charged to them and all the securities held by IFCI has been released and IFCI is no longer under the Consortium of Lenders.

### **Acknowledgement**

Your Directors take this opportunity to thank and express their sincere appreciation 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, Shareholders, employees and other stakeholders of the Company.

Further, the director value the contribution made by every member of the SPML family.

**On behalf of the Board**

Place: Kolkata  
Date: 14th August, 2023

Subhash Chand Sethi  
Chairman

**ANNEXURE - 1****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**SPML Infra Limited,**  
F-27/2, Okhla Industrial Area Phase-II,  
New Delhi-110020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SPML Infra Limited, (CIN No. L40106DL1981PLC012228) (hereinafter called the Company). I have not done audit of financial statements of the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, during the audit period covering the financial year ended on 31st March 2023, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; NA
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; NA and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; NA

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) SEBI Listing Regulations (LODR), 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned above subject to the below stated observation:

1. The Company has not complied regulation 33(3) (d), (e), (f), (g), (h), (i) of LODR Regulations, 2015 related to timely approval, signing and placing of quarterly, half yearly and yearly financial results of the company for the financial year.
2. The Company has not complied regulation 23 (9) of LODR Regulations, 2015 for disclosure of related party transactions on consolidated basis for the financial year.
3. The Company has not complied regulation 52 (1), (2) of LODR Regulations, 2015 related to preparation, approval, authentication and publication of annual and quarterly (Q4) financial results of the company for the financial year.



**I further report that**

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act as required under the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed note on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the year under report, the Company has not undertaken any corporate event/action (except conversion of unsecured loans and Compulsorily Convertible Preference Shares (CCPS) into equity shares to Promoter entities) having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For MT & Co.**  
Company Secretaries

**(Tumul Maheshwari)**

Proprietor

ACS No. 16464

C.P. No. 5554

PR - 1749/2023

Place: Delhi

Date: 13th June, 2023

UDIN No. A016464E000481577

**This report is to be read with Annexure-A which forms an integral part of this report.**

**ANNEXURE-A**

To,  
The Members,  
**SPML Infra Limited,**  
F-27/2, Okhla Industrial Area Phase-II,  
New Delhi-110020

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For MT & Co.**  
Company Secretaries

**(Tumul Maheshwari)**

Proprietor

ACS No. 16464

C.P. No. 5554

PR - 1749/2023

Place: Delhi

Date: 13th June, 2023

**ANNEXURE - 2****Form No. AOC-2**

**Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

The company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2022-23.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

**a. Name(s) of the related party and nature of relationship:** Company has not entered into any Material Related Party Transaction

**b. Nature of contracts / arrangements / transactions:** Not Applicable

**c. Duration of the contracts / arrangements / transactions:** Not Applicable.

**d. Salient terms of the contracts or arrangements or transactions including the value, if any:** Not Applicable

**e. Date(s) of approval by the Board, if any:** Not Applicable

**f. Amount paid as advances, if any:** Nil

On behalf of the Board

Place: Kolkata  
Date: 14th August, 2023

**Subhash Chand Sethi**  
Chairman



**ANNEXURE - 3****Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23  
(Pursuant to Section 135 of the Companies Act, 2013)****1. Brief outline on CSR Policy of the Company**

At SPML, Corporate Social responsibility (CSR) has been the cornerstone of success right from its inception. We are committed to operate and grow in a socially responsible way. With safety, health and environment protection high on its corporate agenda, SPML is committed to conducting business with a strong environment conscience, so as to ensure sustainable development, safe work places and enrichment of the quality of life of its employees, clients and the community.

SPML respects human rights, value its employees, and invests in innovative technologies and solutions for sustainable water and energy solutions for economic growth of the country.

**2. Composition of CSR Committee**

The CSR Committee of the Company comprises of the following Directors:

Sr. No.	Name of the Director	Designation	Date of Appointment	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sushil Kumar Sethi	Non-Executive Director	07.07.2021	1	1
2	Mr. Prem Singh Rana	Independent Director	28.05.2014	1	1
3	Mr. Charan Singh*	Independent Director	07.07.2021	1	1
4	Ms. Arundhuti Dhar	Independent Director	17.04.2023	-	-

\*Resigned w.e.f. 14.11.2022

**3. Web links where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are**

- The web link for the composition of CSR Committee: <https://www.spml.co.in/Investors/BoardOfDirectors>
- The web link for the CSR Policy: <https://www.spml.co.in/Download/Policies/corporate-social-responsibility-policy.pdf>

**4. Provide the details of Impact assessment of CSR Projects carried out in pursuance of sub rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable****5. Details of amount available for set off in pursuance of sub rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if any: Not Applicable****6. Average Net Profit of the Company as per Section 135(5): ₹ (23,337.01) Lakh****7. a. Two percent of average net profit of the Company as per Section 135(5): Nil**

**b. Surplus arising out of the CSR projects or programmes or activities of the previous financial year: Nil**

**c. Amount required to be set off for the financial year: Nil**

**d. Total CSR obligation for the financial year (7a+7b7c): Nil**

## 8. a. CSR amount spent or unspent for the financial year:

Total amount unspent for the financial year (Rs. In lakh)	Amount Unspent				
	Total amount transferred to unspent CSR Account as per Section 135(6)*		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
NIL	-	-	-	-	-

## b. Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local area (Yes/No)	Location of the Project	Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to unspent CSR Account as per Section 135(6)	Mode of Implementation- Direct (Yes/No)	
				State	District				Name	CSR Registration No.
-	-	-	-	-	-	-	-	-	-	-

## c. Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local area (Yes/No)	Location of the Project	Amount allocated for the project (in Rs.)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation- Through Implementing agency	
				State	District		Name	CSR Registration No.
-	-	-	-	-	-	-	-	-

## d. Amount Spent in Administrative Overheads: Nil

## e. Amount spent on Impact Assessment, if applicable: N.A.

## f. Total amount spent for the Financial Year (8b+8c+8d+8e): Nil

## g. Excess amount for set off, if any

Sl. No.	Particular	Amount (in Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

## 9. a. Details of Unspent CSR amount for the preceding three financial year:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Lakh)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-	-	-	-	-	-	-	-
<b>Total</b>							

## b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years:

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project Duration	Total Amount allocated for the project (in Rs.)	Amount spent on the project in the reporting financial year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
-	-	-	-	-	-	-	-	-

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset Wise Details): Nil

## 11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

The CSR liability has been recomputed from the F.Y. 2018-19 to 2020-21 as per the provision of the Companies Act, 2013, after obtaining approval from CSR Committee. Based on the revised calculation and approval the Company is not required to incur any expenditure on CSR upto F.Y. 2019-20 and earlier. Further, Company has no CSR liability to be incurred from the F.Y. 2020-21 onwards and accordingly no amount is required to be transfer into Unspent CSR Account.

**Sushil Kumar Sethi**  
Chairman - CSR Committee

**Manoj Digga**  
CFO

## ANNEXURE - 4

### A. Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

#### 1. Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year:

Median remuneration of all employees of the Company for Financial Year 2022-23	5,50,009
The percentage increase in median remuneration of employees in the Financial Year	2%
The number of permanent employees on the rolls of Company as on 31st March, 2023	215

#### 2. The percentage of increase in the remuneration of each Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the Financial year:

Name of Director	Remuneration for financial Year 2022-23	Remuneration for financial Year 2021-22	% increase in remuneration in the Financial Year 2022-23	Ratio of Remuneration to median remuneration of all employees
<b>Independent Directors</b>				
Mr. Prem Singh Rana <sup>1</sup>	-	-	-	-
Mr. Tirudaimarudhur Srivastan Sivashankar <sup>1</sup>	-	-	-	-
Mrs. Pavitra Joshi Singh <sup>1</sup>	-	-	-	-
Ms. Arundhuti Dhar <sup>1*</sup>	-	-	-	-
<b>Non-Executive Directors</b>				
Mr. Sushil Kumar Sethi <sup>2</sup>	-	-	-	-
<b>Executive Directors/KMP</b>				
Mr. Subhash Chand Sethi	93.54	100.39	-	-
Mr. Manoj Digga	92.28	85.86	-	-
Mrs. Swati Agarwal	11.27	7.79	-	-

<sup>1\*</sup> Ms. Arundhti Dhar appointed in the Company w.e.f 13th February, 2023

<sup>1</sup> Except sitting fees there was no remuneration or commission was paid to Independent directors

<sup>2</sup> No sitting fees or remuneration or commission was paid to Non-Executive Directors

#### 3. During the financial year 2022-23, 2% of the median remuneration has increased for the employees. The total remuneration of the KMPs for the financial year 2022-23 was Rs. 197.09 lakh as against Rs. 194.04 lakh in the previous year.

#### 4. Remuneration is as per the remuneration policy of the Company.

**B. Statement of Disclosure pursuant to Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**1. Names of top ten employees in terms of remuneration drawn during the Financial Year 2022-23**

SI No	Name	Designation	Remuneration in lakhs	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment
1	Abhinandan Sethi	Chief Operating Officer	105.12	BBA	11	01-12-2011	35	SPML Infra Ltd
2	Manoj Digga	Director Commercial & CFO	92.28	Chartered Accountant	32	10-09-2020	53	Mc Nally Bharat Engineering Co. Ltd
3	Amitava Basu	Executive Vice President	60.00	M Tech – Electrical	31.7	01-08-1995	57	Consolidated Energy Consultant Ltd
4	Malay Chakraborti	Executive Vice President	50.00	DCE	32.6	02-06-1998	54	Batliboi Ltd
5	Sumit Bhattacharya	Chief Human Resources Officer	37.50	MBA	20	14-06-2021	48	Propello
6	Sujit Jhunjhunwala	Associate Vice President	31.04	Chartered Accountant	27.4	29-03-2017	56	Khetan Financial Services Pvt. Ltd.
7	Partha Roy	Vice President	30.00	LLB	18	08-11-2021	42	Srei Infrastructure Finance Ltd
8	Ashok Bijalwan	Chief Technology Officer	30.00	M.Sc (CS)	16.9	01-08-2022	40	Joban Group of Companies
9	Visveshwaraiiah O	Vice President	28.44	ME	35	04-07-1994	55	Trans India Lamps Ltd
10	Sujit Bhattacharya	Vice President	27.76	AMIE (Civil)	37.11	01-04-2021	59	Claim E Solutions

**Notes:**

- The nature of employment in all cases is contractual
- None of the employee held any equity shares in the Company as cited in Clause (iii) of Rule 5(2)
- Except Mr. Abhinandan Sethi, son of Mr. Subhash Chand Sethi, Chairman & Whole Time Director of the Company none of the employees mentioned above is a relative of any Director or Manager of the Company

**2. None of the employees employed throughout the financial year 2022-23, was in receipt of aggregate remuneration not less than Rupees One Crore and Two Lakh.**

**3. None of the employee, who was employed for a part of the financial year 2022-23 and was in receipt of aggregate remuneration at not less than Rupees Eight lakh and Fifty Thousand per month.**

On behalf of the Board

**Subhash Chand Sethi**  
Chairman

Place: Delhi

Date: 14th August, 2023

**ANNEXURE - 5****Additional information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rule, 2014.****A. CONSERVATION OF ENERGY****a) Steps taken or impact on conservation of energy**

In Infrastructure industry, most of the equipment are powered by either electrical motor or by fuel oil powered engines. Since most of the work is carried out in remote locations and is subjected to harsh environmental conditions, the rate of depreciation and abnormal wear and tear is very high. The scope of energy efficiency in our industry will be energy conservation through well-planned actions such as quality preventive maintenance, machinery up gradation, modernization and introduction of sophisticated control system.

The Company is using modern fuel efficient machinery, wherever possible, which consumes less time to do a work thereby reducing i) Electric energy & ii) Fuel Oil consumption. The Company has formalized strategies to reduce idle running of machinery, thereby reducing wastage of energy and Fuel Oil consumption.

The company has been able to reduce electrical energy and fuel oil consumption. Though it is not possible to quantify the impact, the measures are expected to result in considerable savings

**b) Steps taken by the Company for utilizing alternate sources of energy**

The Company is evaluating for the introduction of alternate source of energy.

**c) Capital investment on energy conservation equipment**

The Management of the Company continuously upgrades and/or replaces old machinery with new fuel efficient machinery as and when required.

**B. Technology Absorption**

- i) The Company has adapted state of the art technology, available in the Industry of operation of the Company to derive cost and efficiency benefits.
- ii) Expenditure incurred on Research & Development (R & D)- NIL

**C. During the financial year 2022-23 Company has not earned in Foreign Exchange nor incurred any expenses in Foreign Exchange**

**On behalf of the Board**

Place: Kolkata  
Date: 14th August, 2023

**Subhash Chand Sethi**  
Chairman





## MANAGEMENT DISCUSSION AND ANALYSIS

India's journey toward becoming a global economic powerhouse is intrinsically tied to its infrastructure development sector. Over the past few years, the country has witnessed remarkable growth in infrastructure projects that have significantly contributed to its economic expansion, urbanization, and improved quality of life for its citizens.

The role of infrastructure in shaping a nation's progress cannot be overstated. It serves as the backbone upon which economic growth and future development rest. In line with the vision of achieving a \$40 trillion economy and transitioning from a developing to a developed economy by 2047, India's infrastructure development plays a pivotal role.

### Infrastructure Development in India

The post-independence era saw the Indian government prioritize infrastructure development as a means to foster economic growth and social progress. The green revolution, the establishment of industrial corridors, and investments in transportation networks were among the earliest initiatives aimed at building a robust foundation for economic development.

However, it wasn't until the liberalization of the economy in the 1990s that the infrastructure sector gained renewed

focus. Public-private partnerships (PPPs) emerged as a key strategy to bridge the funding gap and expedite project implementation. The creation of dedicated institutions like the National Highways Authority of India (NHAI) and the National Investment and Infrastructure Fund (NIIF) further facilitated project financing and execution. The National Infrastructure Pipeline (NIP), introduced in 2019 emphasizes social and infrastructure projects including energy, roads, railways, and urban development projects worth INR 102 Lakh Crores. NIP is complemented by the PM Gati-Shakti Master Plan which is dedicated to improving India's logistics network. In India Budget 2023-24, the Indian government emphasized the need for increased spending in the infrastructure sector and nearly trebled its infrastructure spending to 3.3% of GDP compared to its spending in 2019-20. The Budget has allocated INR 75000 Crores for 100 projects deemed critical to improving the overall multimodal logistics infrastructure.

The development of modern highways, railways, airports, and seaports has enhanced connectivity within the country and with the global market. The Golden Quadrilateral project, which connects the four major cities of Delhi, Mumbai, Chennai, and Kolkata, stands as a testament to India's commitment to improving transportation infrastructure.

The Sagarmala Programme that envisions reducing logistics cost of bulk commodities for domestic and international trade entails investing Rs. 8.5 Lakh Crore to set up new mega ports, modernizing existing ports, developing 14 Coastal Economic Zones (CEZs) and enhancing port connectivity via road, rail, multi-modal logistics parks, pipelines & waterways with the aim of boosting exports by US\$110 billion and generating around





10,000,000 direct and indirect jobs. Currently, a total of 802 projects worth Rs. 5.53 Lakh Crore are already underway of Sagarmala Programme.

The Bharatmala project with estimated cost of Rs. 6,92,324 Crore is an umbrella program for the highways sector in India that focuses on development of about 26,000 km length of economic corridors, which along with golden quadrilateral and north-south and east-west corridors are expected to carry majority of the freight traffic on roads. Further, about 8,000 km of inter corridors and about 7,500 km of feeder routes have been identified for improving effectiveness of economic corridors. Presently 10,000 kilometre project including national highways development project worth Rs.1.5 Lakh Crore is under the implementation stage.

The country's electricity consumption is projected to reach 1,280 Terawatt-hour (TWh) by 2040. Further, India has also committed to generating a 40% growth in non-fossil-fuel based energy sources by 2030. As of July 2023, India had 130.87 GW capacities of installed renewables. The expansion of renewable energy sources, particularly solar and wind power has bolstered India's energy security and sustainability goals. Initiatives like the International Solar Alliance demonstrate the country's leadership in addressing climate change through infrastructure development.

### Water Infrastructure

The drinking water flagship scheme under Jal Jeevan Mission (JJM) with a combined allocation of Rs 6.47 Lakh Crore (JJM-Rural: Rs.3.6 Lakh Crore, JJM-Urban: Rs.2.87 Lakh Crore) are progressing well. Recent updates on Jal Shakti Ministry website as on August 22, 2023 confirms that since the start of the scheme, almost 9.65 Crore new tap connections has been provided to rural households in the country. The coverage of tap water connection on pan India basis has increased to reach 67.02% from merely 16.82% at the beginning of the scheme. It has covered 88,730 Panchayats spread across 1,85,033 villages in the country as they have started getting assured clean tap water supply of adequate quantity. 9 states & UTs in the country (Gujarat, Haryana, Himachal Pradesh, Punjab, Telangana, Goa, Puducherry, Daman & Diu, and Andaman & Nicobar) have already achieved 100% household coverage and another 6 states (Arunachal Pradesh, Bihar, Mizoram, Sikkim, and Uttarakhand) have achieved between 80% to 96% coverage of their population.

At the time of announcement of Jal Jeevan Mission, 3.23 Crore (17%) rural households were reported to have tap water connections. So far, as reported by States/UTs as on 22 August 2023, around 9.65 Crore additional rural households have been provided with tap water connections under JJM. Thus, out of 19.47 Crore rural households in the country, around 12.89



Cre (67.2%) households are reported to have tap water supply in their homes and the remaining 6.35 Cre are likely to be covered by 2024.

For the financial year 2023-24, the JJM has been allocated Rs.70,000 Cre, 27% more than the revised estimates of 2022-23, in order to expedite the water supply infrastructure development to achieve the target of 'Har Ghar Jal' (water for every household) by 2024.

The Namami Gange Programme was launched in June 2014 for a period up to 31st March, 2021 to rejuvenate River Ganga and its tributaries with a budgetary outlay of Rs.20,000 Cre. Considering the need and spread of the Programme, Government of India has further approved Namami Gange Mission-II with a budgetary outlay of Rs.22,500 Cre till 2026, including projects for existing liabilities (Rs.11,225 Cre) and new projects (Rs.11,275 Cre).

So far, until 31st December 2022, a total of 409 projects have been taken up at an estimated cost of Rs. 32,912.40 Cre, out of which 232 projects have been completed and made operational. Majority of the projects pertain to creation of sewage infrastructure as the untreated domestic/industrial wastewater is the main reason for pollution in the river. 177 sewerage infrastructure projects have been taken up with a cost of Rs.26,673.06 Cre for creation & rehabilitation of 5,269.87 Million Litres per Day (MLD) of Sewage Treatment Plant (STP) capacity and laying of around 5,213.49 KM sewerage network. Among these, 99 sewerage projects have been completed resulting in creation & rehabilitation of 2,043.05 MLD of STP capacity and laying of 4,260.95 KM sewerage network. In order to sustain the continued operation of the sewage treatment infrastructure, Hybrid Annuity based PPP mode has also been adopted.

The Atal Mission for Rejuvenation and Urban Transformation 2.0 (AMRUT 2.0) scheme was launched on 01 October, 2021 for the period of 05 years i.e. from the financial year 2021-22 to the financial year 2025-26. AMRUT 2.0 is designed to provide universal coverage of water supply through functional taps to all households in all the statutory towns in the country

and coverage of sewerage/septage management in 500 cities covered in the first phase of the AMRUT scheme.

The total indicative outlay for AMRUT 2.0 is ₹2,99,000 Cre including Central outlay of ₹76,760 Cre for five years. This outlay includes funding of ₹22,000 Cre (₹10,000 Cre as Central Assistance) for ongoing projects of AMRUT till March 2023. The Central share of funds allocated to each State and Union Territory (UT) for AMRUT 2.0 projects stands at Rs.66,750 Cre.

Atal Bhujal Yojana is being implemented in water stressed Gram Panchayats of 229 administrative Blocks/Talukas in 80 districts of 7 States, viz., Haryana, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh for a period of 5 years from 01.04.2020. The scheme aims at community led sustainable ground water management through convergence of activities.

The scheme is being implemented through active participation of the communities in the participating States in various activities such as monitoring and disseminating ground water data, water budgeting, preparation of Gram Panchayat wise Water Security Plans having demand side as well as supply interventions proposed and their implementation through convergence of ongoing schemes and IEC activities related to sustainable groundwater management.

As on July 2023, the fund of Rs.1688.90 Cre have so far been released under the scheme to 7 participating States, as per performance based upon achievements of certain pre-defined indicators.

#### Growth Prospects in Infrastructure Sector

Some of the recent government initiatives and investments in the Infrastructure sector are as follows:

- Capital investment outlay for infrastructure is being increased by 33% to Rs.10 Lakh Cre (US\$ 122 billion), which would be 3.3 per cent of GDP and almost three times the outlay in 2019-20.
- AMRUT 2.0 is allocated Rs.2.99 Lakh Cre for next 5 years
- For the financial year 2023-24, the Jal Jeevan Mission has been allocated Rs.70,000 Cre

**“SPML Infra is becoming a future-ready water infrastructure company that will continue to innovate and support its clients to achieve their sustainable water management goals.”**





- Namami Gange Mission-II has a budgetary outlay of Rs.22,500 Crore till 2026
- As per the Union Budget 2023-24, a capital outlay of Rs. 2.40 Lakh Crore (US\$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14.
- Infrastructure Finance Secretariat is being established to enhance opportunities for private investment in infrastructure that will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure, and power.
- The Government has decided to continue the 50-year interest free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions, with a significantly enhanced outlay of Rs.1.3 Lakh Crore (US\$ 16 billion).
- 100 critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified and will be taken up on priority with investment of Rs. 75,000 Crore (US\$ 9 billion), including Rs. 15,000 Crore (US\$ 1.8 billion) from private sources.
- 50 additional airports, heliports, water aerodromes and advance landing grounds will be revived for improving regional air connectivity.
- An Urban Infrastructure Development Fund (UIDF) will be established through use of priority sector lending shortfall, which will be managed by the National Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.
- States will be encouraged to leverage resources from the grants of the 15th Finance Commission, as well as existing schemes, to adopt appropriate user charges while accessing the UIDF.
- For realizing the vision of “Make AI in India and Make AI work for India”, three centres of excellence for Artificial Intelligence will be set-up in top educational institutions.
- The Digital Public infrastructure for agriculture will be built as an open source, open standard and inter operable public good that will enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for growth of agri-tech industry and start-ups.
- Skill India International Centres to be set up across different States to skill youth for international opportunities.
- Central Processing Centre to be setup for faster response to companies through centralized handling of various forms filed with field offices under the Companies Act.

- Since 2016-17, the budget for the Pradhan Mantri Awas Yojana, the flagship housing scheme of the government, has increased 280% from Rs. 20,936 Crore (US\$ 2.5 billion) in the revised estimates of 2016-17 to Rs. 79,726 Crore (US\$ 9.6 billion) in the latest 2023-24 budget.
- The Awas Yojana budget estimate for 2023-'24 constitutes an allocation of Rs. 25,103 Crore (US\$ 3 billion) to Pradhan Mantri Awas Yojana-Urban and Rs. 54,487 Crore (US\$ 6.5 billion) to Pradhan Mantri Awas Yojana-Gramin.

The growing population, economic development and increased commercial activities and faster pace of urbanization will see hundreds of new cities to be developed over the next decade. Over the next 10 years, demand for urban freight is predicted to increase by 140%. Final-mile freight transit in Indian cities accounts for 50% of the total logistics expenditures in the country's increasing e-commerce supply chains. India is expected to become the third-largest construction market globally.

According to a 2022 Frost & Sullivan report, the Indian water and wastewater treatment market will likely reach Rs.23,250 Crore (\$2.08 billion) by 2025 from Rs.10,790 Crore (\$1.31 billion) in 2020, registering growth at a compound annual growth rate (CAGR) of 9.7%. The report also ranked India as the sixth largest market for environmental technologies in the world, with subsector rankings of second for water/wastewater management.

The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India's planning commission during the 12th five-year plan, with 40% of the funds coming from the private sector.



### Established Governance and Robust Risk Management

The Company's governance structure is characterized by clearly defined roles and responsibilities, which empower the Management to effectively identify, evaluate, and capitalize on business opportunities while proficiently managing risks. A comprehensive framework is also in place for strategic planning, execution, and performance tracking of the business plan. This includes a well-structured Business Risk Management process.

The organization's risk management framework is both sturdy and effective, addressing a spectrum of operational and business risks. Senior management routinely examines significant risk areas at defined intervals. Supported by comprehensive policies and protocols, the organization expertly recognizes, mitigates, and supervises risks at various levels. Through these proactive risk management initiatives, the Company ensures a seamless realization of strategic business objectives.

### Environment Consciousness

SPML Infra Limited is committed to upholding a secure and sustainable workplace, concurrently safeguarding the environment. The organization's relentless pursuit involves fortifying safety and health measures by leveraging incident data analysis, stakeholder input, compliance with evolving laws and regulations, and the adoption of industry-best practices to steer our endeavors. This commitment is seamlessly woven into our management systems and operations, aligning health, safety, and environmental considerations. Through an unwavering quest for enhancement, our objective is to forge a future that is not only more dependable but also environmentally conscious for all.

### Nurturing a Culture of Excellence

The Company's strategy for performance management revolves around fostering meaningful and high-calibre discussions that address the subjects of significance to its workforce. This approach involves a versatile framework centered on dialogues initiated by employees, accompanied by tools to bolster skill sets. Both managers and employees prioritize their contributions, strengths, and personal growth at the heart of these conversations.

Through its distinctive performance management methodology, SPML cultivates a culture of higher performance. This culture propels its employees to tap into their maximum potential, ultimately propelling the Company to higher standards. Performance remains a primary catalyst guiding the Company's human resource decisions, underscoring its ongoing commitment to instill a culture of continuous learning.

The Company consistently utilizes its digital learning ecosystem to provide robust support to its employees as they embark on their developmental paths. Project teams benefit from synergy-building programs, while an overarching leadership program operates to cultivate prospective leaders in different departments.



With unwavering commitment, SPML persists in capitalizing on its digital learning platform, to effectively engage employees across all groups. The Company remains dedicated to embracing diverse learning models, expediting the developmental journey of its workforce.

#### Prevention of sexual harassment at workplace

SPML believes in providing an equal employment opportunity to all section of the society. The Company is committed to creating a healthy working environment that enables employees to work without fear of prejudice and gender bias. As an organisation, the Company is dedicated to ensuring that each employee is accorded dignity and respect, and operates within a supportive work environment that fosters professional advancement and upholds equal opportunities for everyone. The Company has zero tolerance towards any act on the part of any employee, which may fall under the ambit of 'sexual harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee working in the Company.

Further, to provide an empowering and enabling atmosphere to women employees, the Company has continuously endeavoured to build the work culture, which promotes the respect and dignity of all women employees across the organisation. The Company has formulated a comprehensive policy on prevention,

prohibition and redressal against sexual harassment of women at workplace, which is also in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH').

#### Internal Control Mechanism

The internal controls of the Company are well-matched with the scale and intricacy of its operations. These controls underwent thorough testing over the course of the year, and no significant weaknesses in design or execution were identified. The Company has implemented strong policies and procedures that, among other things, guarantee ethical business conduct, protection of assets, and punctual creation of dependable financial data, accuracy and comprehensiveness in maintaining accounting records, and the prevention and identification of frauds and errors.

#### Cautionary Statement

Some statements within the context of Management Discussion and Analysis are forward-looking and are presented as mandated by relevant laws and regulations. It is important to note that the Company's future performance might be influenced by a multitude of factors that could deviate from the Directors' envisioned future performance and outlook.



# CORPORATE GOVERNANCE REPORT

## 1. COMPANY PHILOSOPHY ON CODE OF GOVERNANCE 2. BOARD OF DIRECTORS

Elements of Corporate Governance of SPML are accountability, fairness, transparency, ethic, trust, compliance and responsibility. The Company's philosophy on Corporate Governance is based on various principles such as to safeguard integrity in financial reporting, Good composition of Board to maximize the value, to make legal and statutory compliances in letter and spirit. The Company also ensures to evolve and follow the corporate governance diligently not only to enhance larger shareholders value but also to protect right of the minority shareholders.

The Company's philosophy ensures that it creates sustainable value for shareholders while fulfilling social obligations and complying with regulatory requirements.

### (a) Composition and Category of Directorship / Chairmanship

The composition of the Board of the Company is in accordance with Regulation 17 of the Listing (Obligations and Disclosures Requirements) Regulations, 2015, which maintains a combination of executive and non-executive directors. As on the date of this report, the Board comprises six Directors, including four Independent Directors and one Non-Executive Directors. The details of the Directors as on 31st March 2023 are as follows:

Sl No	Name of the Directors	Category	Other Directorship <sup>1</sup>	Committee Memberships <sup>2</sup>	Committee Chairmanships
1	Mr. Subhash Chand Sethi	Promoter & Executive Director - Whole Time Director, Chairman	6	1	Nil
2	Mr. Sushil Kumar Sethi	Promoter & Non-Executive Director, Vice-Chairman	6	1	Nil
3	Mr. Prem Singh Rana	Non-Executive Independent Director	2	-	1
4	Mr. Tirudaimarudhur Srivastan Sivashankar	Non-Executive Independent Director	1	1	1
5	Mrs. Pavitra Joshi Singh	Non-Executive Independent Director	Nil	2	Nil
6	Ms. Arundhuti Dhar	Non-Executive Independent Director	1	1	Nil

<sup>1</sup> The other directorship excludes the directorship in foreign companies and membership of managing committees of chambers of commerce/professional bodies.

<sup>2</sup> In accordance with Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/ Chairmanships of only Audit Committees and Stakeholders Relationship Committees in all public limited companies (including SPML Infra Limited) have been considered. Membership of Committees includes chairmanship, if any.

#### Notes:

- None of the Directors except Mr. Subhash Chand Sethi and Mr. Sushil Kumar Sethi is related to any of the Director.
- During the year, the Company did not have any material pecuniary relationship or transaction with any of the non-executive director's.
- During the year, the Company did not have any material pecuniary relationship or transaction with the Independent Directors other than the payment of fees for attending meetings of the Board and/or its Committee(s).
- None of the Directors hold the office of director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 17A of the SEBI LODR Regulations.

**(b) Attendance of Directors at the meeting of Board of Directors and the last Annual General Meeting:**

During the year under review the Board of the Company met 6 times on 06th April, 2022, 28th May, 2022, 28th July, 2022, 11th August, 2022, 14th November, 2022, and 13th February, 2023 respectively.

Sl No	Name of the Directors	No of board meetings held during the tenure of Directors <sup>1</sup>	No. of Board Meetings attended	Whether attended the last AGM
1	Mr. Subhash Chand Sethi	6	6	No
2	Mr. Sushil Kumar Sethi	6	6	Yes
3	Mr. Prem Singh Rana	6	6	Yes
4	Mr. Charan Singh*	5	5	No
5	Mr. Tirudaimarudhur Srivastan Sivashankar	6	6	Yes
6	Mrs. Pavitra Joshi Singh	6	2	Yes
7	Mrs. Arundhuti Dhar**	-	-	N.A.

<sup>1</sup>Excludes the separate meeting of Independent Directors

\* Mr. Charan Singh resigned from the Company w.e.f 14th November, 2022.

\*\*Ms. Arundhuti Dhar Appointed in the Company w.e.f 13th February 2023

**(c) Name of the other listed entities where a director is director and the category of directorship:**

Sl No	Name of the Director	Name of Other Listed Entities	Category of Directorship
1.	Mr. Sushil Kumar Sethi	SPML India Limited	Non-Executive Director
2.	Ms. Arundhuti Dhar	Eveready Industries India Ltd.	Independent Director

**(d) Details of equity shares of the Company and convertible instruments, if any, held by non- executive directors:**

Sl No	Name of the Directors	Category	Number of equity shares
1	Mr. Prem Singh Rana	Non-Executive & Independent Director	Nil
2	Mr. Tirudaimarudhur Srivastan Sivashankar	Non-Executive & Independent Director	Nil
3	Mrs. Pavitra Joshi Singh	Non-Executive & Independent Director	Nil
4	Ms. Arundhuti Dhar	Non-Executive & Independent Director	Nil
5	Mr. Sushil Kumar Sethi	Non-Executive Director	1,334,660

**(e) Familiarisation Programme for Independent Directors:** The Company follows familiarization programme for the Independent Directors as per the requirement of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The objective of this program is to provide insights into the Company and make them to understand the business so that they can contribute significantly to the Company. The detail of such familiarization programs framed by the board for its Independent directors can be accessed on the Company's website at [www.spml.co.in](http://www.spml.co.in)

**(f) Details of Skills, Expertise and Competence identified by the Board:** The Board has identified the following core skills and competencies, available with the Board that are essential for effective functioning of the business of the Company:



Areas	Details of Skills, Expertise and Competence	Name of the Directors
Leadership	Having leadership experience, judgment on issues of strategy, performance, risk management, resources and standards of conduct;	Mr. Subhash Chand Sethi Mr. Sushil Kumar Sethi Mr. Prem Singh Rana Mr. Tirudaimarudhur Srivastan Sivashankar
Expertise & Experience	Relevant expertise and experience relating to the business of the Company and project understanding, general management, business development	Mr. Subhash Chand Sethi Mr. Sushil Kumar Sethi Mr. Prem Singh Rana Mr. Tirudaimarudhur Srivastan Sivashankar Mrs. Pavitra Joshi Singh Ms. Arundhuti Dhar
Knowledge	Understands the business of the Company, resulting in knowledge for reviewing the proposed tender, increasing the brand value, achieving agreed goals and objectives and monitor the reporting of performance	Mr. Subhash Chand Sethi Mr. Sushil Kumar Sethi Mr. Prem Singh Rana Mr. Tirudaimarudhur Srivastan Sivashankar Mrs. Pavitra Joshi Singh Ms. Arundhuti Dhar
Financial Skill	Having depth knowledge of financial management, capital allocation, dealing with Banks and supervise the auditor or any other person who deals with financials if required	Mr. Subhash Chand Sethi Mr. Sushil Kumar Sethi Mr. Prem Singh Rana Mr. Tirudaimarudhur Srivastan Sivashankar Ms. Arundhuti Dhar

**(g) Confirmation on Independence of the Independent Director:** As per the disclosure received from the Independent Directors and in the opinion of the Board, the Independent Directors fulfill the conditions specified in Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

**(h) Reason for resignation of Independent Directors before expiry of their tenure:** Mr. Charan Singh resigns from the Company w.e.f. 14th November, 2022 due to his pre-occupation. He also confirmed that other than his pre-occupation there is no other reason for his resignation before the expiry of their tenure.

**i) Audit Committee**

**Brief description of terms of reference:** Audit Committee has been constituted in conformity with the provisions of Section 177 of the Companies Act, 2013 and rules framed thereunder and in line with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The objective of the Committee is to overview the Company's financial reporting processes, monitor and provide an effective supervision to ensure accurate and timely disclosures, compliance with legal and statutory requirements, the adequacy of internal control systems, review of related party transaction, functioning of Whistle Blower Mechanism, adequacy of internal audit function etc. within the given time frame.

**Composition, meetings and attendance:** During the year under review four Meetings of the Audit Committee has been held on 28th May, 2022, 11th August, 2022, 14th November, 2022, and 13th February, 2023 respectively.

The Composition of the Audit Committee as on March 31, 2023 and details of attendance for the Meetings of the Audit Committee are as under:

### 3. COMMITTEES OF THE BOARD

As on 31st March, 2023, the Board has five Committees for uninterrupted operation of the Company. The committees have been constituted to focus on the specific areas and make decisions with the delegated authorities. All the decisions and recommendation made by the various Committees are to be placed before the Board for their approval or record. The following Committees have been constituted by the Board. The detail of such committees viz Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee, Finance Committee, Corporate Social Responsibility Committee provided herein below:

SI No	Name of the Director	Category	No of Meetings held	No. of Meetings attended
1	Mr. Prem Singh Rana	Chairman/ Independent Director	4	4
2	Mr. Charan Singh*	Member/ Independent Director	3	3
3	Mr. Tirudaimarudhur Srivastan Sivashankar	Member/ Independent Director	4	4
4	Mrs. Pavitra Joshi Singh	Member/ Independent Director	4	1
5	Mr. Sushil Kumar Sethi	Member/ Non- Executive Director	4	4
6	Ms. Arundhuti Dhar**	Member/ Independent Director	-	-

\* Mr. Charan Singh resigned from the Company w.e.f 14th November, 2022

\*\* Ms. Arundhuti Dhar Appointed as the member of the Committee w.e.f 13th February 2023

## ii) Stakeholders' Relationship Committee

The Stakeholder Relationship Committee oversees, review and redress the grievances of shareholders in compliance with the Section 178 of Companies Act, 2013 read with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee is responsible for resolving shareholder's complaint with regard to share transfers, dividend, non-receipt of Annual Report, Shares Transfer, Duplicate Share Certificates and

other queries related to them.

During the year under review 1 Meetings of the Stakeholder Relationship Committee was held on 13th February, 2023.

The composition and the details of the attendance for the Meetings of the Stakeholder Relationship Committee are as under

SI. No.	Name of the Director	Category / Position	No of Meetings held	No. of Meetings attended
1.	Mr. Tirudaimarudhur Srivastan Sivashankar	Chairperson/Independent Director	1	1
2.	Mrs. Pavitra Joshi Singh	Member/ Independent Director	1	1
3.	Mr. Subhash Chand Sethi	Member/Executive Director	1	1

Mrs. Swati Agarwal, Company Secretary of the Company acts as the Compliance Officer of the Company.

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

The status of investors' grievances/correspondence during the year is as under:

(a) No. of Shareholders complaints received during the year	:	0
(b) No. of complaints disposed of during the year	:	0
(c) No. of complaints not resolved to the satisfaction of the Shareholders	:	0
(d) No. of pending complaints as on 31.03.2023	:	0

## iii) Nomination and Remuneration Committee:

**Brief description of terms of reference:** The purpose of Nomination and Remuneration Committee is to review the performance of the individuals whether to qualify to be an executive, non-executive and independent Director and to recommend to the Board for the approval of the same. The committee is also responsible to review the compensation programme for the individuals and other senior managerial personnel. In addition to above the committee makes recommendation to the Board the annual base salary, incentive, bonus employment agreement etc. of Executive Directors and other Senior Managerial Personnel. The powers, role and terms of reference of the Nomination & Remuneration Committee covers the areas as contemplated under Section 178 of the Companies Act, 2013 and Listing Regulations.

The Company Secretary of the Company acts as a Secretary to the Committee.

**Composition and attendance:** During the year under review one meeting of the Nomination and Remuneration Committee was held on 13th February, 2023.

The following is the Composition of the Committee & the details of the attendance for the Meetings of the Nomination and Remuneration Committee:

Sl No	Name of the Director	Category / Position	No of Meetings held	No. of Meetings attended
1	Mrs. Pavitra Joshi Singh	Chairperson/Independent Director	1	1
2	Mr. Prem Singh Rana	Member/Independent Director	1	1
3	Mr. Tirudaimarudhur Srivastan Sivashankar	Member/Independent Director	1	1

**Performance Evaluation criteria for Independent Directors:** In Compliance with provisions of Section 134, 149 and Schedule IV of the Companies Act, 2013 read with Schedule V and Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Performance Evaluation of Independent Directors was carried out by the entire Board. The Performance Evaluation is based on their contribution to Company's objectives and plans, efficient discharge of their responsibilities, participation in Board/Committee meetings and other relevant parameters such as decision making, independent judgment on issues of strategy, performance, risk management, standards of conduct, safeguard of confidential information, adherence to code of conduct, ethics, integrity.

**iv) Corporate Social Responsibility ("CSR") Committee.**

As on date of the report CSR Committees comprises of two independent directors and one non-executive director. Mr. Sushil Kumar Sethi, Non-Executive Director is the Chairman of the Committee, whereas Mr. Prem Singh Rana, Independent Director and Ms. Arundhuti Dhar, Independent Director are the members of the CSR Committee of the Board of Directors.

The Committee formulates and monitors the CSR Policy and recommends to the Board the annual CSR Plan of the Company pursuant to the provision of Companies Act, 2013.

During the year under review one meeting of the Corporate Social Responsibility Committee was held on 14th November, 2022.

