Paradigm shift

Paradigm shift

The global infrastructure sector is largely private and profitable, marked by negative working capital.

The Indian infrastructure sector is thin-margined, stressed and working capital-intensive.

The difference between global and Indian realities has been the long-standing absence of a project framework that resolves developer and client disagreements with speed and fairness.

New beginning

Over the last couple of years, the Indian government has transformed the dynamics of the infrastructure sector through the introduction of policies and practices that are creating a structural shift.

The policies will strengthen the infrastructure sector, restructure corporate Balance Sheets and attract larger investments, making it possible to conduct an old business in a new way.

Completely. Comprehensively. Conclusively.

Subhash Chand Sethi, *Chairman*

SPML Infra Limited

Annual Report 2016-17

Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of SPML Infra Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the SPML Infra Limited annual report 2016-17.

Contents

Board of Directors

Subhash Chand Sethi, Chairman

Chairman of SPML Infra, Mr. Sethi leads the Company towards growth with his visionary approach and business acumen. Led the Company into the energy business with renewable power generation, power transmission, distribution and supply management, coal mining etc.

Sushil Kumar Sethi, Managing Director

Responsible for the growth of water and environment business, he enabled the Group to foray into several BOOT projects in water, waste water and sewer rehabilitation; resides and operates from Delhi

Deepak Sethi, Director

Instrumental in the development and execution of waste management projects, new ventures and start-ups. He is an MBA from Deakin University, Australia

P.S. Rana, Independent Director

Former Chairman of Housing and Urban Development Corporation. Chairman of Construction Industry Development Council and Patron Institute of Urban Transport and Member Advisory Council of IIT, Delhi, B.Tech in Civil from IIT, Delhi, and Ph.D. in Transport Engineering and Management from University of Newcastle, UK

Sushil Kumar Roongta, Independent Director

Former Chairman of Steel Authority of India Ltd. and MD (Aluminium & Power Business) of Vedanta Ltd. Chairman, Board of Governors, IIT, Bhubaneshwar, and Member of Board, JKL University, Jaipur, and BE (Electrical) from BITS Pilani

Sarthak Behuria, Independent Director

Former Chairman of Indian Oil Corporation Ltd. and Bharat Petroleum Corporation Ltd. Recipient of the SCOPE Award for Excellence & Outstanding Contribution to Public Sector Management (2007-08) from the Honourable Prime Minister of India B.A. (Economics) from St. Stephens College, Delhi, and MBA from IIM, Ahmedabad

Dinesh Kumar Goyal, Independent Director

IAS of 1981 batch of Rajasthan cadre; Additional Chief Secretary, Govt. of Rajasthan, Ph.D. from Birla Institute of Technology & Science, and M.Sc. from London School of Economics, UK

Archana Capoor, Independent Director

Former Chairperson of Tourism Finance Corporation of India, Member Secretary and Project Advisor to Indian Trust for Rural Heritage and Development, MBA in Finance & Market Research from University of Allahabad

Supriyo Kumar Chaudhuri, Nominee Director

Former Chief General Manager of State Bank of India, had long stint in the bank handling corporate banking, network, credit and commercial. MBA from IIM, Kolkata and CAIIB from Indian Institute of Bankers, Mumbai.

They said the project would be impossible to execute...

The women of Pokhran, Falsoond, Balotra and Siwana in Thar Desert walked 5-8km for water. Every single day.

The National Rural Drinking Water Programme awarded SPML Infra a project to provide sustainable potable water to 580 villages. Benefiting more than a million people.

SPML invested funds, capabilities – and passion.

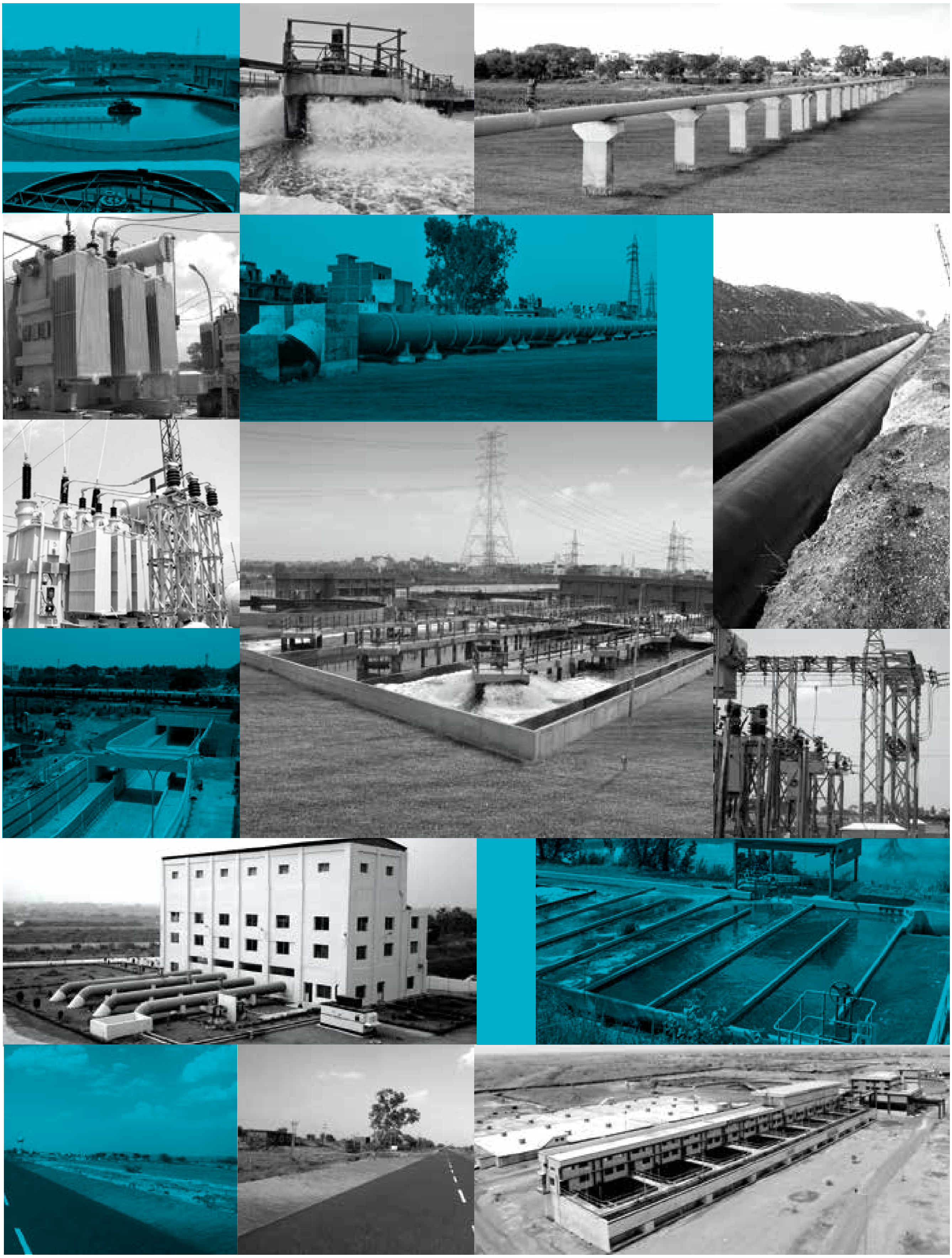
The challenges were extensive. The locations were remote. The temperature was killing. The groundwater radioactive.

SPML engaged in surveys. Ventured into geo-technical investigations. Created best-fit solutions.

The result: SPML laid 80km water pipeline. Installed two raw water reservoirs of 300 million litres, three pumping stations, three water treatment plants and as many clear water reservoirs. Plus SCADA technology for soil and post infrastructure impact assessment.

The result: the infrastructure is designed to address the drinking water need up to 2023, extending till 2038.

SPML transforms.



Water is the new oil.

That one natural resource likely to shape the destiny of nations.

The country with a deeper access to water is likely to be the one that grows and endures.

India is investing an unprecedented amount in its water systems and projects.

SPML Infra Limited is the one company that is expected to capitalise most extensively on this national priority.

SPML is the only Indian company to be featured in the world's top 40 leading private water and waste water management companies.

This makes it one of the most attractive proxies of one of India's fastest growing infrastructure sectors in one of the largest sectoral opportunities anywhere in the world.

Vision

Creating with passion and innovation, world class infrastructure to make human life comfortable.

Mission

Profitable growth through superior project management, innovation, quality and commitment.

SPML Infra Limited is the right company at the right time.

A company engaged in five infrastructure segments of growing relevance.

Possessing one of the highest pre-qualification credentials in its business segments.

Positioned to attractively capitalise on the largest projects being announced by the government.

Graduating to higher-margin projects.

With the singular objective of enhancing value for all stakeholders.

Values and philosophy

- We value our customers and are driven towards meeting the commitments we make through better project delivery.
- We value our people, their teamwork and internal systems and processes to perform ahead of others.
- We offer to promote better living through innovation which has been ingrained into our business model from the start.
- We prioritise on our principles of adhering to high quality standards to make greater impact in the lives of people.
- We pursue to grow as the most acceptable company providing turnkey solutions with added values that makes life comfortable.

Management

Mr. P. C. Sethi, founder of the Company, established SPML Infra Limited to cater to the growing infrastructure needs of the country.

Mr. Subhash Chand Sethi, Chairman, possesses more than three-and-a-half decades of experience in the field of contracts, financing and execution.

Managing Director Mr. Sushil Sethi Jain focuses on acquisitions and business growth while leading the urban infrastructure and environment management business.

Director Mr. Deepak Sethi has strengthened the Company's technology orientation.

Mr. Harshvardhan Sethi and Mr. Abhinandan Sethi represent the third generation of the Company's promoters, possessing impeccable credentials.

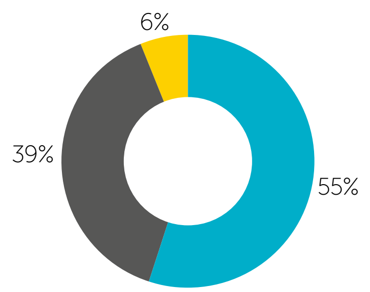
Business segments

EPC: SPML Infra Limited is a leading infrastructure development company focused on EPC (Engineering, Procurement and Construction) engagement across the entire life cycle of operations (procurement to delivery in sectors like water, power, environment, smart city and infrastructure).

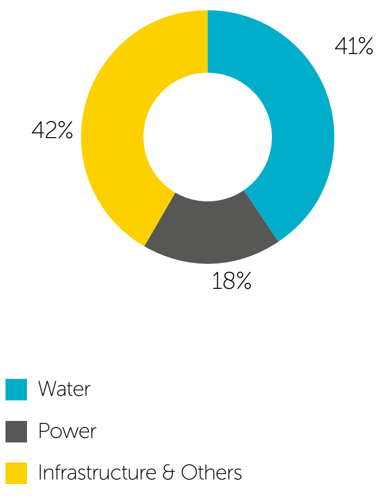
PPP / BOOT: The Company secured a leading position in the Build-Own-Operate-Transfer/ Public-Private Partnership (BOOT/PPP) based businesses. The Company's endeavour is to grow through technology-driven business processes and innovation across the water, power, environment and infrastructure sectors.

Mining: The Company is engaged in coal, iron ore, lignite and minerals mining with total estimated reserves of 166 million MT and mining area of 5000 hectares in East Kalimantan, Indonesia.

Order book as on 31st March 2017



Revenues



Awards

- CIA World Builders & Infra Awards 2017 for Best Water Management Company of the Year – EPIC Media Group
- Technology Champion – Smart City Award 2017 for IMIS – Cyber Media Group
- Data Centre Green DC Initiative Award 2017 – UBS Transformance

1996-2004

Ranked second for highest capacity installation in small hydro power projects

2007

- Ranked at 217 amongst top billionaires in the promoters category of the country by financial publication 'Business Standard'
- Recognised as one of the top 500 companies in India - 'Dun & Bradstreet' & 'The Financial Express'
- Awarded as the Number One fastest growing construction companies in India in 'large category' in Fifth Construction World – NICMAR Award 2007

2008

- Ranked at 312 among India's 1000 corporate giants based on Net Sales, by financial publication 'Business Standard'
- ET Survey of 500 biggest organisations in India ranked SPML at 338
- Excellence in Project Management in Hydro Power Sector (SHP) from ENERTIA as part of its Annual ENERTIA Award for the development and efficient operation of the 20 MW (10 MW x 2) Kabini Hydro Power Project, the second largest private sector mini-hydel scheme in Karnataka.
- Ranked 189, up from rank 329, in the Top Business Companies List - Business India
- Ranked 104 among 'Best Performing 500 Mid-Sized Companies' as per India Inc.

2009

Conferred the fastest emerging Infrastructure company (Large Category) at the 7th Construction World Annual Award 2009

2011

- Ranked 28 in the Top Infrastructure companies "Shaping the India of Tomorrow, Today" Construction Week
- Awarded KPMG Infrastructure Today Award for being the Most Admired Infrastructure Company in Water and Urban Infrastructure
- Awarded KPMG Infrastructure Today Award for PPP Project of the Year - Aurangabad Water Supply Project

2012

- Awarded Infrastructure Excellence Award 2012 for Water & Sanitation by CNBC Network 18
- Awarded Construction Week India Award 2012 for Water Project of the Year by ITP Publishing Group
- Awarded Corporate Excellence Award for Outstanding Marketing by Amity University
- Awarded Aqua Excellence Award 2012 for Outstanding Contribution towards Cause of Water by Aqua Foundation

2013

- Awarded EPC World Award 2013 for Urban Infrastructure Development
- Awarded GMR-IGI Airport Award 2013
- Awarded Construction Week India Award 2013 for Corporate Social Responsibility by ITP Publishing Group
- Awarded Construction Week India Award 2013 for Water Project of the Year - ITP Publishing Group

2014

- Awarded India's Leading Infrastructure Companies Award 2014 by Dun & Bradstreet
- Awarded GMR-IGI Airport Award 2014
- Awarded Commendation at Global Water Award 2014
- Awarded Construction Week India Award 2014 by ITP Publishing Group
- Infrastructure Person of the Year 2014 received by Mr. Sushil Sethi, MD, SPML Infra from ITP Publishing Group

2015

- Awarded Digitising India Award 2015 for Smart City Solutions by NDTV-CISCO
- Awarded Construction Week India Award 2015 for Infrastructure Company of the Year by ITP Publishing Group
- Awarded Global CSR Excellence & Leadership Award 2015
- Awarded GMR-IGI Airport Award 2015
- Awarded Skoch Smart Governance Award 2015 for Smart ICT Solutions
- Awarded Construction World Award 2015 as Top Challengers by Asapp Media Group
- Awarded CeBIT India Digital Transformational Leaders 2015 Award for IT Infrastructure & Services – CeBIT India
- Awarded ICT for Development Award 2015 for Innovative Solutions for Smart Cities by ASSOCHAM
- Awarded Skoch Smart Technology Award 2015 for AMI Metering Project in Delhi by Skoch Group

2016

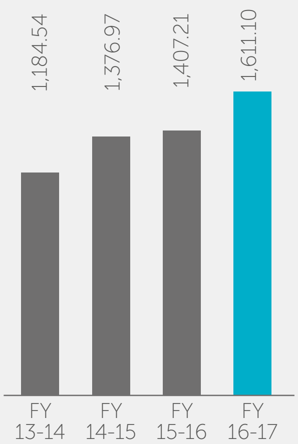
- Awarded Frost & Sullivan India Award 2016 for India Water & Waste Water Management Competitive Strategy Innovation & Leadership
- Awarded CBIP Award 2016 for Optimum and Efficient Utilisation of Water Resources by CBIP
- Awarded Fortune India Next 500 Awards 2016 as 'One of the Giants of Tomorrow' by Fortune Magazine
- Awarded Dataquest Business Technology Award 2016 for Unified Communications by Dataquest
- Awarded NetApp Innovation Award 2016 for Integrated Management Information System by NetApp
- Awarded Construction Times Awards 2016 for Best Executed Wastewater Project of the Year

2017

- CIA World Builders & Infra Awards 2017 for Best Water Management Company of the Year – EPIC Media Group
- Technology Champion – Smart City Award 2017 for IMIS – Cyber Media Group
- Data Centre Green DC Initiative Award 2017 – UBS Transformance

Our growth story

Higher revenues + 14.5%



REVENUES (₹ Crore)

Definition

Sales growth without deducting excise duties.

Why we measure

This measure reflects the result of our ability to understand market trends and service customers with corresponding products, superior technologies and competent supply chain management.

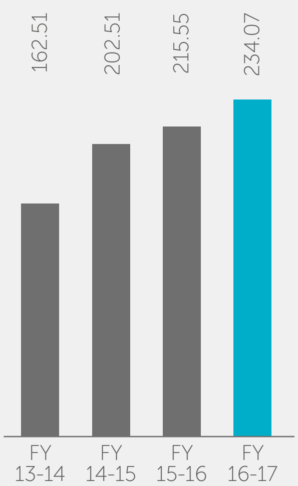
Performance

Our aggregate sales increased 14.49% to ₹1,611.10 crore in FY 2016-2017, which compared favourably with the 4.8% growth of the country's infrastructure sector.

Value impact

Creates a robust growth engine on which to build profits

Growing profits +8.59%



EBITDA (₹ Crore)

Definition

Earnings before the deduction of interest, depreciation, extraordinary items and tax.

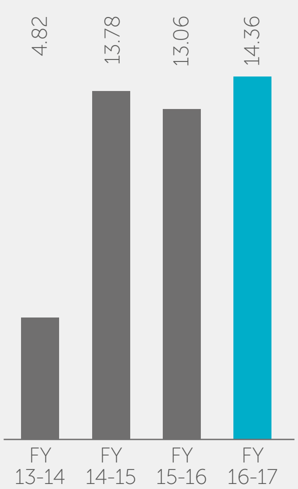
Why we measure

It is an index that showcases the Company's ability to optimise business operating costs despite inflationary pressures, which can be easily compared with the retrospective average and sectoral peers.

Performance

The Company's EBITDA grew every single year through the last six years. The Company reported 8.59 % increase in its EBITDA in FY2016-2017 – an outcome of painstaking efforts of its team in improving operational efficiency.

Net Profit +9.95%



NET PROFIT (₹ Crore)

Definition

Profit earned during the year after deducting all expenses, provisions and tax

Why we measure

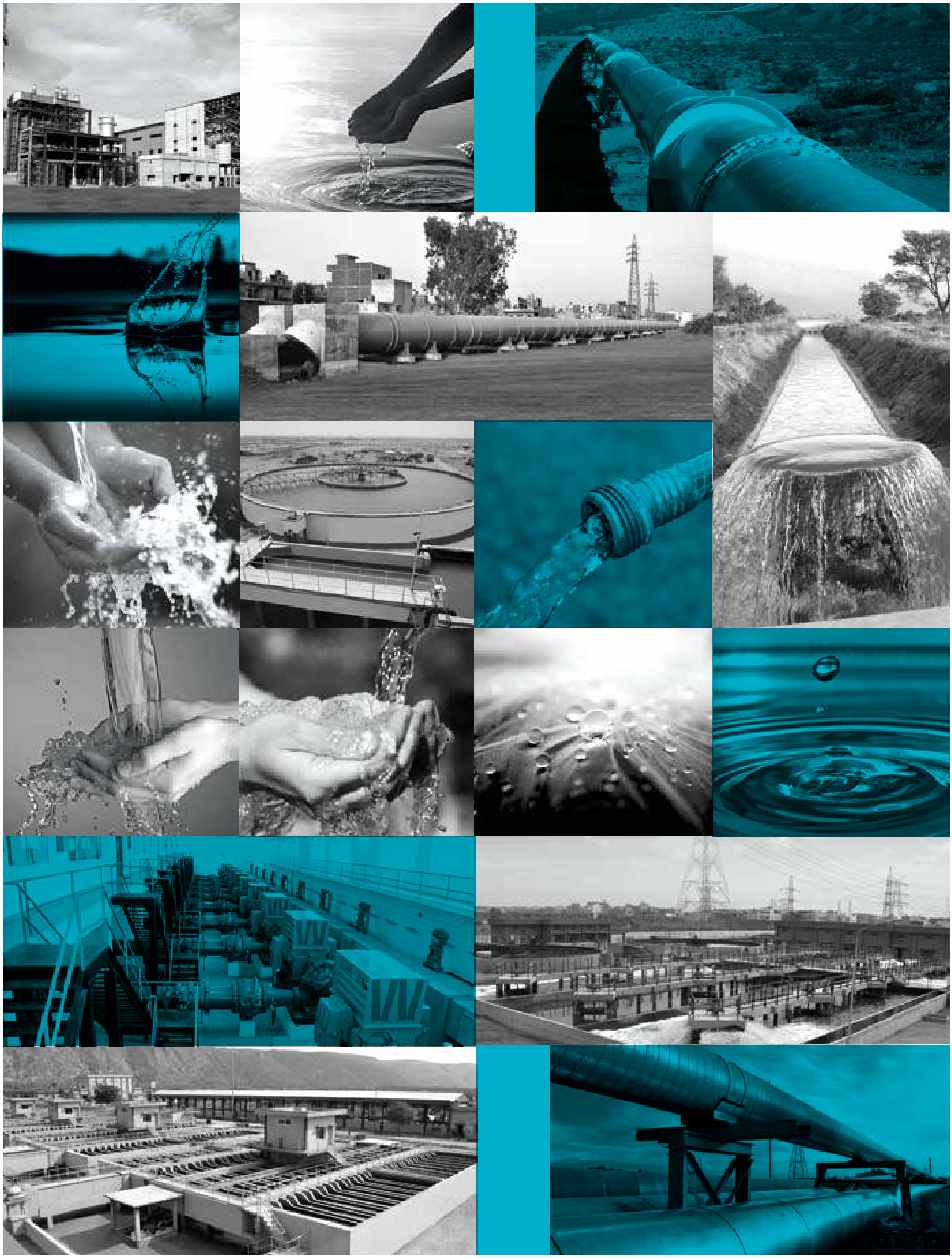
It highlights the strength in the Company's business model in generating value for its shareholders.