**v) Finance Committee**

The Finance Committee has been constituted by the Board to carry on day to day matters relating to banking, availing the loans, investments, tendering, legal and other transactions as per the terms of the reference to the Committee by the Board.

**Composition and Meetings**

The Committee comprises of two Directors namely, Mr. Sushil Kumar Sethi and Mr. Subhash Chand Sethi. The Committee meets as and when it is required.

The Company Secretary of the Company acted as the secretary to the Committee.

**4. REMUNERATION OF DIRECTORS**

**Nomination, Remuneration and Performance Evaluation Policy:**

SPML's remuneration policy aims at attracting and retaining high caliber talent. The remuneration policy, therefore, is market-led and takes into account the competitive circumstance of each business to attract and retain quality talent and leverage performance significantly. Whole-time Director's Remuneration payment is governed by their terms of appointment as recommended by the Nomination and Remuneration Committee and approved by the Board subject to the approval of Shareholders and the Central Government, if applicable. Independent Directors of the Company are paid sitting fees for attending the meetings of the Board/ Committees subject to ceiling/limits as provided under Companies Act, 2013 and rules made thereunder. The Nomination and Remuneration Committee recommends and approves the remuneration of Directors and Key Managerial Personnel, subject to approval of board or shareholders, wherever necessary. The Policy on Nomination, remuneration and performance evaluation of Directors, Key Managerial Personnel and other employees of the Company is provided in the website of the Company [www.spml.co.in](http://www.spml.co.in).

**(a) Details of the remuneration for the financial year 2022-23****(i) Executive Directors:**

Name of Director	Salary (₹)	Commission (₹)	Benefits, Perquisites and Allowances (₹)	Term
Mr. Subhash Chand Sethi	93,53,508	-	-	5 Years w.e.f. 01.01.2020

The above remuneration is excluding the liability towards payment of Personal Accident Insurance Premium and Gratuity.

**(ii) Non-Executive Directors:**

Sl. No	Name of Director	Sitting Fees (₹)
1	Mr. Prem Singh Rana	3,30,000
2	Mr. Charan Singh*	2,30,000
3	Mr. Tirudaimarudhur Srivastan Sivashankar	3,30,000
4	Mrs. Pavitra Joshi Singh	1,40,000
5	Ms. Arundhuti Dhar**	40,000

\*resigns w.e.f. 14th November, 2022

\*\* appointed w.e.f. 13th February, 2023

Further, Mr. Sushil Kumar Sethi, Non-Executive Director is not entitled for any remuneration/sitting fees

**5. GENERAL BODY MEETINGS****a. Location and time of the last three Annual General Meetings held:**

Year	Venue	Date	Time	Special Resolution passed
2021-22	Held through Video Conferencing/ Other Audio Visual Means	26th September, 2022	01:00 PM	-
2020-21	Held through Video Conferencing/ Other Audio Visual Means	29th September, 2021	02:30 PM	1. Shifting of Registered Office of the Company 2. To Disclose the Corrigendum Issued by the Company Pertaining to Extra Ordinary General Meeting held on 25.03.2021 for the Disclosure of Pre and Post Shareholding of Allottees in Case of Conversion of Loan into Equity to Promoters
2019-20	Held through Video Conferencing/ Other Audio Visual Means	17th December, 2020	02:30 PM	3. Special Resolution under Section 149 of the Companies Act, 2013 2013 to re-appoint Mr. Dinesh Kumar Goyal as an Independent Director of the Company.

\*Mr. Tumul Maheshwari, Company Secretary in whole-time practice, New Delhi was appointed by the Board as the Scrutinizer for e-voting and remote e-voting process during the Annual General Meetings held for financial year 2021-22 and 2020-21 in a fair and transparent manner and Mr. R. S Bhatia, Company Secretary in whole-time practice, New Delhi was appointed by the Board as the Scrutinizer for e-voting and remote e-voting process during the Annual General Meetings held for 2019-20 in a fair and transparent manner.

**b. Location and the time of Extraordinary General Meetings held during the FY 2022-23:** An Extra Ordinary General Meeting of the Company was held on 15th July, 2022 through Video Conferencing/Other Audio Visual Means at 12:30 PM.

**c. Detail of Special Resolution passed during FY 2022-23 through Postal Ballot:** There was 1 Postal Ballot conducted during the FY 2022-23. However, no Special Resolution was passed through Postal Ballot.

**d. Person who conducted the Postal Ballot exercise:** Mr. Tumul Maheshwari, Practicing Company Secretary was appointed as scrutinizer for conducting the postal Ballot in fair and transparent manner.

**e. Whether any Special Resolution is proposed to be conducted through postal ballot:** There are no special resolutions proposed to be conducted through a postal ballot regarding any of the matters to be discussed at the forthcoming AGM.

- f. Procedure for Postal Ballot:** The aforementioned Postal Ballot was conducted solely through the Remote E-Voting process in accordance with the regulations set forth in Sections 108 and 110, as well as other applicable provisions of the Companies Act, 2013 and its corresponding Rules.

Mr. Tumul Maheshwari, Practicing Company Secretary, was appointed as Scrutinizer, for conducting the above Postal Ballot through the Remote E-Voting process in fair and transparently manner.

## 6. MEANS OF COMMUNICATION

The quarterly, half yearly and annual financial results of the Company are published in leading newspaper usually Business Standard in English & Hindi editions. The financial results, annual report, notices to the shareholders meetings, results of postal ballots, results of e-voting, news releases, press releases, important announcements are sent to the stock exchanges and are also displayed on Company's website at [www.spml.co.in](http://www.spml.co.in).

## 7. GENERAL SHAREHOLDER INFORMATION

### i) Annual General Meeting for FY 2022-23

Date	: 30th September, 2023
Time	: 12:30 PM
Venue	: The Company is conducting meeting through VC/OVAM.

### ii) Financial Calendar (tentative)

: Financial Year- 1st Apr 2023 to 31st Mar 2024
<b>Adoption of Results for the Quarter ending:</b>
a) 30th Jun 2023 - During August, 2023
b) 30th Sep 2023 - During November, 2023
c) 31st Dec 2023 - During February, 2024
d) 31st Mar 2024- During May, 2024

### iii) Dividend Payment Date

: Not Applicable.

### iv) Book Closure Date

: from 23rd September, 2023 to 30th September, 2023 (both days inclusive)

### v) Listing on Stock Exchanges

: **The BSE Limited (BSE)**  
(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 2023-24 has been paid to the NSE& BSE.  
The confirmation of delisting from Calcutta Stock Exchange is awaited.

### vi) Stock Code

: BSE - '500402', NSE - 'SPMLINFRA'

### vii) ISIN No

: INE937A01023

### viii) Registrar & Transfer Agents

: Maheshwari Datamatics Pvt. Ltd.  
23, R.N. Mukherjee Road Kolkata - 700 001  
Phone: +91-033-2248 2248  
email: mdpldc@yahoo.com

### ix) Debenture Trustee

: SBICAP Trustee Company Limited  
6th Floor, Apeejay House  
3, Dinshaw Wachha Road,  
Churchgate, Mumbai- 400020

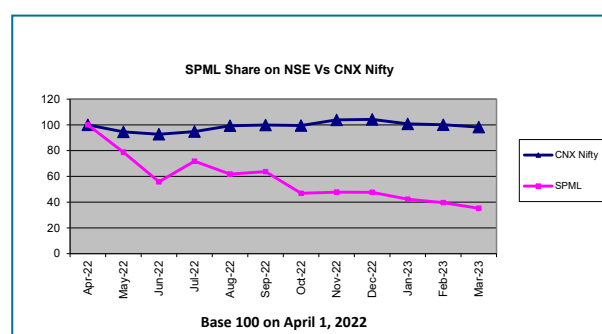
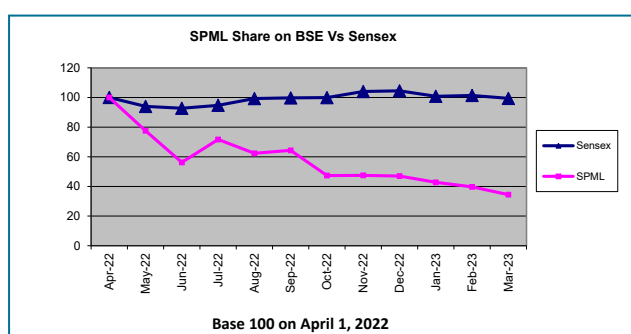
x) **Stock Prices data and performance of Company's share prices vis-à-vis Nifty & Sensex;**

a) **Share Price Data at BSE and NSE**

₹ Per share

Month	National Stock Exchange		BSE Limited	
	High	Low	High	Low
April, 2022	75.35	56.80	75.40	57.00
May, 2022	59.40	34.30	58.50	34.30
June, 2022	42.00	30.35	42.40	30.55
July, 2022	54.10	34.65	54.05	34.60
August, 2022	46.55	34.35	47.00	34.60
September, 2022	48.00	32.90	48.50	33.00
October, 2022	35.30	29.40	35.70	29.25
November, 2022	36.00	23.60	35.80	23.75
December, 2022	35.90	23.65	35.45	23.70
January, 2023	31.85	23.65	32.25	23.85
February, 2023	29.85	22.70	29.95	22.90
March, 2023	26.55	16.75	25.97	16.75

b) **Performance of Company's Share Price (monthly basis) vis-à-vis Sensex and CNX Nifty**



xi) **Trading of Securities of the Company and detail of suspension during the Financial Year 2022-23**

The Equity Shares of the Company were traded continuously at the National Stock Exchange Limited (NSE) and BSE Limited under the Scrip Code "SPMLINFRA" at NSE and "500402" at BSE and there was no event of suspension of trading during the year.

xii) **Share Transfer System**

The Board has constituted the Stakeholder Relationship Committee and delegated the power of transfer to the Committee. The Committee holds its meeting as and when required, to consider all matters concerning transfer and transaction of shares. 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, yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

xiii) **Reconciliation of Share Capital Audit Report**

As required under Regulation 76 of SEBI (Depositories and Participants), Regulations, 2018, the reconciliation of share capital audit report on the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") and the total issued and listed capital for each of the quarter in the financial year ended March 31, 2023 was carried out. The audit reports confirm that the total issued / paid-up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.



**xiv) Distribution of Shareholding by size as on March 31, 2023**

Shares held From - To	Number of Shareholders	Number of Shares	% of Total Shares
1- 500	9445	1233040	2.72
501-1000	1005	829140	1.83
1001-2000	600	933243	2.05
2001-3000	233	600786	1.32
3001-4000	130	473414	1.04
4001-5000	106	498351	1.10
5001-10000	182	1378562	3.03
>10000	219	39476460	86.91
<b>Total</b>	<b>11920</b>	<b>45422996</b>	<b>100.00</b>

**xv) Dematerialization of Shares and Liquidity**

The Company has arrangements with both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL), to establish electronic connectivity for trading of Company's shares. As on 31st March, 2023 Equity Shares of the Company, forming 99.66% of total shareholding stands dematerialized. The International Securities Identification Number (ISIN) allotted to the Company's shares is 'INE937A01023'.

The shares of the Company are traded in compulsory Demat Mode at National Stock Exchange Limited (NSE) and BSE Limited (BSE)

**xvi) Share Ownership Pattern as on March 31, 2023.**

Category	No. of Shares held	% shareholding
Promoter and Promoter Group	16397880	36.10
Financial Institutions / Banks / Foreign Institutional Investors	1145406	2.52
Corporate Bodies	5801122	12.77
Resident Individual including HUF	15273667	33.63
Non Resident Individual	1112643	2.45
Clearing Members	60141	0.13
Investor Education and Protection Fund Authority	138261	0.30
Foreign Company	5493876	12.10
<b>Total:</b>	<b>45422996</b>	<b>100.00</b>

**xvii) Outstanding Global Depository Receipt (GDR) or American Depository Receipt (ADR) or Warrants or any convertible instruments:** The Company has not issued any GDR, ADR, or Warrant. However, as on 31st March 2023 there are 5,239,067 Optionally Convertible Debentures (OCDs) of Rs. 1000 each are outstanding, which were issued to the lender banks of the Company in pursuance of Scheme for Sustainable Structuring of Stressed Assets (SPML S4A Scheme) as approved by the Overseeing Committee formed under the aegis of Reserve Bank of India. These OCDs can be converted within a period of 10 years from the date of allotment, in case of occurrence of any event of defaults as defined under the S4A documents at a price to be determined at the time of conversion of OCD into Equity shares of the Company. As the date and rate of conversion is not known at present and therefore, the impact of conversion on equity cannot be ascertained.

**xviii) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:** The Company does not deal with commodities and in the foreign market. Hence, no Commodity price risk or foreign exchange risk was involved during the period under review.

**xix) Plant Locations:** As the company is in the business of providing infrastructure services, it operates from various project / site offices across India.

**xx) Address for Correspondence:**

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

The Company Secretary  
SPML Infra Limited  
22, Camac Street, Block-A,  
3rd Floor, Kolkata- 700016  
E-mail: [cs@spml.co.in](mailto:cs@spml.co.in)  
Website: [www.spml.co.in](http://www.spml.co.in)

**xxi) Credit Ratings**

As the Company account is NPA no credit rating has been assigned to the Company. However, ICRA Ltd and Brickwork Ratings India Pvt. Ltd., the Credit Rating Agencies, have assigned "RP4" rating to the debt of the Company to restructure the debt of the Company.

**8. OTHER DISCLOSURES****a. Related Party Transactions:**

Pursuant to the provisions of Section 188 of the Companies Act, 2013, rules framed thereunder read with Regulation 23 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the related party transaction entered during the year under review were on an arm's length basis and in the ordinary course of business and have been approved by the Audit Committee as well as Board wherever required.

Further, for the transactions which are repetitive in nature, prior omnibus approval has also been obtained from the Audit Committee. All the Related Party Transactions are placed on quarterly basis before the Audit Committee and Board for their review. The Board has approved and adopted a policy on Related Party Transactions, which is available on the website of the Company at [www.spml.co.in](http://www.spml.co.in).

The significant accounting policies which are applied have been set out in the Notes to Financial Statements. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. The detail on related party transaction has been provided in the Directors Report.

**b. Detail of Non Compliance by the Company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital market:**

There was no instance of non-compliance by the Company on any matter related to Capital markets during the last three years and no penalties, strictures imposed on the Company by Stock Exchange, SEBI or any other statutory authority related to capital market during the year under review.

**c. Detail of Non Compliance under any requirement of Corporate Governance:**

There was no instance of non-compliance by the Company on any requirement of Corporate Governance during the year under review.

**d. Whistle Blower Policy:**

The Company has adopted a Vigil Mechanism/ Whistle Blower Policy as defined under Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to provide a formal mechanism to the Directors and Employees under which they are free to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Policy to the Chairman of the Audit Committee. The Company affirms that no person has been denied access to the Chairman of Audit Committee. The whistle blower policy is available at Company's website at [www.spml.co.in](http://www.spml.co.in).

**e. Compliance with mandatory & non-mandatory requirement under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:****i. Mandatory Requirements:**

The Company has complied with all mandatory requirements laid down by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**ii. Non Mandatory Requirements:**

The Non-mandatory requirements complied with has been disclosed at the relevant places.

**f. Policy for determining material subsidiaries**

In terms of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website at [www.spml.co.in](http://www.spml.co.in).

**g. Utilization of funds raised through preferential allotment:**

During the year under review the Company has not raised any new fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A). However, Company has converted 1,627,465 Compulsorily Convertible Preference Shares (CCPS) of Rs. 100/- each into 3,254,930 Equity Shares of the face value of Rs.2/- each at a price of Rs. 50/- each (including a premium of Rs.48/- each) and converted part of loan of Unsecured Financial Creditors into 2,742,790 equity Shares of the face value of Rs. 2/- each at an issue price of Rs. 57/- each (including a premium of Rs. 55/- each) aggregating to Rs. 1,563.39 Lakh.

**h. Certificate from Practicing Company Secretary:**

A Certificate from Mr. Tumul Maheshwari, Practicing Company Secretary has been received that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

**i. Detail of any instances for not accepting any recommendations of any committee by the Board:**

During the financial 2022-23, there was no instances recorded where the Board of the Company has not accepted any recommendations of any committee.

**j. Details of fees paid to Statutory Auditors**

During the Financial year, a total fees of Rs. 45,78,857/- for all services was paid by the Company and its Subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor.

**k. Disclosure in relation to sexual harassment of women at workplace**

During the year under review Company has not received any complaint from any of the women employee in relation to Sexual Harassment of Women at Workplace (prevention, Prohibition and Redressal) Act, 2013.

The status of complaints received, disposed of and pending during the FY 2022-23 is as under:

- (a) No. of complaints filed during the financial year : Nil
- (b) No. of complaints disposed of during the year : Nil
- (c) No. of complaints pending as on end of the financial year : Nil

**l. Compliance with regard to dealing with Unclaimed Shares pursuant to Section 124 and SEBI's Listing Regulations - Uniform Procedure for Unclaimed Shares:**

Pursuant to the General Circulars issued by the Ministry of Corporate Affairs with respect to Section 124 (6) of the Companies Act, 2013 read with Rules made thereunder in relation to transfer of unclaimed shares to Investor Education and Protection Fund (IEPF), the Company has complied with all the required formalities by transferring the Unclaimed Shares in pursuance of the requirements of the aforesaid rules.

**m. Disclosure under Regulation 30 and 46 of SEBI Listing Regulations regarding certain agreements with the media companies:**

Pursuant to the requirement of Regulation 30 of the SEBI Listing Regulations, the Company would like to inform that no agreement(s) have been entered with media companies and/or their associates which has resulted/ will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable.

**9. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:**

Not Applicable

**10. DISCRETIONARY REQUIREMENTS:**

**(a) The Board:** As the Chairman of the Board is an Executive Director and therefore, the discretionary requirements for re-imburement of expenses incurred in performance of his duties is not applicable.

**(b) Shareholder's Right:** The quarterly and half yearly financial results of the Company are published in the newspaper and also posted on the website of the Company.

**(c) Modified Opinion in the Auditor's Report:** The financial Statement of the Company for the year ended 31st March, 2023 contains modified audit opinion. The management is putting all efforts to achieve regime of financial statements with unmodified audit opinions.

**(d) Separate post of Chairman & CEO:** The Post of Chairperson of the Company is separate from the post of Managing Director or Chief Executive officer

**(e) Reporting of Internal Auditor:** The Internal Auditor of the Company makes half yearly/yearly presentation to the Audit Committee on their reports.

**11. CEO / CFO CERTIFICATION**

The Wholetime Director and CFO have certified to the Board in accordance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to CEO / CFO certification for the financial year ended 31st March, 2023.

**12. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

As required by Part E of the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors' certificate is annexed to this report.

**13. 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 executive and non-executive directors and 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) and circulated to all members of the Board and Senior Management.

A declaration by the Whole Time Director of the Company that all the Board members and senior management personnel have affirmed compliance with Company's Code of Conduct forms part of this report.

For SPML Infra Limited

**Subhash Chand Sethi**

Chairman

DIN 00464390

Place: Kolkata

Date: 14th August, 2023

## DECLARATION BY THE WHOLE TIME DIRECTOR ON COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the SPML Code of Business Conduct and Ethics as applicable to them for the financial year 2022-23.

For SPML Infra Limited

Place: Kolkata  
Date: 14th August, 2023

**Subhash Chand Sethi**  
Whole-Time Director  
DIN 00464390

## CEO/CFO CERTIFICATION

To,  
The Board of Directors  
SPML Infra Limited

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2023 and to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee that:
  - i. there are no significant changes in internal control over financial reporting during the year;
  - ii. there are no significant changes in accounting policies during the year; and
  - iii. there are no instances of significant fraud of which we have become aware.

Place: Kolkata  
Date: 13th June, 2023

**Subhash Chand Sethi**  
Whole Time Director

**Manoj Kumar Digga**  
Chief Financial Officer

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
SPML INFRA LIMITED  
F-27/2, Okhla Industrial Area, Phase-II,  
New Delhi-110020

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SPML INFRA LIMITED having CIN L40106DL1981PLC012228 and having registered office at F-27/2, Okhla Industrial Area, Phase-II, New Delhi-110020 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me / us by the Company & its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Therefore, following Directors of SPML INFRA LIMITED as on 6th June 2023 stand qualified for being appointed or continuing as Directors of companies:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	SHRI SUSHIL KUMAR SETHI	00062927	27/08/1981
2	SHRI SUBHASH CHAND SETHI	00464390	01/06/1984
3	SHRI PREM SINGH RANA	00129300	10/02/2014
4	SMT. PAVITRA JOSHI SINGH	08355578	25/02/2019
5	SHRI SRIVATSAN IVASHANKAR TIRUVIDAIMARUDHUR	02720714	08/06/2021
6	SMT. ARUNDHUTI DHAR	03197285	13/02/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For MT & Co.**  
Company Secretaries

**(Tumul Maheshwari)**  
Proprietor  
ACS-16464  
C.P. No. 5554  
ICSI PR-1749/2022

Place: Delhi  
Date: 06th June, 2023  
UDIN No. A016464E000460512



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
SPML Infra Limited

We have examined the compliance of conditions of Corporate Governance by SPML Infra Limited ("the Company") for the year ended 31st March 2023, as stipulated under Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(the "SEBI Listing Regulations").

The compliance of conditions of corporate governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an 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 representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI

Listing Regulations.

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 Maheshwari & Associates**  
Chartered Accountants  
Firm Registration No 311008E

**CA Bijay Murmuria**  
Partner

Membership No 055788  
UDIN: 23055788BGYJRF3073

Place: Kolkata  
Date: 14th August, 2023

# **STANDALONE FINANCIAL STATEMENTS**

# INDEPENDENT AUDITORS' REPORT

To the Members of SPML Infra Limited

## Report on the Audit of the Standalone Financial Statements

### Qualified Opinion

We have audited the accompanying standalone financial statements of SPML Infra Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors in respect of certain joint operations, as referred to in the Other Matters section of our report below, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, of the state of affairs of the Company as at 31st March, 2023, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

#### As stated in:

- a. Note no. 42 to the standalone financial statements, interest on YTM basis amounting to ₹6,276.13 lakhs (31st March, 2022: ₹6,027.24 lakhs) was not provided on Optionally Convertible Debentures ('OCDs') issued to lenders under S4A scheme, which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had such interest expense been recognized, the finance costs, profit before tax, profit after tax and total comprehensive income would have been impacted to the extent of the aforesaid amount for the year ended 31st March, 2023. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is ₹29,590.66 lakhs as at 31st March, 2023 (31st March, 2022: ₹23,314.53 lakhs). The Auditor's Report for the year ended 31st March, 2022 was also qualified in respect of this matter.
- b. Note no. 16.5 to the standalone financial statements, interest expense of ₹19,951.70 lakhs and ₹491.86 lakhs on the Company's borrowings from certain financial creditors (banks) and certain financial creditors (other than banks)

respectively, has not been recognized for the year ended 31st March, 2023 (31st March, 2022: ₹19,795.66 lakhs and ₹714.06 lakhs respectively). This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid interest expenses been recognized, the finance costs, profit before tax, profit after tax and total comprehensive income would have been impacted to the extent of the aforesaid amounts for the year ended 31st March, 2023. The Auditor's Report for the year ended 31st March, 2022 was also qualified in respect of this matter.

- c. Note no. 43 to the standalone financial statements, the Company's trade receivables (net of ECL) as at 31st March, 2023 includes ₹7,372.07 lakhs (31st March, 2022: ₹8,066.17 lakhs) relating to certain projects where the claims are presently under arbitration/ litigation proceedings. Pending the ultimate outcome of these matters (fate of which is presently unascertainable), we are unable to comment on the recoverability thereof. The Auditor's Report for the year ended 31st March, 2022 was also qualified in respect of this matter.

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

### Emphasis of Matters

We draw attention to the following notes to the standalone financial statements:

- (i) Note no. 44, regarding uncertainties relating to the recoverability of certain trade & other receivables as at 31st March, 2023 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Company.
- (ii) Note no. 41, regarding write back of ₹603.16 lakhs (31st March, 2022: ₹727.96 lakhs) in respect of certain credit balances.
- (iii) Note no. 47, regarding postponement of recognition of income from interest on unsecured loans given to certain subsidiaries, joint ventures and associates which are impaired fully/partially by way of expected credit losses.

- (iv) Note no. 16.4 , which indicates that the Company has defaulted in payment of dues to certain financial creditors and its borrowing facilities with banks are irregular as at 31st March, 2023. Based on the mitigating factors as mentioned in the aforesaid Note no. 16.4, the Company's Board of Directors is of the view that going concern basis of accounting is appropriate for preparation of the standalone financial statements.

**Our opinion is not modified in respect of these matters.**

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section hereinabove, we have determined the matters described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Pending litigations (refer Note no. 31 to the standalone financial statements )</b></p> <p>The Company is subject to number of claims and litigations including arbitrations, mainly with customers and tax authorities. The assessment of the likely outcome of these matters can be judgmental due to the uncertainty inherent in their nature.</p> <p>This area is significant to our audit, since the accounting and disclosure of claims and litigations are complex and judgmental, and the amounts involved are, or maybe, material to the standalone financial statements.</p>	<p>Principal Audit Procedures:</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of the design and implementation of the Company's controls over the assessment of litigations and completeness of disclosures. Supporting documentations are tested to assess the status of Arbitrations/legal proceedings with reference to related counselors' views for likely outcome of these matters.</li> </ul>

### Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation

of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- a. We did not audit the financial statements / financial information of 4 (four) joint operations included in the standalone financial statements, whose financial statements / financial information reflect total assets of ₹14,010.28 lakhs as at 31st March, 2023, total revenues of ₹23,440.93 lakhs and total net profit after tax of ₹21.93 lakhs for the year ended on that date, as considered in the standalone financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Company's management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on the audit reports of such other auditors and on the procedures performed by us as stated in the section Auditor's Responsibilities for the Audit of the Standalone Financial Statements hereinabove.
- b. We did not audit the financial statements / financial information of 5 (five) joint operations included in the standalone financial statements, whose financial statements / financial information reflect total assets of ₹2,224.35 lakhs as at 31st March, 2023, total revenues of ₹11,347.28 lakhs and total net profit after

tax of ₹15.23 lakhs for the year ended on that date, as considered in the standalone financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Company's management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Company's management, these financial statements / financial information are not material to the Standalone Financial Statements.

- c. Owing to non-availability of financial statements/ financial information/financial results of 3 (three) joint operations, the same were not included in the standalone financial statements. According to the information and explanations given to us by the Company's management, such financial statements/ financial information/financial results are not material to the Standalone Financial Statements.

**Our opinion is not modified in respect of these matters.**

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure – A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and except for the possible effect of the matters described in the Basis for Qualified Opinion section hereinabove, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) Except for the possible effects of the matters described in the Basis for Qualified Opinion section hereinabove, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
  - d) Except for the effects of the matters described in the Basis for Qualified Opinion section hereinabove, in our

opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended ;

- e) The matters described in the Basis for Qualified Opinion section hereinabove may have an adverse effect on the functioning of the Company;
- f) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.;
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section hereinabove;
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B"
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note no. 31 to the standalone financial statements;
  - ii. Except for the possible effects of the matters described in the Basis for Qualified Opinion section hereinabove, the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or



share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including a foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including a foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit

and Auditors) Rules, 2014, as amended, as provided under (a) and (b) above, contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company. Hence, compliance with Section 123 of the Act is not applicable.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.
3. In our opinion, according to the information and explanations given to us, remuneration paid by the Company to its directors for the year ended 31st March, 2023 has been in accordance with the provisions of section 197 read with Schedule V to the Act;

For **Maheshwari & Associates**  
Chartered Accountants  
FRN: 311008E

**CA. Bijay Murmuria**  
Partner

Place: Kolkata  
Date: 13<sup>th</sup> June, 2023

Membership No.: 055788  
UDIN: 23055788BGYJQW9579

## Annexure-A to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date, to the members of SPML Infra Limited on the standalone financial statements for the year ended March 31, 2023]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which they are verified in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were physically verified by the management and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
- (c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements and included under the head 'Property, Plant and Equipment', are held in the name of Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Hence, reporting under clause 3(i)(d) of the Order is not applicable.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and the coverage and procedure of such verification by the management seems to be appropriate; no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks/financial institutions on the basis of security of current assets of the Company; as explained and represented to us by the Company, since the Company's borrowal facilities with banks have been classified as non-performing assets, the company has not filed any quarterly returns or statements with such banks during the financial year. Note no 16.6 to the financial statements may also be referred to in this regard.
- iii. (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to any other entity. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In our opinion, the investments made by the Company are prima facie not prejudicial to the Company's interest. The Company has not provided any guarantees or given any security; the terms and conditions of grant of certain loans to companies which are 'related parties' are prima facie prejudicial to the Company's interest on account of the fact that they are unsecured and were granted at rates of interest which are lower than the cost of funds to the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated but in some cases the repayments of principal and receipts of interest are irregular.
- (d) In respect of loans granted by the Company, there is no overdue for more than 90 days as at the balance sheet date.
- (e) There were no loans or advances in the nature of loan granted to any parties which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.

- iv. In our opinion, Company has complied with the provisions of section 185 and 186 of the Act, to the extent applicable, in respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The Company is required to maintain cost records under sub-section (1) of section 148 of the Act. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records u/s 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

We have not, however, made a detailed examination of the same.

- vii. (a) Undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, have not been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they become payable are as follows :

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Due date	Date of payment
Professional Tax	Professional Tax	9.56	June 2016 to August 2022	15th day of the subsequent month	Not yet paid
Employee State Insurance,1948	Employee State Insurance Dues	18.93	June 2016 to August 2020	15th day of the subsequent month	Not yet paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund dues	0.25	April 2022 to August 2022	15th day of the subsequent month	April 29, 2023
Gujarat Value Added Tax Act, 2003	Works Contract Tax	3.82	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
Uttar Pradesh Value Added Tax Act, 2008	Works Contract Tax	3.17	Mar 2016 to June 2017	15th day of the subsequent month	Not yet paid
Delhi Value Added Tax Act, 2005	Works Contract Tax	11.94	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
Jharkhand Value Added Tax Act, 2005	Works Contract Tax	4.19	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
Tripura Value Added Tax Act, 2005	Works Contract Tax	1.22	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
Bihar Value Added Tax Act, 2005	Works Contract Tax	124.48	Apr 2015 to August 2016	15th day of the subsequent month	Not yet paid
Rajasthan Value Added Tax Act, 2003	Works Contract Tax	2.09	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
The Orissa Value Added Tax Act, 2004	Works Contract Tax	1.76	Apr 2015 to June 2017	15th day of the subsequent month	Not yet paid

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited with the appropriate authorities as on March 31, 2023, on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Non production of C and E forms	105.10	-	FY 2005-06	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Central Sales Tax Act, 1956	Claim exemption u/s 6(2)of Central Sales Tax Act,1956	293.97	-	FY 2007-08	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal Value Added Tax Act, 2003	Non production of C and E forms	105.34	-	FY 2007-08	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Claim exemption u/s 6(2) of Central Sales Tax Act, 1956	404.98	-	FY 2008-09	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Central Sales Tax Act, 1956	Non production of C and E forms	285.55	-	FY 2009-10	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal Value Added Tax Act, 2003	Denial of deduction u/s 18(2) of the WB VAT Act	335.63	-	FY 2009-10	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal Value Added Tax Act, 2003	Exemption under RGGVY scheme & Denial of deduction u/s 18(2) of the WB VAT Act	95.74	-	FY 2008-09	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal Value Added Tax Act, 2003	Disallowance of input tax credit, interest charged and demand of purchase and output tax	75.27	-	FY 2012-13	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Bihar VAT Act, 2005	Disallowance of labour component	43.13	-	FY 2007-08	JCCT Appeals, Patna
Bihar VAT Act, 2005	Denied the exemption u/s 6(2) of the CST Act, on the grounds of pre-determined sales and non-production of statutory forms	234.27	-	FY 2010-11	JCCT Appeals, Patna
Central Sales Tax Act, 1956	Our CST Sales u/s 6(2) IS accepted and taxed where Form C and E1 are due to be received and produced, interest added	82.12	-	FY 2011-12	JCCT Appeals, Patna
UP VAT Act, 2008	Tax Liability on Exempted project RGGVY sales	44.13	8.82	FY 2007-08	Additional Commissioner, Agra
Jharkhand VAT Act, 2005	Tax Demand on receipts and suppression of turnover	193.41	-	FY 2005-06 to 2010-11	JCCT (Appeals) Jamshedpur
Jharkhand VAT Act, 2005	Tax Demand on receipts and suppression of turnover	38.24	-	FY 2011-12	JCCT (Appeals) Jamshedpur
Central Sales Tax Act, 1956	Tax Demand on receipts and suppression of turnover	61.53	-	FY 2011-12	JCCT (Appeals) Jamshedpur
Delhi VAT Act, 2004	Miscellaneous Demand	26.00	-	FY 2012-13	Commissioner DVAT, Delhi
Rajasthan VAT Act, 2003	Tax liability on interstate Sales	9.37	-	FY 2009-10	Deputy Commissioner, Appeals-II Jaipur
Rajasthan VAT Act, 2003	Tax liability on interstate Sales	110.64	-	FY 2011-12	Deputy Commissioner, Appeals-II Jaipur
Bihar VAT Act, 2005	Denied the exemption u/s 6(2) of the CST Act, on the grounds of pre-determined sales and non-production of statutory forms	163.49	20.00	FY 2013-14	JCCT Appeals, Patna
Finance Act, 1994	Service Tax	23.13	-	FY 2005-06 to 2006-07	Commissioner Service Tax, Kolkata
West Bengal Value Added Tax Act, 2003	CST 6(2) sales taxed under VAT Act at full rate.	1,132.94		FY 2016-17	Sr JCCT, Appeals, Commercial Taxes, Kolkata
Central Sales Tax Act, 1956	Non submission of "C" forms and "E" forms	91.44		FY 2014-15	Appeal filed at JCCT - Patna

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(a) As at March 31, 2023, the Company is in default in respect of repayment of loans/ borrowings and in the payment of interest thereon to the following banks as detailed below:

Nature of Borrowing	Name of lender	Amount not paid on due date ₹ In lakhs	Whether principal or interest	No. of days delay or unpaid	Remarks if any
<b>Banks</b>					
Cash Credit	Andhra Bank	1,258.02	Principal	1186	-
Cash Credit	Bank of Baroda	7,108.64	Principal	1217	-
Cash Credit	Canara Bank	26,049.19	Principal	1172	-
Cash Credit	ICICI Bank	3,946.46	Principal	1186	-
Cash Credit	Oriental Bank of Commerce	3,062.46	Principal	1248	-
Cash Credit	Punjab National Bank	12,985.33	Principal	1248	-
Cash Credit	State Bank of India	25,890.98	Principal	1219	-
Cash Credit	Syndicate Bank	8,479.29	Principal	1172	-
Cash Credit	Union Bank of India	2,158.41	Principal	1186	-
Working Capital Demand Loan	ICICI Bank	4,759.03	Principal	1186	-
Working Capital Demand Loan	Oriental Bank of Commerce	746.41	Principal	1248	-
Working Capital Demand Loan	State Bank of India	10,625.40	Principal	1219	-
Term Loan	Canara Bank	1,248.39	Principal	1172	-
Term Loan	Oriental Bank of Commerce	111.98	Principal	1248	-
Term Loan	State Bank of India	258.19	Principal	1219	-
Term Loan	State Bank of India	1,032.07	Principal	1219	-
Term Loan	State Bank of India	61.46	Principal	1219	-
Term Loan	Union Bank of India	67.08	Principal	1186	-

(b) As represented to us by the management, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion, prima facie the term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, prima facie no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person specifically on account of or to meet the obligations of its subsidiaries or associates.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence reporting under clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has made preferential allotment of shares towards extinguishment of existing unsecured loans and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with. No private placement of shares or convertible debentures (fully, partially or optionally convertible) was made by the Company during the year.

(xi) (a) As represented to us by the management, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.



- (c) As represented to us by the management, there were no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details of related party transactions have been disclosed in notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit in determining the nature, timing and extent of our audit procedures.
- (xv) As represented to us by the management, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) As represented to us by the management, the Group does not have any CIC as part of the Group.
- (xvii) The Company has incurred a cash loss of ₹ 24,648.87 lakhs in the financial year covered by our audit and ₹ 23,234.21 lakhs in the immediately preceding financial year. The aforesaid figures have been arrived at after considering the effect of the quantified qualifications in the audit reports for the respective years. The effect of the unquantified qualifications has not been taken into consideration for the purpose of making comments in respect of this clause.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we believe that as on the date of this audit report there are constraints regarding the Company's capability to meet its liabilities existing as at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date. In this regard, we draw attention to Note No 16.4 to the standalone financial statements of the Company, which mentions the rationale as to why the Board of Directors of the Company considers it appropriate to prepare the financial results on a going concern basis. We further state that our reporting is based on the facts up to date of this audit report.
- (xx) (a) There is no unspent amount towards Corporate Social Responsibility ('CSR') in respect of 'other than ongoing projects', requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable. (to discuss with SB )
- (b) There is no unspent amount towards CSR in respect of 'ongoing project', requiring a transfer to a special account in compliance with the provisions of sub-section (6) of Section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable.