Performance

The Company reported a 9.95% increase in its Net Profit in FY2016-17, reflecting the robustness and resilience of the business model in growing shareholder value despite external vagaries.

Value impact

Adequate cash pool available for reinvestment, accelerating the growth engine



Chairman's overview

I am excited as I can see unprecedented growth in the coming years

I am excited in presenting my overview for this annual report. My excitement has less to do with the numbers we reported during the financial year under review than the structural shift presently transpiring within the country's infrastructure sector, something that I have not seen in my 36 years of being associated with this sector and this Company.

It is an irony that the fifth largest global economy and the fastest growing major economy of the world is built around an infrastructural framework that is legacy. The reality is that most of India's infrastructure sector is but a fraction of what the country needs and far less than the corresponding average in peer countries.

There is an even greater irony: just when one would have felt that the time was right for the country to invest an unprecedented quantum in rejuvenating its infrastructure, most infrastructure companies in India are nursing stressed Balance Sheets and impaired pre-qualification credentials.

We believe that the sectoral shifts which transpired over the last decade within India were the result of infrastructure companies assuming a disproportionately larger project load than their Balance Sheets could bear; besides, a number of these projects were strapped by disagreements related to project delivery, resulting in extended arbitration.

The arbitration blocker

Arbitration is a word that we grew up with. Only rare projects would graduate from concept to completion without a disagreement on project deliveries or subsequent arbitration. The result is that a number of companies within India's infrastructure reported larger losses from the debt assumed to plug cash flow delays, arising from arbitration issues, than contractual miscalculations and errors in project estimation. Gradually, arbitration was something that we began to see as the acceptable pain of our presence in this challenging sector. The competitiveness of companies began to be judged not merely by their innovation and project commitment; it began to be appraised by their endurance in the face of protracted litigation and arbitration. This was ironic; the world over, the construction business is a negative-working capital business, marked by high margins, simple and attractive valuations, and backed by an enabling environment that addresses and resolves disagreements within an established framework.

SPML has not been an exception to this reality. Even as we are acknowledged among the top 40 most specialised water infrastructure companies in the world by Global Water Intelligence and the only one of our kind from India, we have been compelled to assume debt to plug cash flow issues arising out of protracted arbitration.

Light at the end of the tunnel

But I am excited as I can see light at the end of the tunnel: the days of extended resolution-less arbitration, in the form that we have known it, may be coming to an end.

Over the last year, the Indian Government has implemented a structured framework for the vendor and customer to sit across the table and thrash out mid-project differences virtually in the nick of time; there is now a structured framework available that may address differences in a time-bound manner with no unfair advantage to either party in prolonging the arbitration.

This Government initiative has not only created a forward-looking framework; it has outlined an approach to liquidate the accumulated debt and baggage of the past, graduating the lending bank into a partner, who is interested in the customer – our Company – liquidating our liabilities at the earliest to help us achieve this desired profitability. The basis of this transformation is the landmark S4A, which is expected to transform sectoral realities, creating a win-win proposition for the customer, lender, community and country.

We believe that the ability of this Government to devise this win-win approach is a reflection of its seriousness to create an enabling environment where service providers like us can be sustainably viable to address the country's infrastructure needs and a justice-based reference point that will attract some of the best global construction companies to India.

One of the most visible manifestations of the Government's determination to create a clean business environment is the infrastructure tendering system. During the last couple of years, virtually every single infrastructure tender has gone online; with the decline in manual intervention options, manipulations have virtually become history; a sector playground that benefits the meritorious has emerged; the management bandwidth that was expended in non-productive engagement has become history, replaced by a stronger business focus; we have been pleasantly surprised on being informed online about being awarded infrastructure contracts in states conventionally notorious for handing out contracts for non-business reasons. An entirely new way of doing business has emerged in the short span of the last couple of years; we did not believe we would see this in our lifetimes but this is now a reality.

Transforming within

At SPML Infra, we recognise that even as the external environment is turning conducive, it challenges the ability of sectoral leaders like us to evolve, adapt and outperform at an even greater pace.

At SPML, we expect to seize the day through various forward-looking initiatives.

Firstly, we believe that the outperformer of the future will be a company that is driven by processes, systems and uniform decision-making. In line with this, SPML engaged the services of Accenture to strengthen its systemic discipline and orientation.

Secondly, we believe that sustainably successful companies will be those that are driven not only by promoters but by a number of 'entrepreneurs'. In line with this, the Company is graduating to an incentive-driven and ESOP-influenced working environment where the principal change-agents own a stake in the Company's progress.

Thirdly, we believe that an enduring Company will be one that is simply more skilful and knowledgeable. In view of this, SPML is training more aggressively across functional and behavioural aspects, sharing knowledge in a more organised manner and implementing best practices around desired outcomes.

Fourthly, we believe that at the heart of any successful company lies a combination of responsibility and authority. As a logical extension of this conviction, SPML has scaled vertically across strategic business units where business heads are being expected to grow their businesses through

At SPML, we are very optimistic of our sector's prospects and our role within. We believe that the water infrastructure has not grown even to the extent of 10% of its true potential, which indicates that this single vertical holds out decades of sustainable growth potential for a company like ours.

their accruals and independent of a centralised cash pool, the foundation of resource efficiency.

Fifthly, we believe that the most successful companies are also the most competitive. At SPML, we have selected to relocate and centralise our operations to Kolkata in exchange for cross-synergies, superior recruitment and a better amortisation of our overheads.

At SPML, we believe that the combination of all that I have enumerated will translate into an even wider moat between our competitors and us. We believe in a distinctive understanding of what to bid for, how to build, how to negotiate terrains, what contractors to engage, how to sustain project progress, how to complete projects and how to graduate a transaction into a relationship, competitive advantages that we will build upon in our endeavour to create a sustainable business.

Review of 2016-17

SPML Infra reported 14.5% growth in revenues and 9.95% increase in profit after tax during the financial year under review.

The Company strengthened its business competitiveness through an increase in the pre-qualification limit for water infrastructure services business by achieving revenue of ₹1,000+ crore. The Company completed the Surajpura water supply project in Rajasthan and Kanpur Sewage Treatment Plant as well as a sewerage network in Uttar Pradesh. The Company creditably managed the power distribution franchise in Bhagalpur across 200,000 consumers. The Company strengthened the water supply and distribution project in the prestigious Vasant Vihar area of New Delhi.

I am also pleased to report that the Company completed phase 1 of Sauni Irrigation project (Link-II, Package-3) worth ₹593.57 crore, which was inaugurated by our Hon'ble Prime Minister, Shri Narendra Modi. The performance of the Company was creditable given the challenging circumstances. A large part of the Company's receivables were blocked in arbitrations issues with clients. This warranted the taking of additional debt to manage operations, which increased interest outflow and affected overall viability. The Company continued to work closely in resolving outstanding issues with clients and is hopeful that a policy direction from the Government will enable the Company to bring these long-standing issues to a logical conclusion.

Growing role of governance

A critical game-changer is the growing role of governance within India's infrastructure sector. The time has come when companies with integrity that respect governance, will grow faster.

These are some factors how this scenario will benefit the clean and sincere.

Firstly, companies with poor debt repayment or interest servicing records will be blacklisted and perhaps even barred from competing for Government infrastructure contracts.

Secondly, we believe that this enforced exit of the governance-disrespecting companies will create a sectoral shake-out leading to a greater demand than supply.

Thirdly, this scenario will benefit the compliant companies in a disproportionately positive way; buoyed by stronger pre-qualification credentials, these companies will be able to bid for larger projects.

Fourthly, the companies with stronger governance commitments shall attract lower costs of debt and wider financing operations; good governance will translate into good business.

I am pleased to state that SPML Infra has distinguished itself through a prudent investment in governance. Over the years, the Company focused largely on the turnkey construction opportunities arising from the water and power sectors; the Company has selected to divest its presence from non-core business areas. The promoters do not have sectoral interests in companies other than SPML; the Company created a strong Board comprising eminent professionals and bureaucrats.

Business strategy

The Company believes that given the sectoral challenges and shake-out, the objective is to build a sustainable organisation marked by a sharp increase in bottom-line, the very foundation of profitable growth.

The Company believes that a combination of various initiatives will help make this a reality. The

The Company believes that a combination of various initiatives will help make this a reality. The Company will bid for fewer but larger projects, marked by lower costs and higher margins, widening its profitability. The Company will hedge its widening presence by bidding for projects that have been funded by the Central Government and global funding institutions.

Company will bid for fewer but larger projects, marked by lower costs and higher margins, widening its profitability. The Company will hedge its widening presence by bidding for projects that have been funded by the Central Government and global funding institutions. The Company will leverage its increasing pre-qualification credentials to bid for projects that attract nominal competition, the very basis for its long-term profitability. The Company will select to work for projects that are accompanied by advances and periodic milestones, reducing its financial load. As a discipline, the Company will focus on EPC power and water projects; as a policy the Company will not enter the BOT or BOOT segments that require upfront investments. The Company will strengthen its core competence through the prudent divestment of non-core assets (especially hydro-power), which we believe will liberate financial resources for reinvestment in the Company's core business. The Company will increasingly bid for complete life-cycle engagements where one-time EPC engagement is coupled with ongoing maintenance contracts, enhancing the proportion of annuity revenues. The Company's project bidding and identification will be increasingly selective, vetted by an expert committee, enhancing a process and systemic orientation into an entrepreneurial organisation. Most importantly, the Company intends to work closely with Government-appointed agencies to liquidate its long-standing receivables under arbitration, which, in turn, would help the Company de-leverage and restore its Balance Sheet to greater health and sustainability.

Optimism

At SPML, we are optimistic of our sector's prospects and our role within. We believe that the water infrastructure has not grown even to the extent of 10% of its true potential, which indicates that this single vertical holds out decades of sustainable growth potential for a company like ours.

There is a growing consensus that even as India has for decades been a consumption-driven economy, the planning skew is actually hurting us to the point that India needs to swing the needle towards infrastructure growth.

We are relieved and pleased to see that the present Indian government appears to share the same view. Over the last three years, the Indian government has addressed the sector's potential with an unusual – but highly effective – response. The government has selected to correct the sectoral framework as a precursor to the announcement of large projects. We believe that this sequential correction is critical and logical; once the framework is a reality, we believe that projects will be completed faster, cash inflows will be quicker, in-project disputes will be resolved closest to real-time, the unproductive investment in long-drawn arbitration will decline, infrastructure growth will accelerate and the country will benefit.

The three sectors that we expect will be the biggest beneficiaries of the country's infrastructure push will be water, power and health; SPML is present in two of these segments with an experience track record that extends beyond the decades and generations.

What makes this industry juncture an inflection for a company like SPML Infra is that it coincides with a sectoral shake-out. On the one hand, the Indian infrastructure sector is marked by the biggest policy push and spending in its existence; on the other hand, a number of long-standing players have gone out of contention on account of stressed Balance Sheets and impaired pre-qualification credentials. SPML, by virtue of a progressively improving pre-qualification accreditation, is poised better than ever to carve away a disproportionate share of project contracts being announced. Since most projects being announced are considerably larger than in the past, we believe that they represent the foundation of our superior profitability across the foreseeable future.

Overview

At SPML, we are optimistic of the positive track-down of the sector's prospects into our corporate prospects.

Besides, we believe that our record order book of approximately ₹6700 crore as on 31 May 2017 will translate into a steady topline and a sharply improved bottom-line, the foundation of profitable growth that we expect will kick start a multi-year profitable growth cycle that enhances value for all those who own shares in our Company.

Subhash Chand Sethi, *Chairman*

4 ways in which the Indian Government has created a level playing field

Tax reforms
GST to create an integrated uniform tax rate, enhancing transparency and levied at destination and not various points; easier tax filing and simpler tax structures would enhance business ease

Digital India program
On-demand digital governance services; digital literacy; United Telecoms Ltd. to connect 250,000 villages through GPON to ensure FTTH based broadband by 2017

e-tendering process
Reduced tender cycle-time; accelerated accurate pre-qualification and evaluation; improved audit trail increasing tendering integrity and transparency etc.

Banking sector reforms
Capital base of banks strengthened; prudential norms tightened; new private sector banks licensed; credit policy reforms introduced; Maximum Permissible Bank Finance regulations abolished; consortium regulations relaxed; credit delivery shifted from cash credit to loan method.

5 WAYS IN WHICH THE WATER INFRASTRUCTURE SECTOR IS TRANSFORMING

- India's urbanisation and rural electrification to drive water and power projects
- Sectoral shake-out; enhanced competitiveness of sustainable players
- Lower competition; decline in irrational bidding; improving margins
- Rising tax collection; stringer fund flow for infrastructure spending
- Larger contracts announced with multi-lateral funding

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- Rising tax collection; stringer fund flow for infrastructure spending
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The four ways in which a progressive Indian government is transforming the Indian infrastructure sector

Dispute resolution process

1

Problems

- The specifications of turnkey infrastructure construction projects change midway
- Differences arise on the pricing and deliveries of these changes
- Dispute resolution deferred; disagreements escalate
- No deadline for resolutions; usually run into years
- Notional loss of opportunity and profit; sustained litigation cost

Solutions

- Central Government decrees payment of 75% on award receipt against bank guarantee (State Governments yet to implement)
- Disputes to be compulsorily resolved in 12 months

Impact

- Decline in arbitration
- Increased cash flows
- Proactive and real-time dispute mitigation
- Exhaustive and documented conditions precedent

Result

- Enhanced banker confidence in the sector
- Possibility of moderated lending cost to the sector

Transparency in Government tendering

2

Problems

- Opaque tendering process by Government agencies in the past
- Arbitrary changes in clause contracts
- Low clarity on tender announcements

Solutions

- Most contracts have been moved to online
- Tender details virtually impossible to manipulate
- Tender protocols established

Impact

- Level playing field for all players
- Unscrupulous advantage neutralised
- Manual intervention eliminated
- Merit-based contract allotment
- Wider room for knowledge arbitrage
- Growing respect for pre-qualification credentials

Result

- Increased project strike rate for the competent
- Sectoral consolidation
- Enhanced corporate profitability

Proactive problem resolution

3

Problems

- Three-stage arbitration process (first stage never enforced)
- Implementation delay
- High arbitration cost
- Plug delay in cash inflow with high-cost debt
- Vicious cycle of high debt and low profitability

Solutions

- Mutual fear of arbitration for customer and vendor
- Willingness to resolve in real-time

Impact

- Quicker project completion
- Lower infrastructure cost for country
- Increased engagement between customer and vendor

Result

- Enhanced revenue visibility
- Greater banker confidence
- Quicker cash flows
- Lower overheads

Greater respect for contractor governance

4

Problems

- Contractor governance guidelines selectively applied
- Some contractors awarded contracts out-of-turn

Solutions

- Universal governance application
- Level playing field

Impact

- Stronger knowledge arbitrage

Result

- Quicker growth for governance-respecting companies

How we do our business

At SPML Infra, we have selected to grow our business with prudence and patience. We have proved this is the only route to business and financial sustainability.

The result is that the Company is one of the most respected turnkey service providers in India's water infrastructure and power sectors.

The context of our sector

Government policy reforms

The Indian infrastructure holds the key to national economic revival. Over the last three years, the Indian government has energised the sector through landmark initiatives directed at streamlining processes, enhancing transparency and reinforcing sectoral viability

Water under-penetration

India is an extensively under-provided country in terms of water availability, only 4% of world's fresh water resources for 18% of the world's population – per capita availability of 1,116 cum in 2014 compared with peer countries like USA 8,836 cum and UK 2,244 cum.

Power transmission solutions

For decades, India has invested extensively in the area of power generation over transmission, a scenario that it needs to reverse. The Indian Government has outlined a transmission sector investment of ₹2600 billion by 2022.

Urbanisation

India is the fastest urbanising country; 32% of the country's population resides in urban locations and this is expected to rise to 40% by 2030, even as the country's population increases.

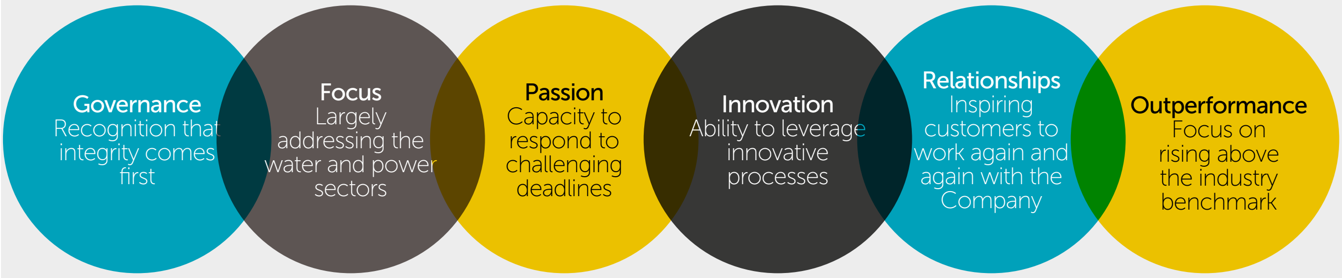
Sectoral shake-out

The Indian infrastructure services sector is passing through an extended shake-out, marked by stressed Balance Sheets, affecting their capacity to address the growing sectoral opportunity.

Increasing pre-qualification needs

The Indian infrastructure sector is marked by a growing need for higher pre-qualification requirements on the part of service providers to be able to address progressively larger projects that accelerate national infrastructure growth.

The passion that we bring to our business



How we address the sectoral context

Life-cycle engagement

At SPML, we provide a life-cycle engagement extending from project design to delivery to maintenance

Governance

At SPML, we have invested in processes, Board composition, ethical conduct, transparent Balance Sheet and a segregation of promoters and corporate ownership interests - the foundation of organisational credibility.

Prudent balance

At SPML, we represent a prudent balance of the entrepreneurial and the professional. While the promoters identify the broad business direction and hands-on interventions for critical project-based decisions, the professionals provide the robustness necessary for everyday management.

Growth appetite and momentum

At SPML, we believe that the key to business sustainability in the infrastructure services sector lies in a combination of moderate yet sustainable topline growth coupled with higher bottom-line growth (profitable growth).

Selective bidding

At SPML, in view of the need to report profitable growth across market cycles, we bid selectively for projects – those within our competence areas at attractively high hurdle rates backed by arbitration council provisions and funded by multi-lateral agencies that protect our long-term interests and viability.

Pre-qualification benchmark

At SPML, we strengthened our pre-qualification credentials during the most challenging of market cycles, making it possible for us to bid for larger and more profitable projects at a time when most competitors eroded their Balance Sheets and reduced their pre-qualification credentials. The Company's pre-qualification was among the highest in India's water infrastructure sector.

Our foundation of intangibles

Brand

At SPML, we possess attractive brand recalls – 'expert', 'leader' and 'credible' – which we believe are critical to our long-term success.

Multi-generation

At SPML, we have evolved from a first-generation entrepreneur company to a second generation promoter-owned company comprising professionals with educational background from engineering, technology to management.

No private promoter interest

At SPML, the promoters possess no private interests in the infrastructure business apart from their ownership stake in the Company.

Technologies

SPML has embraced cutting-edge technologies to enhance client experience and strengthen internal efficiency. The Company extended to SAP resulting in informed decision-making; the Company also invested in multiple technologies that accelerated project progress.

Intellectual capital

SPML employs around 1000 professionals. Nearly 80% of the Company's employees were with the Company for more than five years as on 31 March 2017.

Low leverage

At SPML, we are a relatively under-leveraged organisation – long-term debt of ₹181.78 crore as on 31 March 2017 – which reflects our ability to grow our business with less cash.

Global respect

At SPML, we were acknowledged as the only Indian company among the World's Top 40 Private Water Companies as per Global Water Intelligence, London.

Projects completion

At SPML, we possess an excellent record of having completed and handed over 95% of the projects we have worked on, reinforcing our credentials as a dependable partner.

Consistent profit record

SPML has reported a profit in every single year of its existence – through diverse market cycles – validating its capability as a viable service provider across needs, terrains, projects, sectors and customers.

Our performance ambition

At SPML, our performance ambition is to grow our financials and Balance Sheet in line with our established respect as one of the most specialised water infrastructure solution providers and one of the most dependable substation solution providers in India's power sector.

Probable goal contributors

Larger projects: The Company intends to bid for a smaller number of projects coupled with a larger bid value, enhancing project-wise profitability

Sectoral focus: The Company will continue to focus on water infrastructure solutions for large government or multi-lateral-funded projects backed by milestone payments in addition to bidding for substation power projects

Margins: The Company will bid for projects enjoying a higher hurdle rate over the retrospective average

Collaborative: The Company intends to work closely with Government bodies to resolve the large amounts disputed with the Government's arbitration councils with the objective to arrive at a win-win conclusion

Measuring our performance ambition

Profitable growth

- Total income: Grew 14.49% in FY2016-17

Consistent value creation

- Market capitalisation: Grew from ₹219.90 crore as on 31 March 2016 to ₹222.10 crore as on 31 March 2017

Financial mechanics

- Long-term debt: ₹181.78 crore, FY2016-17
- Debt-equity ratio: 1.93 as on 31 March 2017
- Interest cover: 1.09x as on 31 March 2017

How we strengthened our business model in the last few years

Increased our project ticket size

- The average ticket size of water infrastructure projects was ₹250 crore in FY 2012-13 which is now increasing to ₹450 to ₹600 crore
- The Company completed all projects, strengthening its credentials in largest diameter pipe laying, water accessibility to number of villages and in bulk water pipeline laying
- The Company ploughed accruals into the business growth for technology tie ups and treatment plants
- The Company leveraged its long standing experience and improving pre-qualifications making the Company highly niche in its segment and higher barriers to entry in bidding for projects
- Average ticket size of water infrastructure projects increased to ₹ 450-600 crore in FY 2016-17

Accelerated our order book growth

- The Company had an aggregate order book of ₹4000 crore as on 31 March 2013
- The Company leveraged its knowledge to bid for large and complex projects making the bidding landscape very niche
- The Company leveraged its improving pre-qualification credentials to bid for high-margin projects since competition is now scarce and qualification are extensive
- The Company capitalised on increased government infrastructure spending due to the reforms led by Modi Government and crack down on taxation
- The Company increased its order book to ₹6000 crore as on 31 March 2017

Moderated our long-term debt

The Company had a long-term debt of ₹129 crore as on 31 March 2013

The Company bid for larger and more profitable projects where competition is scarce

The Company moderated its costs to report attractive accruals and poised to gross at such rates in years to comes

The Company invested in accruals in debt repayment and reduction of interest

The Company moderated its long-term debt to ₹100 crore as on 31 March 2017

Addressed projects with higher margins

The Company's average EBITDA margin was a low 14.09% in FY2012-13

The Company leveraged its PQ credentials to bid for profitable projects

The Company moderated overheads in terms of centralisation of offices and engineering team to one place and thereby reduction in costs

The Company focused on projects enjoying multi-lateral and central funding only due to ease of cash flow and management of cash flow for faster execution leading to better accruals

The Company strengthened its margins hurdle rate to 15-18% in FY 2016-17 due to scare competition and increased pre qualification criteria

Strengthened the pre-qualification credentials

The Company was pre-qualified to address ₹400 crore water infra projects in 2012-2013

The Company strengthened its net worth through accruals plough-back and retained earnings

The Company's promoters infused ₹75 crore into net worth in 2016-2017

The Company leveraged its knowledge capital and project completion track record

The Company is pre-qualified to address water infra projects of ₹800 crore plus today and aptly placed to capitalise on the urbanisation which India is aiming at

Business segment analysis

Our water business

SPML possesses more than three decades of multidisciplinary experience in executing world-class infrastructure for water treatment and transmission, wastewater treatment and recycling projects.

Installed capacity: **Water Supply to 40 million Population**

Number of ongoing projects: **32**

Projects completed in 2016-17: **8**

Contribution to the total revenue, 2016-17: **40.83%**

Revenue, 2016-17: **₹657.79 crore**

Overview

SPML possesses more than three decades of multi-disciplinary experience in executing world-class infrastructure for water treatment and transmission, wastewater treatment and recycling projects.

SPML enjoys integrated competencies in engineering, process technology, project management, fabrication, erection, construction and project commissioning.

The Company has progressively strengthened alliances with offshore technology-domain leaders coupled with resident engineering capabilities leading to integrated design and construction matching global service standards.

Services

Supply and distribution management: SPML provides a range of solutions from water collection, treatment, storage, pumping, distribution, metering, billing and operation and maintenance.

SPML water supply projects address the need of millions across India. SPML has constructed a number of energy-efficient pumping stations for water supply, irrigation, waste water and storm water drainage of various magnitudes in cities, townships and villages. Besides, it possesses expertise for business and technical management of large pipe networks with planning, laying and managing cross-country pipelines of any length and size (up to 3500 mm diameter) in all terrains, providing drinking water, wastewater, irrigation, power and flood water transportation and management.

Wastewater collection: SPML possesses the competence to recover resources from wastewater and provide solutions related to the treatment and disposal of wastewater through various processes (anaerobic, anoxic and aerobic). SPML builds plants equipped with PLC and SCADA systems with reliable treatment technologies.

Irrigation: SPML constructed large dams in the water supply and irrigation sectors including constructing diversion tunnels, intake and de-silting, electro-mechanical works and associated civil works such as powerhouse, power tunnels, power intake and spillways. SPML has designed and executed dams, canals, lift irrigation and micro irrigation projects for bulk water transmission.

Water to power plants: SPML has provided start-to-end balance-of-plant solutions to enhance the performance of critical power generation plants for balance-of-plant equipment, materials and solutions such as intake water, water treatment plants including DM plants, cooling water systems, station piping, civil including complete structural, mechanical and electrical works.

Competence

Experience: SPML possesses domain experience of more than 35 years

Capacity: The Company addressed almost 600 water projects; laid more than 10,000 kms pipeline up to 3500 mm diameters; it enjoys among the highest pre-qualification credentials in India's water infrastructure sector.

Services: The Company offers the widest service range (water treatment and distribution management, wastewater treatment and management, sewerage network, irrigation) covering design, construction, operation and maintenance.

Reach: The Company possesses a wide channel of clients and dealers, helping execute projects

Technology: The Company has invested in relevant technologies to implement drinking water supply and distribution systems. SPML developed SPML Aqua, an integrated management information system (manages Billing and CIS, Finance Management, Asset Management, Operations & Maintenance, GIS, Asset Management, SCADA, Network Management for Water and Sewer and Demand Management) designed to address day-to-day water distribution across utilities.

Industry optimism

Water scarcity, energy savings and increasingly complex industrial wastewater treatment demands are pushing companies to implement new techniques to optimise environment and economic performance. Advanced automation, new cooperative facilities and other technology and expertise advances will help India's industrial operators meet public needs at reduced economic costs – facilitating the sustainable economic and environmental development crucial to India's future.

With a market size of over USD4 billion, the Indian water and wastewater market is growing at a steady 10-12% every year. Government-related projects contribute over 50% of the revenues in this market while private sector funds constitute the rest of it.

As the population continues to boom, pressure is building on water resources already under massive strain. Thus, technologies that promote a more efficient use of available water would need to be implemented. Wide-ranging applications of membrane technology in wastewater treatment unit operations (ultra filtration, reverse osmosis, membrane bio reactors, etc.), along with advances in the use of specialty chemicals in industrial water treatment, are expected to catalyse a conversion of wastewater into reusable water to supplement natural resources.

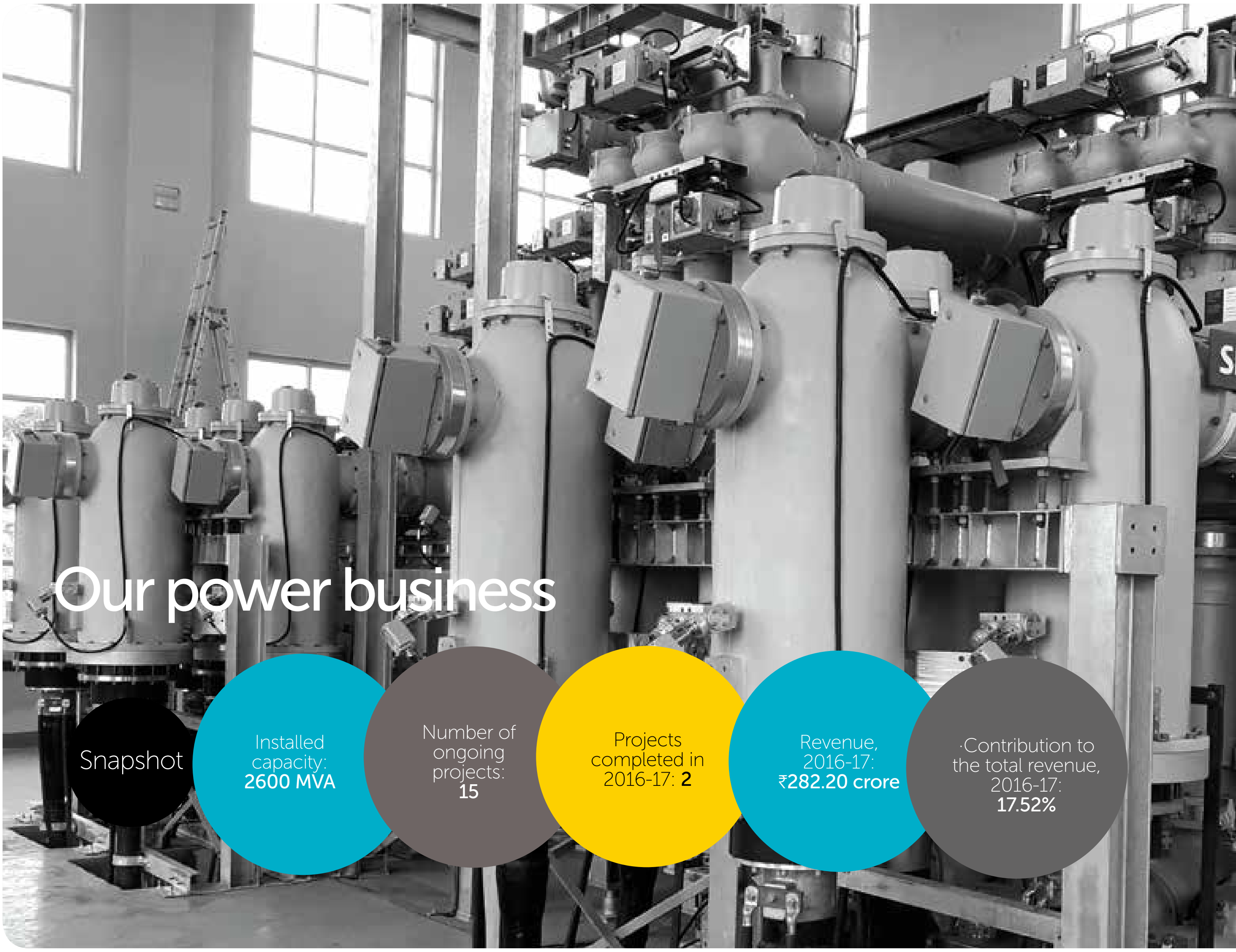
Companies are also employing zero liquid discharge (ZLD) – an advanced technology to purify and recycle virtually all wastewater produced. Another area of increasing focus is real-time monitoring and automation, expected to play an important role, considering that even more stringent regulations are likely to be put in place by the end of this decade.

According to industry estimates, Indians on average use 120 to 125 litres (33 gallons) of water daily, about 80% of which becomes wastewater. Currently, only 60% of industrial and 26% of domestic wastewater is treated in India. Metros and large cities are treating only about 30% while smaller cities treat a minuscule 3.7% of their wastewater. If harnessed, this can generate more than 940 MW power.

Technology drivers are expected to help industry reduce costs. Improved chemistries that capture tough-to-manage contaminants, equipment advances, and bio-augmentation programs and automation technologies that save energy, reduce maintenance, and allow for more water recycling can help improve the quality and reduce the cost of industrial wastewater treatment.

Priorities, 2017-18

The Company intends to focus on bottom line growth and strengthen its distributor network.



Our power business

Snapshot

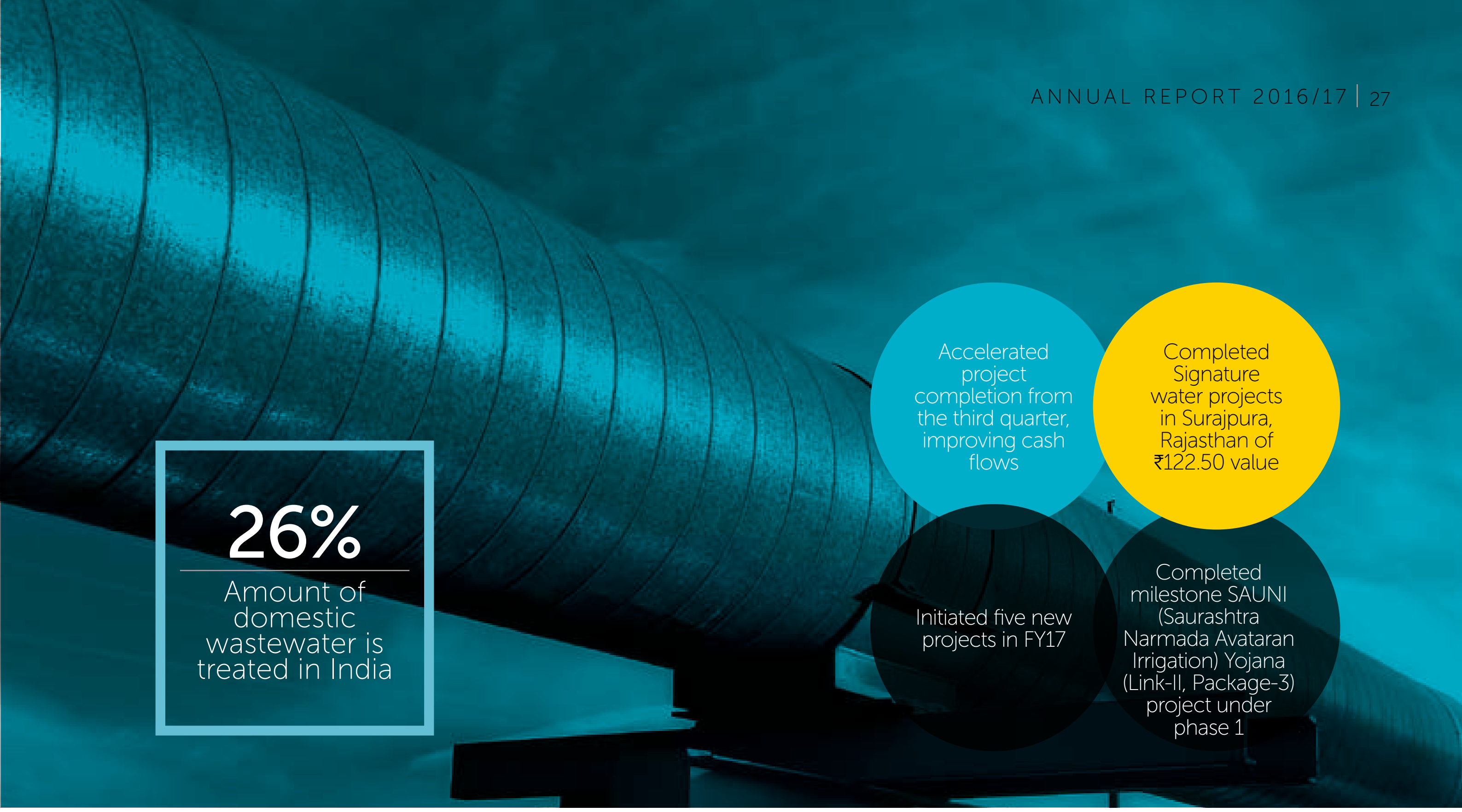
Installed capacity: **2600 MVA**

Number of ongoing projects: **15**

Projects completed in 2016-17: **2**

Revenue, 2016-17: **₹282.20 crore**

Contribution to the total revenue, 2016-17: **17.52%**



26%

Amount of domestic wastewater is treated in India

Accelerated project completion from the third quarter, improving cash flows

Completed Signature water projects in Surajpura, Rajasthan of ₹122.50 value

Initiated five new projects in FY17

Completed milestone SAUNI (Saurashtra Narmada Avataran Irrigation) Yojana (Link-II, Package-3) project under phase 1

Overview

SPML offers integrated solutions for basic and detailed engineering, system integration, and technical specification to meet power plants' requirements in terms of technology, standards, specification and quality.

The Company's expertise comprises conceptualisation, detailed design, project planning, procurement, erection, and commissioning of thermal and hydro power projects, solar power plants, balance of plant projects, transmission and distribution, piping with electrical and instrumentation works, etc. SPML also offers modernisation services for power plants that include technical audit, life assessment, performance improvement and upgrading of major equipment.

Services

Renewable power generation: SPML provides a credible solution towards reliable, clean and renewable power generation.

Power plant construction: SPML is a leader in the design, procurement and construction of thermal power plants; its capabilities extend across the full range of thermal power generation technologies along with renewable and alternative sources like hydro and solar power generation. The Company is playing a major role in building the next generation super thermal power facilities and also undertakes projects for rehabilitation and upgrading of existing power plants to prolong their life cycles and increase their generation capacity.

Power transmission & distribution: SPML offers supply, installation and management of AIS and GIS Substations, transmission lines and tower, automation, remote operation and transmission of power through high capacity conductor lines. It also provides condition-based monitoring and preventive maintenance services.

Rural electrification: SPML has executed a number of rural electrification projects. It offers services like procurement and installation of distribution lines and setting up of lighting systems and relay panels. SPML also provides billing and metering services to households.

Smart energy management: SPML provides turnkey solutions for power generation, high voltage efficient transmission, substations, and city distribution solutions to utilities and consumers. SPML also provides clean and green energy solutions by spearheading solar, wind and hydro power projects and committed to nation's power development program.

Competence

Experience: SPML possesses a domain experience of more than 30 years

Capacity: The Company addressed 100+ power projects; provided more than 5,00,000 power connections

Services: The Company offers services like power transmission and rural electrification along with the construction of power plants

Reach: The Company possesses a wide channel of clients and sub-contractors, helping it execute power projects. SPML has initiated smart energy management services to address power projects using advanced technology

Technology: SPML is taking the lead in Smart Grid technology to improve the power supply value chain and ensure customer inclusion in utility operations, an essential element for the development of Smart Cities. It offers the following services:

- Monitoring and controlling the delivery of power on a real-time basis, improving efficiency and conservation
- Continuous power quality monitoring, active management of all distribution system elements
- Outage identification and management
- Improved planning of infrastructure construction and maintenance schedules
- Real-time in-field management of maintenance workers and inspectors
- Carbon emissions management
- Customer portals to increase customer base, awareness, and online tracking of energy usage
- Integration of alternative energy sources and co-

3rd

India's rank among 40 countries in EY's Renewable Energy Country Attractiveness Index

Our environment business

generation programs

- Enhanced plant security
- Leverage on existing communications infrastructure such as substation and fibre network

Industry optimism

India is one of the fastest growing countries in global renewable power markets. According to the Mercom Capital Group, a total of 8.1 gigawatts (GW) of photovoltaic (PV) capacity had been installed in the country by August 2016, and 21 additional GW is in the pipeline. India ranks third among 40 countries in EY's Renewable Energy Country Attractiveness Index on the back of a strong government focus on promoting renewable energy and the implementation of projects in a time-bound manner.

The World Bank has already approved a USD 625 million loan that will support the Government of India's Grid Connected Rooftop Solar program by financing the installation of solar panels on rooftops across India. It has also approved additional loan of USD 100 million to help India increase its power generation capacity through cleaner, renewable energy sources. The Shared Infrastructure for Solar Parks Project will establish large scale solar parks in the country and support the Government of India's plans to install 100 gigawatts (GW) of solar power out of a total renewable energy target of 175 GW

Priorities, 2017-18

The Company intends to focus on bottomline growth while expanding the power transmission network to more than 100 locations in India by 2022.

Highlights, 2016-17

Completed two milestone projects

Accelerated project completion from the third quarter, improving cash flows

Completed two signature projects in 2016-17 of ₹86 crore

Initiated nine new projects in FY17

Provided 77500 power connections

Overview

SPML Infra possesses an expertise in municipal solid waste management, effluent water treatment plants and waste water management addressing environmental concerns. The Company takes part in projects comprising sewage and effluent treatment, municipal solid waste, storm water drainage, refurbishment of pipelines and instrumentation services.

The Company is a leader in the management of municipal solid waste collection, segregation, processing and recycling, transportation and safe disposal. It offers end-to-end waste management solutions in compliance to the CPHEEO & MSW Rules 2000.