For **Maheshwari & Associates**  
Chartered Accountants  
FRN: 311008E

**CA. Bijay Murmuria**  
Partner

Membership No.: 055788  
UDIN: 23055788BGYJQW9579

Place: Kolkata  
Date: 13th June, 2023

## Annexure-B to the Independent Auditors' Report of SPML Infra Limited

[ Referred to in paragraph 2(h) under "Report on Other Legal and Regulatory Requirements" section in our Independent Auditors' Report of even date to the members of SPML Infra Ltd. on the standalone financial statements for the year ended 31st March, 2023 ]

### Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **SPML Infra Limited** ("the Company") as of 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Maheshwari & Associates**

Chartered Accountants

FRN: 311008E

**CA. Bijay Murmuria**

Partner

Membership No.: 055788

UDIN: 23055788BGYJQW9579

Place: Kolkata

Date: 13<sup>th</sup> June, 2023

# BALANCE SHEET

as at March 31, 2023

₹ In Lakhs

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	8,949.22	9,372.67
(b) Right of Use Assets	4	2.78	5.56
(c) Intangible Assets	5	50.86	41.76
(d) Financial Assets			
(i) Investments	6	9,897.24	10,290.59
(ii) Trade Receivables	7	26,182.14	16,128.46
(iii) Loans	8	11,221.04	11,433.29
(iv) Other Financial Assets	10	3,360.86	2,781.63
(e) Deferred Tax Assets	39	11,853.20	11,856.42
(f) Other Non-Current Assets	11	37,109.86	32,744.38
		<b>1,08,627.20</b>	<b>94,654.76</b>
<b>Current assets</b>			
(a) Inventories	12	9,243.53	9,023.06
(b) Financial Assets			
(i) Trade Receivables	7	1,11,076.23	1,11,353.81
(ii) Cash and Cash Equivalents	13	1,817.97	3,942.52
(iii) Other Bank Balances	9	270.27	195.29
(iv) Other Financial Assets	10	23,453.05	24,406.85
(c) Other Current Assets	11	8,732.45	13,631.06
		<b>1,54,593.50</b>	<b>1,62,552.59</b>
		<b>2,63,220.70</b>	<b>2,57,207.35</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	994.90	874.95
(b) Compulsorily Convertible Preference Share Capital	14	1,777.47	3,404.93
(c) Other Equity	15	32,174.13	28,885.09
		<b>34,946.50</b>	<b>33,164.97</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	59,303.87	61,028.33
(ii) Lease Liability	21	-	2.77
(iii) Trade Payables	17	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		9,403.53	7,036.15
(iv) Other Financial Liabilities	18	9,638.13	6,923.23
(b) Provisions	19	261.57	301.56
		<b>78,607.10</b>	<b>75,292.04</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	1,11,070.29	1,13,192.37
(ii) Lease Liability	21	2.44	2.43
(iii) Trade Payables	17	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		881.29	1,003.95
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		31,546.04	29,254.61
(iv) Other Financial Liabilities	22	3,925.63	2,837.59
(b) Other Current Liabilities	23	2,114.44	2,305.75
(c) Provisions	19	126.97	153.65
		<b>1,49,667.10</b>	<b>1,48,750.35</b>
		<b>2,28,274.20</b>	<b>2,24,042.39</b>
<b>TOTAL LIABILITIES</b>			
<b>TOTAL EQUITY AND LIABILITIES</b>			
		<b>2,63,220.70</b>	<b>2,57,207.35</b>

**Notes to Financial Statements (including Significant Accounting Policies)**

1 to 57

The notes referred to above forms an integral part of the Financial Statements

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

**For Maheshwari & Associates**

Chartered Accountants

ICAI Firm Registration No. 311008E

**CA Bijay Murmuria**

Partner

Membership No - 055788

Place: Kolkata

Date: June 13, 2023

**Subhash Chand Sethi**

Chairman

DIN: 00464390

**Manoj Kumar Digga**

Chief Financial Officer

**For and on behalf of Board of Directors of****SPML Infra Limited****Sushil Kr. Sethi**

Director

DIN: 00062927

**Swati Agarwal**

Company Secretary

# STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

₹ In Lakhs

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income</b>			
Revenue from operations	24	87,779.58	85,309.69
Other Income	25	1,931.21	1,699.98
<b>Total Income</b>		<b>89,710.79</b>	<b>87,009.67</b>
<b>Expenses</b>			
Materials consumed and other construction expenses	26	76,478.37	75,255.89
Employee Benefits Expense	27	2,648.06	2,771.95
Finance Costs	28	4,982.83	2,097.07
Depreciation and Amortisation Expenses	29	297.51	389.82
Other Expenses	30	5,038.03	5,608.91
<b>Total Expenses</b>		<b>89,444.80</b>	<b>86,123.64</b>
<b>Profit/(Loss) before tax</b>		<b>265.99</b>	<b>886.03</b>
<b>Tax Expenses</b>			
Current tax		54.94	329.58
Deferred tax credit (net)		-	(441.61)
<b>Income Tax Expense</b>		<b>54.94</b>	<b>(112.03)</b>
<b>Total Net Profit/ (Loss) after tax</b>		<b>211.05</b>	<b>998.06</b>
<b>Other Comprehensive Income/ (Expenses)</b>			
<b>Items not to be reclassified subsequently to profit or loss</b>			
- Gain/(Loss) on fair value of defined benefit plans		10.31	(30.80)
Income Tax effect		(3.22)	9.61
<b>Total Other Comprehensive Income /(Expenses)</b>		<b>7.09</b>	<b>(21.19)</b>
<b>Total Comprehensive Income/(Loss) for the year, net of tax</b>		<b>218.14</b>	<b>976.87</b>
<b>Basic and Diluted earnings per share (in Rupees) (par value ₹. 2/- each)</b>	40	0.44	2.68

## Notes to Financial Statements (including Significant Accounting Policies)

1 to 57

The notes referred to above forms an integral part of the Financial Statements  
This is the Statement of Profit and Loss referred to in our report of even date

### For Maheshwari & Associates

Chartered Accountants  
ICAI Firm Registration No. 311008E

#### CA Bijay Murmuria

Partner  
Membership No - 055788

Place: Kolkata  
Date: June 13, 2023

#### Subhash Chand Sethi

Chairman  
DIN: 00464390

**Manoj Kumar Digga**  
Chief Financial Officer

### For and on behalf of Board of Directors of SPML Infra Limited

#### Sushil Kr. Sethi

Director  
DIN: 00062927

**Swati Agarwal**  
Company Secretary



# STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

## A) Equity Share Capital (also refer Note 14)

₹ In Lakhs

Particulars	Subscribed and Fully Paid-up
	Amount
Balance as at March 31, 2022	874.95
Changes in equity share capital during the year	119.95
<b>Balance as at March 31, 2023</b>	<b>994.90</b>

## B) Preference Share Capital (also Refer Note 14)

Particulars	Subscribed and Fully Paid-up
	Amount
Balance as at March 31, 2022	3,404.93
Conversion of CCPS into Equity	1,627.46
<b>Balance as at March 31, 2023</b>	<b>1,777.47</b>

₹ In Lakhs

## C) Other Equity (also Refer Note 15)

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained earnings	
Balance as at March 31, 2022	885.73	16,595.80	5,929.05	5,474.51	28,885.09
Profit for the year	-	-	-	211.05	211.05
Other Comprehensive Income for the year, net of tax	-	-	-	7.09	7.09
<b>Total Comprehensive Income for the year</b>	-	-	-	218.14	218.14
<b>Issue of equity shares</b>	-	3,070.90	-	-	3,070.90
<b>Balance as at March 31, 2023</b>	<b>885.73</b>	<b>19,666.70</b>	<b>5,929.05</b>	<b>5,692.66</b>	<b>32,174.13</b>

### Notes to Financial Statements (including Significant Accounting Policies)

1 to 57

The notes referred to above form an integral part of the Financial Statements

This is the Statement of Changes in Equity referred to in our report of even date

### For Maheshwari & Associates

Chartered Accountants

ICAI Firm Registration No. 311008E

### CA Bijay Murmuria

Partner

Membership No - 055788

Place: Kolkata

Date: June 13, 2023

### For and on behalf of Board of Directors of

SPML Infra Limited

### Subhash Chand Sethi

Chairman

DIN: 00464390

### Manoj Kumar Digga

Chief Financial Officer

### Sushil Kr. Sethi

Director

DIN: 00062927

### Swati Agarwal

Company Secretary

# STATEMENT OF CASH FLOW

for the year ended March 31, 2023

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Total Profit / (Loss) before tax</b>	<b>265.99</b>	<b>886.03</b>
Adjustments for:		
Depreciation and Amortisation expenses	297.51	389.82
Interest Expenses	4,830.08	1,960.10
Commission income	(242.67)	(117.52)
Sundry Balances written off	101.03	70.20
ECL on loans	-	1,989.34
Impairment of investment in equity shares of subsidiaries and associates	255.70	-
Impairment of inventory	1,042.44	-
ECL charge /(reversal) on Trade Receivable	788.53	298.67
Profit on sale of property plant and equipment	(264.11)	(11.81)
Liabilities no longer required written back	(626.52)	(762.51)
Interest Income	(386.85)	(785.71)
<b>Operating Profit before Working Capital changes</b>	<b>6,061.13</b>	<b>3,916.61</b>
Adjustments for:		
Increase in trade payables	5,162.68	6,415.33
Increase/(decrease) in provisions	(56.37)	(31.94)
Increase in other current liabilities	3,603.36	1,816.78
Decrease/ (increase) in trade receivables	(9,951.80)	(4,194.59)
Decrease/ (increase) in inventories	(1,262.91)	(1,899.46)
Increase in loans and advances	757.16	755.22
Increase in other current assets	4,601.36	(3,955.40)
<b>Cash generated/(used) from operations</b>	<b>8,914.61</b>	<b>2,822.55</b>
Taxes paid (net of refunds)	(1,567.78)	110.59
<b>Net cash from operating activities</b>	<b>7,346.83</b>	<b>2,933.14</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of PPE including capital work in progress	(62.84)	(134.39)
Proceeds from sale of PPE	446.57	11.78
Fixed Deposits encashed/ (invested)	(3,464.13)	1,557.48
Loans (given) / repayment received	329.90	(885.46)
Interest received	386.85	785.71
<b>Net Cash generated/(used) in Investing Activities</b>	<b>(2,363.65)</b>	<b>1,335.12</b>

**STATEMENT OF CASH FLOW for the year ended March 31, 2023 (Contd..)**

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net movement in Long Term Borrowings	(161.08)	2,765.32
Net movement in Short Term Borrowings	(2,122.07)	(4,731.82)
Interest paid	(4,824.58)	(2,156.71)
<b>Net Cash generated/(used) in Financing Activities</b>	<b>(7,107.73)</b>	<b>(4,123.21)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(2,124.55)</b>	<b>145.05</b>
Cash & Cash Equivalents at the beginning of the year	3,942.52	3,797.47
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>1,817.97</b>	<b>3,942.52</b>

**Note:** The above Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 (IndAS 7) "Statement of Cash Flow"

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

**For Maheshwari & Associates**

Chartered Accountants  
ICAI Firm Registration No. 311008E

**CA Bijay Murmuria**

Partner  
Membership No - 055788

Place: Kolkata  
Date: June 13, 2023

**For and on behalf of Board of Directors of  
SPML Infra Limited****Subhash Chand Sethi**

Chairman  
DIN: 00464390

**Manoj Kumar Digga**  
Chief Financial Officer

**Sushil Kr. Sethi**

Director  
DIN: 00062927

**Swati Agarwal**  
Company Secretary

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

**Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2023 (All amount in INR lakhs, unless otherwise stated)**

## 1. CORPORATE INFORMATION

SPML Infra Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on premier stock exchanges of India viz. BSE Limited and National Stock Exchange of India Limited. The Company is engaged in the business of infrastructure development which inter-alia includes water management, water infrastructure development, waste water treatment, power generation, transmission and distribution, solid waste management, and other civil infrastructures.

These standalone financial statements for the year ended March 31, 2023 have been approved by the Board of Directors on June 13, 2023.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### (i) Basis of Preparation and compliance with the Indian Accounting Standards (Ind AS)

These financial statements for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards ("Ind-AS") consequent to the notification of The Companies (Indian Accounting Standards) Rules, 2015 (the Rules) issued by the MCA. Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

### (ii) Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets & liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

### (iii) Current and Non-current classifications

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent treated as current unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

### (iv) Basis of Measurement

These Ind AS Financial Statements have been prepared on an accrual basis of accounting and going concern basis using historical cost convention, except for certain financial instruments measured at fair value, Freehold Land measured at Fair value and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS (refer Accounting Policies for Financial Instruments, Property, Plant and Equipment and Employee Benefits).

### (v) Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional and presentation currency.

### (vi) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance cost, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and impairment losses, if any.

Subsequent expenditure relating to Property, Plant and Equipment capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

## (vii) Intangible Assets and Amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The Company's intangible assets constitutes software which has finite useful economic lives and these are amortised on a straight line basis, over their useful life of 5 years. The amortisation period and the amortisation method are reviewed at the end of each reporting period.

## (viii) Depreciation/Amortisation

Depreciation on items of Property, Plant & Equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

The Company has used the following useful economic lives to provide depreciation on its property, plant & equipment:

Block of Assets	Useful economic life (in years)
Buildings (including temporary structure)	3- 60
Furniture & Fixtures	10
Plant & Equipment	9- 20
Computers	3 - 6
Vehicles	8- 10
Office Equipment	5
Software (Intangible asset)	5

The useful economic lives of buildings and plant and equipment as estimated by the management and supported by independent assessment by professionals, are lower than those indicated in Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed and adjusted, if appropriate, at the end of each reporting period.

The Company's intangible assets constitutes software which has finite useful economic lives and these are amortised on a straight line basis, over their useful life of 5 years. The amortisation period and the amortisation method are reviewed at the end of each reporting period.

## (ix) Impairment of Property, Plant & Equipment and Intangible Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external or internal factors. An impairment loss is recognised 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 using pre-tax discount rates and risks specific to the asset.

## (x) Borrowing Costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings measured at Effective Interest rate (EIR).

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

All other borrowing costs are expensed in the period they are incurred.

## (xi) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

### Financial Assets:

#### a) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

#### b) Initial Recognition

Financial assets are recognised initially at fair value considering the concept of materiality. Transaction costs that are directly attributable to the acquisition of the financial asset (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial assets.



# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## c) Subsequent Measurement of Financial Assets

Financial assets are subsequently measured at amortised cost if they are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets are subsequently measured at fair value through other comprehensive income (FVTOCI), if it is held within a business model whose objective is achieved by both from collection of contractual cash flows and selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Further equity instruments where the company has made an irrevocable election based on its business model, to classify as instruments measured at FVTOCI, are measured subsequently at fair value through other comprehensive income.

## d) Impairment of Financial Assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In accordance with Ind AS 109: Financial Instruments, the Company recognises impairment loss allowance on trade receivables based on historically observed default rates. Impairment loss allowance recognised during the year is charged to the Statement of Profit and Loss.

## e) Derecognition of financial assets

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

## Financial Liabilities:

### a) Classification

The company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost using the effective interest method.

The classification depends on the entity's business model for managing the financial liabilities and the contractual terms of the cash flows.

### b) Initial Recognition

Financial liabilities are recognised at fair value on initial recognition considering the concept of materiality. Transaction costs that are directly attributable to the issue of financial liabilities, that are not at fair value through profit or loss, are reduced from the fair value on initial recognition.

### c) Subsequent Measurement of Financial Liabilities

The measurement of financial liabilities depends on their classification, as described below:

**Amortised cost:** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

## d) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## Offsetting of Financial Instruments

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## (xii) Inventories

Materials, components and stores & spares to be used in contracts are valued at lower of cost, or net realisable value. Cost is determined on weighted average basis.

Net Realisable Value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sale.

## (xiii) Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

## (xiv) Revenue Recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018. Ind AS 115 supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Company has applied Ind AS 115 using the modified retrospective method and the cumulative impact of transition to Ind AS 115 has been adjusted against the Retained earnings as at April 1, 2018. Accordingly, the figures of the previous year are not restated under Ind AS 115.

The Company recognises revenue from contracts with customers when it satisfies a performance obligation

by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party.

## Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

## (I) Revenue from operations

- a) Revenue from contracts for supply/ commissioning of complex plant and equipment and other project related activity is recognised as follows:

Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognised in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

amount of consideration that the company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Unbilled Revenue". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

- b) Commission income is recognised as and when the terms of the contract are fulfilled.

## (II) Other income

Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through Other Comprehensive Income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty towards its realisation.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably

## (xv) 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 trade receivables are shown in the accounts as fully recoverable and the corresponding amounts are reflected as contingent liability.

## (xvi) Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease.

### The Company as lessee:

The Company's lease asset classes primarily consist of leases for buildings or part thereof. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with low-value assets and short-term leases (i.e., leases with a lease term of 12 months or less). For these short term and low value leases, the Company recognises the lease payments as an operating expense over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability i.e. the present value of future lease payment, adjusted for any lease payment made at or prior to the commencement date of lease plus any initial direct costs less any lease incentive. They are subsequently measured at cost less accumulated depreciation and impairment losses.

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using interest rate implicit in the lease or if not readily determinable using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease payments are apportioned between finance expenses and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Contingent rentals are recognised as expenses in the periods in which they are incurred. In the event that lease incentives are received to enter into lease, such incentives are adjusted towards right-of-use-asset.

Lease liability and right-of-use assets have been separately presented in the Balance Sheet.

## (xvii) Foreign Currency Translations

### Initial Recognition

In the financial statements of the Company, transactions in foreign currencies are translated into the functional currency at the exchange rates ruling 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 or reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements and / or on conversion of monetary items, are recognised at income or expense in the year in which they arise.

### Forward Exchange Contracts (not intended for trading or speculation purpose)

The premium or discount arising at the inception of forward exchange contracts is amortised at expense or income over the life of the respective contracts. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change.

Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

## (xviii) Retirement and Other Employee Benefits

### Employee benefits

#### (A) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Such short-term compensated absences are provided for in the Statement of Profit and Loss based on estimates.

#### (B) Post-employment benefits

The Company operates the following post-employment schemes:

- i) Employee benefits in the form of Provident Fund is made to a government administered fund and charged as an expense to the Statement of Profit and Loss, when an employee renders the related service. There are no obligations other than the contributions payable to the fund.
- ii) Gratuity is administered through an approved benefit fund. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method done at the end of each financial year.
- iii) Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

## (xix) Income Taxes

Tax expense comprises of current (net of Minimum Alternate Tax (MAT) credit entitlement) and deferred tax.

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Indian Income Tax Act. Management periodically evaluates positions taken in the tax returns Vis a Vis position taken in books of account which are subject to interpretation and creates provisions where appropriate.

## Deferred tax

Deferred tax is recognised on temporary differences between the tax bases and accounting bases of assets and liabilities at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

## (xx) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; 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.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used the increase in the provision due to the passage of time is recognised as a finance cost.

## (xxi)Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

## (xxii) Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

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.

## (xxiii) Accounting for Interests in Joint Operations

As per Ind AS 111 - Joint Arrangements, investment in Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement. In case of Interests in joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation, its share in the assets/liabilities held/ incurred jointly with the other parties of the joint arrangement. Revenue is recognised for its share of revenue from the sale of output by the joint operation. Expenses are recognised for its share of expenses incurred jointly with other parties as part of the joint arrangement.

## (xxiv) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



## NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

### NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Buildings	Temporary site sheds and shuttering materials	Plant and machinery	Furniture and fixtures	Vehicles	Site office/equipments	TOTAL
<b>GROSS BLOCK</b>								
<b>As at March 31, 2021</b>	<b>7,435.52</b>	<b>1,460.33</b>	<b>2,378.75</b>	<b>6,649.64</b>	<b>1,614.55</b>	<b>1,264.27</b>	<b>2,457.69</b>	<b>23,260.73</b>
Additions	-	-	-	26.47	3.51	-	33.08	63.06
Adjustments	-	-	-	-	-	-	-	-
Deductions	-	-	-	(208.43)	-	(12.94)	-	(221.37)
<b>As at March 31, 2022</b>	<b>7,435.52</b>	<b>1,460.33</b>	<b>2,378.75</b>	<b>6,467.68</b>	<b>1,618.06</b>	<b>1,251.33</b>	<b>2,490.77</b>	<b>23,102.42</b>
Additions	-	-	-	1.76	0.28	2.98	41.09	46.11
Adjustments	-	-	-	-	-	-	-	-
Deductions	-	(254.47)	(0.21)	(155.90)	(1.29)	(93.66)	(3.52)	(509.05)
<b>As at Mar 31, 2023</b>	<b>7,435.52</b>	<b>1,205.86</b>	<b>2,378.54</b>	<b>6,313.54</b>	<b>1,617.05</b>	<b>1,160.65</b>	<b>2,528.34</b>	<b>22,639.47</b>
<b>DEPRECIATION AND IMPAIRMENT</b>								
<b>As at March 31, 2021</b>	-	<b>368.73</b>	<b>2,341.65</b>	<b>6,024.98</b>	<b>1,526.46</b>	<b>1,116.93</b>	<b>2,232.62</b>	<b>13,611.37</b>
Charge for the year	-	25.53	0.01	204.29	14.55	37.29	41.48	323.15
Deductions	-	-	-	(192.48)	-	(12.29)	-	(204.77)
<b>As at March 31, 2022</b>	-	<b>394.26</b>	<b>2,341.66</b>	<b>6,036.79</b>	<b>1,541.01</b>	<b>1,141.93</b>	<b>2,274.10</b>	<b>13,729.75</b>
Charge for the year	-	19.53	-	184.25	10.70	13.35	59.28	287.11
Deductions	-	(121.97)	(0.20)	(140.80)	(0.95)	(59.31)	(3.33)	(326.56)
<b>As at Mar 31, 2023</b>	-	<b>291.82</b>	<b>2,341.46</b>	<b>6,080.24</b>	<b>1,550.76</b>	<b>1,095.97</b>	<b>2,330.05</b>	<b>13,690.30</b>
<b>NET BLOCK</b>								
<b>As at March 31, 2022</b>	<b>7,435.52</b>	<b>1,066.07</b>	<b>37.09</b>	<b>430.89</b>	<b>77.05</b>	<b>109.40</b>	<b>216.67</b>	<b>9,372.67</b>
<b>As at Mar 31, 2023</b>	<b>7,435.52</b>	<b>914.04</b>	<b>37.09</b>	<b>233.30</b>	<b>66.29</b>	<b>64.68</b>	<b>198.29</b>	<b>8,949.22</b>

₹ In Lakhs

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 4: RIGHT OF USE ASSETS

₹ In Lakhs

Particulars	
<b>GROSS BLOCK</b>	
<b>As at March 31, 2021</b>	<b>355.18</b>
Additions	-
Deductions	-
<b>As at March 31, 2022</b>	<b>355.18</b>
Additions	-
Deductions	-
<b>As at March 31, 2023</b>	<b>355.18</b>
<b>ACCUMULATED DEPRECIATION</b>	
<b>As at March 31, 2021</b>	<b>287.02</b>
Charge for the year	61.68
Deductions	(0.92)
<b>As at March 31, 2022</b>	<b>349.62</b>
Charge for the year	2.78
Deductions	-
<b>As at March 31, 2023</b>	<b>352.40</b>
<b>NET BLOCK</b>	
<b>As at March 31, 2022</b>	<b>5.56</b>
<b>As at March 31, 2023</b>	<b>2.78</b>

## NOTE 5: INTANGIBLE ASSETS

₹ In Lakhs

Particulars	
<b>GROSS BLOCK</b>	
<b>As at March 31, 2021</b>	<b>409.85</b>
Additions	26.24
Deductions	-
<b>As at March 31, 2022</b>	<b>436.09</b>
Additions	16.73
Deductions	-
<b>As at Mar 31, 2023</b>	<b>452.82</b>
<b>ACCUMULATED AMORTISATION</b>	
<b>As at March 31, 2021</b>	<b>389.34</b>
Charge for the year	4.99
Deductions	-
<b>As at March 31, 2022</b>	<b>394.33</b>
Charge for the year	7.62
Deductions	-
<b>As at March 31, 2023</b>	<b>401.95</b>
<b>NET BLOCK</b>	
<b>As at March 31, 2022</b>	<b>41.76</b>
<b>As at March 31, 2023</b>	<b>50.86</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 6: NON- CURRENT INVESTMENTS

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>(a) In Quoted Equity Instruments (fully paid up) at FVOCI</b>		
<b>Indian Acrylics Limited</b>	0.01	0.01
100 (Previous year 100) equity shares of Rs.10/- each		
Less : Impairment Loss	0.01	0.01
	-	-
<b>Best and Crompton Engineering Limited</b>	0.10	0.10
200 (Previous year 200) equity shares of Rs.10/- each		
Less : Impairment Loss	0.10	0.10
	-	-
<b>Net quoted Investments</b>	-	-
<b>(b) In Unquoted Equity Shares in Subsidiaries (Fully paid up) at Cost</b>		
<b>Bhagalpur Electricity Distribution Company Private Limited</b>	1.03	1.03
10,000 (Previous year 10,000) equity shares of Rs.10/- each		
Less : Impairment Loss	1.03	1.03
	-	-
<b>Mizoram Infrastructure Development Company Limited</b>	5.00	5.00
34,500 (Previous year 34,500) equity shares of Rs.10/- each		
Less : Impairment Loss	5.00	5.00
	-	-
<b>SPML Infrastructure Limited</b>	2,946.62	2,946.62
7,432,000 (Previous year 7,432,000) equity shares of Rs.1/- each		
Less : Impairment Loss	1,326.44	1,326.44
	<b>1,620.18</b>	<b>1,620.18</b>
<b>SPML Utilities Limited</b>	762.30	762.30
200,000,000 (Previous year 200,000,000) equity shares of Rs.1/- each		
Less : Impairment Loss	762.30	762.30
	-	-
<b>Doon Valley Waste Management Private Limited</b>	2.50	2.50
25,000 (Previous year 25,000) equity shares of Rs. 10/- each		
Less : Impairment Loss	2.50	2.50
	-	-
<b>Mathura Nagar Waste Processing Company Limited</b>	2.55	2.55
255,000 (Previous year 255,000) equity shares of Rs. 1/- each		
Less : Impairment Loss	2.55	2.55
	-	-
<b>Allahabad Waste Processing Company Limited</b>	2.55	2.55
255,000 (Previous year 255,000) equity shares of Rs.1/- each		
Less : Impairment Loss	2.55	2.55
	-	-
	<b>1,620.18</b>	<b>1,620.18</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 6: NON- CURRENT INVESTMENTS (CONTD..)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(c) In Unquoted Equity Shares in Associates (Fully paid up) at Cost</b>		
<b>Bhilwara Jaipur Toll Road Private Limited*</b>	5,191.39	5,191.39
3,520,302 (Previous year 3,520,302) equity shares of Rs.10/- each. Of the above, 17,95,348 (Previous year 17,95,348) equity shares are pledged with ICICI Bank and Punjab National Bank against loans obtained by the said investee Company.		
<b>Madurai Municipal Waste Processing Company Private Limited</b>	587.80	587.80
5,878,000 (Previous year 5,878,000) equity shares of Rs.10/- each		
Less : Impairment Loss	587.80	587.80
	-	-
<b>Delhi Waste Management Limited</b>	-	838.27
292,500 (Previous year 292,500) equity shares of Rs.10/- each		
<b>SPML Energy Limited</b>	466.94	466.94
99,550,000 (Previous year 99,550,000) equity shares of Rs.1/- each		
<b>Binwa Power Company Private Limited</b>	436.09	436.09
2,948,340 (Previous year 2,948,340) equity shares of Rs.1/- each		
Less : Impairment Loss	436.09	436.09
	-	-
<b>SPML Bhiwandi Water Supply Infra Limited</b>	2.25	2.25
224,700 (Previous year 224,700) equity shares of Rs.1/- each		
Less : Impairment Loss	2.25	2.25
	-	-
<b>SPML Bhiwandi Water Supply Management Limited</b>	2.50	2.50
250,000 (Previous year 250,000) equity shares of Rs.1/- each		
Less : Impairment Loss	2.50	2.50
	-	-
	<b>5,658.34</b>	<b>6,496.60</b>
<b>(d) In Unquoted Equity Shares in Joint Venture (Fully paid up) at Cost</b>		
<b>Malviya Nagar Water Services Private Limited</b>	220.50	220.50
2,205,000 (Previous year 2,205,000) equity shares of Rs.10/- each		
<b>Gurha Thermal Power Company Limited</b>	2.50	2.50
25,000 (Previous year 25,000) equity shares of Rs.10/- each		
Less : Impairment Loss	2.50	2.50
	-	-
<b>Aurangabad City Water Utility Limited</b>	104.77	104.77
Less : Impairment Loss	104.77	104.77
	-	-
<b>MVV Water Utility Private Limited TYPE A Shares</b>	1.00	1.00
10,000 (Previous year 10,000) equity shares of Rs.10/- each		
Less : Impairment Loss	1.00	1.00
	-	-

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 6: NON-CURRENT INVESTMENTS (CONTD..)

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2021
<b>MVV Water Utility Private Limited TYPE B Shares</b>	0.42	0.42
364,693 (Previous year 364,693) equity shares of Rs.10/- each		
Less : Impairment Loss	0.42	0.42
	-	-
	<b>220.50</b>	<b>220.50</b>
<b>(e) In Unquoted Equity Instruments (Fully paid up) at FVTPL</b>		
<b>Luni Power Company Private Limited (Refer Note 6.1)</b>	337.92	337.92
7,049,597 (Previous year 7,049,597) equity shares of Rs.1/- each		
Less: Impairment Loss	337.92	337.92
	-	-
<b>IQU Power Company Private Limited</b>	412.57	412.57
2,580,500 (Previous year 2,580,500) equity shares of Rs.1/- each.		
Less : Impairment Loss	412.57	412.57
	-	-
<b>Awa Power Company Private Limited</b>	203.27	203.27
2,639,605 (Previous year 2,639,605) equity shares of Rs.1/- each		
Less : Impairment Loss	203.27	203.27
	-	-
<b>Neogal Power Company Private Limited</b>	66.61	66.61
1,136,774 (Previous year 1,136,774) equity shares of Rs.1/- each		
Less: Impairment Loss	66.61	66.61
	-	-
<b>Delhi Waste Management Limited</b>	838.27	-
292,500 (Previous year 292,500) equity shares of Rs.10/- each	-	-
	-	-
<b>Subhash Kabini Power Corporation Limited</b>	2,063.16	2,063.16
13,172,000 (Previous year 13,172,000) equity shares of Rs.10/- each.		
Less : Impairment Loss	773.62	773.62
	<b>1,289.54</b>	<b>1,289.54</b>
	<b>2,127.80</b>	<b>1,289.54</b>
<b>(f) In Unquoted Equity Instruments (Fully paid up) at FVOCI</b>		
<b>Bharat Hydro Power Corporation Limited</b>	239.15	239.15
3,294,150 (Previous year 3,294,150) equity shares of Rs.10/- each		
	-	-
<b>Arihant Leasing and Holding Limited</b>	0.75	0.75
24,000 (Previous year 24,000) equity shares of Rs.10/- each		
Less : Impairment loss	0.75	0.75
	-	-
<b>SPML India Limited</b>	1.50	1.50
10,000 (Previous year 10,000) equity shares of Rs.10/- each		
Less : Impairment loss	1.50	1.50
	-	-
<b>Petrochem Industries Limited</b>	0.14	0.14
500 (Previous year 500) equity shares of Rs.10/- each		
Less : Impairment loss	0.14	0.14
	-	-
<b>Om Metal - SPML Infraproject Private Limited</b>	0.50	0.50
4,999 (Previous year 4,999) equity shares of Rs.10/- each		



# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Pondicherry Port Limited</b>	0.01	0.01
100 (Previous year 100) equity shares of Rs. 10/- each		
Less : Impairment Loss	0.01	0.01
	-	-
<b>Jaora Nayagaon Toll Road Company Private Limited</b>	0.05	0.05
500 (Previous year 500) equity shares of Rs. 10/- each.		
The equity shares are pledged with OBC Bank against loans obtained by the said Investee Company.		
Less : Impairment Loss	0.05	0.05
	-	-
	<b>239.65</b>	<b>239.65</b>
<b>(g) In Unquoted Debt Instruments (Fully paid-up) at Amortised Cost</b>		
<b>Escorts Tractors Limited</b>	0.01	0.01
25(Previous year 25) Debentures of Rs.1/- each		
<b>Hindustan Engineering &amp; Industries Limited</b>	0.06	0.06
110 (Previous year 110) Debentures of Rs.1/- each		
Less : Impairment loss	0.06	0.06
	-	-
	<b>0.01</b>	<b>0.01</b>
<b>(h) In Unquoted Debt Instruments (Fully paid-up) at Amortised cost</b>		
<b>Allahabad Waste Processing Company Private Limited</b>	450.00	450.00
5,000,000 (Previous year 5,000,000) Preference Shares of Rs. 1/- each		
Less : Impairment loss	450.00	450.00
	-	-
<b>(i) In Others</b>		
<b>SPM Holding Pte Limited*</b>	-	392.28
	-	<b>392.28</b>
<b>(j) In Others at FVTPL</b>		
<b>National Saving Certificate</b>	0.52	0.52
<b>Mutual funds</b>	30.24	31.31
50,000 units of Rs.10/- each		
	<b>30.76</b>	<b>31.83</b>
<b>TOTAL</b>	<b>9,897.24</b>	<b>10,290.59</b>
<b>Aggregate value of investments</b>		
Quoted (net of Impairment Loss)	-	-
Unquoted (net of Impairment Loss)	9,897.24	10,290.59
Market value of quoted investment	-	-

\* The Investments in these companies include the impact of IND AS adjustments on account of fair valuation of Financial Guarantees extended by the Company (SPML Infra Limited) against the financial assistance availed by them. Details as below:-

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
SPM Holdings Pte Limited	-	392.28
Bhilwara Jaipur Toll Road Private Limited	554.06	554.06
<b>Total</b>	<b>554.06</b>	<b>946.34</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

**6.1** An application for initiation of Corporate Insolvency Resolution Process ('CIRP'), under Section 7 of the Insolvency and Bankruptcy Code, 2016 has been admitted against Luni Power Company Pvt. Ltd. ('Luni'), a subsidiary of the Company, on December 23, 2019 by the Hon'ble NCLT, Chandigarh Bench has already been resolved and the same has been transferred to the Resolution Applicant vide NCLT Order dated 16.04.2022 in respect of IA No. 134/2021.. Since the entire investment value had already been impaired in the books of accounts, no financial impact is there in the current financial year 2022-23.

**6.2 On Pledge of Investments as held by SPML Infra Ltd. in other Group Companies:**

Investments of SPML Infra Ltd. i.e. 19,99,99,700 Equity Shares in SPML Utilities Limited (Subsidiary); 74,32,000 Equity Shares in SPML Infrastructure Limited (Subsidiary); 2,55,000 Equity Shares in Allahabad Waste Processing Company Limited (Subsidiary); 9,999 Equity Shares in Bhagalpur Electricity Distribution Company Private Limited (Subsidiary); 29,48,340 Equity Shares in Binwa Power Company Private Limited (Associates); 25,000 Equity Shares in Doon Valley Waste Management Private Limited (Subsidiary); 2,55,000 Equity Shares in Mathura Nagar Waste Processing Company Limited (Subsidiary); 2,24,700 Equity Shares in SPML Bhiwandi Water Supply Infra Limited (Associates); 2,49,700 Equity Shares in SPML Bhiwandi Water Supply Management Limited (Associates); 58,78,000 Equity Shares in Madurai Municipal Waste Processing Company Pvt. Ltd (Associates) has been pledged as on the Balance Sheet signing date in favour of the SBICAP Trustee/ S4A Lenders for securing the due repayment of the Debts as restructured under the "SPML S4A Scheme" as approved by the Overseeing Committee (governed under RBI) with the super majority of the Lenders Banks.

**NOTE 7: TRADE RECEIVABLES**

(at amortised cost)

₹ In Lakhs

Particulars	Non-current		Current	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Trade Receivables	38,535.14	28,099.43	33,985.91	34,142.91
Trade Receivables - Related Parties	550.28	143.78	3,234.97	2,767.51
Trade Receivables - which have significant increase in credit risk				
Trade Receivables - Credit Impaired	4,557.96	4,557.96		
Less: Allowance for Expected Credit Loss	(17,461.24)	(16,672.71)		
Unbilled Revenue	-	-	73,855.35	74,443.39
<b>Total</b>	<b>26,182.14</b>	<b>16,128.46</b>	<b>1,11,076.23</b>	<b>1,11,353.81</b>

**Break-up for Security details:**

₹ In Lakhs

Particulars	Non-current		Current	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Trade Receivables</b>				
Secured, considered good				
Unsecured, considered good	39,085.42	28,243.21	1,11,076.23	1,11,353.81
considered doubtful Trade receivables	4,557.96	4,557.96		
	<b>43,643.38</b>	<b>32,801.17</b>	<b>1,11,076.23</b>	<b>1,11,353.81</b>
<b>Allowance for Expected Credit Loss</b>				
on unsecured, considered good	(12,903.28)	(12,114.75)	-	-
on considered doubtful	(4,557.96)	(4,557.96)	-	-
	<b>(17,461.24)</b>	<b>(16,672.72)</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>26,182.14</b>	<b>16,128.46</b>	<b>1,11,076.23</b>	<b>1,11,353.81</b>

**Note 7.1:** Trade Receivable from private limited companies in which Company 's director(s) is/ are director(s)/ member(s)

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 7: TRADE RECEIVABLES (CONTD..)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
MVV Water Utility Private Limited	-	-	480.11	480.11
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>480.11</b>	<b>480.11</b>

**Note 7.2:** Ageing of trade receivables and credit risk arising there from is as below:

### As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	-	-	-	7.84	8,656.11	8,663.95
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	4,557.96	4,557.96
Disputed Trade Receivables – considered good	-	-	-	-	12,350.07	-	12,350.07
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	1,559.05	328.27	38.09	1,508.44	14,637.55	18,071.40
	-	1,559.05	328.27	38.09	13,866.35	27,851.63	43,643.38
Less: Allowance for Expected Credit Losses considered credit impaired	-	-	-	-	-	-	17,461.24
<b>Non-current Trade Receivable</b>		<b>1,559.05</b>	<b>328.27</b>	<b>38.09</b>	<b>13,866.35</b>	<b>27,851.63</b>	<b>26,182.14</b>
Undisputed Trade Receivables – considered good	-	14,569.68	638.26	1,402.17	4,734.21	15,876.55	37,220.88
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled Revenue		-	-	-	-	-	73,855.35
	73,855.35						
<b>Current Trade Receivable</b>	<b>73,855.35</b>	<b>14,569.68</b>	<b>638.26</b>	<b>1,402.17</b>	<b>4,734.22</b>	<b>15,876.55</b>	<b>1,11,076.23</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	618.14	546.94	126.33	1,310.14	11,347.67	13,949.22
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	4,557.96	4,557.96
Disputed Trade Receivables – considered good	-	-	-	12,350.07	-	1,943.92	14,293.99
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	618.14	546.94	12,476.40	1,310.14	17,849.55	32,801.17
Less: Allowance for Expected Credit Losses considered credit impaired	-	-	-	-	-	-	16,672.71
<b>Non-current Trade Receivable</b>		<b>618.14</b>	<b>546.94</b>	<b>12,476.40</b>	<b>1,310.14</b>	<b>17,849.55</b>	<b>16,128.47</b>
Undisputed Trade Receivables – considered good	-	7,796.12	1,463.20	4,112.51	551.22	9,424.90	23,347.94
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	168.86	48.55	1,328.01	528.58	11,488.47	13,562.48
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled Revenue	74,443.39	-	-	-	-	-	74,443.39
<b>Current Trade Receivable</b>	<b>74,443.39</b>	<b>7,964.98</b>	<b>1,511.75</b>	<b>5,440.52</b>	<b>1,079.80</b>	<b>20,913.37</b>	<b>1,11,353.81</b>

## NOTE 8: LOANS (at amortised cost)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Loans to related parties* (Refer Note 35)	6,608.52	6,608.52	-	-
Loan to Others	4,612.52	4,824.77	-	-
<b>TOTAL</b>	<b>11,221.04</b>	<b>11,433.29</b>	<b>-</b>	<b>-</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## Break-up:

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Loans considered good - Secured	-	-	-	-
Loans considered good - Unsecured	6,890.33	6,722.09	-	-
Loans which have significant increase in credit risk	8,556.57	8,937.06	-	-
Loans credit Impaired	-	-	-	-
<b>TOTAL</b>	<b>15,446.90</b>	<b>15,659.15</b>	-	-
Less:- Allowance for Expected Credit Loss	4,225.86	4,225.86	-	-
<b>TOTAL</b>	<b>11,221.04</b>	<b>11,433.29</b>	-	-

**Note 8.1.** Loans and receivables are non- derivative financial assets which generate a fixed or variable interest income for the Company. The Carrying value may be affected by changes in the credit risk of the Counterparties.

**8.2** Disclosure of Outstanding Loans and Advances due from Related Parties to the company together with maximum amount thereof pursuant to schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements Regulations, 2015) are as below:

₹ In Lakhs

Name of Related Parties	As at March 31, 2023		As at March 31, 2022	
	Balance Outstanding	Maximum Amount Outstanding during the year	Balance Outstanding	Maximum Amount Outstanding during the year
Spml Energy Limited	-	-	-	22.38
SPML Infrastructure Limited	342.79	342.79	342.79	400.77
Binwa Power Corporation Private Limited	-	-	-	7.52
Spml Utilities Limited	-	-	-	0.70
Bhagalpur Electricity Distribution Company Private Limited	5,190.37	5,190.37	5,190.37	5,190.37
Allahabad Waste Processing Company Limited	-	-	-	3.58
Madurai Municipal Waste Processing Company Private Limited	-	-	-	207.64
Doon Valley Waste Management Private Limited	-	-	-	4.36
Spml Bhiwandi Water Supply Infra Limited	887.29	887.29	887.29	887.29
Spml Bhiwandi Water Supply Management Limited	-	-	-	0.65
Gurha Thermal Power Company Limited	-	-	-	1,401.22
Hydro-comp Enterprises (India) Private Limited	-	-	-	0.40
20th Century Engineering Limited	-	-	-	0.02
Bharat Hydro Power Corporation Limited	188.07	188.07	188.07	188.07
<b>TOTAL</b>	<b>6,608.52</b>		<b>6,608.52</b>	

**8.3.** The company has not advanced or loaned or invested funds either borrowed funds or share premium or any other sources or kind of funds to any other person(s) or entity(ies), including foreign entities(intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall :

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company(Ultimate beneficiaries) or
- provide any guarantee ,security or the like to or on behalf of the Ultimate Beneficiaries.



# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 9: OTHER BANK BALANCES

(at Amortised Cost)

₹ In Lakhs

Particulars	Current	
	As at March 31, 2023	As at March 31, 2022
Deposits with Maturity of more than 3 months but less than 12 months*	270.27	195.29
<b>TOTAL</b>	<b>270.27</b>	<b>195.29</b>

\* lying with banks as security against Letters of Credits, Guarantees and Demand Loan facilities issued by them.