SPML is executing a Smart City project for the installation of e-SBM, an ICT Platform under Swacch Bharat Mission to track and monitor waste transportation in 627 cities in 12 states and Andaman and Nicobar for effective solid waste management in urban local bodies (ULBs). This project is managed from the centralised control and command centre with dedicated dashboard for the Urban Development Ministry.

SPML manages over a million tonnes of municipal solid waste per year through industrially recognised processes, ensuring that it reaches a high level of performance in materials recovery and energy use. SPML is currently executing municipal solid waste management projects in various cities in India.

Services

SPML offers solid waste management starting from collection of waste from door-to-door, transportation to waste depots, secondary collection of waste from collection bins, segregation and transfer of waste for safe disposal at scientific landfill. It also offers waste recycling, composting and conversion services to generate energy. SPML also engages in development of scientific landfill for a safe disposal.

The Company offers waste management services for government bodies, airports, special economic zones, industrial units, residential communities and healthcare sector.

Competence

Experience: SPML possesses domain experience of more than 15 years.

Capacity: The Company executed five solid waste management projects in more than five locations across the country.

Services: The Company offers waste management services starting from collection, treatment, transfer to converting the waste into energy and safe disposal.

Reach: The Company possesses leadership in municipal solid waste management services

Technology: The Company has implemented innovative solutions in treating sewage and effluents to ensure its re-usability in the industry. SPML functions with the application of Enterprise Resource Planning (ERP) and online route management devices including Global Positioning System (GPS), helping create a sustainable environment.

Priorities, 2017-18

Focus on strengthening the solid waste management business.

Industry optimism

According to an official data, around 62 million tonnes of solid waste is produced in the country every year of which only 43 million tonnes is collected and only 12 tonnes is treated while the rest are dumped away. This figure is expected to rise to 436 million tonnes by 2050. Around 4.5 million tonnes is hazardous waste that includes bio-medical waste. 3 million tonnes in plastic and 3.2 million tonnes of e-waste are generated annually in India. As per another survey by Novonous, the waste management market is expected to be worth USD13.62 billion by 2025, with an annual growth rate of 7.17%.

Between an India which produces 62 million tonnes of solid waste every year and a 'Swachh Bharat' is an untapped waste management industry which has the potential to be worth USD 13 billion by 2025, according to business organisations dealing in waste management research.

According to a study undertaken by the Clean India Journal in 2012, India can potentially produce 4.3 million tonnes of compost per year from municipal solid waste alone.

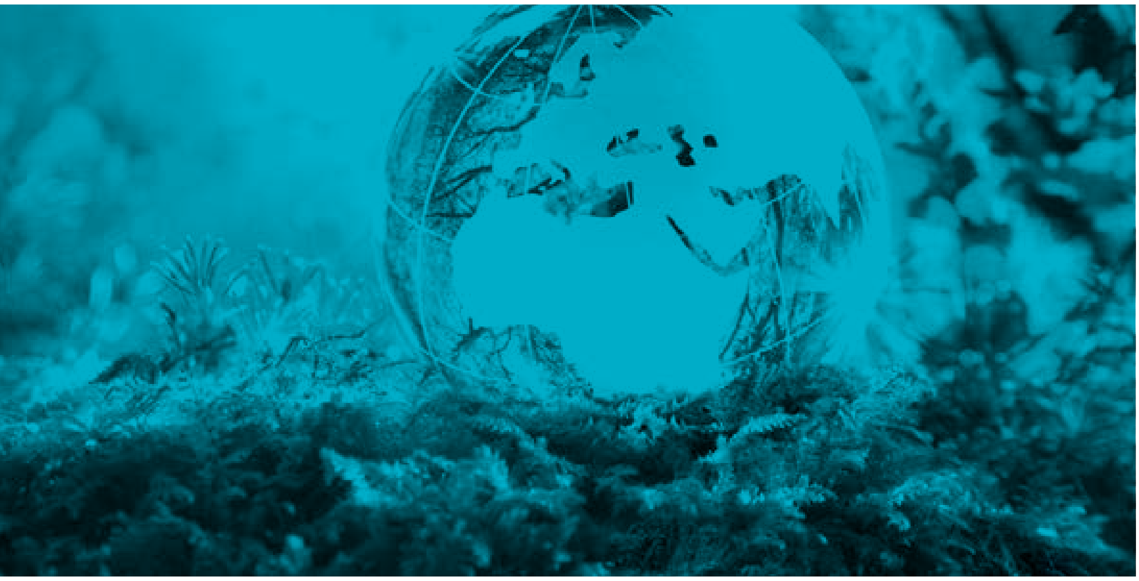
Our mining business

Snapshot

Installed capacity: **3 Mn MT**

Number of ongoing projects: **1**

Total mining area: **5000 Ha**



Highlights, 2016-17

* Initiated new project of Enabling Technology for Swacch Bharat Mission (eSBM), an ICT Platform under Swacch Bharat Mission to track and monitor waste transportation in 627 cities in 12 states and Andaman and Nicobar for effective solid waste management in urban local bodies (ULBs).

SPML's foray into the new energy sources of coal began in 2008 with acquiring the coal mining concession of 5,000 hectares in East Kalimantan, Indonesia, having reserves of 166 million tonnes.

The in-house facilities of own Jetty of 62.5 Hectares with complete loading facilities and crusher plants, SPML can handle 2.5 million tonnes of coal per annum. Internal coal handling distance is only 2 km and the distance between stockpiles to the jetty is only 500m with an exclusive control over the area. SPML offers mining services for coal, iron ore, lignite and minerals.

Services

SPML undertakes mining, excavation and ancillary services like marketing extracted coal. It operates mines in different locations and provides terminal services to other mining companies. It has its operations spread across various foreign locations.

Highlights, 2016-17

* Expanded the mining area from 92 hectare in 2012-13 to 240 hectare in 2016-17

* Increased operations abroad by 45% in volume terms and 3% in value

* Initiated new operations in FY17

Competence

Experience: SPML possesses domain knowledge of more than 5 years

Capacity: The Company has widened the mining business segment with capacity addition from 1,331,679 MT in calender year 2013 to 1,871,965 MT in calender year 2016.

Services: The Company offers a wide range of services from mining, excavation to extraction and selling of coal across various locations.

Technology: The Company has invested in relevant technologies to strengthen operations

Capacity utilisation: **100%**

Project growth in terms of value over 2015-16: **102%**

Revenue, 2016-17: **₹207.42 crore**

Revenue growth, 2016-17: **108.75%**

DIRECTORS' **REPORT**

Dear Shareholders,

Your Directors present their 36th Annual Report on your Company's operations and performance together with the audited statement of accounts for the year ended 31st March 2017.

FINANCIAL RESULTS

The performance of the Company for the financial year ended March 31, 2017 is summarized below:

(₹ In Lacs)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Revenue from Operations	161,110.71	140,720.65
Other Income	12,412.66	5,198.54
Total Income	173,523.37	145,919.19
Total Expenses	150,116.07	124,364.03
Earnings before Interest, depreciation, tax and amortization (EBIDTA)	23,407.30	21,555.16
Less :- Finance Cost	20,546.93	18,699.52
Less :- Depreciation	1034.46	1,195.33
Earning before tax (EBT)	1,825.91	1,660.31
Tax Expenses		
- Current tax	389.53	354.41
- Tax for earlier years	-	-
- Deferred Tax	-	-
Profit After Tax	1,436.38	1,305.90
Add: Balance brought forward from previous year	24,894.82	23,588.92
Less: adjustment in depreciation in accordance with Schedule II to the Companies Act, 2013	-	-
Surplus carried to Balance Sheet	26,331.20	24,894.82

PERFORMANCE REVIEW

Our revenue from operations on a standalone basis increased to ₹ 161,110.71 Lacs from ₹ 140,720.65 Lacs in the previous year at a growth rate of 14.49%. Our Earnings before interest, depreciation, tax & amortizations (EBIDTA) aggregated to ₹ 23,407.30 Lacs up by 8.59% from ₹ 21,555.16 Lacs in the previous year. Further, the net profit after tax (PAT) for the year has increase by 9.99% to ₹ 1,436.38 Lacs as compared to ₹ 1,305.90 Lacs in the previous year.

STATE OF COMPANY AFFAIRS

Your company is a leading Infrastructure Development Company with focus on sustainable development for smart cities, promoting access to essential services to all (water, electricity, sanitation, waste management etc.) and operates on an EPC, PPP BOOT. Your Company is engaged in the infrastructure development projects which include water infrastructure and management, wastewater treatment and reuse, power generation, transmission & distribution, power supply and management in cities, solid waste management, smart city development, IT solutions for Utilities and other civil infrastructure. As on date there is no change in the nature of business being undertaken by the company. Your Company is the only Indian company to be featured into world's 40 leading private water and waste water management companies as per survey by Global Water Intelligence, London.

Financial year 2016-17 has been a challenging year for the Company. During the year your Company has faced a liquidity crunch and therefore, all the member banks have decided to adopt S4A as revival plan for the Company subject to the fulfilling of viability as per the guideline stipulated by the Reserve Bank of India.

Despite such challenges and adverse situation, your company has been able to maintain a healthy order book and your Directors has belief that the Company will overcome the present situation, cash flow shall also be improved resulting into better performance in the coming years.

DIVIDEND

To cater the need of working capital requirement and other operational efficiencies, the Board of Directors expresses their view to retain the profit into the Company and therefore, do not recommend any dividend for the financial year 2016-17.

TRANSFER TO RESERVES

The Company has not transferred any amount to the reserves during the current financial year.

DEPOSITS

Your company has not accepted any deposit from the public under Section 173 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year and as such, no amount of principal or interest was outstanding as on balance sheet date.

CONSOLIDATED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the financial year 2016-17 has been prepared in pursuance of Section 129(3) of the Companies Act, 2013, Companies (Accounts) Rules, 2014, relevant Accounting Standards prescribed by the Institute of Chartered Accountants and Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and forms part of the Annual Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

At the beginning of the year the Company had 31 Subsidiaries (including step down and indirect subsidiaries), 12 Associate and 11 Joint Ventures. As on 31st March 2017, the Company has 31 Subsidiaries (including step down and indirect subsidiaries), 11 Associate and 11 Joint Venture. There has been no material change in the nature of the business of the subsidiaries, associates and Joint ventures and they are engaged into the business of urban and rural infrastructural development, water treatment and transmission projects, municipal solid waste management, power projects etc.

During the year, the following changes have taken place in the Subsidiary, Associates and Joint Ventures:

- Mizoram Power Development Corporation Limited has been wound up and therefore ceases to be Subsidiary of the Company.
- Mizoram Mineral Development Corporation Limited has been wound up and therefore ceases to be an Associate of the Company.
- ADD Technologies (India) Limited added as Stepdown Subsidiary.

The detail of subsidiaries, associates and joint ventures of the Company are provided in form MGT-9 attached as Annexure 4 to this report.

During the year the Company has reviewed the affairs of the subsidiaries. Pursuant to provisions of Section 129(3) of the Act, consolidated statement has been prepared and forms part of the Annual Report. Further, a statement containing salient features of the Financial Statements of the Company's subsidiaries in Form AOC-1 is attached to the Financial Statements of the Company.

In accordance to the provisions of section 136 of the Act, the Standalone Financial Statements of the Company, the Consolidated Financial Statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company. These documents will also be available for inspection till the date of AGM during the business hours at the registered office of the Company

The Policy for determining Material Subsidiaries, adopted by your Board, in conformity with Regulation 16(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, can be accessed on the Company's website at http://www.spml.co.in/financials/policies.htm

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Mr. Sushil Kumar Sethi, Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The brief details relating to Mr. Sushil Kumar Sethi is furnished in the explanatory statement to the notice of the ensuing AGM under the head "Directors Retiring by rotation and Seeking Appointment / Re-appointment at this Annual General Meeting".

On the recommendation of State Bank of India one of the lender of the Company, Mr. Supriyo Kumar Chaudhuri has been inducted as Nominee Director on the Board of the Company by the Board in its meeting held on 10th February, 2017 in terms of the provisions of Sections 161(3) and other applicable provisions if any of the Companies Act, 2013.

During the year under review Mr. Rishabh Sethi, Executive Director expressed his inability to continue with the Company and resigned w.e.f. 6th October, 2016. Further, Mr. Lalit Kumar Khetan, Chief Financial Officer of the Company has also resigned w.e.f. 29th September, 2016 due to his pre-occupation. Further, pursuant to provision of Section 203 of the Companies Act, 2013 and the rules framed thereunder and provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 Mr. Sujit Jhunjhunwala was appointed as a Chief Financial Officer of the Company by the Board w.e.f 19th May, 2017.

BOARD DIVERSITY

Your Company recognizes and understands the importance of a diverse Board. A diverse Board enhances the quality of decisions by utilizing different skills, qualifications, professional experience and knowledge of the Board members. Acting as the agents of shareholders, directors are expected collectively to devise operational and financial strategies for the organization and to monitor the effectiveness of the company's practices, and therefore should be judgmental, responsible and experienced. In order to achieve this, it has always been the endeavor of the Company recognizes the importance to have a diverse Board having wide experience and varied industrial expertise.

Your Company believes that a truly diverse Board will leverage differences in thoughts, qualification, knowledge professional experience, cultural and geographical background, age, race and gender which help us retain our competitive advantage.

Accordingly, in terms of 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 Board Diversity Policy. The policy is available on the website of the company at http://www.spml.co.in/financials/policies.htm

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee of the Company has framed the policy for selection and appointment of Directors including qualification, positive attributes and independence of a Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters as provided in Section 178(3) of the Companies Act, 2013. The said policy is available on our website at http://www.spml.co.in/financials/policies.htm.

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

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and as per regulation 19(4) & 20(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board is required to monitor and review the Board evaluation framework. Annual Performance Evaluation is conducted for all Board members as well as the working of the board and its committees of its own performance, Directors individually and that of its Committees. The Board evaluation is conducted through questionnaire having qualitative parameters and feedback based on rating.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

In terms of the Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is required to familiarize the Independent Directors with the Company, 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 http://www.spml.co.in/financials/policies.htm

NUMBER OF MEETINGS OF THE BOARD

The Board met 6 times during the financial year 2016-17, the details of such meetings have been provided in Corporate Governance Report that forms part of this report. The maximum interval between any two meetings did not exceed 120 days.

MEETING OF INDEPENDENT DIRECTORS

In term of the requirement of Schedule IV of the Companies Act, 2013 and as per Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company convened their separate meeting on 17th February 2017 to review the matters as provided in the said Schedule and Regulations.

DECLARATION BY INDEPENDENT DIRECTOR

Your Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria as specified 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 that:

a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

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.

CORPORATE SOCIAL RESPONSIBILITY

Apart from achieving its business goals, your company is committed towards Corporate Social Responsibility and sustainability initiatives and practices in the society in which it operates and achieves growth in a socially responsible way. The vision of your Company is to grow the business whilst reducing the environmental impact of our operations and increasing our positive social impact.

As part of its initiatives under "Corporate Social Responsibility" (CSR), the company is promoting health care through improved sanitation by constructing of public toilets at various places where the Company has its projects and also making contributions to the projects involved in improving the Infrastructure in the field of health. The Report on CSR activities is annexed as Annexure – 1to this report

The CSR policy adopted by the Board is available at the website of the Company http://www.spml.co.in/financials/policies.htm.

STATUTORY AUDITORS

The term of M/s Sunil Kumar Gupta & Co., Chartered Accountants, (Registration No. 0003645N) shall come to an end with the conclusion of Annual General Meeting to be held in the year 2017, who in terms of the provision of Section 139 of the Companies Act 2013, read with rules framed thereunder, shall not be eligible to be re-appointed for another term in the coming Annual General Meeting as they have completed their term as prescribed therein. The Board places on record their sincere appreciation for the valuable services and contribution rendered by them during their tenure.

Therefore, to comply with the requirement of Section 139 of the Companies Act, 2013 and the rules framed thereunder, The Audit Committee has now identified and recommended to the Board for appointment of M/s Maheshwari & Associates, Chartered Accountants (Firm's Registration No: 311008E) as the Statutory Auditor of the Company. The Board at its meeting held on 25th August, 2017 considered the appointment of M/s Maheshwari & Associates and recommends to the shareholder to appoint them as Statutory Auditor of the Company for the first term of five consecutive years from the conclusion of 36th Annual General Meeting till the conclusion of 41st Annual General Meeting to be held in the Calendar year 2022.

AUDITOR'S REPORT

The qualification or observations of the Auditors have been duly explained in note 39 of the notes forming part of standalone financial statements 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 M/s PTM & Co., Company Secretaries as Secretarial Auditor to conduct the secretarial audit for the financial year ended on 31st March, 2017.

There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report. The Secretarial Audit Report is annexed as Annexure – 2 to the 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 Bikram Jain & Associates, Cost Accountants as the Cost Auditor of the Company for financial year 2017-18.

Pursuant to the provisions of Section 148, the remuneration as recommended by the Board shall be ratified by the members and hence a requisite resolution is forming part of the notice convening the ensuing AGM.

COMMITTEE OF THE BOARD

Your Company has the following Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Finance Committee, CSR

Committee, Risk Management Committee and Committee of Directors. 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 Systems are inherent in the Company and are working effectively and efficiently. your Company has adopted a 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 http://www.spml.co.in/financials/policies.htm.

RISK MANAGEMENT

The Board of your Company has framed a 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 identifies and controls risks through a properly defined framework in terms of the aforesaid 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.

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.

The particulars of all contracts or arrangements with related parties referred in Section 188(1) of the Companies Act, 2013 in Form AOC-2 is annexed as Annexure—3 to this report.

MATERIAL CHANGES AND COMMITMENTS

There have been no 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 2017 and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS IMPACTING OPERATIONS OF COMPANY IN FUTURE

There is no significant or material orders 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 provision of Section 124 of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all unpaid or unclaimed dividends are required to be transferred by the Company to IEPF established by the Central Government after the completion of seven years. Further according to the said rules the shares in respect of which dividend has not been paid or claimed by the Shareholders for seven consecutive years or more shall also be transferred to the demat account created by the Authority. Accordingly the Company has transferred the unclaimed and unpaid dividend and corresponding shares will be transferred as soon as the demat account will be created by the Authority.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the Regulation 34(2)(e) of SEBI (Listing Obligation 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 been 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.

EXTRACT OF ANNUAL RETURN

Pursuant to provision of Section 92(3) and 134(3)(a) of the Companies Act, 2013, the extract of annual return in the prescribed form MGT - 9 is annexed as Annexure – 4 to this 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

In terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 the Company has adopted a policy on prevention of sexual harassment at work place. In term of the said act the Company has also constituted the Internal Complaint Committee for Prevention of Sexual Harassment (ICC). This policy has been widely disseminated and all necessary steps are being taken by the Company to make aware to all the employees of the Company. All women employees i.e. permanent, temporary, and contractual are covered under the Policy. The said policy also covered the women service provider or women who visit any office premises 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 are annexed as Annexure – 5A to this report.

Further, a Statement containing the name of top ten employee of the Company in terms of the receipt of the remuneration of ₹ 102 lakhs if employed throughout the year and receipt of ₹ 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-5B 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 – 6 to this report.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thanks for the valuable cooperation and support received from the Company's Bankers, Financial Institutions, Central and State Government Authorities, Joint Venture Partners, Clients, Consultants, Suppliers, Shareholders, Employees and other stakeholders of the Company.

On behalf of the Board

Place: Kolkata
Date: 25th August, 2017

Subhash Chand Sethi
Chairman

ANNEXURE – 1

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2016-17 (Pursuant to Section135 of the Companies Act, 2013)

1	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs and the Composition of the CSR Committee	Refer Corporate Social Responsibility section of the Directors Report.
2.	Average net profit of the Company for last three financial year	₹ 1,232 Lakhs
3.	Prescribed CSR Expenditure (2% of the amount as in item 2 above)	₹ 24.64 Lakhs
4.	Detail of CSR spent during the financial year:	
	(a) Total amount to be spent for the financial year	₹ 24.64 Lakhs
	(b) Amount unspent, if any	Nil
	(c) Manner in which the amount spent during the financial year 2016-17	Details given below

(Rs in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or Activity identified	Sector in which the project is covered	Project or Programs (1) Local area or other (2) Specify the State and district where project or programs was undertaken	Amount Outlay (budget) project or program wise	Amount spent on the projects or programs Subhead: (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative expenditure upto the reporting period	Amount Spent Direct or through implementing agency
1.	Contribution towards promotion of health care and education	Promoting health care under clause (i) of Schedule VII of the Companies Act, 2013 and Promoting education under clause (ii) of Schedule VII of the Companies Act, 2013		24.64	24.64	24.64	Indirect

Sushil Kumar Sethi
Managing Director

Sarthak Behuria
Chairman - CSR Committee

ANNEXURE – 2

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March 2017

[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 2017, 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 2017 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, 2009;

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   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; and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

(i) Secretarial Standards issued by The Institute of Company

Secretaries of India and notified by the Ministry of Corporate Affairs.

(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, etc. mentioned above.

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 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 having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For PTM & Co.
Company Secretaries

(Tumul Maheswari)
Place: Delhi ACS/FCS No. 16464
Date: 30/06/2017 CP No: 5554

This report to be read with my letter of even date which is annexed as Annexure and 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 my 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 the 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 PTM & Co.
Company Secretaries

(Tumul Maheswari)
Place: Delhi ACS/FCS No. 16464
Date: 30/06/2017 CP No: 5554

ANNEXURE – 3

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 2016-17.
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: 25th August, 2017

Subhash Chand Sethi
Chairman

ANNEXURE – 4

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st March 2017

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I REGISTRATION & OTHER DETAILS

i)	CIN	L40106DL1981PLC012228
ii)	Registration Date	27.08.1981
iii)	Name of the Company	SPML Infra Limited
iv)	Category/Sub-category of the Company	Company limited by shares/Indian Non-Government Company
v)	Address of the Registered office & contact details	F-27/2, Okhla Industrial Area Phase-II, New Delhi-110020 Ph No: +91-124-3944555; Fax: +91-124-3983201 Email: info@spml.co.in; Website: www.spml.co.in;
vi)	Whether listed company (Yes/No)	Yes (listed on BSE Ltd. and National Stock Exchange of India Ltd.)
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt. Ltd, 23, R N Mukherjee Road, 5th Floor, Kolkata- 700001 Contact : 033-22482248/2243-5809; Fax: 033-22484787 Email: mdpldc@yahoo.com, website: www.mdpl.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Construction & maintenance of water main & line connection, water reservoirs including irrigation system (canal) / Construction & repair of sewer systems including sewage disposal plants & pumping stations.	42204 / 42205	70.42%
2	Construction and maintenance of power plants / Construction/erection & maintenance of power, telecommunication & transmission lines	42201 / 42202	29.58%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SL. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	ADD Energy Management Company Pvt. Ltd. The ICON, No. 8, 5th Floor, 80Ft Main Road, Indiranagar, HAL 3rd Stage, Bangalore - 560 075	U74140KA2009PTC048963	Subsidiary	64.49	2(87)
2	Add Urban Enviro Ltd. No. 8, ICON, 5th Floor, 80 Feet Main Road, Indiranagar, HAL III Stage, Bangalore – 560075	U90002KA2008PLC046116	Subsidiary	99.99	2(87)
3	Allahabad Waste Processing Company Ltd. F-27/2, Okhla Industrial Area, Phase II, New Delhi - 110020	U90000DL2010PLC198272	Subsidiary	95.01	2(87)

SL. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
4	**Awa Power Company Pvt. Ltd.** House No. 04, Ward No.01, Bandla Tea Estate, Near T-Bud Hotel, Palampur-176061, Himachal Pradesh	U45202HP2001PTC029000	Subsidiary	70.76	2(87)
5	**Bhagalpur Electricity Distribution Company Pvt. Ltd.** 22, Abanindra Nath Thakur Sarani, Block A, 3rd Floor, Kolkata – 700016	U40300WB2013PTC193917	Wholly Owned Subsidiary	99.99	2(87)
6	**Binwa Power Company Pvt. Ltd.** House No.04, Ward No. 01, Bandla Tea Estate, Near T-Bud Hotel, Palampur - 176061, Himachal Pradesh	U45202HP1990PTC029003	Subsidiary	61.59	2(87)
7	**Delhi Waste Management Ltd.** F-27/2, Okhla Industrial Area, Phase II, New Delhi-110020	U74999DL2005PLC131954	Subsidiary	52.03	2(87)
8	**Doon Valley Waste Management Pvt. Ltd.** F-27/2, Okhla Industrial Area, Phase II, New Delhi - 110020	U90000DL2011PTC214130	Subsidiary	61.46	2(87)
9	**IQU Power Company Pvt. Ltd.** House No.04, Ward No. 01, Bandla Tea Estate, Near T-Bud Hotel, Palampur-176061, Himachal Pradesh	U45202HP2001PTC029002	Subsidiary	54.95	2(87)
10	**Jamshedpur Waste Processing Company Pvt. Ltd.** The ICON, No. 8, 5th Floor, 80 Feet Main Raod, HAL 3rd Stage, Indirangar, Bangalore - 560075, Karnataka	U90009KA2012PTC065138	Subsidiary	99.66	2(87)
11	**Luni Power Company Pvt. Ltd.** House No.04, Ward No.01, Bandla Tea Estate, Near T-Bud Hotel, Palampur - 176061, Himachal Pradesh	U40101HP2001PTC028999	Subsidiary	85.26	2(87)
12	**Madurai Municipal Waste Processing Company Pvt. Ltd.** Survey No. 625, Vellaikkal Village, Perungudi Post, Madurai, Tamil Nadu-625022	U74999TN2008PTC066715	Subsidiary	92.33	2(87)
13	**Mathura Nagar Waste Processing Company Ltd.** F-27/2, Okhla Industrial Area, Phase II, New Delhi - 110020	U90001DL2010PLC197893	Subsidiary	90.25	2(87)
14	**Mizoram Infrastructure Development Company Ltd.** C/O Zoram Industrial Development Corporation Ltd, New Secretariat Complex, Khatla, Aizawl- 796001, Mizoram	U45201MZ2014PLC008277	Subsidiary	69.00	2(87)
15	**Neogal Power Company Pvt. Ltd.** House No.04, Ward No.01 ,Bandla Tea Estate, Near T-Bud Hotel, Palampur -176061, Himachal Pradesh	U45202HP2001PTC029001	Subsidiary	70.16	2(87)

SL. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
16	**Rupin Tons Power Company Pvt. Ltd.** F-27/2, Okhla Industrial Area, Phase II, New Delhi-110020	U31202DL1996PTC083370	Step Down Subsidiary	69.13	2(87)
17	**SJA Developers Pvt. Ltd.** F-27/2, Okhla Industrial Area, Phase, II New Delhi - 110020	U70109DL2006PTC150546	Subsidiary	43.14	2(87)
18	**SPM Holdings Pte Ltd.** 101 Cecil Street, #24-10 Tong Eng Building Singapore 069 533	N.A	Foreign Step Down Subsidiary	64.49	2(87)
19	**SPML Energy Ltd.** 8/2, Ulsoor Road, Ulsoor, Bengaluru -560042	U40102KA2007PLC042238	Subsidiary	87.48	2(87)
20	**SPML Infra Developers Ltd.** F-27/2, Okhla Industrial Area, Phase II, New Delhi - 110020	U45400DL2014PLC265280	Wholly owned Subsidiary	100.00	2(87)
21	**SPML InfraProjects Ltd.** F-27/2, Okhla Industrial Area, Phase II, New Delhi - 110 021	U45400DL2014PLC265344	Wholly owned Subsidiary	100.00	2(87)
22	**SPML Infrastructure Ltd.** The ICON, No. 8, 5th Floor, 80 Ft Main Road, Indiranagar, HAL 3rd Stage, Bangalore - 560 075	U45201KA2007PLC043613	Wholly owned Subsidiary	99.99	2(87)
23	**SPML Utilities Ltd.** MFAR Silverline Tech Park, IInd Floor, Plot No 180, EPIP, Phase II Whitefield, Bangalore - 560042	U90000KA2008PLC046115	Wholly owned Subsidiary	100.00	2(87)
24	**Subhash Kabini Power Corporation Ltd.** 8/2, Ulsoor Road, Ulsoor, Bengaluru - 560042	U85110KA1997PLC021764	Subsidiary	64.49	2(87)
25	**Synergy Promoters Pvt. Ltd.** F-27/2, Okhla Industrial Area, Phase-II, New Delhi - 110020	U70109DL2010PTC208825	Subsidiary	43.30	2(87)
26	**Tons Valley Power Company Pvt. Ltd.** F-27/2, Okhla Industrial Area, Phase II, New Delhi - 110020	U74999DL1996PTC083371	Step Down Subsidiary	83.46	2(87)
27	**PT Sanmati Natural Resources** Menara Prima, 26th Floor, Unit A, Jl. Dr. Ide Anak Agung Gde Agung Blok 6.2, Kawasan Mega Kuningan, Jakarta Selatan 12950	N.A	Foreign Subsidiary	63.85	2(87)
28	**Uttarkashi Tons Hydro Power Private Limited** F-27/2, Okhla Industrial Area, Phase II, New Delhi-110020	U31200DL1996PTC083367	Step Down Subsidiary	72.46	2(87)

SL. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
29	**ADD Technologies (India) Limited** No. 16 "Apple Villa" 3rd Floor, Left Wing Lalbagh Road, Bangalore - 560027	U31909KA1995PLC019162	Step Down Subsidiary	45.71	2(87)
30	**Aurangabad City Water Utility Co. Ltd.** 206, Marthanda Building, Above Canara Bank, Dr Annie Besant Road, Worli Naka, Mumbai – 400018	U41000MH2011PLC219120	Associate	40.01	2(6)
31	**Aurangabad Jal Constructions Pvt. Ltd.** Essel House, B-10, Lawrence Road, Delhi - 110035	U41000DL2012PTC235295	Associate	26.00	2(6)
32	**Aurangabad Jal Supply Solution Pvt. Ltd.** 6th Floor, Kohinoor City, Kirol Road, Kurla (West), Mumbai - 400070, Maharashtra	U45203MH2012PTC228008	Associate	26.00	2(6)
33	**Bhilwara Jaipur Toll Road Pvt. Ltd.** Om Tower, Church Road, MI Road, Jaipur - 302001, Rajasthan	U45203RJ2010PTC031427	Subsidiary	51.00	2(87)
34	**Subhash Urja Private Limited** 22, Abanindra NathThakur Sarani Block –A, Kolkata-700016	U40300WB2015PTC206181	Wholly owned Subsidiary	100.00	2(87)
35	**Hydro-Comp Enterprises (India) Ltd.** 8/2, Ulsoor Road, Bangalore, Karnataka-560042	U74140KA2007PTC043739	Associate	50.00	2(6)
36	**PT Bina Insan Sukses Mandiri** Menara Prima, 26th Floor, Unit A, Jl. DR. Ide Anak Agung Gde Agung Blok 6.2, Kawasan Mega Kuningan, Jakarta Selatan 12950, Indonesia	N.A	Associate	29.14	2(6)
37	**PT Vardhaman Logistics** Menara Prima, # 26th Floor, Unit A Jl. Lingkar Mega Kuningan Block 6.2, Jakarta - 12950, Indonesia	N.A	Associate	17.73	2(6)
38	**PT Vardhaman Mining Services** Menara Prima, # 26th Floor, Unit A Jl. Lingkar Mega Kuningan Block 6.2, Jakarta - 12950, Indonesia	N.A	Associate	29.44	2(6)
39	**Rabaan (S) Pte Ltd.** 101 Cecil Street, #24-10 Tong Eng Building Singapore - 069 533	N.A	Associate	29.44	2(6)
40	**Sanmati Infra Developers Pvt. Ltd.** The ICON, No. 8, 5th Floor, 80 Feet Main Road, Indiranagar, Hal III Stage, Bangalore - 560075, Karnataka	U55103KA2006PTC040751	Associate	25.00	2(6)

SL. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
41	**SPML Bhiwandi Water Supply Infra Ltd.** 206, Marthanda Building, Above Canara Bank, Dr. Annie Basant Road, Worli Naka, Mumbai - 400018	U41000MH2008PLC182757	Associate	44.94	2(6)
42	**SPML Bhiwandi Water Supply Management Ltd.** 206, Marthanda Building, Above Canara Bank, Dr. Annie Basant Road, Worli Naka, Mumbai - 400018	U41000MH2008PLC182813	Associate	50.00	2(6)
43	**Gurha Thermal Power Company Ltd.** 6th Floor, KJ City Tower, Ashok Marg, C-Scheme, Jaipur - 302001, Rajasthan	U40109RJ2009SGC028694	Joint Venture	50.00	2(6)
44	**Malviya Nagar Water Services Pvt Ltd** A-1/132 Lower Grd Floor, Safdarjung Enclave, New Delhi - 110029	U93000DL2012PTC273064	Joint Venture	26.00	2(6)
45	**MVV Water Utility Pvt. Ltd.** F-27/2, Okhla Industrial Area, Phase II, New Delhi - 110020	U41000DL2012PTC241599	Joint Venture	47.99	2(6)
46	**OM Metals Consortium JV** Om Tower, Church Road, M.I Road, Jaipur - 302001	N.A	Joint Venture	5.00	2(6)
47	**Siddartha - Mahavir SPML** Navi Peth, Jalgaon - 425 001	N.A	Joint Venture	10.00	2(6)
48	**SPML - CISC** 22 Camac street, Kolkata - 700016	N.A	Joint Venture	50.00	2(6)
49	**SPML - Simplex JV** 27 Shakespeare Sarani Kolkata - 700017	N.A	Joint Venture	50.00	2(6)
50	**SPML - HCIL JV** 22 Camac street, Kolkata - 700 016	N.A	Joint Venture	33.00	2(6)
51	**SUEZ - SPML JV** Unitech Business Park Tower A (Second Floor) South City-I - Gurgaon 122001	N.A	Joint Venture	48.00	2(6)
52	**M&P + Subhash JV**	N.A	Joint Venture	40.00	2(6)
53	**SPML-OM Metal JV (Ujjain)**	N.A	Joint Venture	50.00	2(6)

IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % TO TOTAL EQUITY)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	11030340	-	11030340	30.10	11015090	-	11015090	30.05	-0.14
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	10845745	-	10845745	29.59	10845745	-	10845745	29.59	0.00
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	21876585	-	21876585	59.69	21860835	-	21860835	59.64	-0.14
(2) Foreign									
a) NRI–Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	21876585	-	21876585	59.69	21860835	-	21860835	59.64	-0.14
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	13000	13000	0.04	-	13000	13000	0.04	0.00
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	13000	13000	0.04	-	13000	13000	0.04	0.00

Category of Shareholders	No. of Shares held at beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) NON INSTITUTIONS									
a) Bodies Corporates									
i) Indian	6329162	14305	6343467	17.31	5404996	14305	5419301	14.79	-14.57
ii) Overseas	5493876	-	5493876	14.99	5493876	-	5493876	14.99	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	2139016	317213	2456229	6.70	3230838	315208	3546046	9.68	44.37
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	416738	-	416738	1.13	154000	-	154000	0.42	-63.05
c) Others (specify)									
i) Clearing Member	22156	-	22156	0.06	120640	-	120640	0.33	444.50
ii) Non-Resident Individual	28225	-	28225	0.08	41623	-	41623	0.11	47.47
iii) NBFC's registered with RBI	-	-	-	-	955	-	955	0.00	100.00
SUB TOTAL (B)(2):	14429173	331518	14760691	40.27	14446928	329513	14776441	40.32	0.11
Total Public Shareholding (B)= (B)(1)+(B)(2)	14429173	344518	14773691	40.31	14446928	342513	14789441	40.36	0.11
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	36305758	344518	36650276	100.00	36307763	342513	36650276	100.00	0.00

(ii) Share Holding of Promoters

Sl No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Anil Kumar Sethi	1902835	5.19	-	1902835	5.19	-	0.00
2	Subhash Chand Sethi	1697790	4.64	89.31	1697790	4.64	99.59	0.00
3	Priti Devi Sethi	1447025	3.95	-	1447025	3.95	100.00	0.00
4	Sushil Kumar Sethi	1072735	2.93	100.00	1056985	2.88	100.00	-0.05
5	Harshvardhan Sethi	613930	1.68	-	613930	1.68	100.00	0.00
6	Deepak Sethi	582250	1.59	99.96	582250	1.59	99.96	0.00
7	Abhinandan Sethi	539735	1.47	-	539735	1.47	100.00	0.00
8	Punam Chand Sethi	494625	1.35	-	494625	1.35	-	0.00
9	Subhash Chand Sethi (HUF)	450020	1.23	-	450020	1.23	100.00	0.00
10	Sushil Kumar Sethi (HUF)	389870	1.06	-	389870	1.06	100.00	0.00
11	Punam Chand Sethi (HUF)	372735	1.02	-	372735	1.02	-	0.00
12	Maina Devi Sethi	351485	0.96	-	351485	0.96	-	0.00
13	Anil Kumar Sethi (HUF)	334735	0.91	-	334735	0.91	-	0.00
14	Sandhya Rani Sethi	263220	0.72	-	263220	0.72	-	0.00
15	Suman Sethi	183735	0.50	-	183735	0.50	-	0.00
16	Shilpa Sethi	181515	0.50	-	181515	0.50	-	0.00
17	Rishabh Sethi	93000	0.25	-	93000	0.25	100.00	0.00
18	Vineeta Sethi	59600	0.16	-	59600	0.16	-	0.00
19	Zoom Industrial Services Ltd	3073510	8.39	81.34	3073510	8.39	100.00	0.00
20	SPML India Ltd	2335735	6.37	90.72	2335735	6.37	100.00	0.00
21	20th Century Engineering Ltd	1437900	3.92	69.55	1437900	3.92	100.00	0.00
22	Bharat Hydro Power Corporation Ltd	1391470	3.80	-	1391470	3.80	100.00	0.00
23	SPM Engineers Ltd	1279665	3.49	-	1279665	3.49	60.93	0.00
24	International Constructions Ltd	880945	2.40	100.00	880945	2.40	100.00	0.00
25	Arihant Leasing And Holding Ltd	436020	1.19	100.00	436020	1.19	100.00	0.00
26	Sonal Agencies Pvt. Ltd	6500	0.02	-	6500	0.02	-	0.00
27	Rishab Commercials Pvt. Ltd	2000	0.01	-	2000	0.01	-	0.00
28	Abhinandan Enterprises Pvt Ltd	2000	0.01	-	2000	0.01	-	0.00
Total		21876085	59.69	46.20	21860835	59.65	78.67	-0.05

(iii) Change in Promoters' Shareholding (please Specify, if there is no change)

Sl No	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Sushil Kumar Sethi**				
	At the beginning of the year	1072735	2.93	-	-
	Change During the year	15750	0.05	1056985	2.88
	Date	27.03.2017			
	Reason	Sale of Shares			
	At the end of the year	1056985	2.88	1056985	2.88

(iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl No	Shareholders Name	Shareholding at the beginning of the Year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Client Rosehill Ltd.	3521575	9.61	3521575	9.61
2	CVCIGP II Employee Rosehill Ltd.	1972301	5.38	1972301	5.38
3	Udgam Commercial Ltd.	1992531	5.44	1889236	5.15
4	Mayank Securities Pvt. Ltd	1180274	3.22	1081605	2.95
5	Techno Mechanical Services Pvt. Ltd.	728982	1.99	728982	1.99
6	Abhideep Global Finance Pvt. Ltd.	355929	0.97	355929	0.97
7	Systematix Fincorp India Limited	212542	0.58	163657	0.45
8	Systematix Finvest Private Ltd.	748742	2.04	146363	0.40
9	Nitin Tandon	96000	0.26	96000	0.26
10	Mayank Global Finance Ltd.	91732	0.25	91732	0.25

(v) Shareholding of Directors & KMP

Sl No	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Subhash Chand Sethi (Whole-time-Director)**				
	At the beginning of the year	1697790	4.63	-	-
	Change During the year	NIL			
	Date	Not Applicable			
	Reason	Not Applicable			
	At the end of the year	1697790	4.63	1697790	4.63

(v) Shareholding of Directors & KMP

Sl No	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
2	**Sushil Kumar Sethi (Managing Director)**				
	At the beginning of the year	1072735	2.93	-	-
	Change During the year	-15750			
	Date	27.03.2017			
	Reason	Sale of Share			
	At the end of the year	1056985	2.88	1056985	2.88
3	**Deepak Sethi (Non-Executive Director)**				
	At the beginning of the year	582250	1.59	-	-
	Change During the year	NIL			
	Date	Not Applicable			
	Reason	Not Applicable			
	At the end of the year	582250	1.59	582250	1.59
4	**Abhay Raj Singh (Company Secretary)**	NONE			
	At the beginning of the year				
	Change During the year				
	Date				

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Sl No		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1	**Indebtedness at the beginning of the financial year**				
	i) Principal Amount	54,233.53	16,431.12	-	70,664.65
	ii) Interest due but not paid	423.84	-	-	423.84
	iii) Interest accrued but not due	-	27.49	-	27.49
	Total (i+ii+iii)	**54,657.37**	**16,458.61**	-	**71,115.98**
2	**Change in Indebtedness during the financial year**				
	Additions	24,130.62	3,474.98	-	27,605.6
	Reduction	931.18	2,569.75	-	3,500.93
3	**Net Change**	**23,199.44**	**905.23**	-	**24,104.67**
4	**Indebtedness at the end of the financial year**				
	i) Principal Amount	77,432.97	17,336.35	-	94,769.32
	ii) Interest due but not paid	149.82	575.79	-	725.61
	iii) Interest accrued but not due	21.20	-	-	21.20
	Total (i+ii+iii)	**77,549.70**	**17,912.14**	-	**95,461.84**

*Figures for March 31, 2017 have been regrouped to make comparable with current year figures.