## NOTE 10: OTHER FINANCIAL ASSETS

(at Amortised Cost, unless otherwise stated)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Interest Accrued on Fixed deposit/ Loan	712.12	739.80	16.94	9.65
Security Deposits	1,340.12	1,290.12	-	-
Retention Money	-	-	22,555.96	23,027.15
Other Receivables	-	-	228.95	738.86
Receivable against sale of Investments	-	-	200.00	200.00
Earnest Money Deposit	-	-	451.20	431.19
Deposit with Maturity of more than 12 months*	1,308.62	751.71	-	-
<b>TOTAL</b>	<b>3,360.86</b>	<b>2,781.63</b>	<b>23,453.05</b>	<b>24,406.85</b>

\*lying with banks as security against Letters of Credit, Guarantees and Demand Loan facilities issued by them.

## NOTE 11: OTHER ASSETS

(at amortised cost)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Capital advances	251.25	251.25	-	-
Less: Allowances for Expected Credit Loss	(251.25)	(251.25)	-	-
Advances recoverable in cash or kind	-	-	6,072.27	10,128.99
Less: Provision for advances	-	-	(2,352.31)	(2,352.31)
Prepaid expenses	-	-	93.08	127.81
Balance with Revenue Authorities	-	-	4,919.41	5,726.57
Advance income-tax (net of provision for taxation)	5,938.03	4,425.18	-	-
Interest accrued on arbitration awards (Refer Note 4)	31,171.83	28,319.20	-	-
<b>TOTAL</b>	<b>37,109.86</b>	<b>32,744.38</b>	<b>8,732.45</b>	<b>13,631.06</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 12: INVENTORIES

(Valued at lower of Cost and Net Realisable Value)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Project materials	9,052.73	8,832.66
Stores and spares	107.76	107.36
Work in progress	83.04	83.04
<b>TOTAL</b>	<b>9,243.53</b>	<b>9,023.06</b>

## NOTE 13: CASH AND BANK BALANCES

(at Amortised Cost)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents</b>		
Balances with banks:		
On current accounts	1,646.97	1,622.97
Deposits with original maturity of less than three months*	159.22	2,313.78
Cash on hand	11.78	5.77
<b>TOTAL</b>	<b>1,817.97</b>	<b>3,942.52</b>

\*lying with banks as security against Letters of Credit, Guarantees and Demand Loan facilities issued by them.

## NOTE 14: SHARE CAPITAL

₹ In Lakhs

	Equity Shares		Preference Shares	
	Number of Shares	Amount (₹ in Lakhs)	Number of Shares	Amount (₹ in Lakhs)
Authorised capital				
As at April 01, 2022	20,00,00,000	4,000.00	75,00,000	7,500.00
Increase during the year	-	-	-	-
<b>As at March 31, 2023</b>	<b>20,00,00,000</b>	<b>4,000.00</b>	<b>75,00,000</b>	<b>7,500.00</b>

	Equity Shares		Preference Shares	
	Number of Shares	Amount (₹ in Lakhs)	Number of Shares	Amount (₹ in Lakhs)
Issued, subscribed and paid-up capital				
As at April 01, 2022	3,94,25,276	788.51	34,04,930	3,404.93
Add: Forfeited shares (amount originally paid up)	-	86.44	-	-
Less: Conversion of CCPS into Equity	-	-	16,27,465	1,627.47
Add: Increase during the year	59,97,720	119.95	-	-
<b>As at March 31, 2023</b>	<b>4,54,22,996</b>	<b>994.90</b>	<b>17,77,465</b>	<b>1,777.47</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## a. Reconciliation of the shares outstanding at the beginning and at the end of the year

### (i) Equity Shares

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
At the beginning of the year	3,94,25,276	788.51	3,66,50,276	733.01
Addition during the year	59,97,720	119.95	27,75,000	55.50
Outstanding at the end of the year	4,54,22,996	908.46	3,94,25,276	788.51

### (ii) 0% Compulsorily Convertible Preference Shares

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
At the beginning of the year	34,04,930	3,404.93	-	-
Addition during the year	-	-	34,04,930	3,404.93
Less: Conversion during the year	16,27,465	1,627.46	-	-
Outstanding at the end of the year	17,77,465	1,777.47	34,04,930	3,404.93

b. (i) During the year ended March 31, 2023, the Company has allotted, by way of preferential allotment, 32,54,930 equity shares of Rs. 2/- each fully paid-up, at an issue price of Rs. 50/- each (including a premium of Rs. 48/- per equity share) aggregating to Rs. 1627.46 Lakhs, to Promoter and Promoter Group, on conversion of 16,27,465 0% Compulsorily Convertible Preference Shares ('CCPS'). Accordingly, the balance CCPS as on March 31, 2023 is 17,77,465 having a face value of Rs.100/- each, at par, aggregating to Rs. 1,777.47 Lakhs. Each CCPS is convertible into 2 equity shares of face value of Rs. 2/- each at the conversion price of Rs. 50/- including premium of Rs. 48/- per share, in one or more tranches.

b. (ii) During the year ended March 31, 2023, the Company has further allotted, by way of preferential allotment, 27,42,790 equity shares of Rs. 2/- each fully paid-up, at an issue price of Rs. 57/- each (including a premium of Rs. 55/- per equity share) aggregating to Rs. 1563.39 Lakhs, to certain entities, on conversion of their existing unsecured loans to the Company.

### c. (i) Terms/ rights attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 2/- per share. Each holder of equity shares is entitled one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of the Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### c. (ii) Terms and rights attached to 0% Compulsorily Convertible Preference Shares:

Each Compulsorily Convertible Preference Shares having par value of Rs. 100/- per share shall be compulsorily convertible into two equity share at any time within 18 months from the date of allotment. The Compulsorily Convertible Preference Shares shall have priority with respect to repayment of capital over equity shares of the company. The holders of CCPS would not participate in the surplus assets and profits on winding up which may remain after the entire capital has been repaid and shall not carry any voting right.

### d. (i) Details of Shareholders holding more than 5% equity shares in the Company is as below:

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% holding	No. of Shares	% holding
Client Rosehill Limited	54,93,876	12.09	54,93,876	13.93
Zoom Industrial Services Limited	57,41,750	12.64	41,26,000	10.47
SPML India Limited	38,55,040	8.49	29,90,380	7.58

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

- d. (ii) Details of shareholders holding more than 5% shares of 0% Compulsorily Convertible Preference Shares in the Company is as below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Zoom Industrial Services Limited	8,66,425	48.74	16,74,300	49.17
SPML India Limited	-	-	4,32,330	12.70
Niral Enterprises Pvt. Ltd.	9,11,040	51.26	12,98,300	38.13

- e. Details of Promoters' Equity Shareholding percentage in the Company is as below:

Particulars	As at March 31, 2023		% Change during the year	As at March 31, 2022	
	No. of Shares	% holding		No. of Shares	% holding
Subhash Chand Sethi	15,23,280	3.35	(0.51)	15,23,280	3.86
Sushil Kumar Sethi	13,34,660	2.94	(0.45)	13,34,660	3.39
Deepak Sethi*	-	-	(1.48)	5,82,250	1.48
Punam Chand Sethi	4,94,625	1.09	(0.16)	4,94,625	1.25
Punam Chand Sethi	3,72,735	0.82	(0.13)	3,72,735	0.95
Suman Sethi	1,83,735	0.40	(0.07)	1,83,735	0.47
Shilpa Sethi	1,81,515	0.40	(0.06)	1,81,515	0.46
Zoom Industrial Services Ltd.	57,41,750	12.64	2.17	41,26,000	10.47
20th Century Engineering Limited	10,00,000	2.20	(0.34)	10,00,000	2.54
SPM Engineers Limited	5,00,000	1.10	(0.17)	5,00,000	1.27
Arihant Leasing And Holding Limited	4,36,020	0.96	(0.15)	4,36,020	1.11
SPML India Limited	38,55,040	8.49	0.91	29,90,380	7.58
Niral Enterprises Pvt. Ltd	7,74,520	1.71	1.71	-	-

\* During the year ended March 31, 2023 Mr. Deepak Sethi was reclassified from Promoter Shareholder to Public Shareholder as per approval letter received from NSE & BSE dated September 19, 2022.

- f. In pursuance of the implementation of "SPML S4A Scheme", the Promoters of the Company had diluted their shareholding in the Company to the extent of "Principle of Proportionate loss sharing by Lenders (S4A Lenders)" in favour of the Lender Banks to entitle them to hold 21.44% stake in the Company. As on balance sheet dated March 31, 2023 Lenders are holding 2.52% shareholding in the Company.
- g. In terms of the "SPML S4A Scheme" as approved by the Overseeing Committee (constituted under the aegis of Reserve Bank of India) the entire debt of the Company as bifurcated into Part A Debt and Part B Debt together with all interest thereon is also inter-alia secured by pledge of the Shares of the Company held by Promoters in favour of SBICAP Trustee Ltd. for the benefit of the Secured Parties. The Promoters & the Promoter Group of the Company as on the balance sheet dated March 31, 2023 had pledged 13.21% of the Shares as held by them in the Company in favour of the Security Trustee.
- h. Aggregate number and class of shares allotted as fully paid-up pursuant to conversion of Loans into shares without payment received in cash during the period of 5 years immediately preceding March 31, 2023:

Particulars	Number of Shares
Aggregate number of Equity Shares of Rs.2/- par value per share	55,17,790
Aggregate number of 0% Compulsorily Convertible Preference Shares of Rs.100/- par value per share	34,04,930

No bonus shares or shares bought back over the last five years immediately preceding the reporting date.

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 15: OTHER EQUITY

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
A Capital reserve	885.73	885.73
B Securities premium account	19,666.69	16,595.80
C General reserve	5,929.05	5,929.05
D Retained Earnings (movements given below)	6,071.43	5,860.38
E Other Comprehensive Income	(378.77)	(385.87)
<b>TOTAL</b>	<b>32,174.13</b>	<b>28,885.09</b>

## Movement in Retained Earnings

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Opening Balance</b>	5,860.38	4,862.32
Add: Profit for the year	211.05	998.06
<b>Closing Balance</b>	<b>6,071.43</b>	<b>5,860.38</b>

## NOTE 16: BORROWINGS

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
<b>Term Loans</b>		
from banks (refer note 20.1)	-	324.75
<b>0.01% Optionally Convertible Debentures</b>		
Issued to banks (Refer Note 16.1)	52,391.04	52,391.04
Issued to financial institutions	-	1,677.00
<b>Unsecured</b>		
<b>Term Loans</b>		
from related parties (refer note 16.2)	6,276.48	5,999.19
from bodies corporate (Refer Note 16.3)	636.35	636.35
<b>TOTAL</b>	<b>59,303.87</b>	<b>61,028.33</b>

### 16.1 Security and repayment terms in respect of Optionally Convertible Debentures (OCDs)

- The Company had allotted Unlisted, Unrated, Redeemable 54,53,517 Optionally Convertible Debentures (OCDs) of Rs. 1000/- each (carrying coupon rate @0.01 % p.a. included within an YTM @8.15% p.a. redeemable after moratorium period of 5 years from the date of issue starting from quarter ending 31st December 2022 and ending on quarter ending 30th September, 2027)). OCDs carry Coupon Rate of 0.01% p.a. to be paid in the first instance from November 01, 2017 to March 31, 2018 and thereafter at the end of each financial quarter commencing from last coupon payment date and ending on the next coupon payment date. The Company acknowledges that the Lenders reserves a Right of Recompense ("RoR") for Concessional Interest Rates. The recompense payable by the Company after the final redemption date depends on various factors such as improved performance of the Company, Cash Inflow & other conditions. Out of the above, 2,14,450 OCDs relating to Series No. C, D, and F were redeemed till the year ended 31st March, 2023. The aforesaid OCDs issued under various Series are as under:
- The OCDs under series A, B, & H are secured by way of first ranking charge in favour of Security Trustee (appointed for the benefit of the Secured Parties/debenture holders on pari-passu basis) on Hypothecation of Stocks and Book Debts of the Company, both present and future and all other current assets and non-current receivable, Plant and



# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Machinery, Furniture and Fixture and office equipment. In addition to above these loans are secured by the Personal Guarantee of two Promoter Directors and others of the Company and Corporate Guarantee of one of the associates of the Company, except for OCDs issued to ICICI Bank under Series B which is secured by extension of exclusive securities with them.

- c). OCDs issued under Series E are secured by way of first ranking charge in favour of the Security Trustee (appointed for the benefit of the Secured Parties/debenture holders on pari-passu basis) (i) on all the current and non-current assets of the Company (both present and future)(ii) Exclusive charge on two Immovable Properties situated at Sarita Vihar, New Delhi, (iii) Pledge of Shares of the Company held by Promoters/Associates (iv) Negative lien on one property at New Delhi owned by one of the Associates. In addition, these OCDs are also secured by Personal Guarantee of two property owners to the extent of the value of the properties as well as Personal Guarantee of Promoters
- d) OCDs issued under Series G are secured by way of exclusive charge in favour of ICICI Bank Ltd. on the Immovable Property of the company situated in Gurugram.
- e) The quarterly repayment of OCDs started from December, 2022, however the Company could not meet its' payment obligations amounting to Rs. 6176 lakhs till the period ended on 31st March,2023.

**16.2** Loans from Related Parties and Bodies Corporates carry interest @8.60%- 14.5% and are repayable within a maximum period of 10 years.

**16.3** Loans from Bodies Corporates are repayable within a maximum period of 10 years.

**16.4.** The Company has been facing financial crisis since last few financial years due to various reasons as stated in Note no.16.5 below, because of that with effect from the financial year 2019-20, the Company is in default relating to payment of its dues to the financial creditors (mainly to banks, hereinafter referred to as "Lenders") and accordingly, the borrowing facilities of the Company with the Lenders are irregular as on 31st March, 2023. The Company was in the process of formulating a resolution plan with Lenders and as per information available with the Company, the Lenders are proposing for assignment of the debt to eligible participant (amongst ARCs/Banks/NBFCs/FIs), through e-auction under the swiss challenge method, which was to be held on June 6, 2023. The Company is awaiting an official notification/communication in this regard from the Lenders and/or the eligible participant who ultimately prevailed in the said e-auction. The Company has been given to understand that the aforesaid e-auction is governed by the terms of Reserve Bank of India/ Bank's policy (Transfer of Loan Exposures) and the acquisition by the eligible participant will be by way of an Assignment of debt by the Lenders.

Presently, the Company continues to disclose the outstanding loans, including interest recognized in the books of accounts, in the financial results as per balances appearing in its Books of Accounts as per agreements with the respective Lenders.

Considering the aforesaid positive developments and the favourable business environment in the sector in which the Company operates, the Company is quite hopeful that the lenders will implement the resolution plan. The Management is confident that with the support of the lenders and approval of the restructuring proposal, the Company shall be able to generate sufficient cash inflows through profitable operations to discharge its financial obligations. Accordingly, the Company's Board of Directors considers it appropriate to prepare these financial results on a going concern basis.

**16.5.** The operations of the company have suffered in the last few years mainly due to general economic slowdown as well as various actions and inactions by various Government bodies / authorities, including factors beyond the control of the Company or its management. The major clients / customers of the Company are government bodies wherein the monies of the company are stuck since long and for which the claims of the Company are pending. The situation has been further aggravated with the non-release of sanctioned working capital credit facilities including Bank Guarantee limits, alongwith levy of excess margin & charges by some of the Lenders as against the agreed terms of sanction by them. Due to the mismatch in the cash flows, the Company has not been able to service its debts or meet the payment obligations to the Lenders. Hence, the accounts of the Company with the Banks have been classified as non-performing asset. Consequently, wef 1st November, 2019, majority of the Lenders ceased charging interest on loans to the Company, in their books of account, as per RBI's prudential norms. Hence, with effect from 1st November, 2019, the company is not recognizing any interest liability on the fund based borrowing facilities from the Lenders in the books of accounts as the same was discussed to be waived in the Resolution Plan ( except for recognizing Rs. 3,419.41 lakhs during the

## NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

quarter ended 31st March, 2023 towards part of interest charged by banks in the bank statements, from 1st November, 2019 onwards). Accordingly, post such partial recognition, interest expense of Rs.19,951.70 lakhs (Rs. 19,795.66 lakhs for the year ended March 31,2022 ) on the said borrowings have not been recognized for the year ended 31st March, 2023. Statutory Auditors report is modified in respect of the aforesaid non-recognition of interest liability, by way of a qualification. Further, on the aforesaid grounds, in respect of certain other borrowings including those from related parties (i.e. borrowing other than from 'Lenders'), the company has not recognized interest expense of Rs.491.86 lakhs for the year ended 31st March, 2023 . Statutory Auditors report is modified in respect of the aforesaid non-recognition of interest liability, by way of a qualification.

- 16.6.** As mentioned in Note 16.5 above, the accounts of the Company with the banks have been classified as Non Performing Assets. Hence, the Company has not filed any quarterly return or statement with the banks during the current financial year.
- 16.7.** The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### NOTE 17: TRADE PAYABLES

(at amortised cost)

₹ In Lakhs

Particulars	Non-current		Current	
	As at 31st Mar 2023	As at 31st Mar 2022	As at 31st Mar 2023	As at 31st Mar 2022
<b>Trade Payables</b>				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	881.29	1,003.95
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9,403.53	7,036.15	31,546.04	29,254.61
<b>TOTAL</b>	<b>9,403.53</b>	<b>7,036.15</b>	<b>32,427.33</b>	<b>30,258.56</b>

Ageing schedule of trade payable is as below:

As at March 31, 2023

₹ In Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues- MSME	-	-	-	-	-	-
Undisputed dues- Others	-	1,921.87	2,146.40	825.73	4,232.56	9,126.56
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	63.50	213.48	276.98
<b>Non-current Trade Payables</b>	<b>-</b>	<b>1,921.87</b>	<b>2,146.40</b>	<b>889.23</b>	<b>4,446.04</b>	<b>9,403.53</b>
Undisputed dues- MSME	-	626.64	131.85	31.98	90.81	881.29
Undisputed dues- Others	3,316.85	16,165.66	4,126.78	1,195.32	6,067.53	30,872.13
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	0.20	-	182.49	491.22	673.91
<b>Current Trade Payables</b>	<b>3,316.85</b>	<b>16,792.50</b>	<b>4,258.63</b>	<b>1,409.78</b>	<b>6,649.57</b>	<b>32,427.33</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

As at March 31, 2022

₹ In Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues- MSME	-	-	-	-	-	-
Undisputed dues- Others	-	2,108.87	617.58	905.72	3,127.00	6,759.18
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues – Others	-	-	63.50	175.55	37.93	276.98
<b>Non-current Trade Payables</b>	<b>-</b>	<b>2,108.87</b>	<b>681.08</b>	<b>1,081.27</b>	<b>3,164.93</b>	<b>7,036.15</b>
Undisputed dues- MSME	-	824.19	53.96	43.83	81.97	1,003.95
Undisputed dues- Others	11,690.89	11,354.12	792.83	1,950.22	2,764.18	28,552.24
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues – Others	-	-	182.49	89.22	430.66	702.37
<b>Current Trade Payables</b>	<b>11,690.89</b>	<b>12,178.31</b>	<b>1,029.28</b>	<b>2,083.27</b>	<b>3,276.81</b>	<b>30,258.56</b>

Note: Information in terms of section 22 of the Micro, Small and Medium Enterprises Development Act 2006:

₹ In Lakhs

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	As at March 31, 2023	As at March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal	627.31	883.07
Interest	253.98	120.88
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
Principal	-	-
Interest	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued for the year and remaining unpaid at the end of each accounting year	-	-
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	-	-

## NOTE 18: OTHER FINANCIAL LIABILITIES

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	9,453.06	6,553.53
Financial Guarantee Obligation	185.07	369.70
<b>TOTAL</b>	<b>9,638.13</b>	<b>6,923.23</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 19: PROVISION

₹ In Lakhs

Particulars	Non-current		Current	
	As at 31st Mar 2023	As at 31st Mar 2022	As at 31st Mar 2023	As at 31st Mar 2022
<b>Provision for employee benefits</b>				
Gratuity (refer note 32)	261.57	301.56	77.38	105.41
Compensated absences	-	-	49.59	48.24
<b>TOTAL</b>	<b>261.57</b>	<b>301.56</b>	<b>126.97</b>	<b>153.65</b>

## NOTE 20: BORROWINGS

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
	<b>Secured</b>	
From banks - Rupee loans payable on demand		
Cash Credit facilities (refer note 20.1.b)	90,938.73	88,619.40
Working Capital Demand Loan (refer note 20.1.b)	16,130.83	15,807.03
Current maturities of long-term borrowings (refer note 20.1.a)	2,779.18	2,838.02
<b>Unsecured</b>		
from bodies corporate (refer note 20.2)	1,221.55	5,927.92
<b>TOTAL</b>	<b>1,11,070.29</b>	<b>1,13,192.37</b>

### 20.1 Security and repayment terms in respect of term loans from banks

- Corporate Loan of Rs. 2779.18 Lakhs (P.Y. Rs. 2,787.87 Lakhs) from Consortium Member-Banks carries regular interest @ 12.65% p.a.. The said loans are secured on pari-passu basis by (i) Extension on all the current and non-current assets of the Company (both present and future) (ii) Exclusive mortgage on two Immovable Properties situated at Sarita Vihar, New Delhi owned by relatives of the Promoters (iii) Negative lien on one property at New Delhi owned by one of the associates (iv) Pledged shares of the Company held by Promoters/Associates. In addition, these loans are also secured by Personal Guarantee of relatives of promoter and others to the extent of the value of their mortgaged properties as well as Personal Guarantees of the Promoters of the Company.
- Cash Credit and Working Capital facilities in Indian rupees are secured by hypothecation of stocks and book debts of the Company, both present and future, hypothecation of certain specific plant and machinery, furniture/fixtures and office equipments as a pari passu charge with other consortium banks. These loans are additionally secured by the guarantees of two promoter directors of the Company and one relative of the promoter in addition to Corporate Guarantee of SPM Engineers Limited (related party). The Company has recognised the Interest which has been recovered by the Lenders. These Cash Credit outstanding including the unaccounted interest are also included in the ongoing assignment of entire Banking Exposure including ODCs by all Lenders to the successful ARC.

### 20.2 - Loans from Bodies corporate carry interest @ 12% p.a to 18% p.a.

## NOTE 21: LEASE LIABILITY

₹ In Lakhs

Particulars	Non-current		Current	
	As at 31st Mar 2023	As at 31st Mar 2022	As at 31st Mar 2023	As at 31st Mar 2022
<b>Lease Liabilities</b>	-	2.77	2.44	2.43
<b>TOTAL</b>	<b>-</b>	<b>2.77</b>	<b>2.44</b>	<b>2.43</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 22: OTHER CURRENT FINANCIAL LIABILITIES

₹ In Lakhs

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Salaries and other employee benefit payable	983.28	1,005.86
Advance from Customers	1,861.61	755.90
Interest accrued on Advances from Customers	1,080.74	1,075.83
<b>TOTAL</b>	<b>3,925.63</b>	<b>2,837.59</b>

## NOTE 23: OTHER CURRENT LIABILITIES

₹ In Lakhs

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Statutory Dues payable	797.31	1,008.65
Employees Payable	482.81	463.64
Other Liabilities	834.32	833.46
<b>TOTAL</b>	<b>2,114.44</b>	<b>2,305.75</b>

## NOTE 24: REVENUE FROM OPERATIONS

₹ In Lakhs

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
<b>Operating revenue</b>		
- Construction/EPC contracts	83,068.30	76,381.28
- Operation and maintenance	1,858.65	5,844.79
<b>Other operating revenue</b>		
Interest Income as per arbitration awards (Refer Note 45)	2,852.63	3,083.62
<b>TOTAL</b>	<b>87,779.58</b>	<b>85,309.69</b>

**24.1** The Company recognises revenue from contracts with customers (long-term construction contracts), which are mainly with Government parties, for construction / project activities over a period of time. During the year under report, substantial part of the Company's business has been carried out in India. Hence no dis-aggregation of revenue has been presented.

### 24.2 Contract balances

₹ In Lakhs

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Contract assets	96,411.31	97,470.54
Contract liabilities	11,314.66	7,309.43

The credit period towards trade receivables generally ranges between 30 to 60 days. Further the customer retains certain amounts as per the contractual terms which usually fall due on the completion of contract. These retentions are made to protect the customer from the Company failing to adequately complete all or some of its obligations under the contract.

Contract assets are initially recognised for revenue earned from transfer of goods and services but not billed to customer because the work completed has not met requirements of various milestones as set out in the contract with customers. Upon fulfilling the milestones and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. Contract liabilities include advances received from customers towards mobilisation of resources, purchase of materials and machineries.

Increase in the trade receivables, contract assets and contract liabilities as at March 31, 2023 from April 01, 2022 is on account of changes in operations of the Company. Impairment loss recognized on trade receivables have been disclosed in note 7. No Impairment loss has been recognised on contract assets since the management is of the opinion that the contract assets are fully recoverables.



# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## Changes in contract assets are as follows:

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning of the year</b>	<b>97,470.54</b>	<b>96,738.57</b>
Revenue recognised in the reporting period	1,007.86	14,406.19
Amount received against Contracts during the year	(2,067.09)	(13,674.22)
<b>Balance at the end of the year</b>	<b>96,411.31</b>	<b>97,470.54</b>

## Changes in contract liabilities are as follows:

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning of the year</b>	<b>7,309.43</b>	<b>5,497.60</b>
Amount Received against Contracts during the year	6,371.45	4,132.59
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	(2,366.22)	(2,320.76)
<b>Balance at the end of the year</b>	<b>11,314.66</b>	<b>7,309.43</b>

## NOTE 25: OTHER INCOME

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest income on</b>		
Loans given	13.84	485.12
Bank deposits	72.88	121.76
Income tax refund	130.09	79.91
Service tax refund	121.99	-
Others	48.05	98.92
<b>Other Non-Operating Income</b>		
Sundry balances / liabilities written back (refer note 41)	626.52	762.51
Commission received	242.67	117.52
Profit on sale of Fixed Asset (net)	264.11	11.81
Fair value changes on Mutual Fund	-	16.93
Service Tax Refund	395.50	-
Others	15.56	5.50
<b>TOTAL</b>	<b>1,931.21</b>	<b>1,699.98</b>

## NOTE 26: MATERIALS CONSUMED AND OTHER CONSTRUCTION EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Construction materials and stores and spare consumed</b>		
Inventory at the beginning of the year	8,940.02	7,040.56
Add: Purchases	6,078.36	22,981.38
	<b>15,018.38</b>	<b>30,021.94</b>
Less: Inventory at the end of the year	9,160.49	8,940.02
	<b>5,857.89</b>	<b>21,081.92</b>
<b>Construction Expenses</b>		
Subcontractor charges	66,741.66	50,899.32
Drawing and designing charges	5.16	3.72
Equipment hire and running charges	183.59	165.61
Other direct expenses	3,690.07	3,105.32
	<b>70,620.48</b>	<b>54,173.97</b>
<b>TOTAL</b>	<b>76,478.37</b>	<b>75,255.89</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 27: EMPLOYEE BENEFITS EXPENSE

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Wages and Bonus	2,497.32	2,579.20
Contribution to Provident and Others Funds	52.82	65.71
Gratuity expense	62.07	67.31
Staff Welfare Expenses	35.85	59.73
<b>TOTAL</b>	<b>2,648.06</b>	<b>2,771.95</b>

## NOTE 28: FINANCE COSTS

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest	4,829.49	1,957.14
Finance Cost on Lease	0.59	2.96
Other borrowing costs	152.75	136.97
<b>TOTAL</b>	<b>4,982.83</b>	<b>2,097.07</b>

## NOTE 29: DEPRECIATION AND AMORTIZATION

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Tangible assets	287.12	323.14
Depreciation on ROU Asset	2.78	61.69
Amortisation of Intangible Assets	7.62	4.99
<b>TOTAL</b>	<b>297.51</b>	<b>389.82</b>

## NOTE 30: OTHER EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent (Refer Note 33)	262.19	211.32
Rates and taxes	38.01	94.49
Repairs and maintenance:		
Building	12.41	12.97
Plant and machinery	94.43	33.39
Others	21.53	11.71
Insurance	171.04	234.24
Professional charges and consultancy fees	1,472.94	1,229.16
Vehicle running charges	167.45	146.46
Travelling and conveyance	186.79	153.90
Security Charges	138.49	154.08
Communication expenses	34.90	28.91

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Power and fuel	54.97	76.66
Printing & Stationery Expenses	24.89	24.98
Charity and donations	0.32	0.03
Auditor's remuneration (refer note 30.1)	40.73	40.09
Impairment of inventory	1,042.44	-
Expected Credit Loss on loans to a subsidiary, JV and certain associates (refer note 30.2)	-	1,989.34
Fair value changes on Mutual Fund	1.08	-
Derecognition of Investment	255.70	-
Provision for Doubtful advance	-	630.88
Bad debts / sundry balances written off	101.03	70.20
Miscellaneous expenses	128.16	167.42
Expected Credit Loss on trade receivables	788.53	298.67
<b>TOTAL</b>	<b>5,038.03</b>	<b>5,608.91</b>

## Note 30.1: Payment to Auditors

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As Auditors		
- Audit fees	22.00	22.00
- Tax Audit fees	4.50	4.50
- Limited review	10.50	10.50
- Reimbursement of expenses	0.40	0.61
In other capacity:		
- Other services (certification fees)	3.33	2.48
<b>TOTAL</b>	<b>40.73</b>	<b>40.09</b>

## Note 30.2: Expected Credit Loss on loans

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
SPML Utilities Limited (Subsidiary)	-	0.71
SPML Bhiwandi Water Supply Management Limited (Associate)	-	0.65
Luni Power Company Private Limited	-	340.86
Madurai Municipal Waste Processing Company Pvt Ltd (Subsidiary)	-	207.64
Gurha Thermal Power Company Limited (Joint Venture)	-	1,401.22
Binwa Power Company Pvt. Ltd. (Associate)	-	7.52
Spml Energy Limited (Associate)	-	22.38
Allahabad Waste Processing Company Limited (Subsidiary)	-	3.58
Doon Valley Waste Management Private Limited (Subsidiary)	-	4.36
Hydro Comp Enterprises (India) Limited (Joint Venture)	-	0.40
20TH Century Engineering Limited	-	0.02
<b>TOTAL</b>	<b>-</b>	<b>1,989.34</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 31: CONTINGENT LIABILITIES

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. Contingent Liabilities</b>		
i Claims against the Company not acknowledged as debts:		
(a) Legal suits filed against the Company by third parties towards claims disputed by the Company relating to supply of goods and services	85.70	670.21
(b) Legal suites filed against the Company by ex-employees towards claims disputed by the Company relating to non-payment of their dues	0.26	0.26
	<b>85.96</b>	<b>670.47</b>
ii Claims towards liquidated damages not acknowledged as debts by the Company (Against the above, debts of the like amounts are withheld by the customers. However, the Company expects no material liability to accrue on account of these claims)	18,194.18	19,953.36
iii Disputed Demands:		
(a) Excise / Service tax	23.13	23.13
(b) Sales tax / VAT	3,903.47	3,903.47
iv Performance bank guarantees, given on behalf of a Joint Ventures - MVV Water Utilities Private Limited	166.00	191.00
v Corporate Financial Guarantees given to banks for financial assistance extended to subsidiaries and other body corporates	2,040.93	4,232.51

## NOTE 32 EMPLOYEE BENEFITS

### (a) Contribution to Defined Contribution Plans recognised as expense are as under

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provident fund and other funds	50.91	65.71

### (b) Defined Benefit Plan

#### Disclosure for Defined Benefit Plans based on actuarial report

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Changes in Defined Benefit Obligation:</b>		
<b>Present value of Defined Benefit Obligation at the beginning of the year</b>	<b>406.57</b>	<b>418.53</b>
Current service cost	33.20	38.43
Interest cost	28.87	28.88
<b>Re-measurements (gains)/losses</b>		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	(3.32)	(1.12)
Actuarial (gains)/losses arising from changes in experience adjustments	6.99	31.92
Benefits paid	(120.57)	(110.08)
<b>Present value of Defined Benefit Obligation at the end of the year</b>	<b>337.76</b>	<b>406.56</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Expenses Recognized in the Statement of Profit and Loss</b>		
Interest cost	28.87	28.88
Current service cost	33.20	38.43
<b>Total</b>	<b>62.07</b>	<b>67.31</b>
<b>Expenses recognised in Other Comprehensive Income</b>		
Actuarial (gains)/losses arising from changes in financial assumptions	(3.32)	(1.12)
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	6.99	31.92
Total actuarial (gains)/ losses recognized in Other Comprehensive Income	3.67	30.80

#### The Principal actuarial assumption used:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.40%	7.10%
Salary growth rate	<b>6.00%</b>	<b>6.00%</b>
Mortality rate	Indian assured lives mortality (2012-14) Table Ultimate	Indian assured lives mortality (2012-14) Table Ultimate
Withdrawal rate (per annum)	1% to 8%	1% to 8%

The estimates of future salary increases have been considered in actuarial valuation after taking into consideration the impact of inflation, seniority, promotion and other relevant factors such as supply and demand situation in the employment market.

#### Disclosure for Defined Benefit Plans based on actuarial report

##### Current and Non Current Classification

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Gratuity</b>		
Current	77.38*	106.68*
Non-current	260.38*	299.89*

\*excludes figures of Joint Operations

##### Basis used to determine expected rate of return on assets:

The expected return on plan assets is based on market expectation, at the beginning of the period, which is used for calculating returns over the entire life of the related obligation.

##### Sensitivity Analysis for significant assumptions for the year ended March 31, 2023 are as follows:

₹ In Lakhs

Assumptions	Discount Rate	
	1% increase	1% decrease
Sensitivity Level		
Impact on Defined Benefit Plan (Rs.)	319	361

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

₹ In Lakhs

Assumptions	Future Salary increase	
	1% increase	1% decrease
Impact on Defined Benefit Plan (Rs.)	359	320

₹ In Lakhs

Assumptions	Withdrawal Rate	
	1% increase	1% decrease
Impact on Defined Benefit Plan (Rs.)	341	336

Sensitivity Analysis for significant assumptions for the year ended March 31, 2022 are as follows:

₹ In Lakhs

Assumptions	Discount Rate	
	1% increase	1% decrease
Impact on Defined Benefit Plan (Rs.)	381	435

₹ In Lakhs

Assumptions	Future Salary increase	
	1% increase	1% decrease
Impact on Defined Benefit Plan (Rs.)	432	384

₹ In Lakhs

Assumptions	Withdrawal Rate	
	1% increase	1% decrease
Impact on Defined Benefit Plan (Rs.)	409	403

The Weighted Average duration of the defined benefit obligation as at March 31, 2023 is 60 years

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory frame work which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

**Interest Rate Risk:** The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

**Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.



# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 33: LEASES

### Company as a Lessee

#### Lease Assets and Lease Liabilities

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>		
Right of Use assets (Refer Note 4)	2.78	5.56
<b>Liabilities</b>		
<b>Lease Liabilities</b>		
- Current (Refer Note 21)	2.44	2.43
- Non-current (Refer Note 21)	-	2.77

#### Depreciation on Right of Use assets and Interest expenses on Lease Liabilities

Particulars	₹ In Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation and Amortisation expenses	2.78	61.68
Interest expenses	0.59	2.96
Short term lease payment	262.19	211.32

#### Carrying Amounts of Right of Use Assets recognised and the movement during the year:

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Opening balance (Previous year initial recognition on adoption of Ind AS 116)	5.56	68.16
Addition/(deduction) during the year	-	(0.92)
Depreciation expenses	(2.78)	(61.68)
<b>Closing balance</b>	<b>2.78</b>	<b>5.56</b>

#### Set out below are the Carrying Amounts of Lease Liabilities and the movements during the year:

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Opening balance (Previous year Initial recognition on adoption of Ind AS 116)</b>	<b>5.20</b>	<b>74.48</b>
Addition/(deduction) during the year	-	-
Interest expenses during the year	0.59	2.96
Payments	3.36	72.24
<b>Closing balance</b>	<b>2.44</b>	<b>5.20</b>
Current	2.44	2.43
Non-current	-	2.77

#### The effective interest rate for lease liabilities is 12.65%, with maturity between April 2021 & March 2024

Maturity analysis of lease liabilities are as follows:	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
1 year	2.44	2.43
2 to 5 years	-	2.77

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 34: DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO IND AS 24

### List of Related Parties

#### I. Subsidiary Companies including Step-Down Subsidiary Companies:

##### Names of related parties

SPML Infrastructure Limited

SPML Utilities Limited

Allahabad Waste Processing Co. Limited

Mathura Nagar Waste Processing Co. Limited

Bhagalpur Electricity Distribution Co. Pvt. Ltd.

Doon Valley Waste Management Private Limited

Sanmati Infra Developers (P) Ltd.

Pondicherry Special Economic Zone Company Limited

Madurai Municipal Waste Processing Co. Private. Limited (w.e.f 06th March 2023)

#### II. Joint Ventures of the Company

##### Names of related parties

Malviya Nagar Water Services Private Limited

MVV Water Utility Private Limited

Gurha Thermal Power Co. Ltd

Aurangabad City Water Utility Co. Limited

Hydro Comp Enterprises (India) Limited

#### III. Associates of the Company

##### Names of related parties

Binwa Power Corporation Private Ltd

Bhilwara Jaipur Toll Road Private Limited

Delhi Waste Management Ltd (ceased w.e.f. 30th September, 2022)

Madurai Municipal Waste Processing Co. Private. Limited (ceased w.e.f 06th March 2023)

SPML Bhiwandi Water Supply Infra Limited

SPML Bhiwandi Water Supply Management Limited

SPML Energy Limited

SPMLIL- Amrutha Constructions Pvt Ltd

#### IV. Key Management Personnel

##### Names of related parties

Mr. Subhash Chand Sethi

Mr. Sushil Kumar Sethi

Mr. Prem Singh Rana

Mr. Charan Singh

Mr. Tirudaimarudhur Srivastan Sivashankar

Mrs. Pavitra Joshi Singh

##### Nature of relationship

Chairman

Vice Chairman & Non-Executive Director

Non-executive Independent Director

Non-executive Independent Director (Resigned w.e.f. 14th November, 2022)

Non-executive Independent Director

Non-executive Independent Director

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Ms. Arundhuti Dhar

Non-executive/Independent Director  
(appointed w.e.f. 13th February, 2023)

Mr. Abhinandan Sethi

Chief Operating Officer

Mr. Manoj Digga

Chief Financial Officer

Mrs. Swati Agarwal

Company Secretary

## V. Relatives of Key Management Personnel

### Names of related parties

Mr. Anil Kumar Sethi

### Nature of relationship

Brother of Chairman & Vice-Chairman

Mr. Harshavardhan Sethi

Son of Chairman

Mrs. Maina Devi Sethi

Mother of Chairman & Vice-Chairman

Mrs. Noopur Jain

Daughter of Vice-Chairman

Mrs. Suman Sethi

Wife of Chairman

Mr. Abhinandan Sethi

Son of Chairman

Mrs. Sandhya Rani Sethi

Wife of Vice-Chairman

Mr. Rishabh Sethi

Son of Vice-Chairman

Mrs. Shilpa Sethi

Daughter in law of Chairman

Dr. Ankit Jain

Son-in-law of Vice-Chairman

Mrs. Priyanshi Sethi

Daughter in law of Chairman

Mrs. Aanchal Sethi

Daughter in law of Vice-Chairman

## VI. Entities over which Key Management Personnel and/or their relatives have significant influence

### Names of related parties

Add Energy Management Company Private Limited

Arihant Leasing & Holding Co. Limited

Awa Power Company Private Limited

Rishabh Homes Private Limited

IQU Power Company Private Ltd

Neogal Power Company Private Ltd

SPM Engineers Limited

Subhash Kabini Power Corporation Limited

Zoom Industrial Services Limited

20Th Century Engineering Limited

SPML India Limited

Peacock Pearl Business Solution Pvt Ltd

Acropolis Properties Pvt Ltd

Niral Enterprises Pvt Ltd

JWIL Infra Limited

SPM Holding Pte. Ltd.

SPML Industries Limited

Delhi Waste Management Ltd

Sanmati Corporate Investments Private Limited

SJA Developers Private Limited

Vidya Edutech Private Limited

Aleron Tradelinks (India) Pvt. Ltd.