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

Sl No	Particulars of Remuneration	Name of Whole Time Director	Name of Managing Director	Name of Executive Director
	Gross salary	Subhash Chand Sethi (Rs)	Sushil Kumar Sethi (Rs)	Rishabh Sethi (Rs)
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	72,00,000	72,00,000	15,98,064*
2	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	360,000	480,000	120,000
3	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
4	Stock option	-	-	-
5	Sweat Equity	-	-	-
6	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	Total (A)	75,60,000	76,80,000	17,18,064
	Ceiling as per the Act	**12,000,000**	**12,000,000**	**12,000,000**

B. Remuneration to other directors:

Sl No	Name	Sitting Fees (Rs)	Commission (Rs)	Total Compensation (Rs)
I	**Non-Executive Directors**			
1	Mr. Deepak Sethi	-	-	-
	Total (I)	-	-	-
II	**Independent Directors/ Nominee Directors**			
1	Mr. Prem Singh Rana	350,000	-	350,000
2	Mr. Sarthak Behuria	290,000	-	290,000
3	Mrs. Archana Capoor	330,000	-	330,000
4	Mr. Dinesh Kumar Goyal	240,000	-	240,000
5	Mr. Sushil Kumar Roongta	200,000		200,000
6	Mr. Supriyo Kumar Chaudhuri	80,000	-	80,000
	Total (II)	**1,490,000**	-	**1,490,000**
	Grand Total (I + II)	**1,490,000**	-	**1,490,000**
	Overall Ceiling as per the Companies Act, 2013 (excluding Sitting Fee)			

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sl No	Particulars of Remuneration	Key Managerial Personnel		
	Gross Salary	Abhay Raj Singh Company Secretary (Rs)	Lalit Kumar Khetan CFO (Rs)	Total Amount (Rs)
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	24,15,908	25,34,421	49,50,329
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	Total	**24,15,908**	**25,34.421**	**49,50,329**

*for part of the year

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE:

Sl No	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/COURT]	Appeal made, if any (give Details)
A.	COMPANY					
	Penalty					
	Punishment	N. A				
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment	N. A				
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment	N. A				
	Compounding					

Sushil Kumar Sethi
Managing Director

Abhay Raj Singh
Company Secretary

ANNEXURE – 5A

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 2016-17	300,017
The percentage increase in median remuneration of employees in the Financial Year	3.26%
The number of permanent employees on the rolls of Company as on 31st March, 2017	841

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 :**

(₹ in lakhs)

Name of Director	Remuneration for financial Year 2016-17	Remuneration for financial Year 2015-16	% increase in remuneration in the Financial Year 2016-17	Ratio of Remuneration to median remuneration of all employees
Independent Directors				
Mr. Sarthak Behuria[1]	-	-	-	-
Mr. Prem Singh Rana[1]	-	-	-	-
Mrs. Archana Capoor[1]	-	-	-	-
Mr. Dinesh Kumar Goyal[1]	-	-	-	-
Mr. Sushil Kumar Roongta[1]	-	-	-	-
Nominee Directors				
Mr. Supriyo Kumar Chaudhuri[1 & 2]	-	-	-	-
Non-Executive Directors				
Mr. Deepak Sethi	-	-	-	-
Executive Directors/KMP				
Mr. Subhash Chand Sethi	75.60	60.00	26.00	25.20
Mr. Sushil Kumar Sethi	76.80	60.00	28.00	25.60
Mr. Rishabh Sethi[3]	17.18	42.10	*	*
Mr. Abhay Raj Singh	24.16	20.69	16.77	8.05
Mr. Lalit Kumar Khetan[4]	25.34	40.05	*	*

*Since the remuneration of these KMPs are only for the part of the year, the ratio of remuneration to median remuneration is not comparable and hence increase in remuneration is not stated.

Notes:

[1] There is no remuneration or commission paid to Independent Director & Nominee Director except sitting fees.

[2] Mr. Supriyo Kumar Chaudhuri inducted in the Board as Nominee Director w.e.f 10th February 2017.

[3] Mr. Rishabh Sethi resigned from the Board w.e.f 06th October, 2016.

[4] Mr. Lalit Kumar Khetan was resigned from the post of CFO w.e.f 29th September, 2016.

3. During the financial year 2016-17 the median remuneration of all the employees was increased by 3.26%. The total remuneration of the KMPs for the financial year 2016-17 was ₹ 219.08 lakh as against ₹ 222.84 lakhs in previous year. The percentage of increase in remuneration during the Financial Year 2016-17 to Mr. Subhash Chand Sethi, Chairman & Whole Time Director was 26%, to Mr. Sushil Kumar Sethi, Managing Director was 28% and to Mr. Abhay Raj Singh, Company Secretary was 16.77%. During the year there has been no exceptional increase in remuneration of the KMPs.

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

ANNEXURE – 5B

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 2016-17

Sl No	Name	Designation	Remuneration	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment
1	Lalit Kumar Khetan	Chief Financial officer	5,980,309	CA	23	01.08.2014	47	SPML Energy Ltd.
2	Amitava Basu	Executive Vice President-Projects	4,581,675	M Tech - Electrical	27	01.08.1995	51	Consolidated Energy Consultant Ltd
3	Dadasaheb Dnyaneshwar Chandane	Vice President	3,682,870	BE-Civil	40	01.10.2010	59	HCC HINDUTAN CONSTRUCTION CO
4	Shuban Kishen Mujoo	Executive Vice President	3,629,436	BE-Civil	40	01.01.2001	58	IWL (I) Ltd.
5	Vinod Kumar Mittal	Associate Vice President	3,587,548	AMIE-Mechanical	33	28.11.2012	55	S N Envirotech Pvt. Ltd.
6	Malay Kanti Chakraborti	Vice President	3,371,708	BE-Mechanical	28	02.06.1998	48	Batliboi Ltd
7	Sanjay Jain	Vice President-Corporate HR	3,190,980	B.Tech - Chemical, MBA - Finance	27	05.10.2015	50	Abhijit Group
8	Govardhan Gaddam	Vice President-Corporate	2,908,894	M Tech - Mechanical	29	16.04.2014	53	Mac Donald Pvt. Ltd.
9	D P Mukherjee	Vice President-Projects	2,818,852	Diploma in Civil	30	18.12.1991	55	Enertek Engineering
10	Naresh Kumar Bhardwaj	Associate Vice President-Commercial	2,498,673	CA	40	12.03.2013	59	Ahlcon (I) Pvt. Ltd.

Notes:

i. The nature of employment in all cases is contractual

ii. None of the employee held any equity shares in the Company as cited in Clause (iii) of Rule 5(2)

iii. None of the employees mentioned above is a relative of any Director or manager of the Company

2. Name of the employees who are in receipt of aggregate remuneration not less than Rupees One Crore and Two Lakhs during the financial Year 2016-17

Name	Age (Years)	Designation/ Nature of Duties	Gross Remuneration (₹)*	Qualifications	Experience (Years)	Date of Commencement of Employment	Previous Employment/ Position Held
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
None							

3. Name of the employees who are in receipt of aggregate remuneration not less than Rupees Eight lakh and Fifty Thousand employed during the part of the financial Year 2016-17

Name	Age (Years)	Designation/ Nature of Duties	Gross Remuneration (₹)*	Qualifications	Experience (Years)	Date of Commencement of Employment	Previous Employment/ Position Held
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
None							

On behalf of the Board

Place: Kolkata
Date: 25th August, 2017

Subhash Chand Sethi
Chairman

ANNEXURE – 6

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 installed Solar Power Generation Plant on the roof of its Corporate Office at Gurgaon. The Plant is generating 21 KW of electricity for the internal use of the Company and helps to save more than 27,000 units of electricity per year.

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. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Lakhs)

Particulars	2016-17	2015-16
Earnings in Foreign Exchange	1,062.44	Nil
Value of imports (CIF Value)	1,618.81	633.39
Expenditure in Foreign Exchange	21.31	19.34

On behalf of the Board

Place: Kolkata
Date: 25th August, 2017

Subhash Chand Sethi
Chairman

MANAGEMENT DISCUSSION AND **ANALYSIS**

GLOBAL ECONOMIC OVERVIEW

Global economic growth stagnated during 2016 following a deceleration in trade activities, lowered investments and political uncertainties in advanced economies (US, Europe and Japan). This was supported by an accelerating output marked by declining unemployment. In non-advanced economies, slower growth was the result of commodity price declines and political turmoil. As a result, global growth is projected to recover to 3.5% in 2017 from 3.2% in 2016. The forecast was revised up by 30 bps for 2017 compared with April 2016 projections. This reflected a more subdued outlook following the Brexit referendum and weaker-than-expected growth in the US. Long-term prospects of emerging market economies improved on the back of a visible lowering of interest rates in advanced economies and stronger commodity prices. Asia and India demonstrated robust growth. (Source: World Bank, Euromonitor, IMF)

GLOBAL GROWTH TRENDS

	2016	2017 (P)	2018 (P)
Global economy	3.2%	3.5%	3.6%
Advanced economies	1.7%	2.0%	1.9%
Emerging market and developing economies	4.3%	4.6%	4.8%

(Source: IMF)

INDIAN ECONOMIC OVERVIEW

India's GDP grew at 7.1% in FY17 versus a revised 8% in FY16. India's GDP growth in the January-March quarter was lower than China's 6.9% for this period. Demonetisation had a pronounced broad-based impact on the economy in the fourth quarter. Despite a sequential slowdown, agriculture and mining sectors held up with consumption being robust. Manufacturing, construction and major services were hit by the currency squeeze, pulling down real gross domestic product (GDP) growth in Q4FY17 to 6.1% from 7%.

The services sector grew at a rate of 8.8% during FY2016-17 while the performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve during FY2017-18.

Outlook: The growth estimate is contingent on the prediction of normal monsoon in this year, along with expectation of a boost in consumption demand, increased private sector and government spending. The nationwide roll-out of the goods and services tax in the third quarter of FY18 is also expected to result in an increment of 0.25% to 0.5% to GDP growth. CARE Ratings expects the economy to grow 7.6 to7.8% in FY18.

INFRASTRUCTURE SECTOR IN INDIA

India is the fastest-growing large economy in the world; the government has set itself a target of investing US$ 377 billion in infrastructure over the next three years. This makes India an attractive destination to long-term global infrastructure investors, who recognise it as a country with a healthy pipeline and several good potential partners.

India is ranked 130 in terms of 'ease-of-doing-business', climbing 12 spots from 142nd place in 2015. Even better, eight of the most economically progressive Indian states are, on an individual basis, comparable with the world's top 50 countries.

Government initiatives to lift infrastructure expansion in India

- **Budgetary allocation:** The Central Government has allocated ₹ 3,96,000 crore for catalysing infrastructure development. As part of the new integrated infrastructure planning paradigm comprising roads, railways, waterways and civil aviation, the Central Government unveiled the largest-ever rail budget of ₹ 1.31 trillion, an 8.26% increase over the ₹ 1.21 trillion allocated to the national carrier in 2016-17.

- **Swachh Bharat Mission:** The ambitious project has been estimated at INR 1,960 billion for rural and urban India that will help in construction of 120 million toilets across the country by 2019; of this, INR 620 billion will be spent in urban India.

- **Roadways and highways:** For the road sector, a sum of ₹ 67,000 crore was allocated for the development of national highways compared to ₹ 57,676 crore in 2016-17. In addition, an allocation of ₹19,000 crore was channelised towards Pradhan Mantri Gram Sadak Yojana to connect far-flung regions, which, along with the spending by the State Governments, may result in a total capital expenditure of ₹ 27,000 crore.

- **Smart Cities:** The mission started with a target of creating 100 'smart cities' by 2022 at an initial investment of ₹ 50,000 crore. The total of 90 cities have

BIG NUMBERS

178	15,000	~200	29,000	13,000	~7,000	30,730
The quantum of water (billion cubic metres) to be moved annually through the river-linking programme	Canal length (kms) arising out of India's river-linking programme	Number (million) of new water connections required in India by 2020	Quantum (million litres per day) of wastewater generated from Tier-I and Tier-II locations	Quantum (million litres per day) of wastewater generated from metros alone	Waste water treatment capacity available (million litres per day)	Quantum of industrial waste water release (million litres) into water bodies

already been selected for development under the mission.

- **Atal Mission for Rejuvenation and Urban Transformation:** The programme aims to ensure basic infrastructural services (water supply, sewerage, management, storm water drains and development of green spaces and parks). A minimum of around ₹ 2 lac crore is likely to be spent till 2019-20 with State Governments and ULBs mobilising resources ranging from 50% to 66%.

- **FDI policy:** India needs $646 billion investment in the next five years to meet its infrastructure demand and is seeking global investors to boost the sectoral growth. Subsequently, the Indian Government has allowed 100% FDI through the automatic route in areas like urban transport, water supply and sewage treatment (subject to relevant rules and regulations).

- **PPP impact:** During the last 25 years, 1,000+ projects worth at least US$ 1 trillion were completed under the PPP mode. PPPs maximise the economic value of a project by judiciously assessing risks and utilising cutting-edge technology. The increasing impact of PPPs can be estimated from the fact that during the 11th Five Year Plan period, 292 projects worth ₹ 2.4 lac crore were implemented and 404 projects worth ₹3.8 lac crore are expected to be awarded in mid-term.

THE S4A GAME-CHANGER

The Scheme for Sustainable Structuring of Stressed Assets (S4A) was introduced by the Reserve Bank of India (RBI) for the resolution of stressed assets. The key highlights of the scheme:

- The loan account will be broken into parts – sustainable portion (Part A) and an unsustainable portion (Part B). The sustainable portion is necessarily is the share which can be serviced by the company even if cash flow remains the same (sustainable debt cannot be less than 50% of current funded liabilities).

- To be eligible, the account should meet the following conditions: commencement of commercial operations; aggregate exposure (including accrued interest) of all institutional lenders in the account to be more than ₹500 crore.

- An independent agency's techno-economic viability (TEV) report would assess the amount of the sustainable debt; any resolution plan to be agreed upon by a minimum of 60% of lenders by value and 50% of lenders by number in the consortium. Once the resolution plan is decided, it will go to the overseeing committee (OC).

- Part A to include debt which can be serviced from the existing operation while remaining will be classified as Part B. While there will be no extension of the repayment of Part A, the Part B would be converted into equity/redeemable cumulative optionally convertible preference shares. In the cases where the resolution plan does not involve change in promoter, banks could, at their discretion, also convert a portion of Part B into optionally convertible debentures.

- Equity shares acquired should be marked to market on a daily, or at least on a weekly basis for listed firms.

- RBI states that resolution could involve the current promoter continuing holding her stake in the company or some new promoter can be brought via the structural debt restricting (SDR)

3	62	33	40	13	30	251
Potential market for zero-liquid discharge solutions in India (US $ bn)	% of Indian urban households with access to treated tap water	% of Indian urban population covered by a piped sewer system	% of Indian urban population dependent on septic tanks	% of Indian urban population that defecates in the open	% of municipal wastewater treatment need addressed in India	Quantum (cubic kilometres per year) of groundwater drawn in India (largest in world)

or non-SDR route. However, sustainable structuring is not permissible where promoters' malpractices or wrongdoings have been revealed under audit.

- In case there is a change in promoter, the asset classification and provisioning requirement will be as per the 'SDR' scheme or 'outside SDR' scheme as applicable. While if there is no change of promoters, asset classification as on the date of lenders' decision to resolve the account under these guidelines (reference date) will continue for a period of 90 days from this reference date. Based on this, the JLF/consortium/ bank will formulate the resolution plan and implement it within a 90-day period, failing which the asset classification will be as per the extant asset classification norms, assuming there was no such 'stand-still'.

- In respect of an account that is 'Standard' as on the reference date, the entire outstanding (both Part A and part B) will remain Standard subject to provisions made upfront by the lenders being at least the higher of 40% of the amount held in part B or 20% of the aggregate outstanding (sum of Part A and part B).

INDIA'S WATER SECTOR

With growing urbanisation and industrialisation, demand of water for municipal and industrial use has increased. However, unregulated extraction of groundwater has resulted in water table depletion and water quality deterioration (excess quantities of fluorides, nitrates, arsenic, iron and salts across 2,17,211 locations). Wastewater management is acknowledged as a priority area as part of the 2012 National Water Policy. Frost & Sullivan forecasts Indian water market expenditure to reach US$ 9.77 billion with the Central Government contributing about half of it and the private industrial/domestic sectors, the rest. Demand for water in India is expected to surge further in future according to an E&Y report.

SECTORAL GROWTH DRIVERS

National Rural Drinking Water Programme, 2013: The Central Government has laid a keen emphasis on improving piped water supply in rural habitations. State Governments have been asked to cover thus far untouched habitations with piped water supply through stand posts or household connections. To accelerate the setting up piped water supply systems in rural areas in states where coverage levels are low, the Central Government has proposed a project with World Bank support in Assam, Bihar, Jharkhand and Uttar Pradesh.

National river linking project: A largest-of-its-kind project in the world, this project aims to bolster irrigation levels in agriculture by moving 178 billion cubic metres of water across river basin boundaries each year by building a 12,500 kilometre-long water conveyance network, benefiting 220 million Indians. Some 30 canals and 3,000 small and large reservoirs will be constructed with the potential to generate 34 gigawatts of hydroelectric power. The canals, planned between 50 and 100 metres in width, will stretch some 15,000 kilometres.

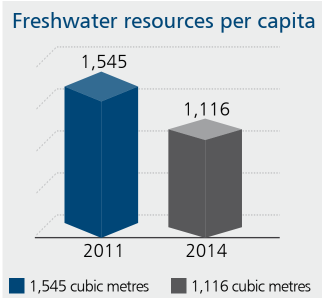
National Water Policy 2012: The Ministry of Water Resources has evolved the policy to meet the present challenges in the water sector. Emphasis has been laid on the need for a national water framework law, comprehensive

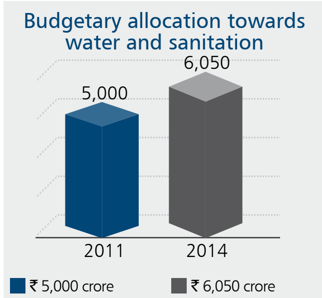
WATERSHED

Demand for water in India is expected to surge

Sector	Demand in 2010	Estimated Demand in 2030
Domestic	34.05	66.44
Industry	40.86	91.63
Agriculture	606	674

Figures in billion cubic metres *Source: E&Y*





legislation for optimum development of inter-State rivers and river valleys and amendment of Irrigation Acts, Indian Easements Act, 1882, etc. It states that water be treated as an economic good to promote conservation and efficient use. A system has been proposed to evolve benchmarks for water uses for different purposes, i.e., water footprints and water auditing be developed to ensure efficient use of water. Project financing has been suggested as a tool to incentivize efficient and economic use of water. Removal of large disparity in stipulations for water supply in urban areas and in rural areas has been recommended. Adequate grants to the States to update technology, design practices, planning and management practices, preparation of annual water balances and accounts for the site and basin, preparation of hydrologic balances for water systems, and benchmarking and performance evaluation has also been initiated.

Urbanisation: According to projections, 700 million could be living in urban India by 2050. Besides, the number of cities with population above one million could nearly double with increase in the number of mega-cities (above five million) to 10 by 2021 and 36 by 2051. It is estimated that about ~200 million new water connections will be required by 2020.

Wastewater management: In India, about 29,000 million litres per day of wastewater is generated from Tier-I and Tier-II cities, out of which about 45% (~13,000 million litres per day) is generated from metros alone. A collection system exists for only about 30% of the wastewater through sewer lines, while treatment capacity exists for ~7,000 million litres per day. The industrial sector in India discharges around 30,730 million cubic metres of effluents without proper treatment into water bodies.

River clean-up plan: The National Mission for Clean Ganga set up by the Central Government at a cost of US$ 3 billion will focus on pollution abatement interventions, namely the interception, diversion and treatment of wastewater through bio-remediation, appropriate in situ treatment, use of innovative technologies, rehabilitation and augmentation of existing sewage treatment plants and short-term measures for arresting pollution at exit points on river front to prevent inflow of sewage, among others.

Zero-liquid discharge status: A brewing water security crisis has necessitated actions by the government of India to ensure reduction of industrial water footprint. Currently, Indian industries are operating well below the global best scenarios on water consumption and are one of the key contributors to pollution of the water resources. The potential market for zero-liquid-discharge solutions in India is expected to reach US$ 3 billion by 2020 across textiles, distilleries, pulp and paper sectors.

Need for capacity expansion: Only 62% of urban households have access to treated tap water and only >50% are directly connected to a piped network. The average connected household receives water for approximately two hours per day. Only 33% of the urban population is covered by a piped sewer system, while close to 40% is dependent

India's water stress level
2017: 54%
2040 (est): 90-95%

133
India's global rank by water availability (2015)

120
India's global rank by water quality (2015)

77 million
Indians with inadequate access to water

769 million
Indians with inadequate access to sanitation

on septic tanks, and 13% still defecate in the open. Storm water drains are inadequate and ill-maintained, and even natural drains, which provide safe exit to storm water, including flood water, are either encroached upon or are carrying sewage. Natural recharge zones are typically not taken into account in planning for urban expansion. The municipal wastewater treatment segment is badly in need of capacity augmentation since installed capacity meets only about 30% of the need. This segment is expected to grow at over 15% between 2015 and 2020, with the market size growing from $ 3.3 billion in 2015 to $ 6.8 billion in 2020. The drinking water treatment and supply segment is expected to reach a size of $ 9.4 billion in 2020 from the 2015 value of $ 5.5 billion. The industrial process and wastewater segment is estimated to reach $ 2 billion in revenue by 2020, growing at over 20%.

OUTLOOK

India is the largest user of groundwater in the world (251 cubic kilometres per year), more than double that of China. What is more, India's use of groundwater is much in excess of the actual recharge being carried out. Punjab, Haryana, Rajasthan and Delhi fare the worst in this respect.

A recent assessment by NASA showed a decline in the water table for these four states at an average rate of 4 centimetres per annum. The 12th Five Year Plan had called for a paradigm shift and proposed a comprehensive programme for the mapping of India's aquifers as a prerequisite and a precursor to a National Ground Water Management Programme, and some pilot projects have been initiated. Groundwater use in India is currently governed by the framework of British Common Law sanctified by the Indian Easement Act of 1882. This provides that a land owner has the absolute right to draw any amount of ground water from under the land owned. The attempt at legislative reform in the past focused mostly on allocation and setting up a public regulatory authority for groundwater regulation and management such that the state government will take the final decision.

The government of India is working on a National Water Framework Bill and also model legislation, which addresses the challenges of equitable access and aquifer protection, moving away from the focus on the link between land ownership and control over groundwater, treating groundwater as a common pool resource to be exploited only for public good. This requires that drinking water, sewerage and wastewater treatment, storm water drains, and also solid waste management be planned and managed in an integrated manner. These services are actually being managed in silos, in some cases by the urban local bodies themselves though they are not sufficiently empowered and in other cases by metro boards of State Governments.

INDIA'S POWER SECTOR

India is the world's third-largest producer and fourth largest consumer of electricity. Electric energy consumption in agriculture was recorded highest (17.89%) in 2015-16 among all countries. The installed power capacity

> The total infrastructure picture in India is changing very rapidly and we need financial support from international investors. We can guarantee that all our projects are economically viable, with good rate of return – *Nitin Gadkari, Minister of Road Transport & Highways, GoI*

reached 330.3 GW by June 2017. The country also has the fifth-largest installed capacitu in the world. India's manufacturing is growing faster than that in the past, residential consumption is expected to grow at 14% over the next 10 years, the connection of 1,25,000 villages to the grid through several programmes that aspire to provide 'power for all'. The Ministry of Power has set a target of 1,229.4 billion units of electricity to be generated in 2017-18, 50 billion units higher than the target for 2016-17. The annual growth rate in renewable energy generation has been estimated to be 27%.

The Central Government has added 8.5 gigawatts of conventional generation capacity during April 2016 and January 2017. Under the 12th Five Year Plan, the Central Government has added 93.5 gigawatts of power generation capacity, thereby surpassing its target of 88.5 gigawatts during the period. There has been ~40% increase in transformation capacity from 5.3 lac millivolt-amperes in March 2014 to 7.4 lac millivolt-amperes in March 2017. 1,799 circuit-kilometres of transmission lines have been commissioned till April 2017. This is 7.8% of the annual target of 23,086 circuit-kilometres fixed for 2017-18. Similarly, 7,045 millivolt-amperes of transformation capacity of Substations has been added till April 2017, which constitutes 13.1% of the annual target of 53,978 millivolt-amperes fixed for 2017-18.

GROWTH DRIVERS

'Power for all': This flagship mission of the Central Government aims to realise round-the-clock availability of power across India by FY 2019-20. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at the market and supply sides (fuel, logistics, finances, and manpower).

FDI reforms: The Central Government has allowed 100% FDI in the power sector. Around 293 global and domestic companies have committed to generate 266 gigawatts of solar, wind, mini-hydel and biomass-based power in India over the next decade. The initiative would entail an investment of about US$ 310–350 billion. Between April 2000 and December 2016, the industry has attracted US$ 11.4 billion in FDI.

Increasing consumption: India's energy consumption is set to grow at a rate of 4.2% a year by 2035, faster than all major global economies, according to the BP Energy Outlook. India, Asia's second-biggest energy consumer since 2008, had in 2015 overtaken Japan as the world's third-largest oil consuming country, trailing the US and China.

Deendayal Upadhyay Gram Jyoti Yojana programme: The scheme is projected as 'power sector reforms for rural India'. It promises round-the-clock electricity supply to farmers and rural households to transform rural India. The erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana was subsumed in this scheme as 'rural electrification' component along with funds worth ₹ 40,000 crore was carried forward to the new scheme.

UJALA scheme: The UJALA scheme was launched in January 2015 with a target of replacing 77 crore inefficient bulbs with energy-efficient LED bulbs.

NUMBERS THAT MATTER*

- Installed power capacity stood at 329.2 gigawatts
- Peak demand stood at 159.6 gigawatts
- 67% of the capacity was generated from thermal sources
- 13.5% of the capacity was generated from hydro sources
- 17.4% of the capacity was generated from renewable sources
- 2.1% of the capacity was generated from nuclear sources
- Transmission capacity of interregional links stood at 75,050 megawatts
- Per capita demand for electricity stood at 1,075.64 kilowatt-hours

**As on 30th April 2017*

Currently, over 22 crore LED bulbs, 16 lac LED tube lights and 6 lac energy-efficient fans have already been distributed across 25 states and 7 union territories. This has led to daily energy savings of more than 8 crore kilowatt-hours, resulting in avoidance of over 5,956 megawatts of peak demand. The estimated cumulative cost reduction in bills of consumers per day is ₹ 32.45 crore and the scheme has also resulted in daily CO2 emission reduction of 65,800 tonnes.

UDAY programme: The Ujwal Discom Assurance Yojna was launched in November 2015 to help loss-making discoms turn around financially, with support from their State Governments. Loss-making discoms have piled up a massive load of debt on their books; it totaled ₹ 4.8 trillion in September 2015. Under the scheme, State Governments take over three-fourths of the debt of their respective discoms and then issue 'UDAY bonds' to raise money and pay off banks. The remaining 25% of the discom debt is dealt either via conversion into lower interest rate loans by lending banks or through money raised using discom bonds backed by State Government guarantee.

'Shakti' policy: This new coal linkage policy aims to auction long-term coal linkages to power companies. It is expected to revive 30,000 megawatts of power plants in the country, which are awaiting fuel supply. Under the policy, coal linkages would be awarded to designated state-owned discoms. These, in turn, would assign linkages to State or Central Government power generation companies via allocation, and through auction to private units. The independent power producers participating in the auction will bid for discounts on the existing tariff and this would be adjusted from the gross coal bills. The power requirement of a group of states can be aggregated; procurement of power on tariff-based bidding would be by a designated agency.

OUTLOOK

The Indian power sector enjoys an investment potential of ₹ 15 trillion (US$ 225 billion) over the next four or five years, thereby providing immense opportunities in power generation, distribution, transmission and equipment. The Central Government's immediate goal is to generate 2 trillion kilowatt-hours of energy by 2019. This means that the current production capacity needs to be doubled in order to ensure round-the-clock power availability for residential, industrial, commercial and agricultural needs.

SPML INFRA LIMITED

Overview

SPML Infra Limited is engaged in the business of construction and maintenance of water distribution network, (mains and lines), water reservoirs, including irrigation systems (dams, canals), construction and repair of sewer systems (treatment plants and pumping stations), construction and maintenance of power plants and construction, erection and maintenance of power, substation and transmission lines. The Company enjoys a palpable presence in lucrative segments such as construction (execution of turnkey projects), trading (sale of coal), hydro power, toll road operation (under the DBFOT model), waste

The Government of India is undertaking a number of steps like offering a 10-year tax exemption for solar energy projects, among others, in order to achieve the target of adding 175 gigawatts in renewable energy by 2022. The Central Government has also sought to restart several stalled hydro power projects and increase the wind energy production target to 60 gigawatts by 2022 from the current 20 gigawatts.

management (collection, segregation and transportation to landfill sites) as well as power distribution and utility management.

Financials

The Company's revenues grew by 14.49 % to ₹ 1611.10 crore in 2016-17. EBITDA stood at ₹ 234.07 crore compared to ₹ 215.55 crore in the previous year. Interest costs increased to ₹ 205.47 crore in 2016-17 compared to ₹ 187.00. The Company reported a post-tax profit of ₹ 14.36 crore in 2016-17 compared to a post-tax profit of ₹ 13.06 crore in the previous year.

RISKS AND CONCERNS

Pre-bidding stage risk: Inability to qualify for projects can affect the business

Risk mitigation: The Company has expertise in the infrastructure field, strengthening its understanding of project bidding. An increase in net worth has enabled it to qualify for larger projects.

Project execution risk: Inability to complete the project within the established time frame

Risk mitigation: The Company opts for selective bidding. The interplay of knowledge and hands-on commitment has accelerated workflow. The company enjoys an attractive record in timely project completion.

Operational risk: People constraints may affect operational robustness.

Risk mitigation: The Company has an effective control system along with performance-driven HR metrics and a dynamic organizational structure to enhance people retention and competent project delivery.

Leverage risk: Inability to manage working capital can affect the Company's reputation

Risk mitigation: The Company selects to bid for projects with central and multi-lateral funding that ensures that projects are sustained, in turn protecting the company's cash flows. Should the company be cleared for S4A, it will be in a better position to rationalise debt.

Profitability risk: Prolonged realization can affect the revenue generation of the company

Risk mitigation: The Company aims for bottom-line growth, enhancing margins and business sustainability. The Company has selected to bid for projects with an attractive hurdle rate, strengthening viability.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organisational structure of the Company and Group and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees. The control and risk committee and the head of the audit department work under the supervision of the Board-appointed Statutory Auditors.

The internal control and the risk

management system are a set of rules, procedures and organisational structures that, through a process of identifying, measuring, managing and monitoring of key risks, allows the sound and fair operation of the Company in line with pre-established objectives. As such this process is aimed at pursuing the values of both procedural and substantial fairness, transparency and accountability, which are considered key factors for managing the Company's business. Compliance with the code of ethics and conduct of the Group and the Company's self-regulatory code is also maintained. These processes are constantly monitored with a view to progressively improve the operational efficiency of the Company. A keen emphasis is laid on entrepreneurial conduct, transparency, reliability of information and accounting data, compliance with applicable laws and regulations as well as fraud prevention.

In order to ensure a holistic approach to risk management, the Company has implemented an integrated process inspired by best-in-class ERM protocols. The aim being to identify, assess and manage risks. The Group's risk management committee receives periodic information concerning incipient risks from the group compliance officer and the head of the management compliance function.

HUMAN RESOURCES

The Company believes that its intrinsic strength lies in its dedicated and motivated employees. As such, the Company provides competitive compensations, an amiable work environment and acknowledges employee performance through a planned reward and recognition programme. The Company aims to create a workplace where every person can achieve his or her true potential. The Company encourages individuals to go beyond the scope of their work, undertake voluntary projects that enable them to learn and devise innovative ideas.

CAUTIONARY STATEMENT

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward–looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

REPORT ON CORPORATE GOVERNANCE

The principle of Corporate Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are build and continues to grow. Strong Corporate Governance is indispensable to resilient and vibrant capital market and is therefore, an important tool for investor protection. Corporate Governance is essentially a system by which Companies are directed and controlled by the management in the best interest of its stakeholders. The management believes that the stakeholders are the true owners of the enterprise and it holds the status of trustees of the stakeholders. Therefore the Company always gives thrust to highest ethical standards in all its dealing in order not only to achieve the objects of the Company but also enhances stakeholder's value as well as discharge of its social responsibility.

The Company is committed to achieve good standards of Corporate Governance on a continuous basis to ensure accountability, fairness and transparency in managing the affairs of the Company

The Board of SPML has defined a set of corporate governance best practices and guidelines to help fulfill our corporate responsibility towards our stakeholders. It further ensures the accountability, fairness and transparency in managing the affairs of the company for maximizing long-term value of the Company. An internal governance structure with defined roles and responsibility has been placed by the company.

1. BOARD OF DIRECTORS

The Board who govern the Company has been constituted by the Shareholders. Seven Committees of the Board has been set up for efficient and smooth working of the Company.

The Board of Directors of the Company is the apex body, constituted by the Shareholders of the Company. The Board of Directors of the Company review and monitor corporate strategy and performances. The Board while being accountable to the Company and its shareholders provides strategic guidance to the Company and ensure effective monitoring of the management. The primary role of the Board is that of trusteeship to protect and enhance stakeholder's value throughstrategic supervision of the Company.

The Board has the ultimate responsibility of the management, direction and performance of the Company and plays an important role in overseeing how the management serves the objectives and interests of the stakeholders.

Composition

The SPML's Board is a combination of executive and non-executive directors who have in-depth knowledge of business. All the Directors of the Company play a crucial role in making Board decision process effectively

As on 31st March, 2017, the Board comprised of Nine (9) Directors, out of which 2 are Executive Directors, 1 is Non-Executive Directors, 5 are Independent Director and 1 is Nominee Director. The combinations are in purview of Companies Act, 2013 and in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition of the Board and the membership on other Boards/ Committees of Directors is given hereunder:

No. of Directorships and Committee Memberships / Chairmanship

Sl. No.	Name of the Directors	Category	Other Directorship[1]	Committee Memberships[2]	Committee Chairmanships
1	Mr. Subhash Chand Sethi	Promoter & Executive Director - Whole Time Director, Chairman	15	4	Nil
2	Mr. Sushil Kumar Sethi	Promoter & Executive Director- Managing Director	13	Nil	Nil
3	Mr. Sarthak Behuria	Non- Executive & Independent Director	10	3	1
4	Mr. Prem Singh Rana	Non- Executive & Independent Director	16	6	1
5	Mrs. Archana Capoor	Non- Executive & Independent Director	8	2	Nil
6	Mr. Sushil Kumar Roongta	Non- Executive & Independent Director	9	5	1
7	Mr. Dinesh Kumar Goyal	Non- Executive & Independent Director	2	Nil	Nil
8	Mr. Deepak Sethi	Promoter & Non- Executive Director	13	3	1
9	Mr. Supriyo Kumar Chaudhuri[3]	Nominee Director	1	Nil	Nil

[1]Excludes the directorships in foreign companies and membership of managing committees of chambers of commerce / professional bodies.

[2]In accordance with Regulation 26 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.

[3]Mr. Supriyo Kumar Chaudhuri was appointed as a Nominee Director w.e.f 10.02.2017

Notes:

1. None of the Directors except Mr. Subhash Chand Sethi, Mr. Sushil Kumar Sethi and Mr. Deepak Sethi is related to any Director.
2. During the year, the Company did not have any material pecuniary relationship or transaction with any of the non-executive director's. However, Mr. Deepak Sethi being related to promoter Directors is interested to the extent of his shareholding in the Company.
3. 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).
4. None of the non-executive director serves as independent director in more than seven listed companies and none of the Executive or Whole-time Directors serve as independent director in not more than three listed companies.

Board Meetings & Attendance:

Six meetings of the Board of Directors have been held during the year under review. The same were held on 27th May, 2016, 25th July, 2016, 10th August, 2016, 22nd August, 2016, 11th November, 2016 and 10th February, 2017. The maximum time gap between two consecutive meetings did not exceed more than 120 days in compliance with the provision of Companies Act, 2013 and listing regulations.

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

Sl. No.	Name of the Directors	No of board meetings held during the tenure of director[1]	No. of Board Meetings attended	Whether attended the last AGM
1	Mr. Subhash Chand Sethi	6	4	No
2	Mr. Sushil Kumar Sethi	6	4	Yes
3	Mr. Deepak Sethi	6	3	No
4	Mr. Prem Singh Rana	6	5	No
5	Mr. Sarthak Behuria	6	5	Yes
6	Mrs. Archana Capoor	6	6	No
7	Mr. Sushil Kumar Roongta	6	4	No
8	Mr. Dinesh Kumar Goyal	6	6	No
9	Mr. Rishabh Sethi[2]	4	1	No
10	Mr. Supriyo Kumar Chaudhuri[3]	1	1	N/ A

[1]*Excudes the separate meeting of Independent Directors.*

[2]*Mr. Rishabh Sethi was resigned w.e.f 06.10.2016*

[3]*Mr. Supriyo Kumar Chaudhuri was appointed as a Nominee Director w.e.f 10.02.2017*

MEETING OF INDEPENDENT DIRECTOR

In compliance with the Schedule Iv of the Companies Act, 2013 and the rules framed thereunder and in line with listing regulation one meeting of the Independent Director has been held on 17th February, 2017 without the participation of non independent Directors and members of the Management. Further, all the Independent directors has attended the said meeting.

2. COMMITTEES OF THE BOARD

As on 31st March, 2017, the Board has seven Committees for uninterrupted operation of the company. The committees have has been constituted to focus on the specific areas and make decisions with the delegated authorities. All the decisions and recommendation made by various Committees are to be placed before the Board for their approval or record. The following Committees has been constituted by the Board: the Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee, Finance Committee, Risk Management Committee, Corporate Social Responsibility Committee and Committee of Directors.

i) Audit Committee

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 and Attendance

During the financial year 2016-17, there is no change in the composition of the audit committee. Company Secretary of the Company acts as the Secretary to the Committee.

Five meetings of the Audit Committee have been held during the year under review. The same were held on 27th May 2016, 10th August 2016, 22nd August 2016, 11th November 2016 and 10th February, 2017.

Sl. No.	Name of the Directors	No of meetings held during the tenure of director	No. of Meetings attended
1	Mr. Sarthak Behuria- Chairman	5	4
2	Mr. Prem Singh Rana	5	4
3	Mrs. Archana Capoor	5	5
4	Mr. Deepak Sethi	5	2

ii) **Stakeholder Relationship Committee.**

Stakeholder Relationship Committee has the mandate to 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.

Composition and Attendance

There is no change in the composition of Stakeholder Relationship Committee during the year 2016-17. The Committee consists of Mr. Deepak Sethi, Chairman of the Committee; Mr. Subhash Chand Sethi, Mr. Sarthak Behuria and Mr. Prem Singh Rana are the members of the Committee. The Company Secretary of the Company acts as Secretary to the Committee. 6 meetings of the Stakeholder's Relationship committee have been held during the year under review. The same were held on 04th May, 2016, 05th May, 2016, 25th May, 2016, 06th July, 2016, 12th July, 2016 and 16th February, 2017.

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

(a)	No. of Shareholders complaints received during the year	1
(b)	No. of complaints not resolved to the satisfaction of the Shareholders	Nil
(c)	No. of pending	1

(iii) **Nomination and Remuneration Committee**

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.

Composition and Attendance

There is no change in the composition of the Nomination and Remuneration Committee during the year under review. Company Secretary acts as a Secretary to the Committee.

One meeting of Nomination and Remuneration Committee has been held during the financial year 2016-17 i.e. on 10th February, 2017

iv) **CSR Committee.**

As on 31st March, 2017 our CSR Committees comprises of two independent directors and one non-executive director viz Mr. Sarthak Behuria, Mr. Prem Singh Rana and Mr. Deepak Sethi. Mr. Sarthak Behuria is the Chairman of the Committee. During the year there has been no change in the composition of the committee.

The Board of Company not only aims to generate maximum profit to our Shareholders but at the same time give equal focus on social and environmental responsibilities. The role of the Committee is to formulate and monitor the CSR policy of the Company. The Committee also emphasizes on company's objective to improve the life of the society and create impact through its activities on the corporate, environment, communities and stakeholders. 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.

v) **Finance Committee**

The Board constituted the Finance Committee to carry on the smooth Banking and other operational matters of the Company. This Committee has also been delegated the authority by the Board to review and monitor the Banking decisions of the Company.

Composition and Meetings

The Committee comprises of three Directors namely, Mr. Sushil Kumar Sethi, Mr. Subhash Chand Sethi and Mr. Deepak Sethi. The committee meets as and when the requirement arises. The Company Secretary of the Company acted as Secretary to the Committee.

vi) **Committee of Directors**

The Board of Directors has also establish its sub-committee "Committee of Directors" in order to transact business arising out of day to day affairs of the Company and is also inter alia delegated with the power to allot the Equity Shares and other Securities of the Company to the shareholders and persons other than the shareholder of the Company, Appointment of various intermediaries relating to capital increase, fund raising, purchase & sell of equipment's or any other assets on lease/ rent or otherwise. Mr. Subhash Chand Sethi, Mr. Sushil Kumar Sethi, Mr. Deepak Sethi and Mr. Sarthak Behuria are the members of the Committee. Mr. Subhash Chand Sethi is the Chairman of the Committee.

3. 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 so as to attract and retain quality talent and leverage performance significantly. Whole time Director 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 on the website of the Company www.spml.co.in.

Details of remuneration paid to the Whole Time Directors for the period from 01.04.2016 to 31.03.2017.