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 35:

A. During the year the following transactions were carried out with the related parties in the ordinary course of business:

		₹ In Lakhs		
Transaction	Related Party	Year ended March 31, 2023	Year ended March 31, 2022	
Sale of Goods	<b><u>Entity where significant influence is exercised by KMP and / or relatives</u></b>			
	JWIL Infra Limited	-	28.50	
Interest Income	<b><u>Associate company</u></b>			
	Subhash Kabini Power Corporation Limited	-	18.11	
	<b><u>Entity where significant influence is exercised by KMP and / or relatives</u></b>			
	Subhash Kabini Power Corporation Limited	8.70	-	
Interest expense	<b><u>Entities where significant influence is exercised by KMP and / or relatives</u></b>			
	SPML India Limited	-	51.38	
	Zoom Industrial Services Limited	-	110.42	
	Niral Enterprises Pvt Ltd	-	81.14	
Loan/Advance Given/Repaid	<b><u>Subsidiary companies</u></b>			
	Mathura Nagar Waste Processing Company Private Limited	-	61.89	
	Pondicherry Special Economic Zone Company Limited	-	45.00	
	<b><u>Associate company</u></b>			
	Delhi Waste Management Limited (Intt reversal during the year)	-	364.30	
	<b><u>Joint venture</u></b>			
	MVV Water Utility Pvt Ltd.	0.94	8.28	
	<b><u>Entities where significant influence is exercised by KMP and / or relatives</u></b>			
	Subhash Kabini Power Corporation Limited	4.10	-	
Zoom Industrial Services Limited	0.50	-		
Loan/Advance Taken/Repaid	<b><u>Subsidiary company</u></b>			
	SPML Infrastructure Limited	-	57.21	
	<b><u>Associate company</u></b>			
	Subhash Kabini Power Corporation Limited	-	11.80	
	<b><u>Joint venture</u></b>			
	MVV Water Utility Pvt Ltd.	1.82	17.49	
	<b><u>Entities where significant influence is exercised by KMP and / or relatives</u></b>			
	Zoom Industrial Services Limited	75.47	1,288.18	
	Subhash Kabini Power Corporation Limited	220.06	-	
	Peacock Pearl Business Solution Pvt Ltd	-	0.13	
SPML Industries Limited	99.00	-		

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Transaction	Related Party	Year ended March 31, 2023	Year ended March 31, 2022
Preference Shares Issued	SPML India Limited	-	432.33
	Zoom Industrial Services Limited	-	1,674.30
	Niral Enterprises Pvt Ltd	-	1,298.30
Equity Shares Issued/ Equity Shares issued on conversion of CCPS	Sushil Kumar Sethi	-	138.84
	SPML India Limited	432.33	435.66
	Zoom Industrial Services Limited	807.88	813.00
	Niral Enterprises Pvt Ltd	387.26	-
Managerial Remuneration/ Sitting Fees	Mr. Sushil Kumar Sethi	-	-
	Mr. Subhash Chand Sethi	93.54	100.39
	Mr. Abhinandan Sethi	105.94	104.02
	Mr. Dinesh Kumar Goyal	-	1.40
	Mr. Prem Singh Rana	3.30	5.10
	Mr. Charan Singh	2.30	3.30
	Mr. Tirudaimarudhur Srivastan Sivashankar	3.30	3.80
	Mr. Pavitra Joshi Singh	1.40	4.20
	Ms. Arundhuti Dhar	0.40	-
	Mr. Manoj Digga	92.28	85.86
	Mrs. Swati Agarwal	11.27	7.79

## B. BALANCE OUTSTANDING AT THE YEAR END (CONTD...)

₹ In Lakhs

Outstanding	Related Party	As at March 31, 2023	As at March 31, 2022
Payable	<b>Subsidiary companies</b>		
	Mathura Nagar Waste Processing Company Limited	529.63	529.63
	Pondicherry Special Economic Zone Company Limited	749.71	749.71
	<b>Associate company</b>		
	Delhi Waste Management Limited	-	3,150.98
	<b>Key managerial personnel (KMP)</b>		
	Mr. Sushil Kumar Sethi	29.51	29.51
	Mr. Subhash Chand Sethi	0.23	0.16
	<b>Relative of KMP</b>		
	Mr. Abhinandan Sethi	14.12	9.94
	<b>Entities where significant influence is exercised by KMP and / or relatives</b>		
	Arihant Leasing & Holding Company Limited	55.92	55.92
	Delhi Waste Management Limited	3,150.98	-
	SPML Industries Limited	1,237.50	-
	Zoom Industrial Services Limited	743.64	668.67
	SPML India Limited	0.27	0.27
	Niral Enterprises Pvt Ltd	73.03	73.03

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Outstanding	Related Party	As at March 31, 2023	As at March 31, 2022
Receivable	<b>Subsidiary companies</b>		
	SPML Infrastructure Limited	342.79	342.79
	SPML Utilities Limited	556.87	554.00
	Allahabad Waste Processing Company Limited	34.72	34.72
	Bhagalpur Electricity Distribution Company Private Limited	6,614.61	6,614.61
	Doon Valley Waste Management Private Limited	42.26	42.26
	Madurai Municipal Waste Processing Company Private Limited	209.11	209.11
	<b>Joint ventures</b>		
	Malviya Nagar Water Services Pvt .Ltd	450.16	450.16
	MVV Water Utility Pvt Ltd.	513.56	516.74
	Gurha Thermal Power Co Limited	1,401.22	1,401.22
	Aurangabad City Water Utility Company Limited	215.99	215.99
	Hydro-Comp Enterprises (India) Private Limited	1.02	1.02
	<b>Associate companies</b>		
	SPML Energy Limited	293.96	293.96
	SPML Bhiwandi Water Supply Infra Limited	887.29	887.29
	<b>Entities where significant influence is exercised by KMP and / or relatives</b>		
	Add Energy Management Company Private Limited	133.96	133.96
	Bharat Hydro Power Corporation Limited	189.26	189.26
	Acropolis Properties Pvt Ltd	1.08	1.08
JWIL Infra Limited	34.23	34.23	
Aleron Tradelinks (India) Pvt Ltd	1,151.13	1,151.13	
Corporate Guarantee outstanding (Also Refer Note 33 for details of security given)	<b>Associate companies</b>		
	Bhilwara Jaipur Toll Road Private Limited	2,040.93	2,040.93
Performance Guarantee outstanding	<b>Associate companies</b>		
	MVV Water Utility Private Limited	166.00	191.00

## C. Details of remuneration to Key Managerial Personnel is given below

Particulars	₹ In Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
- Short-term employee benefits	312.43	305.98
- Post employment benefits	1.30	9.88
	<b>313.73</b>	<b>315.86</b>

### Notes:

#### Terms and conditions of transactions with related parties:

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.



# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 36.1 CATEGORIZATION OF FINANCIAL INSTRUMENTS

₹ In Lakhs

Particulars	Carrying value/ Fair value	
	As at March 31, 2023	As at March 31, 2022
<b>(i) Financial Assets</b>		
<b>a) Measured at FVTPL</b>		
- Investments in Mutual Fund	1,320.30	1,321.27
<b>b) Measured at FVOCI</b>		
- Investments in Equity Instruments	239.65	239.65
<b>c) Measured at Amortised Cost*</b>		
- Loans	11,221.04	11,433.29
- Trade Receivables	1,37,258.37	1,27,482.27
- Other Financial Assets	26,813.91	27,188.48
<b>(ii) Financial Liabilities</b>		
<b>a) Measured at FVTPL</b>		
- Financial Guarantee Obligation	185.07	369.70
<b>b) Measured at Amortised Cost*</b>		
- Borrowings (Secured and Unsecured)	1,70,374.16	1,74,220.70
- Other Financial Liabilities	55,209.55	46,685.83

\*Carrying value of assets / liabilities carried at amortised cost are reasonable approximation of its fair values.

## NOTE 36.2 FAIR VALUE HIERARCHY

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

### a) Financial assets and liabilities measured at fair value at March 31, 2023

₹ In Lakhs

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment at FVTPL	30.76	-	1,289.54	<b>1,320.30</b>
Investment at OCI	-	-	239.65	<b>239.65</b>
<b>Financial Liability</b>				
Financial Guarantee Obligation at FVTPL	-	-	185.07	<b>185.07</b>

### Financial assets and liabilities measured at fair value at March 31, 2022

₹ In Lakhs

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment at FVTPL	31.83	-	1,289.54	<b>1321.37</b>
Investment at OCI	-	-	239.65	<b>239.65</b>
<b>Financial Liability</b>				
Financial Guarantee Obligation at FVTPL	-	-	369.70	<b>369.70</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## (b) Financial instruments at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled

(c) During the year there has been no transfer from one level to another

## (d) Description of Significant Unobservable inputs to Valuation:

Particulars	Valuation technique	Significant unobservable inputs	Sensitivity to the input of the fair value
Financial Guarantee Obligation	Discounted Cash Flow approach	Discount rate	1% increase in the discount rate will result in loss of Rs. 3.31 Lakhs in Profit and Loss and 1% decrease will have an equal but opposite effect.

## NOTE 37. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's principal financial liabilities, comprise of Borrowings and Trade Payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as Trade Receivables, Loans, Investments, Short-term Deposits and Cash & Cash Equivalents which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's Board of Directors assures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

The Board of Directors reviews and agrees policies for managing each risks, which are summarized below:

### A. Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company's exposure to credit risk is influenced mainly by Cash and Cash Equivalents, Trade Receivables and financial assets measured at Amortised Cost.

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes Security deposits, Loans given and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

#### a) Credit Risk Management

The Company provides for the Expected Credit Loss based on the following:

Asset Group	Description	Provision for Expected Credit Loss*
Low Credit Risk	Cash and Cash Equivalents, Other Bank Balances, Investments, Loans, Trade Receivables and Other Financial Assets	12 month Expected Credit Loss/Life time Expected Credit Loss

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Moderate Credit Risk	Trade Receivables, Loans and Other Financial Assets	12 month Expected Credit Loss/Life time Expected Credit Loss
High Credit Risk	Trade Receivables, Loans and Other Financial Assets	Life time Expected Credit Loss

\*Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

₹ In Lakhs

Credit Rating	Particulars	As at March 31, 2023	As at March 31, 2022
Low Credit Risk	Cash and Cash Equivalents, Other Bank Balances, Investments and Other Financial Assets	38,799.39	41,616.88
High Credit Risk	Trade Receivables, Loans	1,70,166.51	1,59,814.13

## b) Credit Risk Exposure

Provision for Expected Credit Loss

The Company provides for Expected Credit Loss based on 12 month and Life time Expected Credit Loss basis for following Financial Assets:

### As at March 31, 2023

₹ In Lakhs

Particulars	Estimated gross carrying amount at default	Expected Credit Loss	Carrying amount net of impairment provision
Loans	15,446.90	4,225.86	11,221.04
Trade Receivables	1,54,719.61	17,461.24	1,37,258.37

### As at March 31, 2022

₹ In Lakhs

Particulars	Estimated gross carrying amount at default	Expected Credit Loss	Carrying amount net of impairment provision
Loans	15,659.15	4,225.86	11,433.29
Trade Receivables	1,44,154.98	16,672.71	1,27,482.27

The Company's allowance for Expected Credit Loss on Trade Receivables is created using Provision Matrix Approach.

₹ In Lakhs

Reconciliation of Loss Allowance	Trade Receivables	Loans
<b>As on March 31, 2021</b>	<b>16,304.04</b>	<b>2,236.52</b>
Allowance for Expected Credit Loss	368.67	1,989.34
<b>As on March 31, 2022</b>	<b>16,672.71</b>	<b>4,225.86</b>
Allowance for Expected Credit Loss	788.53	-
<b>As on March 31, 2023</b>	<b>17,461.24</b>	<b>4,225.86</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

### Maturities of Financial Liabilities

The table below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities

#### As at March 31, 2023

₹ In Lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	1,11,070.29	-	59,303.87	1,70,374.16
Trade Payable	22,031.22	19,799.64	-	41,830.86
Other Financial Liabilities	3,802.94	9,760.82	-	13,563.76

#### As at March 31, 2022

₹ In Lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	1,13,192.37	324.75	60,703.58	1,74,220.70
Trade Payable	29,637.48	7,657.23	-	37,294.71
Other Financial Liabilities	2,837.59	6,923.23	-	9,760.82

## C. Market Risk

### a. Interest Rate Risk

The Company has taken debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Company to interest rate risk.

#### Interest Rate Risk Exposure

₹ In Lakhs

Particulars	March 31, 2023	March 31, 2022
Variable Rate Borrowing	1,07,069.56	1,04,426.43
Fixed Rate Borrowing	63,304.60	69,794.27

#### Interest rate sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

₹ In Lakhs

Particulars	March 31, 2023	March 31, 2022
<b>Interest Sensitivity*</b>		
Interest Rates increase by 100 basis points	**	**
Interest Rates decrease by 100 basis points	**	**

\*Holding all other variables constant

\*\* Refere Note - 16.5 and 16.6

### b. Price Risk

The Company's exposure to price risk arises from investments held and classified as FVTPL or FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## Sensitivity Analysis

₹ In Lakhs

Particulars	March 31, 2023	March 31, 2022
<b>Price Sensitivity*</b>		
Price increase/ decrease by 5%- FVOCI	**	**

\*Holding all other variables constant

## NOTE 38. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued Equity Capital, Share Premium and all Other Equity Reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and long term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the Net Debt to Equity Ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by Cash and Cash Equivalents (including restricted Cash and Cash Equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Company:

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	1,70,374.16	1,74,220.70
Trade Payables	41,830.86	37,294.71
Less: Cash and Cash Equivalents	(1,817.97)	(3,942.52)
<b>Net debt</b>	<b>2,10,387.05</b>	<b>2,07,572.89</b>
Total Capital	34,946.50	33,164.98
<b>Capital and net debt</b>	<b>2,45,333.55</b>	<b>2,40,737.85</b>
<b>Gearing ratio</b>	<b>86%</b>	<b>86%</b>

## NOTE 39: DEFERRED TAX ASSET

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Assets arising out of:</b>		
Provision as per Expected Credit Loss model	5,598.07	5,598.07
Adjustment for modified retrospective impact of Ind AS 115 as on April 1, 2018	5,368.34	5,368.34
Impact of fair valuation of loans and advances	770.32	770.32
Fair valuation of investments	3,010.00	3,010.00
Provision for employee benefit plan	(10.70)	(7.47)
Impairment of property, plant and equipment	(59.44)	(59.44)
<b>Gross Deferred Tax Assets</b>	<b>14,676.58</b>	<b>14,679.81</b>
<b>Deferred Tax Liabilities arising out of:</b>		
Fair valuation of land	1,680.67	1,680.67
Profit on sale of investments	230.69	230.69
Interest income	874.26	874.26
Guarantee commission	37.66	37.66
Impact of Ind AS 116	0.11	0.11
<b>Gross Deferred Tax Liabilities</b>	<b>2,823.38</b>	<b>2,823.38</b>
<b>Net Deferred Tax Assets</b>	<b>11,853.20</b>	<b>11,856.42</b>

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

The major components of Income tax expense for the years ended March 31, 2023 and March 31, 2022 are:

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Opening balance as of April 1</b>	11,856.42	11,405.20
Tax income/(expense) during the period recognised in profit or loss	-	441.61
Tax income/(expense) during the period recognised in OCI	(3.22)	9.61
<b>Closing balance as at March 31</b>	<b>11,853.20</b>	<b>11,856.42</b>

## Statement of profit and loss:

Particulars	₹ In Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit or loss section</b>		
<b>Current income tax:</b>		
Current income tax charge	54.94	329.58
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	-	(441.61)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>54.94</b>	<b>(112.03)</b>
<b>OCI section</b>		
<b>Deferred tax related to items recognised in OCI during in the year:</b>		
Net Loss/(Gain) on remeasurement of defined benefit plans	3.22	(9.61)
<b>Income tax charged to OCI</b>	<b>3.22</b>	<b>(9.61)</b>

## Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2022 and March 31, 2023:

Particulars	₹ In Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Accounting profit before tax</b>	265.99	886.03
At India's statutory income tax rate of 31.20% (March 31,2022: 31.20%)	82.99	276.44
Effect of Income being taxed at different rate (MAT Rate)	(41.49)	(138.22)
Adjustments in respect of items that are exempted from Income tax	(13.45)	(191.36)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>54.94</b>	<b>329.58</b>

## NOTE 40. EARNING PER SHARE:

Particulars	₹ In Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Net profit available for Equity Shareholders	211.05	998.06
Weighted Average number of Equity shares	480.91	373.07
Basic and Diluted Earnings Per Share	0.44	2.68

**NOTE 41.** Other Income includes Rs.603.15 Lakhs (Rs. 727.96 Lakhs during the year ended March 31, 2022) consisting of certain credit balances of operational creditors either barred by the laws of limitation and not yet claimed by them or the dues are settled by mutual agreements.

**NOTE 42.** Interest on YTM basis amounting to Rs. 6,276.13 Lakhs for the year ended March 31, 2023 (Rs. 6,027.24 Lakhs as on March 31, 2022) has not been provided on Optionally Convertible Debentures (OCDs) issued to Lenders under S4A scheme, as the management believes that the same is not payable until maturity of such OCDs. However, the current resolution plan which is under consideration entails revision in the terms of these OCDs.

**NOTE 43.** Clients of the Company had foreclosed certain projects/contracts which are presently under arbitration/litigation proceedings. The management, based on the facts of the cases, is confident to recover / realise the trade receivables as at March 31, 2023 of Rs. 7,372.07 Lakhs (Rs.8,066.17 Lakhs as on March 31, 2022).



# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

**NOTE 44.** The Company has certain Trade and Other Receivables of Rs. 43,521.90 Lakhs as at March 31, 2023 (Rs. 42,573.94 Lakhs as on March 31, 2022) backed by arbitration awards pronounced in its favour over the years. Further, the Company has recognised interest income of Rs. 2,852.63 Lakhs during year ended March 31, 2023 (Rs. 2,734.13 Lakhs during the year ended March 31, 2022) on such arbitration awards. Against these awards, the customers have preferred appeals in the jurisdictional courts and the legal proceedings are going on. Pending the outcome of the said legal proceedings, the above amounts are being treated as fully realisable as based on the facts of the respective case, the management is confident that the final outcome of the legal proceedings would be in its favour.

**NOTE 45.** Trade Receivables aggregating Rs.17,518.19 Lakhs (March 31, 2022 Rs.15,506.40 Lakhs) are under arbitration proceedings. The management is confident that based on the facts of the respective cases; there is no uncertainty as regards their realisation.

**NOTE 46.** Disclosure in relation to Corporate Social Responsibility (CSR):

i) Amount required to be spent by the company during the year:	NIL
ii) Amount of expenditure incurred:	Not Applicable
iii) Shortfall at the end of the year:	Not Applicable
iv) Total of previous years shortfall:	NIL
v) Reason for shortfall:	Not Applicable
vi) Nature of CSR activities:	None
vii) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR Expenditure as per relevant Accounting Standard:	NIL
“viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately:	There is no provision during the current financial year.

**NOTE 47.** The company has given unsecured loans to certain subsidiaries, joint ventures and associates for developing various projects. However, due to the current financial difficulties being faced by the Company, as detailed in Notes 16.4 and 16.5 hereinabove, it has not been able to continue providing required financial support which they have asked for subsequently for developing the projects. Consequently and coupled with various other reasons specific to each such subsidiary, joint venture and associate and the general economic conditions, their financials have been adversely impacted over a period of time. Based on the assessment of financials etc. of these companies and as per the provisions of Ind AS, the Company has been providing for expected credit losses in respect of the loans given to them alongwith accrued interest. In view of the aforesaid circumstances and considering the probability that the Company will collect the interest to which it is entitled to, the Company has, with effect from 1st April, 2021, postponed recognition of income from interest on such unsecured loans given to certain subsidiaries, joint ventures and associates which are impaired fully/partially by way of expected credit losses as per the provisions of Ind AS. The amount of such interest not recognized for the year ended March 31, 2023 is Rs.1,047.15 lakhs (Rs.1051.22 lakhs for the year ended March 31, 2022). The interest income would be considered as revenue, as per the provisions of Ind AS, in the period in which there is certainty of it's collection/it is ultimately collected. Notwithstanding the aforesaid, the Company always has the right to recover the entire outstanding loan along with interest accrued thereon.

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 48: RATIO ANALYSIS

The ratios as per the latest amendment to Schedule III are as below:

	Year ended March 31, 2023	Year ended March 31, 2022	Variance (%)	Reason for Variance (If variance is more than 25%)
<b>(1) Current ratio (times)</b> (Current assets/Current liabilities)	1.03	1.09	(5.55%)	
<b>(2) Debt equity ratio (times)</b> (Total Debt/Shareholder's Equity)	4.88	5.25	(7.19%)	
<b>(3) Debt service coverage ratio (times)</b> (Earnings available for Debt service/Debt service) Earning for Debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + Other adjustments like loss on sale of fixed assets etc. Debt service = Interest & Lease payments + Principal repayments	0.04	0.03	15.23%	
<b>(4) Return on Equity (%)</b> (Net profit after tax (PAT)/Average Equity) Net profit after tax" means reported amount of "Profit /(Loss) for the period and it does not include items of Other Comprehensive Income.	0.62%	3.30%	(81.20%)	The variance arising mainly on account of recovery of interest by the lenders and increase in the share capital
<b>(5) Inventory turnover ratio (times)</b> (Sales/Average inventory) [Sales: Revenue from operations]	9.61	10.57	(9.05%)	
<b>(6) Trade Receivable turnover ratio (times)</b> (Sales /Average Trade Receivables) [Sales: Revenue from operations]	0.66	0.68	(2.21%)	
<b>(7) Trade payables turnover ratio (times)</b> (Net credit purchases/Average Trade Payables) Net credit purchases consist of gross credit purchases minus purchase return	0.15	0.61	(74.88%)	The variance arising mainly on account of decrease in the working capital.
<b>(8) Net capital turnover ratio (times)</b> (Sales/Average working capital) (Working capital: Current assets - Current liabilities) [Sales: Revenue from operations]	17.82	6.18	188.28%	The variance arising mainly on account of decrease in the working capital.
<b>(9) Net profit ratio (%)</b>	0.24%	1.17%	(79.45%)	The variance arising mainly on account of recovery of interest by the lenders.

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

	Year ended March 31, 2023	Year ended March 31, 2022	Variance (%)	Reason for Variance (If variance is more than 25%)
(Net profit after tax/Sales)				
[Sales:Revenue from operations]				
<b>(10) Return on Capital Employed (%)</b>	2.37%	1.06%	123.50%	The variance arising mainly on account of recovery of interest by the lenders and increase in the share capital.
(EBIT/Capital Employed)				
[Capital Employed: Tangible Net Worth + Total Debt + Deferred Tax Liability]				
Tangible Net Worth: Total Assets-Intangible Assets -Total Liability				
[EBIT: Profit before taxes +/- Exceptional items +Finance Cost]				
<b>(11) Return on investment</b>		-	-	Company has not earned any return on investments held for long term strategic purpose.
(Return on Investment/Average Investments)				

## NOTE 49. Information on joint arrangements of the company

Description of Company's interest in the joint operations of the entity:

₹ In Lakhs

Name of the entity	As at March 31, 2023		As at March 31, 2022	
	Proportion of Interest	Country of Incorporation	Proportion of Interest	Country of Incorporation
Siddhartha - Mahavir-SPML	10%	India	10%	India
SPML - CISC JV	50%	India	50%	India
SPML - Simplex	50%	India	50%	India
SPML - HCIL	100%	India	100%	India
M&P + Subhash JV	40%	India	40%	India
SPML-JWIL JV	51%	India	51%	India
SPML-BCPL JV	51%	India	51%	India
PNC-SPML JV-MORADABAD	100%	India	100%	India
SPML-Shree Hari JV	51%	India	51%	India
Suez Environment France & SPML Infra Ltd India JV	48%	India	48%	India
JWIL SPML JV	30%	India	30%	India
Shristi SPML JV	26%	India	26%	India

The Company's share of assets, liabilities, income and expenses in the joint Operations as at and for the year ended March 31, 2023 is as follows:-

₹ In Lakhs

Name of the Joint Operation		Company's Share in				Profit/ (Loss) (-) after tax	Capital Expenditure Commitments and Contingent Liabilities
		Assets	Liabilities	Income	Expenses		
Siddhartha-Mahavir-SPML **	2022-23	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-
Shristi SPML JV **	2022-23	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-
SPML CISC JV	2022-23	7.34	3.23	-	0.03	(0.03)	-
	2021-22	9.67	3.21	-	0.40	(0.40)	-

# NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

SPML - Simplex	2022-23	0.65	0.08	10.30	12.50	(2.20)	-
	2021-22	28.93	28.93	0.64	9.13	(8.49)	-
SPML-JWIL JV*	2022-23	1,907.14	1,908.05	5,128.47	5,128.88	(0.41)	-
	2021-22	2,573.85	2,574.34	5,423.54	5,423.95	(0.40)	-
SPML-BCPL JV *	2022-23	1,114.13	1,110.41	6,527.30	6,524.09	3.21	-
	2021-22	162.46	161.95	1,111.73	1,111.23	0.50	-
PNC-SPML JV-MORADABAD	2022-23	10,266.81	10,251.78	19,300.67	19,296.81	3.86	-
	2021-22	1,634.69	1,626.80	834.46	826.57	7.89	-
SPML-Shree Hari JV *	2022-23	974.55	974.55	4,682.87	4,682.87	-	-
	2021-22	488.53	488.53	894.92	894.92	-	-
SPML - HCIL JV	2022-23	40.02	124.53	-	0.27	(0.27)	-
	2021-22	40.19	124.43	-	0.15	(0.15)	-
JWIL - SPML JV *	2022-23	1,543.77	1,538.57	654.83	653.18	1.66	-
	2021-22	1,589.36	1,586.85	2,183.31	2,180.45	2.86	-
Suez Environment France & SPML Infra Limited India JV *	2022-23	112.91	122.71	137.11	124.60	12.51	-
	2021-22	175.58	192.25	163.46	163.37	0.09	-
M&P + Subhash JV *	2022-23	2,167.17	2,148.93	-	-	-	-
	2021-22	2,167.17	2,148.93	1.68	0.15	1.53	-

\* These financial statement have been accounted for based on the Management Certified financial statement.

\*\* This financial statement not received.

## NOTE 50 SEGMENT REPORTING

The Company is operating in a single segment viz. EPC in accordance with IND AS -108 notified pursuant to Companies (Indian Accounting Standards) Rules, 2015 , (as amended). The Company is primarily operating in India which is considered as single geographical segment.

**NOTE 51.** The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the reporting period year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Further, their is no previously unrecorded income and related assets that have been recorded in the books of account during the operating period.

**NOTE 52:** The Company does not have any benami property, where any proceedings have been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made there under.

**NOTE 53:** The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

**NOTE 54:** There has not been any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**NOTE 55:** The Company has not traded or invested in crypto currency or virtual currency during the reporting period.

**NOTE 56:** NOTE 56: The Company during the current year has not made any Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

**NOTE 57:** Previous year's figures have been regrouped/rearranged wherever considered necessary to confirm to the figures presented in the current year.

Signatories to Notes 1 to 57

As per report attached of even date

### For Maheshwari & Associates

Chartered Accountants

ICAI Firm Registration No. 311008E

#### CA Bijay Murmuria

Partner

Membership No - 055788

Place: Kolkata

Date: June 13, 2023

#### Subhash Chand Sethi

Chairman

DIN: 00464390

#### Manoj Kumar Digga

Chief Financial Officer

### For and on behalf of Board of Directors of

SPML Infra Limited

#### Sushil Kr. Sethi

Director

DIN: 00062927

#### Swati Agarwal

Company Secretary

# Form AOC-1

{Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014}  
Statement containing salient features for the financial statements of the subsidiaries/joint ventures/associate Companies

## PART 'A' - Summary of Financial Information of Subsidiary Companies

Sl. No.	Name of the Company	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Allahabad Waste Processing Company Limited	-	INR	1	6,25,00,000	8,52,48,335	25,92,30,418	11,14,82,087	2,000	5,400	(63,25,840)	(11,86,301)	(51,39,539)	-	99.03%
2	Bhagalpur Electricity Distribution Company Private Limited	-	INR	1	1,00,000	(30,86,04,098)	1,39,52,80,270	1,70,38,84,368	-	-	-	-	-	-	99.99%
3	Doon Valley Waste Management Private Ltd	-	INR	1	9,60,000	(2,45,18,671)	29,487	2,35,88,158	-	-	(14,98,600)	(2,94,008)	(12,04,592)	-	87.49%
4	Madurai Municipal Waste Processing Company Private Limited	-	INR	1	22,82,70,000	(22,75,53,958)	6,04,29,884	5,97,13,842	-	11,75,823	(10,69,178)	54,09,500	(64,78,678)	-	99.99%
5	Mathura Nagar Waste Processing Company Limited	-	INR	1	5,61,93,000	(1,94,62,713)	4,46,28,389	78,98,102	2,700	74,25,430	(5,41,92,770)	(86,090)	(5,41,06,680)	-	98.91%
6	Pondicherry Special Economic Zone Company Limited	-	INR	1	28,39,95,000	(8,84,33,245)	24,11,23,955	4,55,62,200	-	64,91,710	58,28,100	20,69,830	37,58,270	-	74.95%
7	Sanmati InfraDevelopers Private Limited	-	INR	1	2,00,00,000	(25,80,46,763)	24,28,61,617	48,09,08,380	13,18,55,390	-	(43,70,130)	(10,58,240)	(33,11,890)	-	74.99%
8	SPML Infrastructure Limited	-	INR	1	74,33,042	16,28,06,520	24,75,80,273	7,73,40,713	10,10,55,680	12,60,67,835	5,38,36,655	1,23,72,367	4,14,64,288	-	99.99%
9	SPML Utilities Limited	-	INR	1	20,00,00,000	(13,27,05,347)	14,12,07,335	7,39,12,682	7,90,84,842	-	(34,83,747)	-	(34,83,747)	-	100.00%

₹ In Lakhs

## PART 'B' - Associates and Joint Ventures

₹ In Lakhs

Name of Entity	Latest Audited Balance Sheet Date	Reporting Currency	No. of Shares held by the Company in associate/joint venture on the year end	Amount of Investment in associate/joint venture	Extent of Holding (%)	significant Influence	Reason why the associate/joint venture is not consolidated	Net worth attributable to shareholding as per latest balance sheet	share of profit / loss for the year	
									Considered in Consolidation	Not Considered in Consolidation
<b>A. Joint Ventures</b>										
1	Aurangabad City Water Utility Co. Ltd	INR	19,405	1,04,77,219	40.01%	Controls more than 20% of share Capital	-	-	-	-
2	Gurha Thermal Power Project	INR	25,000	2,50,000	50.00%	Controls more than 20% of share Capital	-	-	-	-
3	Hydro Comp Enterprises India Private Limited	INR	22,96,265	22,96,265	50.00%	Controls more than 20% of share Capital	(49,13,150)	(25,250)	(25,250)	(25,250)
4	MVV Water Utility Private Limited	INR	3,83,073	1,09,76,845	48.08%	Controls more than 20% of share Capital	-	-	-	-
5	Malviya Nagar Water Services Private Limited	INR	22,05,000	2,20,50,000	26.00%	Controls more than 20% of share Capital	(1,09,14,800)	(4,70,600)	(4,70,600)	(13,39,400)
<b>B. Associates</b>										
1	Binwa Power Company Private Limited	INR	29,48,340	-	49.27%	Controls more than 20% of share Capital	3,44,03,145	13,89,290	14,30,710	14,30,710
2	SPML Energy Limited	INR	9,95,50,000	4,66,94,000	48.02%	Controls more than 20% of share Capital	10,97,30,861	(30,74,027)	(33,27,424)	(33,27,424)
3	Bhiwara Jaipur Toll Road Private Limited	INR	35,20,302	51,91,38,000	51.00%	Controls more than 20% of share Capital	-	-	-	-
4	Spml Bhiwandi Water Supply Infra Limited	INR	2,24,700	2,25,000	44.94%	Controls more than 20% of share Capital	(13,62,671)	(12,538)	(15,362)	(15,362)
5	Spml Bhiwandi Water Supply Management Ltd.	INR	2,50,000	2,50,000	50.00%	Controls more than 20% of share Capital	(2,68,555)	(14,250)	(14,250)	(14,250)
6	Spml Bhiwandi Water Supply Management Ltd.	INR	250,000	250,000	50.00%	Controls more than 20% of share Capital	(253,705)	(17,250)	(17,250)	(17,250)



**Annexure-6: Companies that have become/ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies**

The names of companies which have become subsidiaries, joint ventures or associate Companies During the year:

<b>Sl. No.</b>	<b>Name of Company</b>	<b>Subsidiary/JV/Associate</b>
1	Madurai Municipal Waste Processing Company Private Limited	Subsidiary

The names of companies which have ceased to be subsidiaries, joint ventures or associate Companies During the year:

<b>Sl. No.</b>	<b>Name of Company</b>	<b>Subsidiary/JV/Associate</b>
1	Delhi Waste Management Limited	Associate

**On behalf of the Board of Directors**

**Subhash Chand Sethi**  
Chairman

**CONSOLIDATED  
FINANCIAL  
STATEMENTS**

# INDEPENDENT AUDITORS' REPORT

To the Members of SPML Infra Limited

## Report on the Audit of the Consolidated Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated financial statements of SPML Infra Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31st March, 2023, their consolidated profit (including other comprehensive expense), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

### Basis for Qualified Opinion

#### As stated in:

- a. Note no. 42 to the consolidated financial statements, interest on YTM basis amounting to ₹6,276.13 Lakhs (31st March, 2022: ₹6,027.24 lakhs) was not provided on Optionally Convertible Debentures ('OCDs') issued to lenders under S4A scheme by the Parent, which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had such interest expense been recognized, the finance costs, profit before tax, profit after tax and total comprehensive income would have been impacted to the extent of the aforesaid amount for the year ended 31st March, 2023. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is ₹29,590.66 lakhs as at 31st March, 2023 (31st March, 2022: ₹ 23,314.53 lakhs). The Auditor's Report for the year ended 31st March, 2022 was also qualified in respect

of this matter.

- b. Note no. 17.6 to the consolidated financial statements, interest expense of ₹ 19,951.70 lakhs and ₹491.86 lakhs on the Parent's borrowings from certain financial creditors (banks) and certain financial creditors (other than banks) respectively, has not been recognized for the year ended 31st March, 2023 (31st March, 2022: ₹19,795.66 lakhs and ₹ 714.06 lakhs respectively). This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid interest expenses been recognized, the finance costs, profit before tax, profit after tax and total comprehensive income would have been impacted to the extent of the aforesaid amounts for the year ended 31st March, 2023. The Auditor's Report for the year ended 31st March, 2022 was also qualified in respect of this matter.
- c. Note no. 43 to the consolidated financial statements, the Parent's trade receivables (net of ECL) as at 31st March, 2023 includes ₹ 7,372.07 lakhs (31st March, 2022: ₹8,066.17 lakhs), relating to certain projects where the claims are presently under arbitration/ litigation proceedings. Pending the ultimate outcome of these matters (fate of which is presently unascertainable), we are unable to comment on the recoverability thereof. The Auditor's Report for the year ended 31st March, 2022 was also qualified in respect of this matter.

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

### Emphasis of Matters

We draw attention to the following notes to the consolidated financial statements:

- (i) Note no.45, regarding unavailability of financial statements/ financial information/financial results of 1(one) subsidiary, 1(one) associate and 3(three) joint venture companies. According to the information and explanations given to us by the Parent's management, such unavailable financial statements/financial

information/financial results are not material to the Group.

- (ii) Note no.44, regarding uncertainties relating to the recoverability of certain trade & other receivables as at 31st March, 2023 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Parent.
- (iii) Note no.41, regarding write back of ₹603.16 lakhs (31st March, 2022: ₹ 727.96 lakhs) by the Parent in respect of certain credit balances.
- (iv) Note no. 48, regarding postponement of recognition of income from interest on unsecured loans given to certain subsidiaries, joint ventures and associates which are impaired fully/partially by way of expected credit losses.
- (v) Note no.17.5, which indicates that the Parent has defaulted in payment of dues to certain financial creditors and its borrowing facilities with banks

are irregular as at 31st March, 2023. Based on the mitigating factors as mentioned in the aforesaid Note no.17.5, the Parent's Board of Directors is of the view that the going concern basis of accounting is appropriate for preparation of the consolidated financial statements.

Our opinion is not modified in respect of these matters.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section hereinabove, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditors Response
<p><b>Pending litigations (refer Note no. 32b to the consolidated financial statements )</b></p> <p>The Parent Company is subject to number of claims and litigations including arbitrations, mainly with customers and tax authorities. The assessment of the likely outcome of these matters can be judgmental due to the uncertainty inherent in their nature.</p> <p>This area is significant to our audit, since the accounting and disclosure of claims and litigations are complex and judgmental, and the amounts involved are, or maybe, material to the consolidated financial statements.</p>	<p>Principal Audit Procedures:</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of the design and implementation of the Parent Company's controls over the assessment of litigations and completeness of disclosures. Supporting documentations are tested to assess the status of Arbitrations/legal proceedings with reference to related counselors' views for likely outcome of these matters.</li> </ul>

#### Information other than the Consolidated Financial Statements and Auditors' Report thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its Associates and Joint Ventures in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act/other relevant applicable regulations, for safeguarding the assets of the Group, its associates and joint

ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are

appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associates and joint ventures (covered under the Act) have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

- a. We did not audit the financial statements/financial information / financial results of 6(six) subsidiaries included in the consolidated financial statements, whose financial statements / financial information / financial results reflect total assets of ₹8,483.03 lakhs as at 31st March, 2023, total revenues of ₹ 150.98 lakhs, total net loss after tax of ₹664.83 lakhs, total comprehensive loss of ₹ 664.83 lakhs and cash inflows (net) of ₹ 41.14 lakhs for the year ended on that date, as considered in the consolidated financial statements. These annual financial statements / financial information / financial results have been audited by other auditors, whose audit reports have been furnished to us by the Parent's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries, is based solely on the audit reports of such other auditors and on the procedures performed by us as stated in the section Auditor's Responsibilities for the Audit of the Consolidated Financial Statements hereinabove

Our opinion on the consolidated financial statements is not modified in respect of the above matter, regarding our reliance on the work done by and the reports of the other auditors.

- b. We did not audit the financial statements / financial information/ financial results of 1 (one) subsidiary included in the Statement, whose financial statements / financial information / financial results reflect total assets of ₹1,412.07 lakhs as at 31st March, 2023, total revenues of ₹ Nil, total net loss after tax of ₹ 34.84 lakhs, total comprehensive loss of ₹ 34.84 lakhs and cash outflow (net) of ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. The Statement also includes the Group's share of net loss after tax of ₹8.54 lakhs and total comprehensive expense of ₹ 8.81 lakhs for the year ended 31st March, 2023, in respect of 4(four) associates and 2(two) joint ventures, whose financial statements / financial information / financial results have not been audited by us. These annual financial statements/ financial information/ financial results are unaudited and have been furnished to us by the Parent's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of

these subsidiary, associates and joint ventures is based solely on such unaudited, management certified financial statements / financial information / financial results. In our opinion and according to the information and explanations given to us by the Parent's Board of Directors, these unaudited and management certified financial statements / financial information / financial results are not material to the consolidated financial statements.

Our opinion on the consolidated financial statements is not modified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and, except for the possible effect of the matters described in the *Basis for Qualified Opinion* section hereinabove, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - b) Except for the possible effects of the matters described in the Basis for Qualified Opinion section hereinabove, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) Except for the effects of the matters described in the Basis for Qualified Opinion section hereinabove, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the relevant rules issued thereunder.;
  - e) The matters described in the Basis for Qualified Opinion section hereinabove may have an adverse effect on the functioning of the Group;
  - f) On the basis of the written representations received from the directors of the Parent as on 31st March, 2023 taken on record by the Board of Directors of the Parent and management representation provided by the Parent in respect of unaudited subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on 31st March, 2023 from being



appointed as a director in terms of Section 164 (2) of the Act;

- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section hereinabove;
- h) With respect to the adequacy of internal financial controls with reference to financial statements of the Parent, its subsidiaries, associates and joint ventures incorporated in India, and the operating effectiveness of such controls, refer to our separate report in the **Annexure** ;
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
  - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position - Refer Note no.32b to the consolidated financial statements;
  - ii. Except for the possible effects of the matters described under the Basis for Qualified Opinion section hereinabove, provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiaries, associates and joint ventures incorporated in India;
  - iv. (a) The Parent's management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of its subsidiary, associate or joint venture company to or in any other person or entity, including a foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of its subsidiary, associate or joint venture company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Parent's management has represented that, to the best of it's knowledge and belief, no funds have been received by the Parent or any of its subsidiary, associate or joint venture company from any person or entity, including a foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of its subsidiary, associate or joint venture company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014, as amended, as provided under (a) and (b) above, contain any material misstatement.

v. No dividend has been declared or paid during the year by the Parent or any of its subsidiary, associate or joint venture company. Hence, compliance with Section 123 of the Act is not applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

2. According to the information and explanations given to us, the records of the Parent and a subsidiary examined by us in the course of our audit and the management representation provided by the Parent in respect of unaudited subsidiary companies, associate companies and joint venture companies incorporated in India, remuneration paid by the Parent and its subsidiaries, associates and joint ventures incorporated in India to their directors for the year ended 31st March, 2023 has been in accordance with the provisions of section 197 read with Schedule V to the Act.
3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ( the 'Order'/'CARO') issued by the Central Government in terms of Section 143(11) of the Act, to be included in

the Auditor's Report, according to the information and explanations given to us and based on the CARO reports of the companies included in the consolidated financial

statements, details of the companies and the paragraph numbers of the respective CARO report containing qualifications or adverse remarks are as follows:-

<b>Name of the Company</b>	<b>Paragraph number of the CARO report containing the qualification/ adverse remark</b>
SPML Infra Ltd.	ii(b), iii(b) & (c), vii(a), ix(a) and xix
SPML Infrastructure Ltd.	lii(b)

For **Maheshwari & Associates**  
Chartered Accountants  
FRN: 311008E

**CA. Bijay Murmuria**  
Partner  
Membership No.: 055788  
UDIN: 23055788BGYJQX7562

Place: Kolkata  
Date: 13th June, 2023

# Annexure to the Independent Auditors' Report of SPML Infra Limited

[Referred to in paragraph 1(h) under "Report on Other Legal and Regulatory Requirements" section in our Independent Auditors' Report of even date to the members of SPML Infra Ltd. on the consolidated financial statements for the year ended 31st March, 2023]

## Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of SPML Infra Limited ("the Parent") as of and for the year ended on 31st March, 2023, we have audited the internal financial controls with reference to financial statements of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Parent, its subsidiary companies, its associate companies and joint ventures.

### Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility

of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matters paragraph below, the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2023, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to:

- (i) certain subsidiaries, associates and joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India;
- (ii) certain subsidiaries, associates and joint ventures, is based solely on the representation provided by the management.

For **Maheshwari & Associates**  
Chartered Accountants  
FRN: 311008E

**CA. Bijay Murmuria**  
Partner

Place: Kolkata  
Date: 13th June, 2023

Membership No.: 055788  
UDIN: 23055788BGYJQX7562

**CONSOLIDATED BALANCE SHEET**

as at March 31, 2023

₹ In Lakhs

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	9,320.81	9,751.94
(b) Capital Work in Progress	4	5,634.72	5,634.72
(c) Right of Use Assets	5	42.58	5.56
(d) Intangible Assets	6	3,508.64	3,499.54
(e) Financial Assets			
- Investments	7	5,865.09	6,492.01
- Trade receivables	8	26,182.14	16,128.46
- Loans	9	5,311.60	10,899.65
- Other Financial Assets	10	3,394.20	1,563.79
(f) Non Current Tax Assets	11	5,906.54	4,393.69
(g) Deferred Tax Assets	23	10,461.57	10,462.65
(h) Other Non-Current Assets	12	33,849.66	31,940.52
		<b>1,09,477.55</b>	<b>1,00,772.53</b>
<b>Current Assets</b>			
(a) Inventories	13	9,243.53	9,023.07
(b) Financial Assets			
- Trade Receivables	8	1,19,804.06	1,22,044.82
- Cash and Cash Equivalents	14	2,006.50	4,068.67
- Other Bank Balances	14	270.27	195.29
- Loans	9	1,417.67	681.42
- Other Financial Assets	10	24,344.55	24,150.49
(c) Current Tax Assets	11	6.80	181.36
(d) Other Current Assets	12	12,692.45	19,364.28
		<b>1,69,785.83</b>	<b>1,79,709.40</b>
		<b>2,79,263.38</b>	<b>2,80,481.93</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	994.90	874.95
(b) Compulsorily Convertible Preference Share Capital		1,777.47	3,404.93
(c) Other Equity	16	31,474.57	27,705.58
<b>Equity attributable to Owners of the parent</b>		<b>34,246.93</b>	<b>31,985.46</b>
(c) Non-Controlling Interests		653.75	669.57
<b>TOTAL EQUITY</b>		<b>34,900.68</b>	<b>32,655.03</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	17	63,593.03	66,359.44
- Lease Liabilities		25.58	2.77
- Trade Payables	18	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		9,403.53	7,036.15
- Other Financial Liabilities	21	9,596.91	7,503.09
(b) Provisions	19	271.95	312.63
		<b>82,891.00</b>	<b>81,214.08</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	20	1,11,729.94	1,14,785.31
- Lease Liabilities		18.78	2.43
- Trade payables	18	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		881.29	1,003.95
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		42,550.69	41,277.50
- Other Current Financial Liabilities	21	3,445.47	6,518.69
(b) Other Current Liabilities	22	2,718.32	2,871.03
(c) Provisions	19	126.97	153.67
(d) Current Tax Liabilities	11	0.24	0.24
		<b>1,61,471.70</b>	<b>1,66,612.82</b>
		<b>2,44,362.70</b>	<b>2,47,826.90</b>
<b>TOTAL LIABILITIES</b>		<b>2,44,362.70</b>	<b>2,47,826.90</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,79,263.38</b>	<b>2,80,481.93</b>

Significant Accounting Policies &amp; Notes to Consolidated Financial Statements

1 to 58

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

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

**For Maheshwari & Associates**

Chartered Accountants

ICAI Firm Registration No. 311008E

**CA Bijay Murmuria**

Partner

Membership No - 055788

Place: Kolkata

Date: 13th June 2023

**Subhash Chand Sethi**

Chairman

DIN: 00464390

**Manoj Kumar Digga**

Chief Financial Officer

**For and on behalf of Board of Directors of****SPML Infra Limited****Sushil Kr. Sethi**

Director

DIN: 00062927

**Swati Agarwal**

Company Secretary

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT

for the year ended March 31, 2023

₹ In Lakhs

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income</b>			
Revenue from Operations	24	88,314.31	95,177.28
Other Income	25	2,753.77	2,933.65
<b>Total Income</b>		<b>91,068.08</b>	<b>98,110.93</b>
<b>Expenses</b>			
Materials Consumed and Other Construction Expenses	26	77,003.30	85,106.69
Employee Benefits Expense	27	2,683.03	2,820.90
Finance Cost	29	5,025.68	2,157.58
Depreciation and Amortisation Expenses	28	319.16	401.06
Other Expenses	30	5,747.54	7,817.68
<b>Total Expenses</b>		<b>90,778.71</b>	<b>98,303.91</b>
<b>Profit / (Loss) before share of (Profit) / Loss of Associates and Joint Ventures, &amp; Tax from Continuing Operations</b>		<b>289.37</b>	<b>(192.98)</b>
Share of Profit/(Loss) from Investment in Associates and Joint Ventures		3.21	66.74
<b>Profit/(Loss) before tax (I)</b>		<b>292.58</b>	<b>(126.24)</b>
<b>Tax Expenses</b>			
Current tax		179.81	340.80
Tax for earlier years		81.64	4.85
Deferred tax credit (net)		(2.68)	(458.00)
<b>Total Tax Expense</b>		<b>258.77</b>	<b>(112.35)</b>
<b>Profit for the year (II)</b>		<b>33.81</b>	<b>(13.89)</b>
<b>Other Comprehensive Income/(Expense)</b>			
<b>Items not to be reclassified to subsequently Profit or Loss</b>			
Gain/(Loss) on fair value of Defined Benefit Plans		9.55	(30.82)
Income Tax Effect on the above		(2.98)	9.62
Gain/(Loss) on Fair Value of Equity instruments measured at FVOCI		-	-
Income Tax Effect on Above		-	-
<b>Total Other Comprehensive Income/ (Expenses) (III)</b>		<b>6.57</b>	<b>(21.20)</b>
<b>Total Comprehensive Income / (Loss) for the year, net of tax (IV) = (II+III)</b>		<b>40.38</b>	<b>(35.09)</b>
<b>Profit/loss attributable to:</b>			
Owners of the Holding Company		39.09	32.19
Non-Controlling Interest		(5.28)	(46.08)
<b>Other comprehensive income/loss attributable to:</b>			
Owners of the Holding Company		6.57	-21.20
Non-Controlling Interest		-	-



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT for the year ended March 31, 2023 (Contd..)**

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Total comprehensive income/loss attributable to:</b>			
Owners of the Holding Company		45.66	11.00
Non-Controlling Interest		(5.28)	(46.08)
<b>Earnings per Equity Share</b>			
Earnings/(Loss) per equity share (par value of Rs. 2 each) - Basic and Diluted EPS (in Rs.)	31	0.08	0.09

Significant Accounting Policies & Notes to Consolidated Financial Statements

1 to 58

The Notes referred to above form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

**For Maheshwari & Associates**

Chartered Accountants

ICAI Firm Registration No. 311008E

**CA Bijay Murmuria**

Partner

Membership No - 055788

Place: Kolkata

Date: 13th June 2023

**Subhash Chand Sethi**

Chairman

DIN: 00464390

**Manoj Kumar Digga**

Chief Financial Officer

**For and on behalf of Board of Directors of SPML Infra Limited****Sushil Kr. Sethi**

Director

DIN: 00062927

**Swati Agarwal**

Company Secretary

# CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2023

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before share of Profit/(Loss) of Associates and Joint Ventures &amp; Tax</b>	<b>289.37</b>	<b>(192.98)</b>
Adjustments for:		
Depreciation and Amortisation expenses	319.16	401.06
Interest Expenses	5,022.59	3,284.76
Bad debts written off	102.11	71.22
Provision for doubtful debts	2,466.85	2,599.26
Liabilities no longer required written back	(806.48)	(1,764.50)
Interest Income	(389.21)	(814.23)
<b>Operating Profit before Working Capital changes</b>	<b>7,004.39</b>	<b>3,584.59</b>
Adjustment for:		
Increase/(decrease) in trade payables	4,324.38	7,829.87
Increase/(decrease) in provisions	(66.09)	(77.48)
Increase/(decrease) in other current liabilities	(444.77)	838.54
(Increase)/decrease in trade receivables	(9,910.70)	(7,360.88)
(Increase)/decrease in inventories	(220.46)	(1,899.48)
(Increase)/decrease in loans and advances	1,120.53	2,172.10
(Increase)/decrease in other current assets	1,792.31	(7,319.39)
<b>Cash generated/(used) from operations</b>	<b>3,599.58</b>	<b>(2,232.12)</b>
Taxes Paid (net of refunds)	(1,596.00)	336.14
<b>Net Cash from Operating Activities</b>	<b>2,003.58</b>	<b>(1,895.99)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of PPE including capital work in progress	(50.46)	(65.33)
Proceeds from sale of PPE	1,059.79	375.13
Fixed Deposits encashed/ (Invested)	(631.57)	2,406.26
Sale / (purchase) of non-current investments:	626.92	492.74
Loans (given)/repayment received	3,177.23	(1,393.25)
Interest received	410.02	1,780.56
<b>Net Cash generated/(used) in Investing Activities</b>	<b>4,591.93</b>	<b>3,596.12</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Movement in Minority Interest	3,721.27	1,608.71
Net movement in Long Term Borrowings	11.18	(1,569.39)
Movement in Issued Capital	(1,507.51)	3,460.43
Net movement in Short Term Borrowings	(5,832.97)	(1,569.83)
Interest paid	(5,049.66)	(3,526.87)
<b>Net Cash generated/(used) in Financing Activities</b>	<b>(8,657.69)</b>	<b>(1,596.95)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(2,062.18)</b>	<b>103.19</b>
Cash & Cash Equivalents at the beginning of the year	4,068.67	3,965.48
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>2,006.50</b>	<b>4,068.67</b>

**CONSOLIDATED STATEMENT OF CASH FLOW for the year ended March 31, 2023 (Contd..)****CONSOLIDATED STATEMENT OF CASH FLOW**

for the year ended March 31, 2023

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash &amp; Cash Equivalents includes:</b>		
Balance with Banks	1,822.96	1,737.16
Cash-in- Hand	24.32	17.73
Term Deposits with original maturity of less than three months	159.22	2,313.78
<b>Total Cash &amp; Cash Equivalents at the end of the year</b>	<b>2,006.50</b>	<b>4,068.67</b>

**Note:** The above Consolidated Cash Flow Statement has been prepared under the Indirect method as setout in Indian Accounting Standard 7 (Ind As 7) "Statement of Cash Flows".

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

**For Maheshwari & Associates**

Chartered Accountants  
ICAI Firm Registration No. 311008E

**CA Bijay Murmuria**

Partner  
Membership No - 055788

Place: Kolkata  
Date: 13th June 2023

**For and on behalf of Board of Directors of  
SPML Infra Limited****Subhash Chand Sethi**

Chairman  
DIN: 00464390

**Manoj Kumar Digga**  
Chief Financial Officer

**Sushil Kr. Sethi**

Director  
DIN: 00062927

**Swati Agarwal**  
Company Secretary

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

## A) Equity Share Capital (also refer Note 15)

₹ In Lakhs

Particulars	Subscribed and Fully Paid-up
<b>Balance as at March 31, 2022</b>	<b>874.95</b>
Changes in equity share capital	119.95
<b>Balance as at March 31, 2023</b>	<b>994.90</b>

## B) PREFERENCE SHARE CAPITAL (also refer Note 15)

₹ In Lakhs

Particulars	Subscribed and Fully Paid-up
<b>Balance as at March 31, 2022</b>	<b>3,404.93</b>
Conversion of CCPS into Equity	1,627.46
<b>Balance as at March 31, 2023</b>	<b>1,777.47</b>

## C) Other Equity (also refer Note 16)

₹ In Lakhs

Particulars	Capital Reserve	Capital Reserve on Consolidation	Securities Premium	General Reserve	Retained earnings (including Other Comprehensive Income)	TOTAL
<b>Balance as at March 31, 2022</b>	<b>1,345.07</b>	<b>1,342.38</b>	<b>17,001.78</b>	<b>5,929.05</b>	<b>2,087.30</b>	<b>27,705.58</b>
Profit for the year	-	-	-	-	39.09	39.09
Other comprehensive income for the year, net of tax	-	-	-	-	6.57	6.57
Total comprehensive income for the year	-	-	-	-	45.66	45.66
Other Additions/ (deductions)	0.01	298.92	3,070.90	0.00	353.50	3,723.33
<b>Balance as at March 31, 2023</b>	<b>1,345.08</b>	<b>1,641.30</b>	<b>20,072.68</b>	<b>5,929.05</b>	<b>2,486.46</b>	<b>31,474.56</b>

Significant Accounting Policies & Notes to Consolidated Financial Statements 1 to 58

The Notes referred to above form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

### For Maheshwari & Associates

Chartered Accountants  
ICAI Firm Registration No. 311008E

### CA Bijay Murmuria

Partner  
Membership No - 055788

Place: Kolkata

Date: 13th June 2023

### Subhash Chand Sethi

Chairman  
DIN: 00464390

### Manoj Kumar Digga

Chief Financial Officer

### For and on behalf of Board of Directors of SPML Infra Limited

### Sushil Kr. Sethi

Director  
DIN: 00062927

### Swati Agarwal

Company Secretary

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## 1. CORPORATE INFORMATION

The Consolidated Financial Statements comprised Financial Statements of SPML Infra Limited (the 'Company') and its Subsidiaries (collectively, the 'Group'), its Associates and Joint Arrangements for the year ended 31 March 2023.

The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on two stock exchanges - The BSE Limited and the National Stock Exchange of India Ltd. in India. The Company is engaged in the business of infrastructure development which inter-alia includes water management, water infrastructure development, waste water treatment, power generation, transmission and distribution, solid waste management, and other civil infrastructures. Information about the Group Structure is given in Note 40.

The Consolidated financial statements were authorized for issue in accordance with a resolution of the directors on June 13, 2023

## 2. SIGNIFICANT ACCOUNTING POLICIES

### Basis of Preparation and compliance with Ind AS

These financial statements for the year ended 31st March 2023 have been prepared in accordance with Indian Accounting Standards ("Ind-AS") consequent to the notification of The Companies (Indian Accounting Standards) Rules, 2015 (the Rules) issued by the MCA. Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

### Basis of measurement

These Consolidated Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention, except for certain financial instruments measured at fair value, Freehold Land measured at Fair value and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS (refer accounting policies for financial instruments, Property, plant and Equipment and employee benefits).

### Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional and presentation currency.

### 2.1 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company, Joint operations and

its subsidiaries as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of any entity, the entity prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the entity.

In term of Ind AS 110- "Consolidated Financial Statements", the financial statements of the Group are consolidated on a line- by- line basis by adding together the book/ fair value of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealized Profit/ Loss included therein. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The excess/shortfall of the cost to the Company of its investments in Subsidiaries over its proportionate share in

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

the equity of the respective investee companies as at the date of acquisition of stake is recognised in the Financial Statement as Goodwill /Capital Reserve, as the case may be.

Subsidiaries are entities over which the group has control. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Investments in associates and Joint ventures are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI").

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

## 2.2 Investment in Joint Venture

A joint venture is a type of joint arrangement whereby the entities that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the entities sharing control.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity.

**2.3** The Consolidated Financial Statements are based on the audited financial statements of subsidiaries, associates and joint ventures except in the following cases where figures have been incorporated based on unaudited financial statements as certified by the management:

Nature of Entity	Name of Entity
<b>Subsidiaries</b>	SPML Utilities Limited
<b>Associates</b>	Spml Bhiwandi Water Supply Infra Limited
	Spml Bhiwandi Water Supply Management Limited
	Binwa Power Company Pvt. Ltd.
	SPML Energy Ltd.
<b>Joint Ventures</b>	Hydro Comp Enterprises (India) Limited
	Malviya Nagar Water Services Private Limited

## 2.4 Interests in Joint Operations

When the Group has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Group recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Parent Company and its subsidiaries are combined for consolidation. Interests in joint operations are included in the segments to which they relate.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## 2.5 Summary of significant accounting policies

### a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance cost, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and impairment losses, if any.

Subsequent expenditure relating to Property, Plant and Equipments are capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

On transition to Ind AS, the Group has elected to use the fair value of certain assets on the date of transition and designate the same as deemed cost on the date of transition.

### b) Intangible assets and Amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The Group's intangible assets constitutes software which has finite useful economic lives and these are amortized on a straight line basis, over their useful life of 5 years. The amortization period and the amortization method are reviewed at the end of each reporting period.

#### Depreciation/Amortisation

Depreciation on items of Property, Plant & Equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

The Group has used the following useful economic lives to provide depreciation on its property, plant & equipment.

Particulars	Useful economic life (years)
Buildings (including temporary structure)	3- 60
Furniture & Fixtures	10
Plant & Equipment	9- 20
Computers	3 - 6
Vehicles	8- 10
Office Equipment	5
Software (Intangible asset)	5

The useful economic life of buildings and plant and equipment as estimated by the management, and supported by independent assessment by professionals, are lower than those indicated in Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed and adjusted, if appropriate, at the end of each reporting period.

The Group's intangible assets constitutes software which has finite useful economic lives and these are amortized on a straight line basis, over their useful life of 5 years. The amortization period and the amortization method are reviewed at the end of each reporting period.

### c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

On transition to Ind AS, The Company has applied Ind AS retrospectively, from the date of their acquisition for Intangible Assets

### d) Impairment of property plant and equipment and intangible assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external or 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 using pre-tax discount rates and risks specific to the asset.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## e) Revenue Recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018. Ind AS 115 supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Company has applied Ind AS 115 using the modified retrospective method and the cumulative impact of transition to Ind AS 115 has been adjusted against the Retained earnings as at April 1, 2018. Accordingly, the figures of the previous year are not restated under Ind AS 115.

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party.

Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

### (I) Revenue from operations

#### a) Revenue from contracts for supply/commissioning of complex plant and equipment and other project related activity is recognised as follows:

Contract revenue is recognised over time to the extent of performance obligation satisfied and control

is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Unbilled Revenue". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

#### b) Commission income is recognised as and when the terms of the contract are fulfilled.

### (II) Other income

- a) Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through Other Comprehensive Income. Interest receivable on customer dues is recognised as income in the Statement of Profit and

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Loss on accrual basis provided there is no uncertainty towards its realisation.

- b) Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably

## f) Foreign Currency Translations

In the financial statements of the Group, transactions in foreign currencies are translated into the functional currency at the exchange rates ruling at the date of the transaction. Foreign currency monetary items are translated into the functional currency at exchange rates prevailing on the reporting date. Exchange differences arising on settlement or translations of monetary items are recognized in statement of profit and loss.

## g) Government Grants

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Grants received against fixed assets are netted off from the cost of the related asset and the depreciation is provided on the net carrying value of those assets.

## h) Inventories

Materials, components and stores & spares to be used in contracts are valued at lower of cost, or net realizable value. Cost is determined on weighted average basis.

Net Realizable Value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sale.

Unbilled Revenue (WIP) is valued at net realizable value. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## i) Employee benefits

### (A) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee

benefit. The Group measures expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Such short-term compensated absences are provided for in the Statement of Profit and Loss based on estimates.

### (B) Post-employment benefits

The Company operates the following post-employment schemes:

- i) Employee benefits in the form of Provident Fund is made to a government administered fund and charged as an expense to the Statement of Profit and Loss, when an employee renders the related service. There are no obligations other than the contributions payable to the fund.
- ii) Gratuity is administered through an approved benefit fund. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method done at the end of each financial year.
- iii) Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

## j) Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease.

### The Company as lessee:

The Company's lease asset classes primarily consist of leases for buildings or part thereof. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with low-value assets and short-term leases (i.e., leases with a lease term of 12 months or less). For these short term and low value leases, the Company recognizes the lease payments as an operating expense over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability i.e. the present value of future lease payment, adjusted for any lease payment made at or prior to the commencement date of lease plus any initial direct costs less any lease incentive. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using interest rate implicit in the lease or if not readily determinable using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease payments are apportioned between finance expenses and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Contingent rentals are recognised as expenses in the periods in which they are incurred. In the event that lease incentives are received to enter into lease, such incentives are adjusted towards right-of-use-asset.

Lease liability and right-of-use assets have been separately presented in the Balance Sheet.

## k) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings measured at Effective Interest rate (EIR).

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

All other borrowing costs are expensed in the period they are incurred.

## l) Taxes

Tax expense comprises of current (net of Minimum Alternate Tax (MAT) credit entitlement) and deferred tax.

### Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Indian Income Tax Act. Management periodically evaluates positions taken in the tax returns Vis a Vis position taken in books of account which are subject to interpretation and creates provisions where appropriate.

### Deferred tax

Deferred tax is recognized on temporary differences between the tax bases and accounting bases of assets and liabilities at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

For items recognized in OCI or equity, deferred / current tax is also recognized in OCI or equity.

## m) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; 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.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used the increase in the provision due to the passage of time is recognized as a finance cost.

## n) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

obligation. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

## o) Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

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.

## p) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

## q) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

### Financial Assets:

#### i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

#### ii) Initial Recognition

Financial assets are recognised initially at fair value considering the concept of materiality. Transaction costs that are directly attributable to the acquisition of the financial asset (other than financial assets at fair

value through profit or loss) are added to the fair value measured on initial recognition of financial assets.

#### iii) Subsequent Measurement of Financial Assets

Financial assets are subsequently measured at amortized cost if they are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets are subsequently measured at fair value through other comprehensive income (FVTOCI), if it is held within a business model whose objective is achieved by both from collection of contractual cash flows and selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Further equity instruments where the company has made an irrevocable election based on its business model, to classify as instruments measured at FVTOCI, are measured subsequently at fair value through other comprehensive income.

#### iv) Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In accordance with Ind AS 109: Financial Instruments, the Group recognizes impairment loss allowance on trade receivables based on historically observed default rates. Impairment loss allowance recognized during the year is charged to the Statement of Profit and Loss.

#### v) Derecognition of financial assets

##### A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

group has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

## Financial Liabilities:

### i) Classification

The group classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost using the effective interest method.

The classification depends on the entity's business model for managing the financial liabilities and the contractual terms of the cash flows.

### ii) Initial Recognition

Financial liabilities are recognized at fair value on initial recognition considering the concept of materiality. Transaction costs that are directly attributable to the issue of financial liabilities, that are not at fair value through profit or loss, are reduced from the fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities.

### iii) Subsequent Measurement of Financial Liabilities

The measurement of financial liabilities depends on their classification, as described below:

Amortised cost: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are

recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### iv) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## Offsetting of financial instruments

The Group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### r) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

## 2.6 Significant Accounting judgements, estimates and assumptions:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

The areas involving critical estimates or judgement are:

- a) Measurement of defined benefit obligations
- b) Estimated useful life of intangible assets, property, plant and equipment
- c) Recognition of revenue – Contract Revenue is recognized under Percentage of Completion method. When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contracts are recognized as Revenue and Expenses respectively by reference to the stage of completion of the Contract activity.
- d) Provision for expected credit losses

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

### NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	₹ In Lakhs								TOTAL
	Freehold land	Leasehold Land	Buildings owned	Temporary site sheds and shuttering materials	Plant and machinery	Furniture and fixtures	Vehicles	Site office/equipments	
<b>GROSS BLOCK</b>									
<b>As at March 31, 2021</b>	7,497.80	9.58	4,505.41	2,414.03	16,398.19	912.11	1,836.28	2,524.03	36,097.44
Additions	-	-	-	-	59.55	3.51	0.83	1.44	65.32
Deductions	-	-	-	-	(208.43)	-	(13.21)	-	(221.64)
<b>As at March 31, 2022</b>	7,497.80	9.58	4,505.41	2,414.03	16,249.31	915.62	1,823.90	2,525.47	35,941.12
<b>Additions</b>	-	-	-	-	1.76	0.28	2.98	45.44	50.46
Deductions	-	-	(254.47)	-	(155.90)	(1.29)	(93.66)	(3.73)	(509.05)
<b>As at March 31, 2023</b>	7,497.80	9.58	4,250.94	2,414.03	16,095.18	914.61	1,733.22	2,567.17	35,482.53
<b>ACCUMULATED DEPRECIATION</b>									
<b>As at March 31, 2021</b>	-	9.58	3,413.84	2,306.49	15,625.69	806.58	1,601.34	2,296.05	26,059.57
<b>Charge for the year</b>	-	-	25.53	0.01	204.29	14.57	48.04	41.95	334.38
Deductions	-	-	-	-	(192.48)	-	(12.29)	-	(204.77)
<b>As at March 31, 2022</b>	-	9.58	3,439.37	2,306.50	15,637.50	821.15	1,637.09	2,338.00	26,189.18
<b>Charge for the year</b>	-	-	19.52	-	184.24	10.72	24.17	60.45	299.09
Deductions	-	-	(121.97)	-0.20	(140.80)	(0.95)	(59.31)	(3.33)	(326.56)
<b>As at March 31, 2023</b>	-	9.58	3,336.92	2,306.30	15,680.93	830.92	1,601.95	2,395.12	26,161.72
<b>NET BLOCK</b>									
<b>As at March 31, 2022</b>	7,497.80	-	1,066.04	107.53	611.82	94.47	186.81	187.47	9,751.94
<b>As at March 31, 2023</b>	7,497.80	-	914.03	107.73	414.24	83.69	131.27	172.05	9,320.81

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 4: CAPITAL WORK IN PROGRESS

₹ In Lakhs

Particulars	Building under construction	Plant & Machinery Under Erection	Toll Road under Construction	Project Development Expenditure	Subsidy	TOTAL
<b>As at March 31, 2021</b>	-	-	-	5,634.72	-	5,634.72
Additions	-	-	-	-	-	-
Less: Adjustment for CWIP Capitalized during the year	-	-	-	-	-	-
<b>As at March 31, 2022</b>	-	-	-	5,634.72	-	5,634.72
Additions	-	-	-	-	-	-
Less: Adjustment for CWIP written off/Capitalized during the year	-	-	-	-	-	-
<b>As at March 31, 2023</b>	-	-	-	5,634.72	-	5,634.72

Capital work-in-progress ageing schedule for the year ended March 31, 2023 is as follows:

Particulars	Outstanding for the following periods from due date of payment				Total
	Less Than 1 Year	1-2 years	2-3 Years	More than 3 Years	
Project in Progress	-	-	-	5,634.72	5,634.72
<b>Total Capital Work In Progress</b>	-	-	-	5,634.72	5,634.72

Capital work-in-progress ageing schedule for the year ended March 31, 2022 is as follows:

Particulars	Outstanding for the following periods from due date of payment				Total
	Less Than 1 Year	1-2 years	2-3 Years	More than 3 Years	
Project in Progress	-	-	129.55	5,505.17	5,634.72
<b>Total Capital Work In Progress</b>	-	-	129.55	5,505.17	5,634.72

## NOTE 5: RIGHT OF USE ASSETS

₹ In Lakhs

Particulars	Computer Softwares
<b>GROSS BLOCK</b>	
<b>As at March 31, 2021</b>	355.18
Additions	-
Deductions	-
<b>As at March 31, 2022</b>	355.18
Additions	49.42
Deductions	-
<b>As at March 31, 2023</b>	404.60
<b>ACCUMULATED AMORTISATION</b>	
<b>As at March 31, 2021</b>	287.02
Charge for the year	61.68

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Particulars	Computer Softwares
<b>Deductions</b>	(0.92)
<b>As at March 31, 2022</b>	<b>349.62</b>
Charge for the year	12.39
<b>Deductions</b>	-
<b>As at March 31, 2023</b>	<b>362.01</b>
<b>NET BLOCK</b>	
<b>As at March 31, 2022</b>	<b>5.56</b>
<b>As at March 31, 2023</b>	<b>42.58</b>

## NOTE 6: INTANGIBLE ASSETS

₹ In Lakhs

Particulars	Rights under service concession arrangement	Computer Softwares	Goodwill on Consolidation	TOTAL
<b>GROSS BLOCK</b>				
<b>As at March 31, 2021</b>	<b>9.77</b>	<b>415.91</b>	<b>1,550.86</b>	<b>1,976.53</b>
Additions	-	26.24	1,906.87	1,933.11
Deductions	-	-	-	-
<b>As at March 31, 2022</b>	<b>9.77</b>	<b>442.14</b>	<b>3,457.73</b>	<b>3,909.64</b>
Additions	-	16.73	-	16.73
Deductions	-	-	-	-
<b>As at March 31, 2023</b>	<b>9.77</b>	<b>458.87</b>	<b>3,457.73</b>	<b>3,926.37</b>
<b>ACCUMULATED AMORTISATION</b>				
<b>As at March 31, 2021</b>	<b>9.76</b>	<b>395.36</b>	-	<b>405.12</b>
Charge for the year	-	4.99	-	4.99
Deductions	-	-	-	-
<b>As at March 31, 2022</b>	<b>9.76</b>	<b>400.34</b>	-	<b>410.10</b>
Charge for the year	-	7.63	-	7.63
Deductions	-	-	-	-
<b>As at March 31, 2023</b>	<b>9.76</b>	<b>407.97</b>	-	<b>417.73</b>
<b>NET BLOCK</b>				
<b>As at March 31, 2022</b>	<b>0.01</b>	<b>41.80</b>	<b>3,457.73</b>	<b>3,499.54</b>
<b>As at March 31, 2023</b>	<b>0.01</b>	<b>50.90</b>	<b>3,457.73</b>	<b>3,508.64</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 7: NON- CURRENT INVESTMENTS

₹ In Lakhs

Particulars	No. of Shares/ Units/ Debentures As at March 31,		Face Value per Share/ Unit/ Debenture ₹	As at March 31, 2023	As at March 31, 2022
	2023	2022			
<b>(A) In Quoted Equity Instruments at FVOCI</b>					
Indian Arcylics Limited	100	100	10	-	-
Best & Crompton Engineering Limited	200	200	10	-	-
<b>Net Quoted Investments</b>				<b>-</b>	<b>-</b>
<b>(B) In Unquoted Equity Instruments (Fully paid up) at FVOCI</b>					
Bharat Hydro Power Corporation Limited	6,05,00,578	6,05,00,578	10	1,030.00	1,030.00
Arihant Leasing & Holding Limited	24,000	24,000	10	-	-
Petrochem Industries Limited	500	500	10	-	-
SPML India Limited	10,000	10,000	10	-	-
Hindustan Engineering & Industries Limited (Bonus Shares)	4	4	10	-	-
Jarora Nayagaon Toll Road Company Pvt. Ltd.	2,44,23,700	2,44,23,700	10	-	-
(The said shares are pledged with OBC against loan taken by the Investee Company)					
Subhash Kabini Power Corporation Limited	1,31,72,000	-	10	974.66	-
Neogal Power Company Private Limited	11,36,774	-	1	-	-
Awa Power Company Private Limited	26,39,605	-	1	0.01	-
IQU Power Company Private Limited	25,80,500	-	1	-	-
Om Metals- SPML Infra Projects Pvt. Ltd.	4,999	4,999	10	0.50	0.50
				<b>2,005.17</b>	<b>1,030.50</b>
<b>(C) In Debt Instruments (Fully Paid up) (at Amortised Cost)</b>					
Escorts Tractors Limited	25	25	1	0.01	0.01
Hindustan Engineering & Industries Limited	110	110	1	-	-
				<b>0.01</b>	<b>0.01</b>
<b>(D) In Associate Companies (at Deemed Cost)</b>					
Sanmati Infra Developers Private Limited	5,00,000	5,00,000	10	50.00	50.00
Less : Share in losses of the Associate Company				(50.00)	(50.00)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

₹ In Lakhs

Particulars	No. of Shares/ Units/ Debentures As at March 31,		Face Value per Share/ Unit/ Debenture ₹	As at March 31, 2023	As at March 31, 2022
	2023	2022			
SPML Bhiwandi Water Supply Management Ltd.	2,24,700	2,24,700	1	-	-
Less: Share in losses of the Associate Company				-	-
SPML Bhiwandi Water Supply Management Ltd.	2,50,000	2,50,000	1	-	-
Less: Share in losses of the Associate Company				-	-
Delhi Waste Management Ltd.	7,78,000	7,78,000	10	838.26	1,075.40
Less: Share in losses of the Associate Company				(610.12)	(634.01)
				<b>228.14</b>	<b>441.39</b>
Subhash Kabini Power Corporation Limited*	-	1,31,72,000	10	-	1,289.54
Add: Share in Profit of the Associate Company				-	(314.88)
				-	<b>974.66</b>
Neogal Power Company Private Limited	-	11,36,774	1	-	-
Add: Share in Profit of the Associate Company				-	-
Awa Power Company Private Limited	-	26,39,605	1	-	0.01
Add: Share in Profit of the Associate Company				-	-
				-	<b>0.01</b>
IQU Power Company Private Limited	-	25,80,500	1	-	-
Add: Share in Profit of the Associate Company				-	-
Binwa Power Company Private Limited	29,48,340	29,48,340	1	-	-
Add: Share in Profit of the Associate Company				-	-
SPML Energy Ltd	9,95,50,000	9,95,50,000	1	466.94	466.94
Add : Share in Profit of the Associate Company				263.45	280.93
				<b>730.39</b>	<b>747.87</b>
Spmlll Amrutha Constructions Pvt Ltd	36,000	36,000	1	3.81	-
Add: Share in Profit of the Associate Company				-	-
				<b>3.81</b>	-
Bhilwara Jaipur Toll Road Private Limited	35,20,302	35,20,302	10	3,408.96	3,408.96



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

₹ In Lakhs

Particulars	No. of Shares/ Units/ Debentures As at March 31,		Face Value per Share/ Unit/ Debenture ₹	As at March 31, 2023	As at March 31, 2022
	2023	2022			
Less: Share in losses of the Associate Company				(721.27)	(721.27)
(of the above 12,49,336 equity shares are pledged with ICICI Bank and PNB against loans obtained by the said investee company)				2,687.69	2,687.69
<b>Total</b>				<b>3,650.03</b>	<b>4,851.63</b>
<b>(E) In Joint Ventures (at Deemed Cost)</b>					
Gurha Thermal Power Co Ltd	25,000	25,000	10	-	-
MVV Water Utility Pvt Ltd	3,64,693	3,64,693	10	87.18	81.88
Add: Share in Profit of the Joint Venture				(0.51)	6.72
				<b>86.66</b>	<b>88.60</b>
Malviya Nagar Water Services Pvt .Ltd	22,05,000	22,05,000	10	220.50	220.50
Less: Share in Loss of the Joint Venture				(128.03)	(123.33)
				<b>92.47</b>	<b>97.17</b>
Aurangabad City Water Utility Company Ltd.	19,405	19,405	1	2.00	2.00
Less: Share in Loss of the Joint Venture				(2.00)	(2.00)
				-	-
HYDRO Comp Enterprises (India) Limited	22,96,265	22,96,265	1	22.96	22.96
Less: Share in Loss of the Joint Venture				(22.96)	(22.96)
				-	-
<b>Total</b>				<b>179.13</b>	<b>185.77</b>
<b>(F) In Debt Instruments (FVTPL)</b>					
Sanmati Infra Developers Private Limited	4,50,000	4,50,000	10	-	-
				-	-
<b>(G) In Others</b>					
SPM Holdings Pte Limited*				-	392.28
<b>(H) In Others (at FVTPL)</b>					
National Saving Certificate				0.52	0.52
Mutual Fund	50,000	50,000	10	30.24	31.31
				<b>30.76</b>	<b>31.83</b>
<b>Total</b>				<b>5,865.09</b>	<b>6,492.01</b>

**Note:**

All the above investments are stated at values net of impairment loss

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Aggregate value of investments</b>		
Quoted (net of Impairment loss)	-	-
Unquoted (net of Impairment loss)	5,865.09	6,492.01
Market value of quoted investment	-	-
Aggregate amount of impairment in vau of investments	2,816.92	2,816.92

\* The Investments in these companies include the impact of IND AS adjustments on account of fair valuation of Corporate Guarantees extended by the Company (SPML Infra Limited) against the financial assistance availed by them.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
SPM Holdings Pte Limited	-	392.28
Bhilwara Jaipur Toll Road Private Limited	554.06	554.06
<b>Total</b>	<b>554.06</b>	<b>946.34</b>

## Notes:

**7.1** An application for initiation of Corporate Insolvency Resolution Process ('CIRP'), under Section 7 of the Insolvency and Bankruptcy Code, 2016 has been admitted against Luni Power Company Pvt. Ltd. ('Luni'), a subsidiary of the Company, on December 23, 2019 by the Hon'ble NCLT, Chandigarh Bench has already been resolved and the same has been transferred to the Resolution Applicant vide NCLT Order dated 16.04.2022 in respect of IA No. 134/2021.. Since the entire investment value had already been impaired in the books of accounts, no financial impact is there in the current financial year 2022-23.

## 7.2 On Pledge of Investments as held by SPML Infra Ltd. in Associate Companies:

Investments of SPML Infra Ltd. i.e.29,48,340 Equity Shares in Binwa Power Company Private Limited; 2,92,500 Equity Shares in Delhi Waste Management Limited; 2,24,700 Equity Shares in SPML Bhiwandi Water Supply Infra Limited; 2,50,000 Equity Shares in SPML Bhiwandi Water Supply Management Limited has been pledged as on the Balance Sheet date in favour of the SBICAP Trustee/ S4A Lenders for securing the due repayment of the Debts as restructured under the "SPML S4A Scheme" as approved by the Overseeing Committee (governed under RBI) with the super majority of the Lenders Banks.

## NOTE 8: TRADE RECEIVABLES (AT AMORTISED COST)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Trade Receivables- Others	38,535.14	30,001.11	43,819.06	44,865.84
Trade Receivables- Related parties	550.28	143.78	3,234.97	2,767.51
Trade Receivables - which have significant increase in credit risk	-	-	-	-
Trade Receivables - Credit Impaired	5,800.71	5,800.71	-	-
Less: Allowance for Expected Credit Loss	(18,703.99)	(19,817.14)	(1,105.31)	(1,105.31)
Unbilled Revenue	-	-	73,855.35	75,516.78
<b>Total</b>	<b>26,182.14</b>	<b>16,128.46</b>	<b>1,19,804.06</b>	<b>1,22,044.82</b>

## Break- up for Security details:

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Trade Receivables</b>				
Secured, Considered good	-	-	-	-
Unsecured, Considered good	39,085.42	30,144.89	1,20,909.37	1,23,150.13
Considered doubtful	5,800.71	5,800.71	-	-
	<b>44,886.13</b>	<b>35,945.60</b>	<b>1,20,909.37</b>	<b>1,23,150.13</b>
<b>Allowance for Expected Credit Loss</b>				
on unsecured, considered good	(12,903.28)	(14,016.43)	(1,105.31)	(1,105.31)
on considered doubtful	(5,800.71)	(5,800.71)	-	-
	<b>(18,703.99)</b>	<b>(19,817.14)</b>	<b>(1,105.31)</b>	<b>(1,105.31)</b>
<b>Total</b>	<b>26,182.14</b>	<b>16,128.46</b>	<b>1,19,804.06</b>	<b>1,22,044.82</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Ageing of trade receivables and credit risk arising there from is as below:

As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Receivables – considered good</b>	-	-	-	-	7.84	8,656.11	8,663.95
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	4,557.96	4,557.96
Disputed Trade Receivables – considered good	-	-	-	-	13,592.83	-	13,592.83
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	1,559.05	328.27	38.09	1,508.44	14,637.55	18,071.40
	-	1,559.05	328.27	38.09	15,109.10	27,851.63	44,886.13
Less: Allowance for Expected Credit Losses considered Credit Impaired	-	-	-	-	-	-	18,703.99
<b>Non-current Trade Receivable</b>	-	<b>1,559.05</b>	<b>328.27</b>	<b>38.09</b>	<b>15,109.10</b>	<b>27,851.63</b>	<b>26,182.14</b>
Undisputed Trade Receivables – considered good	-	14,569.68	638.26	1,413.11	4,734.21	23,656.77	45,012.03
Undisputed Trade Receivables – which have significant increase in credit risk	1.58	823.39	-	-	1.28	-	826.25
Undisputed Trade Receivables – credit impaired	91.33	0.97	-	18.14	-	-	110.43
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled Revenue	<b>73,855.35</b>	-	-	-	-	-	<b>73,855.35</b>
<b>Current Trade Receivable</b>	<b>73,948.25</b>	<b>15,394.04</b>	<b>638.26</b>	<b>1,431.25</b>	<b>4,735.49</b>	<b>23,656.77</b>	<b>1,19,804.06</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Receivables – considered good</b>	-	618.14	546.94	126.33	1,310.14	14,492.10	17,093.65
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	4,557.96	4,557.96
Disputed Trade Receivables – considered good	-	-	-	12,350.07	-	1,943.92	14,293.99
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	618.14	546.94	12,476.40	1,310.14	20,993.98	35,945.60
Less: Allowance for Expected Credit Losses considered Credit Impaired	-	-	-	-	-	-	19,817.14
<b>Non-current Trade Receivable</b>	-	<b>618.14</b>	<b>546.94</b>	<b>12,476.40</b>	<b>1,310.14</b>	<b>20,993.98</b>	<b>16,128.46</b>
Undisputed Trade Receivables – considered good	10.94	8,244.31	1,463.20	4,112.51	551.22	17,739.01	32,121.18
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	1.58	823.39	-	18.14	1.28	-	844.39
Disputed Trade Receivables – considered good	-	168.86	48.55	1,328.01	528.58	11,488.47	13,562.48
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled Revenue	<b>75,516.78</b>	-	-	-	-	-	<b>75,516.78</b>
<b>Current Trade Receivable</b>	<b>75,529.29</b>	<b>9,236.56</b>	<b>1,511.75</b>	<b>5,458.66</b>	<b>1,081.08</b>	<b>29,227.48</b>	<b>1,22,044.82</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 9: LOANS (AT AMORTISED COST)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Advance for Share Application Money to others	-	-	-	-
Security Deposits/Earnest Money Deposits	-	1,236.65	-	437.91
Loans to related parties (Refer Note 38)	-	5,783.82	1,154.70	(8.62)
Loans to others	5,311.60	3,879.18	262.97	252.13
<b>Total</b>	<b>5,311.60</b>	<b>10,899.65</b>	<b>1,417.67</b>	<b>681.42</b>

### Break-up:

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Loans considered good - Secured	-	-	-	-
Loans considered good - Unsecured	-	4,551.97	1,417.67	681.42
Loans which have significant increase in credit risk	7,900.98	8,937.06	-	-
Loans credit Impaired	-	-	-	-
<b>Total Loans</b>	<b>7,900.98</b>	<b>13,489.03</b>	<b>1,417.67</b>	<b>681.42</b>
Less:- Allowance for Expected Credit Loss	2,589.38	2,589.38	-	-
<b>Total</b>	<b>5,311.60</b>	<b>10,899.65</b>	<b>1,417.67</b>	<b>681.42</b>

Loans and receivables are non- derivative financial assets which generate a fixed or variable interest income of the Company. The Carrying value may be affected by changes in the credit risk of the counterparties.

9.1. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## NOTE 10: OTHER FINANCIAL ASSETS (AT AMORTISED COST)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity of more than 12 months (Refer note 14)	1,321.61	765.02	-	-
Security Deposits/Earnest Money Deposits	1,359.20	-	458.38	-
Interest Accrued on Fixed deposit/ Loan	713.39	741.07	16.94	10.07
Receivable against Sale of Investments/ Fixed Assets	-	-	1,313.27	1,113.27
Retention from Customers	-	-	22,555.96	23,027.15
Other Receivables	-	57.70	-	-
<b>TOTAL</b>	<b>3,394.20</b>	<b>1,563.79</b>	<b>24,344.55</b>	<b>24,150.49</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## 11: TAX ASSETS AND TAX LIABILITIES

### 11.1: TAX ASSETS

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Advance income-tax (net of provision for taxation)	5,906.54	4,393.69	6.80	181.36
<b>Total</b>	<b>5,906.54</b>	<b>4,393.69</b>	<b>6.80</b>	<b>181.36</b>

### 11.2: TAX LIABILITIES

₹ In Lakhs

Particulars	Current	
	As at March 31, 2023	As at March 31, 2022
Provision for income-tax (net of advance tax)	0.24	0.24
<b>Total</b>	<b>0.24</b>	<b>0.24</b>

## NOTE 12: OTHER ASSETS

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Capital advances	90.35	1,033.85	-	-
Advances recoverable in cash or kind	-	-	4,394.94	9,210.35
Mat Credit Entitlement	-	-	9.90	9.90
Prepaid expenses	-	-	102.32	131.82
Balances with statutory / government authorities	-	-	8,165.96	9,992.90
Interest accrued on arbitration awards	31,171.83	28,319.20	-	-
Other non current assets	2,587.48	2,587.47	19.33	19.31
<b>TOTAL</b>	<b>33,849.66</b>	<b>31,940.52</b>	<b>12,692.45</b>	<b>19,364.28</b>

## NOTE 13: INVENTORIES

(VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

₹ In Lakhs

Particulars	Current	
	As at March 31, 2023	As at March 31, 2022
Material at sites	9,052.73	8,832.66
Work in progress	83.04	83.04
Stores and spares	107.76	107.37
<b>Total</b>	<b>9,243.53</b>	<b>9,023.07</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 14: CASH AND BANK BALANCES (AT AMORTISED COST)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents</b>				
Balances with banks:				
On current accounts	-	-	1,822.96	1,737.16
Deposits with original maturity of less than 3 months	-	-	159.22	2,313.78
Cash on hand	-	-	24.32	17.73
<b>(A)</b>	<b>-</b>	<b>-</b>	<b>2,006.50</b>	<b>4,068.67</b>
<b>Other bank balances</b>				
Balances with banks:				
Deposits with original maturity for more than 12 months *	1,321.61	765.02	-	-
Deposits with original maturity for more than 3 months but less than 12 months *	-	-	270.27	195.29
<b>(B)</b>	<b>1,321.61</b>	<b>765.02</b>	<b>270.27</b>	<b>195.29</b>
Amount disclosed under non-current assets (Refer Note 10)	(1,321.61)	(765.02)	-	-
<b>Total (A+B)</b>	<b>-</b>	<b>-</b>	<b>2,276.77</b>	<b>4,263.96</b>

\* Receipts lying with banks as security against Letters of Credits, Guarantees and Demand Loan Facilities issued by them and with clients.

## NOTE 15: SHARE CAPITAL

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
<b>Authorized capital</b>				
Equity shares Rs. 2/- each	20,00,00,000	4,000.00	20,00,00,000	4,000.00
Preference shares Rs.100/- each	75,00,000	7,500.00	10,00,000	1,000.00
Add: Increase during the year	-	-	65,00,000	6,500.00
	<b>20,75,00,000</b>	<b>11,500.00</b>	<b>20,75,00,000</b>	<b>11,500</b>
<b>Issued, subscribed and paid-up capital</b>				
Equity shares ₹ 2 each	3,94,25,276	788.51	3,66,50,276	733.01
Add: Forfeited shares (amount originally paid up)		86.44		86.44
Add: Addition during the year	59,97,720	119.95	2775000	55.50
	<b>4,54,22,996</b>	<b>994.90</b>	<b>3,94,25,276</b>	<b>874.95</b>
<b>0% Compulsorily Convertible Preference shares</b>				
Preference shares	34,04,930	3,404.93		
Add: Increase during the year	-	-	34,04,930	3,404.93
Less: Conversion of CCPS into Equity	16,27,465	1,627.47		
	<b>17,77,465</b>	<b>1,777.46</b>	<b>34,04,930.00</b>	<b>3,404.93</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## a. Reconciliation of the equity shares outstanding at the beginning and at the end of the year

### i. Equity Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
At the beginning of the year	3,94,25,276	788.51	3,66,50,276	733.01
Addition during the year	59,97,720	119.95	27,75,000	55.50
Calls in arrears	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>4,54,22,996</b>	<b>908.46</b>	<b>3,94,25,276</b>	<b>788.51</b>

### (ii) 0% Compulsorily Convertible Preference Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
At the beginning of the year	34,04,930	3,404.93	-	-
Addition during the year	-	-	34,04,930	3,404.93
Less: Conversion during the year	16,27,465	1,627.47	-	-
<b>Outstanding at the end of the year</b>	<b>17,77,465</b>	<b>1,777.46</b>	<b>34,04,930</b>	<b>3,404.93</b>

- b. (i) During the year ended March 31, 2023, the Company has allotted, by way of preferential allotment, 32,54,930 equity shares of Rs. 2/- each fully paid-up, at an issue price of Rs. 50/- each (including a premium of Rs. 48/- per equity share) aggregating to Rs. 1627.46 Lakhs, to Promoter and Promoter Group, on conversion of 16,27,465 0% Compulsorily Convertible Preference Shares ('CCPS'). Accordingly, the balance CCPS as on March 31, 2023 is 17,77,465 having a face value of Rs.100/- each, at par, aggregating to Rs. 1,777.47 Lakhs. Each CCPS is convertible into 2 equity shares of face value of Rs. 2/- each at the conversion price of Rs. 50/- including premium of Rs. 48/- per share, in one or more tranches.
- (ii) During the year ended March 31, 2023, the Company has further allotted, by way of preferential allotment, 27,42,790 equity shares of Rs. 2/- each fully paid-up, at an issue price of Rs. 57/- each (including a premium of Rs. 55/- per equity share) aggregating to Rs. 1563.39 Lakhs, to certain entities, on conversion of their existing unsecured loans to the Company.

### c. (i) Terms/ rights attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 2/- per share. Each holder of equity shares is entitled one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of the Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (ii) Terms and rights attached to compulsorily convertible preference shares:

Each CCPS shall be compulsorily convertible into one equity share at any time within 18 months from the date of allotment. CCPS shall have priority with respect to repayment of capital over equity shares of the company. The holders of CCPS would not participate in the surplus assets and profits on winding up which may remain after the entire capital has been repaid.

### d. (i) Details of Shareholders holding more than 5% shares in the Company is as below:

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
Client Rosehill Limited	54,93,876	12.09	54,93,876	13.93
Zoom Industrial Services Limited	57,41,750	12.64	41,26,000	10.47
SPML India Limited	38,55,040	8.49	29,90,380	7.58

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

**d. (ii) Details of shareholders holding more than 5% shares of 0% Compulsorily Convertible Preference Shares in the Company is as below:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
Zoom Industrial Services Limited	8,66,425	48.74	16,74,300	49.17
SPML India Limited	-	-	4,32,330	12.70
Niral Enterprises Pvt. Ltd.	9,11,040	51.26	12,98,300	38.13

**e. Details of promoters' shareholding percentage in the Company is as below:**

Particulars	As at March 31, 2023		% Change during the year	As at March 31, 2022	
	No. of Shares	% Holding		No. of Shares	% Holding
Subhash Chand Sethi	15,23,280	3.35	(0.51)	15,23,280	3.86
Sushil Kumar Sethi	13,34,660	2.94	(0.45)	13,34,660	3.39
Deepak Sethi*	-	-	(1.48)	5,82,250	1.48
Punam Chand Sethi	4,94,625	1.09	(0.16)	4,94,625	1.25
Punam Chand Sethi	3,72,735	0.82	(0.13)	3,72,735	0.95
Suman Sethi	1,83,735	0.40	(0.07)	1,83,735	0.47
Shilpa Sethi	1,81,515	0.40	(0.06)	1,81,515	0.46
Zoom Industrial Services Ltd.	57,41,750	12.64	2.17	41,26,000	10.47
20th Century Engineering Limited	10,00,000	2.20	(0.34)	10,00,000	2.54
SPM Engineers Limited	5,00,000	1.10	(0.17)	5,00,000	1.27
Arihant Leasing And Holding Limited	4,36,020	0.96	(0.15)	4,36,020	1.11
SPML India Limited	38,55,040	8.49	0.91	29,90,380	7.58
Niral Enterprises Pvt. Ltd	7,74,520	1.71	1.71	-	-

\* During the year ended March 31, 2023 Mr. Deepak Sethi was reclassified from Promoter Shareholder to Public Shareholder as per approval letter received from NSE & BSE dated September 19, 2022.

- f.** In pursuance of the implementation of "SPML S4A Scheme", the Promoters of the Company had diluted their shareholding in the Company to the extent of "Principle of Proportionate loss sharing by Lenders (S4A Lenders)" in favour of the Lender Banks to entitle them to hold 21.44% stake in the Company. As on balance sheet dated March 31, 2023 Lenders are holding 2.52% shareholding in the Company.
- g.** In terms of the "SPML S4A Scheme" as approved by the Overseeing Committee (constituted under the aegis of Reserve Bank of India) the entire debt of the Company as bifurcated into Part A Debt and Part B Debt together with all interest thereon is also inter-alia secured by pledge of the Shares of the Company held by Promoters in favour of SBICAP Trustee Ltd. for the benefit of the Secured Parties. The Promoters & the Promoter Group of the Company as on the balance sheet dated March 31, 2023 had pledged 13.21% of the Shares as held by them in the Company in favour of the Security Trustee.
- h. Aggregate number and class of shares allotted as fully paid-up pursuant to conversion of Loans into shares without payment received in cash during the period of 5 years immediately preceding March 31, 2023:**

₹ In Lakhs

Particulars	Number of Shares
Aggregate number of Equity Shares of Rs.2/- par value per share	55,17,790
Aggregate number of 0% Compulsorily Convertible Preference Shares of Rs.100/- par value per share	34,04,930

No bonus shares or shares bought back over the last five years immediately preceding the reporting date.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 16: OTHER EQUITY

₹ In Lakhs

Particulars	As at	
	March 31, 2023	March 31, 2022
A. Capital reserve	1,345.08	1,345.07
B. Capital reserve on consolidation	1,641.30	1,342.38
C. Securities premium account	20,072.68	17,001.78
D. General reserve	5,929.04	5,929.05
E. Other Comprehensive Income	(254.27)	(260.84)
F. Retained Earnings (movements given below)	2,740.73	2,348.14
<b>Total</b>	<b>31,474.56</b>	<b>27,705.58</b>

### Movement in Retained Earnings

₹ In Lakhs

Particulars	As at	
	March 31, 2023	March 31, 2022
Opening Balance	2,348.14	2,315.95
Add: Profit for the year	39.09	32.19
Add: De-Console Profit/(Loss)	353.50	-
<b>Closing Balance</b>	<b>2,740.73</b>	<b>2,348.14</b>

## NOTE 17: BORROWINGS

₹ In Lakhs

Particulars	Non-current	
	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
<b>Term loans</b>		
from banks (Refer note 17.1)	1,143.10	1,477.31
<b>0.01% Optionally Convertible Debentures</b>		
Issued to banks (Refer note 17.4)	52,391.04	52,391.04
Issued to financial institutions	-	1,677.00
<b>Unsecured</b>		
<b>Term loans</b>		
from related parties (Refer Note 17.3)	5,710.00	5,521.70
from Body Corporate (Refer Note 17.2)	4,348.89	5,292.39
<b>Total</b>	<b>63,593.03</b>	<b>66,359.44</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## 17.1 Security and repayment terms in respect of term loans from banks

Nature of securities	Outstanding (₹ in Lakhs)		Nos. of installments outstanding as on March 31,2023 (remaining)		Rate of interest
	As at March 31, 2023	As at March 31, 2022	Quarterly	Monthly	
The loan is secured by first Pari- Passu and exclusive charge by way of Equitable mortgage of the entire project assets (both movable and immovable) of Luni Power Company Private Limited ,both present and future, first Pari- passu and exclusive charge by way of hypothecation of the entire Project movable assets of the Company, both Present and future, equitable mortgage of land measuring 1.01 hectares, assignment of all project revenue and receivables exclusively to the Bank ,assignment of development rights over 4.06 hectares of forest/ government land, deposit of Rs. 40 Lakhs, 36.23% of shares of Luni Power Company Private Limited held by Subhash Kabini Power Corporation Limited, corporate guarantee by Subhash Kabini Corporation Private Limited and personal guarantee by the promotor director of the Luni Power Company Private Limited.	1,119.87	1,119.87	-	-	BPLR + 4.75 %
The said loan is secured against Motor Vehicle of SPML Infrastructure Limited	4.56	14.02	-	-	-
The said loan taken by Bhagalpur Electricity Distribution Company Private Limited are taken at 14.5% rate of interest and repayable after a period of 10 years.	18.67	18.67	-	-	-
	<b>1,143.10</b>	<b>1,152.56</b>	<b>47.00</b>	-	-

## 17.2 Loan from Body Corporate:

₹ 4,348.89 Lakhs (P.Y. ₹ 5,292.39 Lakhs) Loans from body corporates are repayable within a maximum period of 10 years

## 17.3 Loan from Related Parties:

Rs.5,710.00 Lakhs (P.Y. Rs.5,521.70 Lakhs) is repayable after one year and carries interest rate @ 8.60% p.a. to 18% p.a. However, the Company has made the default in making the payment of interest to all the related parties and body corporates requesting them the financial position and the ongoing resolution plan with the Lenders. Most of the related parties and body corporates Lenders have considered the Company's request for waiver of interest during the current year and requested the Company to make the treatment as per the resolution plan.

## 17.4 Security and repayment terms in respect of Optionally Convertible Debentures (OCDs)

The Ultimate Holding Company had allotted Unlisted, Unrated, Redeemable, Optionally Convertible Debentures (OCDs) of the Rs.1,000/- each under eight series to the Lender Banks in proportion to their participation in the S4A restructuring scheme against conversion of part of their dues. The said eight series of OCDs are secured by way of:

- The Company had allotted Unlisted, Unrated, Redeemable 54,53,517 Optionally Convertible Debentures (OCDs) of Rs. 1000/- each (carrying coupon rate @0.01 % p.a. included within an YTM @8.15% p.a.redeemable after moratorium period of 5 years from the date of issue starting from quarter ending 31st December 2022 and ending on quarter ending 30th September, 2027)). OCDs carry Coupon Rate of 0.01% p.a. to be paid in the first instance from November 01, 2017 to March 31, 2018 and thereafter at the end of each financial quarter commencing from last coupon payment date and ending on the next coupon payment date. The Company acknowledges that the Lenders reserves a Right of Recompense ("RoR") for Concessional Interest Rates. The recompense payable by the Company after the final redemption date depends on various factors such as improved performance of the Company, Cash Inflow & other conditions.Out of the above,2,14,450 OCDs relating to Series No. C,D, and F were redeemed till the year ended 31st March,2023. The aforesaid OCDs issued under various Series are as under:

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

- b. The OCDs under series A, B, & H are secured by way of first ranking charge in favour of Security Trustee (appointed for the benefit of the Secured Parties/debenture holders on pari-passu basis) on Hypothecation of Stocks and Book Debts of the Company, both present and future and all other current assets and non-current receivable, Plant and Machinery, Furniture and Fixture and office equipment. In addition to above these loans are secured by the Personal Guarantee of two Promoter Directors and others of the Company and Corporate Guarantee of one of the associates of the Company, except for OCDs issued to ICICI Bank under Series B which is secured by extension of exclusive securities with them.
- c. OCDs issued under Series E are secured by way of first ranking charge in favour of the Security Trustee (appointed for the benefit of the Secured Parties/debenture holders on pari-passu basis) (i) on all the current and non-current assets of the Company (both present and future)(ii) Exclusive charge on two Immovable Properties situated at Sarita Vihar, New Delhi, (iii) Pledge of Shares of the Company held by Promoters/Associates (iv) Negative lien on one property at New Delhi owned by one of the Associates. In addition, these OCDs are also secured by Personal Guarantee of two property owners to the extent of the value of the properties as well as Personal Guarantee of Promoters.
- d. OCDs issued under Series G are secured by way of exclusive charge in favour of ICICI Bank Ltd. on the Immovable Property of the Ultimate Holding company situated in Gurugram.
- e. The quarterly repayment of OCDs started from December, 2022, however the Company could not meet its' payment obligations amounting to Rs. 6176 lakhs till the period ended on 31st March,2023.

**17.5** The Holding Company has been facing financial crisis since last few financial years due to various reasons as stated in Note no.17.6 below, because of that with effect from the financial year 2019-20, the Company is in default relating to payment of its dues to the financial creditors (mainly to banks, hereinafter referred to as "Lenders") and accordingly, the borrowing facilities of the Company with the Lenders are irregular as on 31st March, 2023. The Company was in the process of formulating a resolution plan with Lenders and as per information available with the Company, the Lenders are proposing for assignment of the debt to eligible participant (amongst ARCs/Banks/NBFCs/FIs), through e-auction under the swiss challenge method, which was to be held on June 6, 2023. The Company is awaiting an official notification/communication in this regard from the Lenders and/or the eligible participant who ultimately prevailed in the said e-auction. The Company has been given to understand that the aforesaid e-auction is governed by the terms of Reserve Bank of India/ Bank's policy (Transfer of Loan Exposures) and the acquisition by the eligible participant will be by way of an Assignment of debt by the Lenders.

Presently, the Company continues to disclose the outstanding loans, including interest recognized in the books of accounts, in the financial results as per balances appearing in its Books of Accounts as per agreements with the respective Lenders.

Considering the aforesaid positive developments and the favourable business environment in the sector in which the Company operates, the Company is quite hopeful that the lenders will implement the resolution plan. The Management is confident that with the support of the lenders and approval of the restructuring proposal, the Company shall be able to generate sufficient cash inflows through profitable operations to discharge its financial obligations. Accordingly, the Company's Board of Directors considers it appropriate to prepare these financial results on a going concern basis.

**17.6** The operations of the holding company have suffered in the last few years mainly due to general economic slowdown as well as various actions and inactions by various Government bodies / authorities, including factors beyond the control of the Company or its management. The major clients / customers of the Company are government bodies wherein the monies of the company are stuck since long and for which the claims of the Company are pending. The situation has been further aggravated with the non-release of sanctioned working capital credit facilities including Bank Guarantee limits, alongwith levy of excess margin & charges by some of the Lenders as against the agreed terms of sanction by them. Due to the mismatch in the cash flows, the Company has not been able to service its debts or meet the payment obligations to the Lenders. Hence, the accounts of the Company with the Banks have been classified as non-performing asset. Consequently, wef 1st November, 2019, majority of the Lenders ceased charging interest on loans to the Company, in their books of account, as per RBI's prudential norms. Hence, with effect from 1st November, 2019, the company is not recognizing any interest liability on the fund based borrowing facilities from the Lenders in the books of accounts as the same was discussed to be waived in the Resolution Plan (except for recognizing Rs. 3,419.41 lakhs during the quarter ended 31st March, 2023 towards part of interest charged by banks in the bank statements, from 1st November, 2019 onwards). Accordingly, post such partial recognition, interest expense of Rs.19,951.70 lakhs on the said borrowings have not been recognized for the year ended 31st March, 2023. Statutory Auditors report is modified in respect of the aforesaid non-recognition of interest liability, by way of a qualification. Further, on the aforesaid grounds, in respect of certain other borrowings including those from related parties (i.e. borrowing other than from 'Lenders'), the company has not recognized interest expense of Rs.491.86 lakhs for the year ended 31st March, 2023. Statutory Auditors report is modified in respect of the aforesaid non-recognition of interest liability, by way of a qualification.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

**17.7** As mentioned in Note 16.5 above, the accounts of the Holding Company with the banks have been classified as Non Performing Assets. Hence, the Company has not filed any quarterly return or statement with the banks during the current financial year.

**17.8** The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### NOTE 18: TRADE PAYABLES (AT AMORTISED COST)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Trade Payables:</b>				
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,403.53	7,036.15	42,550.69	41,277.50
Total outstanding dues of micro enterprises and small enterprises (Refer Note 35)	-	-	881.29	1,003.95
<b>Total</b>	<b>9,403.53</b>	<b>7,036.15</b>	<b>43,431.98</b>	<b>42,281.45</b>

Ageing schedule of trade payable is as below:

#### As at March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Dues- MSME	-	-	-	-	-	-
Undisputed Dues- Others	-	1,921.87	2,146.40	825.73	4,232.56	9,126.56
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	63.50	213.48	276.98
<b>Non-current Trade Payables</b>	<b>-</b>	<b>1,921.87</b>	<b>2,146.40</b>	<b>889.23</b>	<b>4,446.04</b>	<b>9,403.53</b>
Undisputed dues- MSME	-	626.64	131.85	31.98	90.81	881.29
Undisputed dues- Others	3,316.85	16,302.67	4,129.29	1,195.32	16,932.66	41,876.78
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	0.20	-	182.49	491.22	673.91
<b>Current Trade Payables</b>	<b>3,316.85</b>	<b>16,929.51</b>	<b>4,261.14</b>	<b>1,409.78</b>	<b>17,514.70</b>	<b>43,431.978</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Dues- MSME	-	-	-	-	-	-
Undisputed Dues- Others	-	2,108.87	617.58	905.72	3,127.00	6,759.18
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	63.50	175.55	37.93	276.98
<b>Non-current Trade Payables</b>	<b>-</b>	<b>2,108.87</b>	<b>681.08</b>	<b>1,081.27</b>	<b>3,164.93</b>	<b>7,036.15</b>
Undisputed dues- MSME	-	824.19	53.96	43.83	81.97	1,003.95
Undisputed dues- Others	11,069.81	13,060.09	798.40	1,957.63	13,651.66	40,537.59
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	182.49	89.22	468.19	739.91
<b>Current Trade Payables</b>	<b>11,069.81</b>	<b>13,884.28</b>	<b>1,034.85</b>	<b>2,090.68</b>	<b>14,201.83</b>	<b>42,281.45</b>

## NOTE 19: PROVISION

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Provision for employee benefits</b>				
Gratuity (refer note 34)	271.95	312.63	77.38	105.42
Compensated absences	-	-	49.59	48.25
<b>Total</b>	<b>271.95</b>	<b>312.63</b>	<b>126.97</b>	<b>153.67</b>

## NOTE 20: BORROWINGS

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
	<b>Secured</b>	
<b>From banks</b>		
Cash Credit facilities (Refer Note 20.1)	90,938.73	88,619.40
Working Capital Demand Loan (Refer Note 20.1)	16,130.83	15,807.03
Current maturities of long-term borrowings (Refer Note 20.2)	2,875.48	2,935.90
<b>Unsecured</b>		
From Bodies Corporates (Refer Note 20.3)	1,784.90	7,422.98
<b>Total</b>	<b>1,11,729.94</b>	<b>1,14,785.31</b>

**20.1.** Cash Credit and Working Capital facilities in Indian rupees are secured by hypothecation of stocks and book debts of the Company, both present and future, hypothecation of certain specific plant and machinery, furniture/fixtures and office equipments as a pari passu charge with other consortium banks. These loans are additionally secured by the guarantees of two promoter directors of the Company and one relative of the promoter in addition to Corporate Guarantee of SPM Engineers Limited (related party). The Company has recognised the Interest which has been recovered by the Lenders. These Cash Credit outstanding including the unaccounted interest are also included in the ongoing assignment of entire Banking Exposure including ODCs by all Lenders to the successful ARC.

**20.2** Corporate Loan of Rs. 2779.18 Lakhs (P.Y. Rs. 2,787.87 Lakhs) from Consortium Member-Banks carries regular interest @ 12.65% p.a.. The said loans are secured on pari-passu basis by (i) Extension on all the current and non-current assets of

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

the Company (both present and future) (ii) Exclusive mortgage on two Immovable Properties situated at Sarita Vihar, New Delhi owned by relatives of the Promoters (iii) Negative lien on one property at New Delhi owned by one of the associates (iv) Pledged shares of the Company held by Promoters/Associates. In addition, these loans are also secured by Personal Guarantee of relatives of promoter and others to the extent of the value of their mortgaged properties as well as Personal Guarantees of the Promoters of the Company.

**20.2.** Loans from bodies corporate carries interest @ 12% p.a to 18% p.a.

## NOTE 21: OTHER FINANCIAL LIABILITIES

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Advance from Customers	9,453.06	6,553.53	1,861.61	4,907.76
Financial Guarantee Obligation	143.85	328.48	-	-
Interest Accrued on mobilization advance	-	-	1,080.74	1,075.83
Interest accrued and due on borrowings	-	-	503.03	503.03
Interest accrued and not due on borrowings	-	-	0.09	32.07
Others	-	621.08	-	-
<b>TOTAL</b>	<b>9,596.91</b>	<b>7,503.09</b>	<b>3,445.47</b>	<b>6,518.69</b>

## NOTE 22: OTHER CURRENT LIABILITIES

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues payable	1,029.02	1,251.69
Other Current Liabilities	1,689.30	1,619.34
<b>Total</b>	<b>2,718.32</b>	<b>2,871.03</b>

## NOTE 23: DEFERRED TAX ASSETS / (LIABILITIES)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax liabilities</b>		
Fair Valuation of Land	1.19	1.19
Arising out of temporary difference in property, plant and equipment	57.28	57.28
Impact of Fair valuation of Investments	384.81	384.81
Provision as per Expected Credit Loss Model	884.71	883.62
Arising due to Other temporary differences	326.27	326.27
<b>Gross Deferred tax liabilities</b>	<b>1,654.26</b>	<b>1,653.17</b>
<b>Deferred tax assets</b>		
Arising out of temporary difference in property, plant and equipment	3,937.53	3,937.53
Impact of Fair valuation of Investments	1,203.79	1,203.79
Adjustment for Modified Retrospective Impact of Ind AS 115 as on 01.04.2018	5,368.35	5,368.35
Provision as per Expected Credit Loss Model	1,207.59	1,207.59
Arising due to Other temporary differences	398.57	398.57
<b>Gross Deferred tax assets</b>	<b>12,115.83</b>	<b>12,115.82</b>
	<b>10,461.57</b>	<b>10,462.65</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## Income tax expense in the Statement of profit and loss

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current income tax charge	179.81	340.80
Adjustments in respect of current income tax of previous year	81.64	4.85
Deferred tax	(2.68)	(458.00)
<b>Total</b>	<b>258.77</b>	<b>(112.35)</b>

## Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	292.58	(80.16)
At India's statutory income tax rate of 31.20% (31 March 2022: 31.20 %)	101.26	(27.74)
Effect of Profit chargeable at different rate and disallowances under IT Act	(169.77)	183.59
Effect of tax on Elimination due to consolidation	51.52	51.52
Effect of Other income not chargeable to Income tax	196.36	196.36
Effect of share of Associates and Minority interest	0.44	(4.41)
Others	-	(58.52)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>179.81</b>	<b>340.80</b>

## NOTE 24: REVENUE FROM OPERATIONS

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Operating Revenue</b>		
- Construction/EPC Contracts	83,603.04	86,234.33
- Operation and Maintenance	1,858.64	5,859.33
<b>Other operating revenue</b>		
- Interest Income as per Arbitration Awards	2,852.63	3,083.62
<b>Total</b>	<b>88,314.31</b>	<b>95,177.28</b>

**24.1** 24.1 The Company recognises revenue from contracts with customers (long-term construction contracts), which are mainly with Government parties, for construction / project activities over a period of time. During the year under report, substantial part of the Company's business has been carried out in India. Hence no dis-aggregation of revenue has been presented.

### 24.2 Contract balances

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Contract assets	96,411.31	98,543.93
Contract liabilities	11,314.67	11,461.29

The credit period towards trade receivables generally ranges between 30 to 60 days. Further the customer retains certain amounts as per the contractual terms which usually fall due on the completion of contract. These retentions are made to protect the customer from the Company failing to adequately complete all or some of its obligations under the contract.

Contract assets are initially recognised for revenue earned from transfer of goods and services but not billed to customer because the work completed has not met requirements of various milestones as set out in the contract with customers. Upon fulfilling the milestones and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. Contract liabilities include advances received from customers towards mobilisation of resources, purchase of materials and machineries.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Increase in the trade receivables, decrease in contract assets and decrease in contract liabilities as at March 31, 2023 from April 01, 2012 is on account of changes in operations of the Company. Impairment loss recognized on trade receivables have been disclosed in note 6. No Impairment loss has been recognised on contract assets since the management is of the opinion that the contract assets are fully recoverables.

### Changes in contract assets are as follows:

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning of the year</b>	<b>98,543.93</b>	<b>98,131.01</b>
Add: Revenue recognised during the year	1,007.86	14,218.58
Less: Amount received against Contracts during the year	(3,140.47)	(13,805.66)
<b>Balance at the end of the year</b>	<b>96,411.31</b>	<b>98,543.93</b>

### Changes in contract liabilities are as follows:

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning of the year</b>	<b>11,461.29</b>	<b>10,800.67</b>
Add: Amount Received against contract work commenced during the year	6,371.45	4,132.59
Less: Revenue recognised during the year out of opening balance	(6,518.07)	(3,471.97)
<b>Balance at the end of the year</b>	<b>11,314.67</b>	<b>11,461.29</b>

### NOTE 25: OTHER INCOME

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest income on</b>		
Loans given	14.08	500.33
Bank deposits	73.49	122.03
Income tax refund	131.60	92.95
Others	170.04	98.92
<b>Other Non Operating Income</b>		
Sundry balances/liabilities no longer required written back (Refer Note 41)	806.48	1,764.50
Miscellaneous Income	1,558.07	354.92
<b>Total</b>	<b>2,753.77</b>	<b>2,933.65</b>

### NOTE 26: MATERIALS CONSUMED AND OTHER CONSTRUCTION EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Construction materials and stores and spare consumed</b>		
Inventory at the beginning of the year	8,940.02	7,040.56
Add: Purchases	6,361.91	23,485.61
	15,301.93	30,526.17
Less: Inventory at the end of the year	9,160.49	8,940.02
	<b>6,141.44</b>	<b>21,586.15</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

<b>Construction Expenses</b>		
Stores and Spares Consumed	-	-
Subcontractor charges	66,978.56	60,055.37
Drawing and designing charges	5.16	3.72
Equipment hire and running charges	183.59	165.61
Others	3,694.55	3,295.84
	<b>70,861.86</b>	<b>63,520.54</b>
<b>Total</b>	<b>77,003.30</b>	<b>85,106.69</b>

## NOTE 27: EMPLOYEE BENEFITS EXPENSE

₹ In Lakhs

<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Salaries, Wages and Bonus	2,528.42	2,613.32
Contribution to Provident and Others Funds	52.85	65.71
Gratuity expense (Refer Note 34)	61.38	67.87
Staff Welfare Expenses	40.38	74.00
<b>Total</b>	<b>2,683.03</b>	<b>2,820.90</b>

## NOTE 28: DEPRECIATION /AMORTISATION

₹ In Lakhs

<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Depreciation on Tangible assets	299.14	334.38
Depreciation on ROU Asset	12.39	61.69
Amortisation of Intangible Assets	7.63	4.99
<b>TOTAL</b>	<b>319.16</b>	<b>401.06</b>

## NOTE 29: FINANCE COSTS

₹ In Lakhs

<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Interest	5,022.59	2,154.60
Finance Cost on Lease	3.00	2.96
Other borrowing costs	0.09	0.02
<b>Total</b>	<b>5,025.68</b>	<b>2,157.58</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 30: OTHER EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent	276.26	240.25
Rates and taxes	49.61	103.99
Repairs and maintenance:		
Building	17.60	12.97
Plant and machinery	94.43	33.39
Others	33.70	14.18
Insurance	172.69	235.70
Advertisement expenses	1.30	0.44
Professional charges and consultancy fees	1,494.44	1,244.77
Vehicle running charges	167.45	151.73
Travelling and conveyance	189.52	155.33
Communication expenses	37.13	32.01
Power and fuel	54.97	76.66
Charity and donations	22.47	1.03
Auditor's remuneration	45.79	44.03
Bad debts / sundry balances written off	102.11	71.22
Expected Credit Loss on Loans to a joint venture and to associates	-	1,773.05
Impairment of equity investments in certain associates	255.70	576.42
Expected Credit Loss on Trade Receivables	2,466.85	2,599.26
Miscellaneous expenses	265.52	451.25
<b>Total</b>	<b>5,747.54</b>	<b>7,817.68</b>

## NOTE 31: BASIS FOR CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE IS AS UNDER:

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to equity holders of the parent for basic earnings	39.09	32.19
Weighted average number of equity shares for basic EPS	4,80,91,216	3,73,06,773
Nominal value of equity per share (Rs.)	2	2
<b>Earnings per Share - Basic &amp; Diluted (Rs.)</b>	<b>0.08</b>	<b>0.09</b>

## NOTE 32: COMMITMENTS AND CONTINGENCIES

### a. Commitments

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on Capital Account (net of capital advance of Rs. 9.26 Lakhs) (31 March 2022: Rs. 104.81 Lakhs)	9.26	104.81

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## b. Contingent liabilities

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Group not acknowledged as debt		
(a) Demand for license fees raised by Mines and Minerals Department, Government of Bihar	-	-
(b) Legal suits filed against the Company by third parties towards claims disputed by the Company relating to supply of goods and services	85.70	670.21
(c) Legal suits filed against the Company by ex-employees towards claims disputed by the Company relating to non payment of their dues	0.26	0.26
	<b>85.96</b>	<b>670.47</b>
Claims towards liquidated damages not acknowledged as debts by the Group (Against the above, debts of the like amount are withheld by the customer. However, the Group expects no liability to accrue on account of these claims.)	18,194.18	19,953.36
<b>Disputed demands</b>		
(a) Excise/ Service Tax	23.13	23.13
(b) Sales Tax / VAT	3,903.47	3,903.47
<b>Total</b>	<b>22,206.74</b>	<b>24,550.43</b>

## c. Guarantees Given

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Corporate Financial Guarantees given to banks for financial assistance extended to various companies within the group	2,127.34	4,318.92
Performance Guarantees given on behalf of various companies within the group	166.00	191.00
<b>Total</b>	<b>2,293.34</b>	<b>4,509.92</b>

## NOTE 33: LEASES

### Company as a Lessee

Disclosure in accordance to Ind AS 116 is as below:

### Lease Assets and Lease Liabilities

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>		
Right of Use Assets (Refer Note 5)	42.58	5.56
<b>Liabilities</b>		
Lease Liabilities		
- Current	18.78	2.43
- Non Current	25.58	2.77

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## Expenses Debited to Statement of Profit & Loss Account

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation and Amortisation	12.39	61.69
Finance Cost	3.00	2.96
Short Term Lease Payments	272.69	211.32

## Carrying amounts of Right of Use Assets recognised and the movement during the year:

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Opening Balance</b>	<b>5.56</b>	<b>68.15</b>
Addition/(Deduction) during the year	49.42	(0.92)
Depreciation Expense	(12.39)	(61.68)
<b>Closing Balance</b>	<b>42.58</b>	<b>5.56</b>

## Carrying amounts of lease liabilities and the movements during the year:

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Opening Balance</b>	<b>5.20</b>	<b>74.48</b>
Addition/(Deduction) during the year	49.42	-
Interest expense during the year	3.00	2.96
Payments	13.27	72.24
<b>Closing Balances</b>	<b>44.35</b>	<b>5.20</b>
- Current	18.78	2.43
- Non Current	25.58	2.77

The effective interest rate for lease liabilities is 12.65%, with maturity between April 2021 & September 2024

₹ In Lakhs

Maturity analysis of lease liabilities are as follows:	As at March 31, 2023	As at March 31, 2022
1 Year	18.78	2.43
2 to 5 Years	25.58	2.77

## NOTE 34: EMPLOYEE BENEFIT OBLIGATION

### (a) Defined Benefit Plan

The following tables summaries the components of net benefit expenses recognized in the Consolidated Statement of Profit & Loss and OCI amounts recognized in the balance sheet:

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

₹ In Lakhs

Particulars	Gratuity Unfunded	
	As at March 31, 2023	As at March 31, 2022
<b>Changes in the present value of defined benefit obligation</b>		
<b>Present value of defined benefit obligation as at year beginning</b>	407.27	418.68
Current Service Cost	33.22	38.99
Interest Cost	28.92	28.89
Adjustment for deconsol of subsidiaries	-	-
Benefits Paid	(120.57)	(110.08)
Remeasurements (gains)/losses		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	(3.32)	(1.12)
Actuarial (gains)/losses arising from changes in experience adjustments	(7.75)	31.91
<b>Present value of defined benefit obligation as at year end</b>	<b>337.77</b>	<b>407.27</b>

₹ In Lakhs

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>Plan Assets at the beginning of the year</b>	-	-
Expected return on Plan assets	-	-
Contribution by Employer	-	-
Actual benefits paid	-	-
Actuarial Gains/ (losses)	-	-
<b>Plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>

₹ In Lakhs

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>Amounts Recognised in the Balance Sheet</b>		
Present value of defined benefit obligation at the year end	337.77	407.27
Fair Value of the Plan Assets at the year end	-	-
<b>Liability/(Asset) Recognised in the Balance Sheet</b>	<b>337.77</b>	<b>407.27</b>

₹ In Lakhs

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
<b>Expense recognised in the Statement of Profit and Loss:</b>		
Current Service Cost	33.22	38.99
Net Interest Cost/(Income)	28.92	28.89
<b>Net Cost Recognised in the Statement of Profit and Loss</b>	<b>62.14</b>	<b>67.88</b>
<b>Expense recognised in the Other Comprehensive Income:</b>		
Remeasurements (gains)/losses	(11.07)	30.79
<b>Net Cost Recognised in Other Comprehensive Income</b>	<b>(11.07)</b>	<b>30.79</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

(i) **The principal assumptions used in determining gratuity obligations for the Company's plans are shown below**

Significant Actuarial Assumptions	As at March 31, 2023	As at March 31, 2022
Discount rate	7.40%	7.10%
Mortality Rate	100%	100%
Withdrawal Rate	Varying between 8% per annum and 1% per annum depending on duration and age of employees	Varying between 8% per annum and 1% per annum depending on duration and age of employees
Salary Growth Rate (%)	5-10%	5-10%
Experience Adjustments on Plan Liabilities	Not Available	Not Available

(ii) **A quantitative sensitivity analysis for significant assumption is as shown below**

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	Discount rate		Discount rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	318.74	360.83	381.98	436.08

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	Withdrawal rate		Withdrawal rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	340.70	335.93	410.08	403.99

₹ In Lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Future Salary		Future Salary	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	358.99	319.95	432.58	384.91

(iii) **Risk Exposure**

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory frame work which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

**Interest Rate risk:** The plan exposes the Group to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Liquidity Risk:** This is the risk that the Group is not able to meet the short-term gratuity pay outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

**Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/fall in interest rate.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

#### (iv) Maturity profile of the defined benefit obligation

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Weighted Average duration of the defined benefit obligation	60 years	60 years
Expected benefit payments for the year ending (Rs.in Lakhs)		
Not Later than 1 year	-	0.01
Later than 1 year and not later than 5 years	-	0.04
More than 5 years	-	2.99

#### (b) Contribution to defined Contribution Plans recognised as expense are as under

Particulars	₹ In Lakhs	
	2022-23	2021-22
Contribution to Provident and other funds	52.85	65.71

**NOTE 35: BASED ON THE INFORMATION/DOCUMENTS AVAILABLE WITH THE GROUP, INFORMATION AS PER THE REQUIREMENT OF SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE AS UNDER:**

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
- Principal	627.31	883.07
- Interest	253.98	120.88
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
- Principal	-	-
- Interest	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Amount of interest accrued for the year and remaining unpaid at the end of each accounting year	-	-
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	-	-



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 36: DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO IND AS 24

### (a) List of Related Parties

<b>I. Associates Companies</b>	Bhilwara Jaipur Toll Road Private Limited	
	SPML Bhiwandi Water Supply Infra Limited	
	SPML Bhiwandi Water Supply Management Limited	
	Binwa Power Corporation Private Ltd	
	Delhi Waste Management Ltd (Ceased to be an associate w.e.f 30th September 2022)	
	Madurai Municipal Waste Processing Co. Private. Limited (Ceased to be an associate w.e.f 06.03.2023)	
	SPMLIL-Amrutha Constructions Pvt Ltd	
	SPML Energy Limited	
<b>II. Joint Ventures</b>	Malviya Nagar Water Services Pvt .Ltd	
	Hydro Comp Enterprises (India) Limited	
	Aurangabad City Water Utility Co. Limited	
	MVV Water Utility Private Limited	
	Gurha Thermal Power Co Ltd	
<b>III. Key Management Personnel (KMP)</b>	<b>Names of related parties</b>	<b>Nature of relationship</b>
	Mr. Subhash Chand Sethi	Chairman
	Mr. Sushil Kumar Sethi	Vice Chairman & Non-Executive Director
	Mr. Prem Singh Rana	Non-executive Independent Director
	Mr. Charan Singh	Non-executive Independent Director (Resigned w.e.f. 14th November, 2022)
	Mr. Tirudaimarudhur Srivastan Sivashankar	Non-executive Independent Director
	Mr. Pavitra Joshi Singh	Non-executive Independent Director
	Ms. Arundhuti Dhar	Non-executive Independent Director (appointed w.e.f. 13th February, 2023)
	Mr. Abhinandan Sethi	Chief Operating Officer
	Mr. Manoj Kumar Digga	Chief Financial Officer
	Ms. Swati Agarwal	Company Secretary

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

<b>IV. Relatives of Key Management Personnel</b>	
<b>Names of related parties</b>	<b>Nature of relationship</b>
Mr. Anil Kumar Sethi	Brother of Chairman & Vice Chairman
Mr. Harshavardhan Sethi	Son of Chairman
Mrs. Maina Devi Sethi	Mother of Chairman and Vice Chairman
Mrs. Noopur Jain	Daughter of Vice Chairman
Mrs. Suman Sethi	Wife of Chairman
Mr. Abhinandan Sethi	Son of Chairman
Mrs. Sandhya Rani Sethi	Wife of Vice Chairman
Mr. Rishabh Sethi	Son of Vice Chairman
Mrs. Shilpa Sethi	Daughter in law of Chairman
Dr. Ankit Jain	Son-in-law of Vice Chairman
Mrs. Priyanshi Sethi	Daughter in law of Chairman
Mrs. Aanchal Sethi	Daughter in law of Vice Chairman
<b>V. Entities over which Key Management Personnel &amp; their relatives have significant influence</b>	
	Arihant Leasing & Holding Company Limited
	Add Energy Management Co. Private Limited
	Awa Power Company Private Limited
	Delhi Waste Management Ltd
	IQU Power Company Private Ltd
	Neogal Power Company Private Ltd
	Subhash Kabini Power Corporation Limited
	International Construction Limited
	Niral Enterprises Private Limited
	Om Metal-SPML Infra Project Private Limited
	SJA Developers Private Limited
	SPM Holding Pte. Limited
	Sanmati Corporate Investments Private Limited
	VidyaEdutech Private Limited
	SPM Engineers Limited
	SPML India Limited
	SPML Industries Limited
	Zoom Industrial Services Limited
	20th Century Engineering Limited
	Peacock Pearl Business Solution Private Limited
	Om Metals Infraprojects Limited
	Urban Infrastructure Trustees Limited
	Rishabh Homes Private Limited
	Acropolis Properties Private Limited
	Amrutha Constructions Private Limited
	JWIL Infra Limited
	Aleron Tradelinks (India) Pvt Ltd

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## (b) Aggregated Related party disclosures as at and for the year ended March 31, 2023

Company Name	Year	Transactions during the year											Balance Outstanding at the Year end at March, 31		
		Sale of Goods & Services	Purchase of Goods & Services	Interest Paid	Interest Received	Loan/ Advance Taken	Loan/ Advance Given/ Repaid/ Share Application Money	Sale/ transfer of Investments	Shares Issued	Purchase of Investments	Rent Paid/ accrued	Managerial Remuneration/ Salary/Sitting Fees	Debit Balance	Credit Balance	Guarantee Given
<b>Associates Companies</b>															
SPML Bhiwandi Water Supply Infra Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	1,043.76	93.78	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	(1,043.76)	(93.78)	-
SPML Bhiwandi Water Supply Management Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	72.07	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	(72.07)	-	-
Binwa Power Corporation Private Ltd	2022-23	-	-	-	-	-	-	-	-	-	-	-	99.90	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	(99.90)	-	-
Delhi Waste Management Ltd	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2021-22	-	-	(6.63)	-	(30.70)	(384.00)	-	-	-	-	-	-	(3,273.57)	-
SPMLIL - AMRUTHA Constructions Private Limited	2022-23	599.71	-	-	-	-	-	-	-	-	-	-	0.97	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SPML Energy Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	293.96	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	(293.96)	-	-
Bhilwara Jaipur Toll Road Private Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	1,673.96
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,673.96)
<b>Joint Ventures</b>															
Malviya Nagar Water Services Private Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	450.16	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	(450.16)	-	-
Gurha Thermal Power Company Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	1,401.22	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	(1,401.22)	-	-
MW Water Utility Private Limited	2022-23	-	-	-	-	1.82	0.94	-	-	-	-	-	513.56	-	166.00
	2021-22	-	-	-	-	(17.49)	(8.28)	-	-	-	-	-	(516.74)	-	(191.00)
Aurangabad City Water Utility Company Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	227.40	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	(227.40)	-	-
Hydro Comp Enterprises (India) Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	1.04	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	(1.04)	-	-

₹ In Lakhs

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

CONTD...

Company Name	Year	Transactions during the year										Balance Outstanding at the Year end at March, 31					
		Sale of Goods & Services	Purchase of Goods & Services	Interest Paid	Donation Paid	Interest Received	Loan/ Advance Taken	Loan/ Advance Repaid/ Share Application Money	Sale/ transfer of Investments	Shares Issued	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary/ Sitting Fees	Debit Balance	Credit Balance	Guarantee Given	
<b>Key Management Personnel (KMP)</b>																	
Mr. Subhash Chand Sethi	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	93.54	-	0.23	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(100.39)	-	9.94	-
Mr. Sushil Kumar Sethi	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29.52	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	138.84	-	-	(26.33)	-
Mr. Abhinandan Sethi	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	105.94	-	14.12	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(104.02)	-	-	-
Mr. Dinesh Kumar Goyal	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(1.40)	-	-	-
Mr. Prem Singh Rana	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	3.30	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(5.10)	-	-	-
Mr. Charan Singh	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	2.30	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(3.30)	-	-	-
Mr. Tirudaimarudhur Srivastan Swashankar	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	3.30	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(3.80)	-	-	-
Ms. Arundhuti Dhar	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	1.40	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(4.20)	-	-	-
Mr. Pavitra Joshi Singh	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	0.40	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Manoj Digga	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	92.28	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(85.86)	-	-	-
Mrs. Swati Agarwal	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	11.27	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(7.79)	-	-	-
<b>Relatives of Key Management Personnel</b>																	
Mrs. Preeti Devi Sethi	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(55.92)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## CONTD...

₹ In Lakhs

Company Name	Year	Transactions during the year										Balance Outstanding at the Year end at March, 31					
		Sale of Goods & Services	Purchase of Goods & Services	Interest Paid	Donation Paid	Interest Received	Advance Taken	Loan/ Advance Given/Share Application Money	Loan/ Advance transfer of	Sale/ Invest-ments	Shares Issued	Purchase of Invest-ments	Rent Paid/ Accrued	Management Salary/ Sitting Fees	Debit Balance	Credit Balance	Guarantee Given
<b>Entities over which Key Management Personnel &amp; their relatives have significant influence</b>																	
Add Energy Management Co. Private Limited	2022-23	-	524.95	-	-	-	260.61	-	-	-	-	-	-	-	133.96	85.61	-
	2021-22	(1,344.60)	-	-	-	-	-	-	-	-	-	-	-	-	(133.96)	(823.39)	-
Add Industrial Park (TN) Limited	2022-23	-	-	-	-	-	360.00	(460.00)	-	-	-	-	-	-	-	(360.00)	-
	2021-22	-	-	-	-	-	(100.00)	4.10	-	-	-	-	-	-	-	106.92	-
Subhash Kabini Power Corporation Limited	2022-23	-	-	8.70	-	(18.11)	220.06	4.10	-	-	-	-	-	-	(212.23)	(106.92)	-
	2021-22	-	-	-	-	-	517.70	1,019.55	-	-	-	-	-	-	-	-	-
Add Realty Ltd.	2022-23	-	-	-	-	-	(52.15)	(554.00)	-	-	-	-	-	-	-	(501.85)	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55.92	-
Arihant Leasing & Holding Company Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(55.92)	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bharat Hydro Power Corporation Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	189.26	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	(189.26)	-	-
Delhi Waste Management Ltd	2022-23	-	5.09	-	-	-	312.49	189.90	-	-	-	-	-	-	-	3,345.97	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
International Construction Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,046.20)	-	-
Nirral Enterprises Private Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	73.03	-
	2021-22	-	(81.14)	-	-	-	-	-	-	-	(1,298.30)	-	-	-	(73.03)	-	-
Peacock Pearl Business Solution Private Limited	2022-23	-	-	-	-	-	(0.13)	-	-	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sammati Power Company Private Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	(251.25)	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.27	-
SPML India Limited	2022-23	-	(51.38)	-	-	-	99.00	-	-	-	(867.99)	-	-	-	(0.27)	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,237.50	-
SPML Industries Limited	2022-23	-	-	-	-	-	(210.00)	(210.00)	-	-	-	-	-	-	-	-	-
	2021-22	-	-	-	-	-	75.47	0.50	-	-	-	-	-	-	-	-	-
Zoom Industrial Services Limited	2022-23	-	(110.42)	-	-	-	(1,288.18)	-	-	-	(2,487.30)	-	-	-	(667.03)	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34.23	-
JWIL Infra Limited	2022-23	(28.50)	-	-	-	-	-	-	-	-	-	-	-	-	(34.23)	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

CONTD...

Company Name	Year	Transactions during the year											Balance Outstanding at the Year end at March, 31			
		Sale of Goods & Services	Purchase of Goods & Services	Interest Paid	Donation Paid	Interest Received	Loan/Advance Taken	Loan/Advance Given/Repaid/Share Application Money	Sale/transfer of Investments	Shares Issued	Purchase of Investments	Rent Paid/Accrued	Managerial Remuneration/Salary/Sitting Fees	Debit Balance	Credit Balance	Guarantee Given
Aleron Tradelinks (India) Pvt Ltd	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	1,151.13	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(1,151.13)	-	-
Anrutha Constructions Private Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2021-22	-	(8,710.61)	-	-	(15.21)	-	-	-	-	-	-	-	(1,741.54)	-	-
Om Metals Infraprojects Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	132.40	45.00	-
	2021-22	-	-	-	-	-	(142.00)	-	-	-	-	-	-	(127.93)	(45.00)	-
Urban Infrastructure Trustees Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	3,363.00	-
	2021-22	-	-	-	-	-	-	(890.00)	-	-	-	-	-	-	(3,363.00)	-
Acropolis Properties Private Limited	2022-23	-	-	-	-	-	-	-	-	-	-	-	-	1.08	-	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	(1.08)	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## C. Details of remuneration to Key Managerial Personnel is given below

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- Short-term employee benefits	312.43	288.02
- Post employment benefits	1.30	28.08
<b>Total</b>	<b>313.73</b>	<b>316.10</b>

## Terms and conditions of transactions with related parties.

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

## NOTE 37.1: CATEGORIZATION OF FINANCIAL INSTRUMENTS

₹ In Lakhs

Particulars	Carrying value/ Fair value	
	As at March 31, 2023	As at March 31, 2022
<b>(i) Financial Assets</b>		
<b>a) Measured at FVOCI</b>		
- Investments in Equity Instruments	2,005.17	1,030.50
<b>b) Measured at FVTPL</b>		
- Investments in Equity and Debt Instruments	30.76	31.83
<b>c) Measured at Amortised Cost*</b>		
- Investments in Joint Ventures and Associates	3,829.15	5,429.67
- Loans	6,729.27	11,581.07
- Trade Receivables	1,45,986.21	1,38,173.28
- Other Financial Assets	27,738.75	25,714.28
- Cash and Cash Equivalents	2,006.50	4,068.67
- Other Bank Balances	270.27	195.29
<b>(ii) Financial Liabilities</b>		
<b>a) Measured at Amortised Cost*</b>		
- Borrowings (Secured and Unsecured)	1,75,322.97	1,81,144.75
- Trade Payables	52,835.50	49,317.60
- Other Financial Liabilities	13,042.38	14,021.78

\*Carrying Value of assets / liabilities carried at amortized cost are reasonable approximation of its fair values.

The Group has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables and trade payables at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature."



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## NOTE 37.2 FAIR VALUE HIERARCHY

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

### a) Financial assets and liabilities measured at fair value at March 31, 2023

₹ In Lakhs				
Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<b>Investment at FVTPL</b>				
Investments in Equity and Debt Instruments	-	-	30.76	<b>30.76</b>
<b>Investment at FVOCI</b>				
Investment in Equity Instruments	-	-	2,005.17	<b>2,005.17</b>

### Financial assets and liabilities measured at fair value at March 31, 2022

₹ In Lakhs				
Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<b>Investment at FVTPL</b>				
Investments in Equity and Debt Instruments	-	-	31.83	<b>31.83</b>
<b>Investment at FVOCI</b>				
Investment in Equity Instruments	-	-	1,030.50	<b>1,030.50</b>

### (b) Financial instruments at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(c) During the year there has been no transfer from one level to another.

## NOTE 38: FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## A. Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group.

The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost.

The group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes security deposits, Loans given and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

### a) Credit Risk Management

#### 1. Credit Risk Rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- A. Low Credit Risk
- B. Moderate Credit risk
- C. High credit risk

The Group provides for Expected Credit Loss based on the following:

Asset Group	Description	Provision for Expected Credit Loss*
Low Credit Risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate Credit Risk	Trade receivables, loans and other financial assets	12 month expected credit loss/life time expected credit loss
High Credit Risk	Trade receivables, loans and other financial assets	Life time expected credit loss

\*Based on business environment in which the Group operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

		₹ In Lakhs	
Credit Rating	Particulars	As at March 31, 2023	As at March 31, 2022
Low Credit Risk	Cash and cash equivalents, other bank balances, investments, loans and other financial assets	13,324.64	13,443.10
High Credit Risk	Loans and Trade Receivables	1,75,271.44	1,72,781.49

### b) Credit Risk Exposure

Provision for Expected Credit Loss

The Group provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets:

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

## March 31, 2023

₹ In Lakhs

Particulars	Estimated Gross Carrying amount at default	Expected Credit Loss	Carrying amount net of Impairment Provision
Investments	5,865.08	-	5,865.08
Trade Receivables	1,64,690.20	18,703.99	1,45,986.21
Loans	6,729.27	-	-
Cash and cash Equivalents	2,006.50	-	2,006.50
Other Bank Balances	270.27	-	270.27
Other Financial Assets	27,738.75	27,738.75	27,738.75

## March 31, 2022

₹ In Lakhs

Particulars	Estimated Gross Carrying amount at default	Expected Credit Loss	Carrying amount net of Impairment Provision
Investments	6,492.00	-	6,492.00
Trade Receivables	1,57,990.42	19,817.14	1,38,173.28
Loans	11,581.07	-	11,581.07
Cash and cash Equivalents	4,068.67	-	4,068.67
Other Bank Balances	195.29	-	195.29
Other Financial Assets	25,656.58	-	25,656.58

The Company's allowance for Expected Credit Loss on Trade Receivables is created using Provision Matrix Approach.

₹ In Lakhs

Reconciliation of Loss Allowance	Trade Receivables
<b>As on March 31, 2021</b>	<b>19,518.48</b>
Allowance for Expected Credit Loss	298.66
<b>As on March 31, 2022</b>	<b>19,817.14</b>
Allowance for Expected Credit Loss	(1,113.15)
<b>As on March 31, 2023</b>	<b>18,703.99</b>

## B. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

### Maturities of Financial Liabilities

The table below analyse the Group's Financial Liabilities into relevant maturity groupings based on their contractual maturities

## March 31, 2023

₹ In Lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	1,11,729.94	1,143.10	62,449.93	<b>1,75,322.97</b>
Trade Payable	43,431.97	9,403.53	-0.01	<b>52,835.50</b>
Other Financial Liabilities	3,445.47	9,596.91	-	<b>13,042.38</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

March 31, 2022

Particulars	Less than 1 year	1-5 years	More than 5 years	₹ In Lakhs
				Total
Borrowings	1,14,785.31	1,477.31	64,882.13	<b>1,81,144.75</b>
Trade Payable	42,281.45	7,036.15	-	<b>49,317.60</b>
Other Financial Liabilities	6,518.69	6,882.01	-	<b>13,400.70</b>

## C. Market Risk

### a. Interest Rate Risk

The Group has taken debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Group to interest rate risk.

#### Interest Rate Risk Exposure

Particulars	₹ In Lakhs	
	March 31, 2023	March 31, 2022
Variable Rate Borrowing	1,11,088.14	1,08,839.64
Fixed Rate Borrowing	64,234.83	72,305.11

#### Interest rate sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	₹ In Lakhs	
	March 31, 2023	March 31, 2022
<b>Interest Sensitivity*</b>		
Interest Rates increase by 100 basis points	**	**
Interest Rates decrease by 100 basis points	**	**

\*Holding all other variables constant

\*\*Refer Note - 17.6

### b. Price Risk

The Group's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

#### Sensitivity Analysis

Particulars	₹ In Lakhs	
	March 31, 2023	March 31, 2022
<b>Price Sensitivity*</b>		
Price increase by 5%- FVOCI	-	-
Price decrease by 5%- FVOCI	-	-

\*Holding all other variables constant

## NOTE 39: CAPITAL MANAGEMENT:

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Group's overall strategy remains unchanged from previous year. The Group sets the amount of capital

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds.. The Group's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Group monitors capital on the basis of the net debt to equity ratio. The Group is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Group:

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Borrowings	1,75,826.00	1,81,647.78
Trade payables	52,835.50	49,317.60
Less: cash and cash equivalents	2,006.50	4,068.67
<b>Net debt</b>	<b>2,26,655.00</b>	<b>2,26,896.72</b>
Total capital	34,246.93	31,985.46
<b>Capital and net debt</b>	<b>2,60,901.94</b>	<b>2,58,882.17</b>
Gearing ratio	87%	88%

## NOTE 40: GROUP INFORMATION:

Name	Country of incorporation and operation	₹ In Lakhs	
		As at March 31, 2023 % of Holding	As at March 31, 2022 % of Holding
<b>SUBSIDIARIES</b>			
Allahabad Waste Processing Company Limited	India	99.03	95.02
Bhagalpur Electricity Distribution Co. Pvt Ltd	India	99.99	99.99
Madurai Municipal Waste Processing Company Private Limited	India	99.99	-
Doon Valley Waste Management Private Ltd.	India	87.49	87.49
SPML Infrastructure Limited	India	99.99	99.99
Mathura Nagar Waste Processing Limited	India	98.91	90.25
SPML Utilities Limited	India	100.00	100.00
Sanmati Infra Developers (p) Ltd.	India	74.99	74.99
Pondicherry Special Economic Zone Company Limited	India	74.95	74.95
<b>ASSOCIATES</b>			
Madurai Municipal Waste Processing Company Private Limited	India	-	44.83
SPMLIL-Amrutha Constructions Private Limited	India	36.00	36.00
Binwa Power Company Private Limited	India	49.27	49.27
Bhilwara Jaipur Toll Road Private Limited	India	51.00	51.00
Delhi Waste Management Limited	India	-	49.39
SPML Energy Limited	India	27.31	27.31
SPML Bhiwandi Water Supply Infra Limited	India	44.94	44.94
SPML Bhiwandi Water Supply Management Limited	India	49.94	49.94
<b>JOINT VENTURES</b>			
Aurangabad City Water Utility Co. Ltd	India	40.01	40.01
Gurha Thermal Power	India	50.00	50.00
Hydro Comp Enterprises India Private Limited	India	50.00	50.00
Malviya Nagar Water Services Private Limited	India	26.00	26.00
MVV Water Utility Private Limited	India	48.08	48.08

**NOTE 41:** Other Income includes Rs.603.15 Lakhs (Rs. 727.96 Lakhs during the year ended March 31, 2022) in respect of parent company consisting of certain credit balances of operational creditors either barred by the laws of limitation and not yet claimed by them or the dues are settled by mutual agreements.

**NOTE 42:** Interest on YTM basis amounting to Rs.6,276.13 Lakhs (Rs.6,027.24 Lakhs as on March 31,2022) for the year ended March 31, 2023 was not provided on Optionally Convertible Debentures (OCDs) issued to lenders under

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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S4A scheme by the Parent Company, as the same is not payable until maturity of such OCDs. However, the current resolution plan entails revision in the terms of these OCDs.

**NOTE 43:** Clients of the Parent Company had foreclosed certain projects/contracts which are presently under arbitration/ litigation proceedings. The management, based on the facts of the cases, is confident to recover / realise the trade receivables and inventories as at March 31, 2022 of Rs. 7,372.07 Lakhs (Rs.8,066.17 Lakhs as on March 31,2022) and Rs.1,042.44 Lakhs (Rs.1,042.44 Lakhs as on 31st March 2022) respectively, related to the aforesaid projects / contracts.

**NOTE 44:** The Parent Company has certain trade and other receivables of Rs.43,521.90 Lakhs as at March 31,2023 (Rs.42,573.94 Lakhs as on March 31, 2022) backed by arbitration awards pronounced in its favour over the years. Further, the Parent Company has recognised interest income of Rs.2,852.63 Lakhs during the year ended March 31, 2022 (Rs. 2,734.13 Lakhs during the year ended March 31,2022) on such arbitration awards. Against these awards, the customers have preferred appeals in the jurisdictional courts and the legal proceedings are going on. Pending the outcome of the said legal proceedings, the above amounts are being treated as fully realisable as based on the facts of the respective case, the management is confident that the final outcome of the legal proceedings would be in its favour.

**NOTE 45:** The Parent Company made all the efforts to obtain the requisite financial statements / financial information / financial results of 1(one) subsidiaries, 1(one) Associate and 3(three) Joint Venture Companies, for the quarter and year ended 31st March, 2023. However, in their absence, the consolidated financial results for the quarter and year ended 31st March, 2023 have been prepared without considering the financial impact of such financial statements / financial information/ financial results or after considering the financial statements etc. in respect of such entities which were available for a certain period for the FY 2022-23, as the case may be. Further, the management has assessed that such financial statements/financial information/financial results are not material to the overall consolidated financial results for the quarter and year ended 31st March, 2023.

**NOTE 46:** Trade receivables aggregating Rs.17,518.19 Lakhs (March 31, 2022 Rs.15,506.40 Lakhs) are under arbitration proceedings. The management is confident that based on the facts of the respective cases; there is no uncertainty as regards their realisation.

**NOTE 47:** Disclosure in relation to Corporate Social Responsibility (CSR) of the Parent Company:

- i. Amount required to be spent by the company during the year: NIL
- ii. Amount of expenditure incurred: Not Applicable
- iii. Shortfall at the end of the year: Not Applicable
- iv. Total of previous years shortfall: NIL
- v. Reason for shortfall: The default made by the Company with the Lenders on account of financial constraint beyond the control of the Company.  
  
However Company shall explore the opportunity to spend during the current financial year.
- vi. Nature of CSR activities:: None
- vii. Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR Expenditure as per relevant Accounting Standard: NIL
- viii. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately: There is no provision during the current financial year.

**NOTE 48:** The company has given unsecured loans to certain subsidiaries, joint ventures and associates for developing various projects. However, due to the current financial difficulties being faced by the Company, as detailed in Notes 17.5 and 17.6 hereinabove, it has not been able to continue providing required financial support which they have asked for subsequently for developing the projects. Consequently and coupled with various other reasons specific to each such subsidiary, joint venture and associate and the general economic conditions, their financials have been adversely impacted over a period of time. Based on the assessment of financials etc. of these companies and as per the provisions of Ind AS, the Company has been providing for expected credit losses in respect of the loans

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

given to them alongwith accrued interest. In view of the aforesaid circumstances and considering the probability that the Company will collect the interest to which it is entitled to, the Company has, with effect from 1st April, 2021, postponed recognition of income from interest on such unsecured loans given to certain subsidiaries, joint ventures and associates which are impaired fully/partially by way of expected credit losses as per the provisions of Ind AS. The amount of such interest not recognized for the year ended March 31, 2023 is ₹1,047.15 lakhs (₹1051.22 lakhs for the year ended March 31, 2022). The interest income would be considered as revenue, as per the provisions of Ind AS, in the period in which there is certainty of it's collection/it is ultimately collected. Notwithstanding the aforesaid, the Company always has the right to recover the entire outstanding loan along with interest accrued thereon.

## NOTE 49: RATIO ANALYSIS

The ratios as per the latest amendment to Schedule III are as below:

₹ In Lakhs

Ratios	Year ended March 31, 2023	Year ended March 31, 2022	Variance %	Reason for Variance(If change is more than 25%)
<b>(1) Current ratio (times)</b> (Current assets/Current liabilities)	1.05	1.08	(2.2%)	
<b>(2) Debt equity ratio (times)</b> (Total Debt/Shareholder's Equity)	5.12	5.66	(10%)	
<b>(3) Debt service coverage ratio (times)</b> (Earnings available for Debt Service/ Debt Service)  Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.  Debt service = Interest & Lease Payments + Principal Repayments	0.03	0.01	136%	The variance arising mainly on account of increase in earning of Debt Service.
<b>(4) Return on Equity (%)</b> (Net profit after tax (PAT)/Average Equity) "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.	0.10%	0.11%	7.7%	
<b>(5) Inventory turnover ratio (times)</b> (Sales/Average inventory) [Sales:Revenue from operations]	9.67	11.79	-18.0%	
<b>(6) Trade receivable turnover Ratio (times)</b> (Sales /Average trade receivables) [Sales:Revenue from operations]	0.62	0.70	(11.1%)	
<b>(7) Trade payables turnover ratio (times)</b> (Net Credit Purchases/Average Trade Payables)  Net credit purchases consist of gross credit purchases minus purchase return	1.62	2.27	(28.6%)	Variance is because the Company has opted for longer credit period to balance the working capital position.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Ratios	Year ended March 31, 2023	Year ended March 31, 2022	Variance %	Reason for Variance(If change is more than 25%)
<b>(8) Net capital turnover ratio (times)</b> (Sales/Average working capital) (Working capital: Current assets - Current liabilities) [Sales:Revenue from operations]	10.62	7.27	46%	The variance arising mainly on account of decrease in the working capital.
<b>(9) Net profit ratio (%)</b> (Net profit after tax/Sales) [Sales:Revenue from operations]	0.04%	(0.01%)	362.5%	Variance is mainly arising due to increase in sales and company's effort of taking various steps for reduction of cost
<b>(10) Return on Capital Employed (%)</b> (EBIT/Capital employed) [Capital Employed: Tangible Net Worth + Total Debt + Deferred Tax Liability Tangible Net Worth: Total Assets- Intangible Assets -Total Liability [EBIT: Profit before taxes +/-(-) Exceptional items +Finance Cost]	2.51%	1.51%	67%	The variance arising mainly on account of recovery of interest by the lenders and increase in the share capital
<b>(11) Return on investment</b>	-	-	-	Company has not earned any return on in investments held for long term strategic purpose

## NOTE 50: SEGMENT REPORTING

The Group is operating in a multiple segments viz. Construction, Hydro Power Generation and Waste Management in accordance with IND AS -108 notified pursuant to Companies (Indian Accounting Standards) Rules, 2015, (as amended). However, there are no reportable segment other than Construction as none of them meet the quantitative threshold criteria as prescribed in the said IND AS. The Group is primarily operating in India which is considered as single geographical segment.

**NOTE 51:** Previous periods's figures have been regrouped/rearranged wherever considered necessary to confirm to the figures presented in the current year.

**NOTE 52:** The Company does not have any benami property, where any proceedings have been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made there under.

**NOTE 53:** The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

**NOTE 54:** There has not been any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**NOTE 55:** The Company has not traded or invested in crypto currency or virtual currency during the reporting period.

**NOTE 56:** The Company during the current year has not made any Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

**NOTE 57:** the group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the reporting period in the tax assessments under the income tax act, 1961 (such as, search or survey or any other relevant provisions of the income tax act, 1961). Further, there is no previously unrecorded income and related assets that have been recorded in the books of account during the reporting period. Financial statements to schedule iii to the companies act 2013

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

**NOTE 58:** ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATION FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT 2013

Name	Net Assets, ie, Total Assets minus Total Liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs
<b>Parent</b>								
SPML Infra Ltd.	102.04%	34,946.50	539.88%	211.05	107.93%	7.09	477.81%	218.14
<b>Subsidiaries</b>								
Allahabad Waste Processing Company Limited	4.27%	1,463.15	(130.2%)	(50.90)	-	-	(111.5%)	(50.90)
Bhagalpur Electricity Distribution Co. Pvt Ltd	(9.0%)	(3,086.04)	0.0%	-	-	-	0.0%	-
Doon Valley Waste Management Private Ltd	(0.6%)	(206.12)	(27.0%)	(10.54)	-	-	(23.1%)	(10.54)
Luni Power Company Private Limited	3.82%	1,306.84	-	-	-	-	-	-
Madurai Municipal Waste Processing Company Private Limited	0.02%	7.16	(165.7%)	(64.78)	-	-	(141.9%)	(64.78)
Mathura Nagar Waste Processing Limited	1.06%	363.31	(1369.1%)	(535.19)	-	-	(1172.2%)	(535.19)
Sanmati Infra Developers (p) Ltd.	(5.2%)	(1,785.11)	(63.5%)	(24.84)	-	-	(54.4%)	(24.84)
Pondicherry Special Economic Zone Company Limited	4.28%	1,465.74	72.06%	28.17	-	-	61.7%	28.17
SPML Infrastructure Limited	4.97%	1,702.40	1060.7%	414.64	8.62%	0.57	909.4%	415.21
SPML Utilities Limited	1.96%	672.95	(89.1%)	(34.84)	-	-	(76.3%)	(34.84)
<b>Joint Ventures</b>								
Aurangabad City Water Utility Co. Ltd	-	-	-	-	-	-	-	-
Gurha Thermal Power Pvt Ltd	-	-	-	-	-	-	-	-
Hydro Comp Enterprises India Private Limited	-	-	-	-	-	-	-	-
Malviya Nagar Water Services Private Limited	-	-	(12.0%)	(4.71)	-	-	(10.3%)	(4.71)
MVV Water Utility Private Limited	-	-	(4.9%)	(1.93)	-	-	(4.2%)	(1.93)
<b>Associates</b>								
Awa Power Company Private Limited	-	-	(0.0%)	(0.01)	-	-	(0.0%)	(0.01)
Binwa Power Company Private Limited	-	-	-	-	-	-	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2023

Name	Net Assets, ie, Total Assets minus Total Liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs
Bhilwara Jaipur Toll Road Private Limited	-	-	0.0%	-	-	-	0.00%	-
Delhi Waste Management Limited	-	-	61.1%	23.89	-	-	52.33%	23.89
SPML Energy Limited	-	-	(44.7%)	(17.48)	-	-	(38.3%)	(17.48)
SPMLIL-Amrutha Constructions Pvt Ltd	-	-	0.09	3.45	-	-	0.08	3.45
SPML Bhiwandi Water Supply Infra Limited	-	-	0.0%	-	-	-	0.0%	-
SPML Bhiwandi Water Supply Management Limited	-	-	-	-	-	-	-	-
Intra-group eliminations	(7.6%)	(2,603.83)	263.74%	103.10	(16.5%)	(1.09)	223.44%	102.01
<b>TOTAL</b>	<b>100%</b>	<b>34,246.93</b>	<b>100%</b>	<b>39.09</b>	<b>100%</b>	<b>6.57</b>	<b>100%</b>	<b>45.66</b>

Signatories to Note 1 to 58

As per our report of even date

**For Maheshwari & Associates**

Chartered Accountants  
ICAI Firm Registration No. 311008E

**CA Bijay Murmuria**

Partner  
Membership No - 055788

Place: Kolkata  
Date: 13th June 2023

**For and on behalf of Board of Directors of  
SPML Infra Limited**

**Subhash Chand Sethi**

Chairman  
DIN: 00464390

**Manoj Kumar Digga**  
Chief Financial Officer

**Sushil Kr. Sethi**

Director  
DIN: 00062927

**Swati Agarwal**  
Company Secretary

# CORPORATE INFORMATION

## Board of Directors

**Mr. Subhash Chand Sethi**

*Chairman & Whole Time Director*

**Mr. Sushil Kumar Sethi**

*Vice Chairman & Non-Executive Director*

**Mr. Prem Singh Rana**

*Independent Director*

**Mr. Tirudaimarudhur Srivastan Sivashankar**

*Independent Director*

**Mrs. Pavitra Joshi Singh**

*Independent Director*

**Ms. Arundhuti Dhar**

*Independent Director*

## Key Managerial Personnel:

Mr. Manoj Kumar Digga

*Chief Financial Officer*

Mrs. Swati Agarwal

*Company Secretary*

## Registered Office:

F-27/2, Okhla Industrial Area,

Phase-II, New Delhi-110020

Tel: +91-11-26387091

CIN: L40106DL1981PLC012228

## Head Office:

22, Camac Street, Block-A,

3rd Floor, Kolkata-700016

Tel: +91-33-40091200

## Regional Office:

Bangalore B wing (South Block),

5th floor, Cristu Complex,

No-41/7, Lavelle Road,

Bangalore-560001

Tel: +91-80-48524898

## Bankers/ Financial Institutions

State Bank of India

Canara Bank

ICICI Bank Ltd.

Punjab National Bank

Bank of Baroda

Union Bank of India

## Auditors

Maheshwari & Associates

Chartered Accountants (FRN No.311008E)

Geetanjali Apartments,

Flat No. 6A, 8B, Middleton Street,

Kolkata-700071

## Registrar & Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.,

23, R. N. Mukherjee Road,

5th Floor, Kolkata- 700001







### **SPML Infra Limited**

Registered Office: F-27/2, Okhla Industrial Area,  
Phase II, New Delhi - 110020  
Tel.: +91-11-26387091

Head Office: 22, Camac Street, Block A  
3rd Floor, Kolkata - 700016  
Tel.: +91-33-40091200  
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**Offices in Ahmedabad, Bengaluru,  
Chennai, Mumbai**