Name of Director	Salary (Rs)	Commission (Rs)	Perquisites (Rs)	Contribution to Provident Fund (Rs)	Term
Mr. Subhash Chand Sethi	72,00,000	-	216,000	1,44,000	5 yrs w e f 1.01.2015
Mr. Sushil Kumar Sethi	72,00,000	-	336,000	1,44,000	5 yrs w e f 1.01.2015
Mr. Rishabh Sethi	15,98,064	-	48,000	72,000	Resigned w.e.f 06.10.2016

The above remuneration is excluding the liability towards payment of personal accident insurance premium and gratuity.

Details of sitting fees / Professional feespaid to the Non-Executive Directors for the year ended 2016-17.

Sl. No.	Name of the Directors	Professional fees (Rs)	Board Meeting (Rs)	Committee Meetings (Rs)	Total (Rs)
1	Mr. Sarthak Behuria	-	2,40,000	40,000	2,80,000
2	Mr. Prem Singh Rana	-	2,40,000	50,000	2,90,000
3	Mrs. Archana Capoor	-	2,80,000	50,000	3,30,000
4	Mr. Dinesh Kumar Goyal	-	2,80,000	-	2,80,000
5	Mr. Sushil Kumar Roongta	-	2,00,000	-	2,00,000
6	Mr. Supriyo Kumar Chaudhuri	-	40,000	-	40,000

4. DISCLOSURE

I. Equity shares held by Non-Executive Directors

Except Mr. Deepak Sethi, who holds 5,82,250 equity shares, no other Non-Executive Directors of the Company held any equity shares of the Company during the year under review.

II. 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 price basis and in the ordinary course of business. These have been approved by the Audit Committee as well as board, wherever required. The Board of Directors have approved and adopted a policy on Related Party Transactions, which is available on the website of the Company at www.spml.co.in. The significant accounting policies which are applied have been set out in the Notes to Financial Statements. The Board has received disclosures from KMP relating to material, financial and commercial transactions where they and/or their relatives have personal interest. 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.

III. Compliances by the Company

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

The Company has adopted and complied with all the mandatory requirements under SEBI Listing Regulations, 2015.

IV. Auditors' Certificate on Corporate Governance

The Company has obtained a Certificate from its Statutory Auditors regarding compliance of the conditions of Corporate governance, as stipulated in Regulation 17 to 27, Regulation 46(2)(B) to (I) of Listing Regulations, which together with this Report on Corporate Governance is annexed to the Directors' Report and shall be sent to all the members of the Company and the Stock Exchanges along with the Annual Report of the Company

V. Compliance with Regulation 39(4) read with Schedule V and VI of SEBI Listing Regulations – Uniform procedure for dealing with 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 matter is under due consideration. The Company will comply with the formalities, as may be necessary, in this regard.

VI. 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.

VII. Familiarization Programme for Independent Directors

The company has organized a 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 was 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.

VIII. 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. The whistle blower policy is available at company's website at www.spml.co.in.

IX. **Code of Conduct for Prevention of Insider Trading, 2015**

The Company has adopted Code for prevention of Insider Trading for its Directors and designated employees pursuant to Regulation 8(1) and 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015. The objectives of these codes are to regulate, Monitor and report trading by Insiders and to report Fair Disclosure of Unpublished Price Sensitive Information. These Codes prohibits purchase/ sale of securities of the Company by Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company.Further the Code specifies the procedures to be followed and disclosures to be made by Directors and the designated employees, while dealing with the shares of the Company. The Code of Conducts is available on the Company's Website www.spml.co.in.

X. **Performance Evaluation**

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 and a Separate Meeting of Independent Directors was also held on 17th February, 2017 to assess the performance of Non-Independent Director and the Chairperson of the Company.

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.

XI. **Risk Management**

The Company has in place well designed framework and procedures to inform Board members about the Risk Assessment and minimization procedures. The Company is aware of the risks associated with the business. It regularly analysis the risks and takes corrective actions for managing/ mitigating the same. Board of Directors of the Company has approved and adopted "Risk Management Policy" pursuant to Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The "Risk Management Policy" is available on the Company's Website www.spml.co.in.

XII. **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.

XIII. **Mandatory & Non-mandatory Clauses**

The Company has complied with all mandatory requirements laid down by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Non-mandatory requirements complied with has been disclosed at the relevant places.

2. MEANS OF COMMUNICATION

(a) The quarterly results are published in English Newspaper (all Editions) as well as Hindi Daily Newspaper in Delhi. The information on Quarterly Results is sent to the stock exchanges to enable them to post it on their respective websites.

(b) The financial results, Annual Report, Notices for the shareholders meetings, results of postal ballots, press releases, the presentations made to institutional investors or analysts and other important announcements are also displayed on Company's website at www.spml.co.in.

(c) The Management Discussion and Analysis Report forms part of the Directors' Report.

6. GENERAL BODY MEETINGS

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

Year	Venue	Date	Time	Special Resolution passed
2015-16*	PHD Chamber of Commerce, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi–110016	30th September, 2016	11:30 AM	1. Special Resolution Under Section 42, 62 of the Companies Act, 2013 for issuing securities of the Company to Promoters and Non-Promoters on Preferential Basis. 2. Special Resolution Under Section 88 & 94 of the Companies Act, 2013 for authorization for keeping the Register of Members and other securities of the Company at Kolkata instead of Registered Office of the Company.
2014-15		28th September, 2015	3:30 PM	No
2013-14		26th September, 2014	11:00 AM	1. Special Resolution under Section 180(1)(c) of the Companies Act 2013, authorizing the Board to Borrow Money. 2. Special Resolution under Section 180(1)(a) of the Companies Act 2013, authorizing the Board to mortgage, hypothecate or create charge on the movable and non-movable properties of the Company. 3. Special Resolution under Section 14 & other applicable provisions of the Companies Act, 2013 for adoption of the New set of Articles in substitution of the existing Articles of Association of the Company. 4. Special Resolution under Section 188, 177 of the Companies Act 2013 and the Listing Agreement for transfer of certain investments of SPML Infra Limited to its wholly owned subsidiaries.

*Mr. Tumul Maheshwari of PTM & Co, Company Secretaries was appointed by the Board as the Scrutinizer for e-voting and conducting the ballot process at the AGM venue in a fair and transparent manner.

b. **Location and the time of Extraordinary General Body Meetings held:**

Year	Venue	Date	Time	Special Resolution passed
N.A.	N.A.	N.A.	N.A.	N.A.

c. **Postal Ballot:** During the year no Special Resolution was passed, also there was no postal ballot conducted during the year

7. SHAREHOLDER INFORMATION

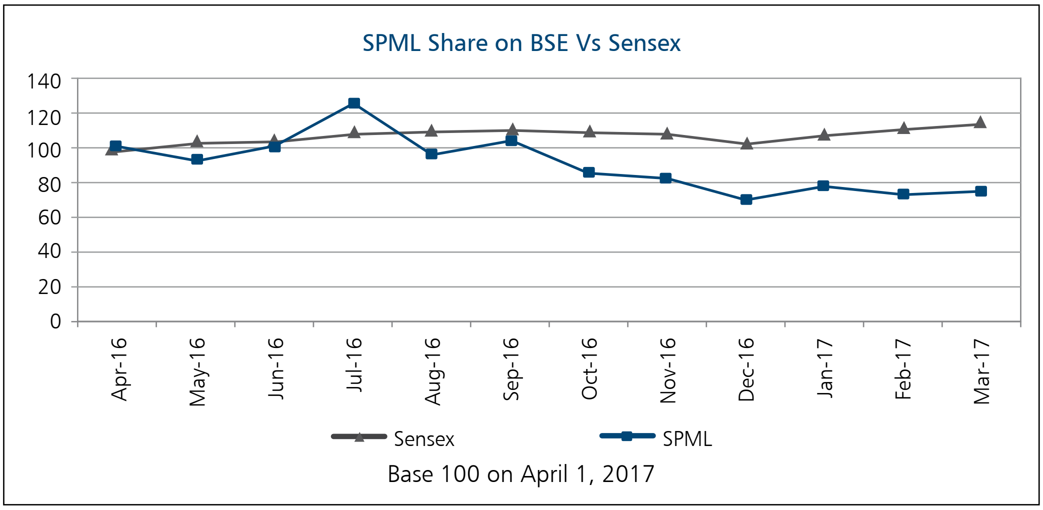
(i)	36thAnnual General Meeting	29th September, 2017 (3:30 PM) PHD Chamber of Commerce, PHD House, 4/2, Sri Institutional Area, August Kranti Marg, New Delhi – 110 016
(ii)	Financial Calendar (tentative)	Financial Year-1st April 2017 to 31st March 2018 Adoption of Results for the Quarter ending: a) Jun 30, 2017 - 2nd week of Aug, 2017. b) Sep 30, 2017 - 2nd week of Nov, 2017 c) Dec 31,2017–2nd week of Feb, 2018 d) Mar 31,2018 – 4th week of May, 2018 Annual General Meeting - Sep, 2018
(iii)	Book Closure Date	22nd Sep 2017 to 29th Sep 2017 (Both days inclusive)
(iv)	Dividend Payment Date	Not Applicable.
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 2017-18 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

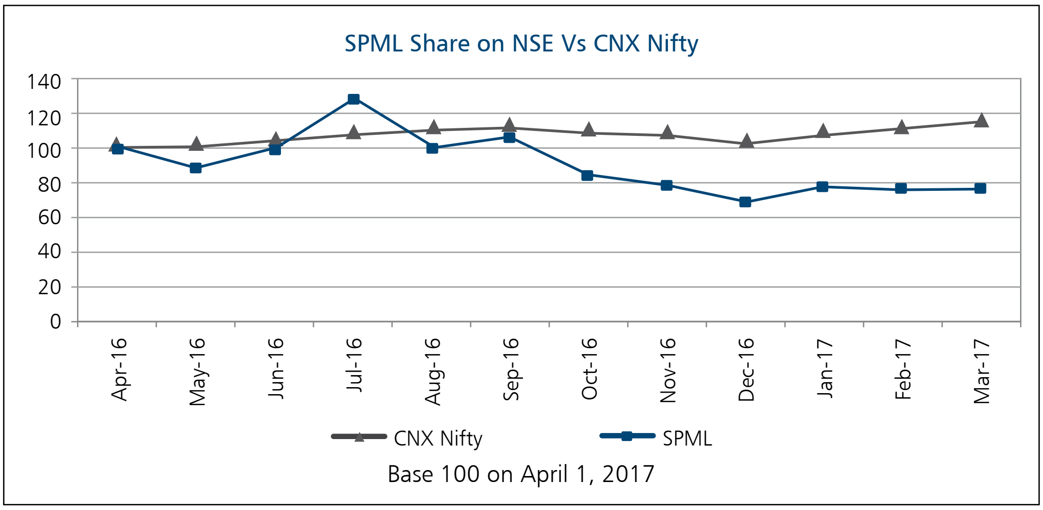
ix) Stock Prices data and performance of Company's share prices vis-à-vis Nifty & Sensex;

a) Share Price Data at BSE and NSE (₹ Per share)

Month	National Stock Exchange		BSE Limited	
	High	Low	High	Low
April, 2016	84.30	59.55	85.60	61.00
May, 2016	74.90	60.65	80.25	60.30
June, 2016	85.90	55.75	87.70	57.00
July, 2016	109.85	73.95	108.80	75.00
August, 2016	85.45	63.30	82.95	65.45
September, 2016	90.00	61.20	89.10	64.00
October, 2016	71.20	63.10	73.50	63.10
November, 2016	66.60	48.50	70.80	48.70
December, 2016	58.00	48.80	60.00	50.35
January, 2017	66.30	48.60	66.95	48.70
February, 2017	64.50	49.70	63.70	48.70
March, 2017	64.90	57.00	64.90	55.15

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





ix) **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 Company's shares are traded in compulsory Demat Mode. The shares received for transfer in physical mode by the Company are transferred expeditiously and the share certificates, duly transferred, are sent to the transferee(s).

The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

x) **Dematerialization of Shares**

The Company's shares are available for trading in the depository systems of both the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL). As on 31st March, 2017 Equity Shares of the Company, forming 99.07% of total shareholding stand dematerialized. Company's ISIN No. is 'INE 937A01023'.

xi) Liquidity of Shares

The Equity Shares of the Company have been included in the Sensex and are traded in the T Group at the BSE Limited. Its shares are also traded at the National Stock Exchange.

(xii) Share Ownership Pattern as on March 31, 2017.

Category	No. of Shares held	% shareholding
Promoter and Promoter Group	21860835	59.65
Mutual Funds/ UTI	13000	0.04
Financial Institutions / Banks / Foreign Institutional Investors	-	-
Corporate Bodies	10913177	29.78
Public	3700046	10.09
Non Resident Individual	41623	0.11
Clearing Members	120640	0.33
NBNFCs registered with RBI	955	0.00
Total :	**36650276**	**100.00**

(xiii) Distribution of Shareholding by size as on March 31, 2017

Shares held	Shareholders		Shares	
From - To	Number	% of Total Shareholders	Number	% of Shares
1- 500	5847	83.5286	871422	2.3777
501-1000	511	7.3000	431845	1.1783
1001-2000	265	3.7857	404273	1.1031
2001-3000	101	1.4429	259024	0.7067
3001-4000	51	0.7286	183579	0.5009
4001-5000	35	0.5000	167069	0.4558
5001-10000	81	1.1571	596717	1.6281
>10000	109	1.5571	33736347	92.0494
Total	**7000**	**100.0000**	**36650276**	**100.0000**

(xiv) Outstanding Warrant

There was no outstanding warrant.

(xv) Address for Correspondence

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

The Company Secretary
SPML Infra Limited
SPML House, Plot No. 65, Sector-32,
Institutional Area, Gurgaon-122 001
Phone : +91-124-3944555
Fax : +91-124-3983201
E-mail : info@spml.co.in
Website: www.spml.co.in

8. CEO / CFO CERTIFICATION

The Managing Director (CEO) 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, 2017.

9. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

10. CODE OF CONDUCT

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

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

On behalf of the Board

Place: Kolkata
Date: 19th May, 2017

Subhash Chand Sethi
Chairman

DECLARATION BY THE MANAGING 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 'Code of Conduct' and 'Our Code' for the financial year 2016-17.

Place: Kolkata
Date: 19th May, 2017

Sushil Kumar Sethi
Managing Director

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, 2017 and to the best of their knowledge and belief:
   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. That they accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Further they have not come across any reportable deficiency in the design or operation of such internal control.
4. That they have indicated to the auditors and the Audit committee:
   i) about any significant changes in internal control over financial reporting during the year;
   ii) that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii) that there are no instances of significant fraud of which they have become aware.

Place: Kolkata
Date : 19th May 2017

Sushil Kumar Sethi
Managing Director

Sujit Jhunjhunwala
CFO

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
SPML Infra Limited

1. We have examined the compliance of conditions of corporate governance by SPML Infra Limited ("the Company") for the year ended on March 31, 2017, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representation made by the directors and management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.
5. We 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 Sunil Kumar Gupta & Co
Chartered Accountants
Firm Registration No 003645N

SK Gupta
Partner
Membership No 082486

Place: Kolkata
Date: 25.08.2017

CSR ACTIVITIES AT **SPML INFRA**

At SPML, we believe that inclusive growth is not a destination but a journey. A journey made possible by the progressive engagement of all stakeholders in the developmental process. The Company strives to achieve sustainable development across the realms of health, sanitation, social development and environmental conservation driven by the core values of care, passion, awareness and improvement. Besides focusing on the welfare of economically and socially-deprived sections of the society, SPML aims to provide viable eco-friendly services to people across the nation by ensuring the highest standards of safety and environmental protection as a part of its day-to-day operations.

Some of these initiatives include:

- Started the **Beti Bachao** campaign in 2010 in Delhi and thereafter spread it to several other cities across India and undertook social media-driven campaigns in Haryana and Rajasthan to educate people about the importance of the girl child
- Started in 1981, the very year the company was incepted, the **Free Limb Distribution** programme is still going strong. Several camps are organised every year in different cities to distribute free artificial limbs to the needy to overcome their challenges.
- Organised 20 **Eye Care & Health Camps** on a quarterly basis over the past five years thereby providing >5,000 people with free health and eye check-up facilities and medicines, spectacles, among others and returning the gift of vision to >500 people via free cataract surgeries organised by the Company
- Organised regular **Dental Care Camps** at schools to provide free-of-cost consultation and medicines to students from the economically weaker sections of the society
- Organised **Public Awareness Programmes** on water, sanitation and environmental conservation backed by dedicated outdoor campaigns to raise awareness regarding environmental conservation among residents, waste collectors and handlers and school students
- Spread awareness about the importance of cleanliness in line with the tenets of the **Swacch Bharat Abhiyan** in Delhi's busy market areas and residential colonies.
- Spread messages pertaining to the importance of **Water Conservation** via regular outdoor (hoardings, boards, message boards, bulletins) and mass media campaigns across Delhi and few other cities
- Undertook **Tree Plantation for Water and Environment Conservation** activities at project sites across the country

Independent Auditor's Report

TO THE MEMBERS OF SPML INFRA LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SPML Infra Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matter stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Basis for Qualified Opinion

As explained in note 39 to the standalone financial statements, the Company's trade receivable, fixed assets and inventories as at 31 March, 2017 comprise of ₹ 11,198.02 lakhs (31 March, 2016: ₹ 4,829.10 lakhs), ₹ 558.21 lakhs (31 March, 2016: ₹ 695.49 lakhs) and ₹ 1,040.62 lakhs (31 March, 2016: ₹ 500.47 lakhs), respectively, related to contracts which have been foreclosed in earlier year and current year and these are presently under arbitration/ litigation proceedings. In absence of sufficient appropriate evidence, we are unable to comment upon the recoverability of the aforesaid trade receivable and carrying value and existence of the aforesaid fixed assets and inventories and the consequential impact, if any, that may arise on settlement of the aforesaid matters.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified paragraph, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw your attention to note 43 to the standalone financial statements, which indicates the uncertainty relating to the recovery of trade and other receivables amounting to ₹ 23,358.81 lakhs as at 31 March 2017 (31st March 2016: 15,997.75 lakhs) and recognition of interest income amounting to ₹ 6,603.68 lakhs during the year ended 31st March 2017 (₹ 5,049.74 lakhs upto the year ended 31st March 2016). These amounts relates to the litigations pending with various courts with respect to arbitration awards pronounced in favor of the Company and recognized by the Company in the current year and earlier years, wherein the customers have gone into appeals. Pending the final outcome of these litigations, which is presently unascertainable, no adjustment has been recorded in the annual financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:

   a. we have sought and except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph, 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 standalone financial statements dealt with by this Report are in agreement with the books of account;

   d. except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

   e. the matters described in paragraph under the Emphasis of Matters and Basis of Qualified Opinion paragraph, in our opinion, may have adverse effect on the functioning of the Company;

   f. on the basis of the written representation received from the directors as on 31 March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 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 of Qualified Opinion paragraph;

   h. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 19 May, 2017 as per Annexure B expressed an unqualified opinion.

      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, in our opinion and to the best of our information and according to the explanations given to us:

      i. as detailed in note 24(a) to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;

      ii. except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph, the Company as detailed in note 34(b) to the standalone financial statements, has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative;

      iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. the Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 38 to the standalone financial statements.

For **Sunil Kumar Gupta & Co.**
Chartered Accountants
Firm's Registration No.: 003645N

per **S. K. Gupta**
Partner
Membership No.: 082486

Place: Kolkata
Date: 19th May 2017

Annexure A

Annexure to the Independent Auditor's report of even date to the Members of SPML Infra Limited, on the Standalone Financial Statements for the year ended 31 March, 2017

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, 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 fixed assets were verified during the year and no material discrepancies were noticed on such verification (except to the extent stated in note 39 of the standalone financial statements).

(c) The title deeds of all the immovable properties (which are included under the head 'fixed assets') are held in the name of Company.

(ii) In our opinion, the management has conducted a physical verification of inventory at reasonable intervals, except for as stated in note 39, which have not been verified during the year. No material discrepancies between physical inventory and book records were noticed on physical verification of inventory so physically verified.

(iii) The Company has granted unsecured loans companies and other parties covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest.

(b) the schedule of repayment of the principal and the payment of the interest has not been stipulated and hence we are unable to comment as to whether repayments/ receipts of the principal amount and the interest are regular;

(c) in the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.

(iv) In our opinion, Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) 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 under sub-section (1) of section 148 of the Act in respect of Company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) Undisputed statutory dues including including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited to 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:

Statement of arrears of statutory dues outstanding for more than six months: *(Amount in Lakhs)*

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Due date	Date of payment
Employees Provident Fund,1952 and Employees State Insurance, 1948	PF and ESI (including Interest on delayed payment of PF and ESI)	18.93	April 2012 to August 2016	15th day of the subsequent month	Not yet paid
Income Tax Act, 1961	TDS (including interest on delayed payment of TDS)	48.29	April 2016 to August 2016	7th day of the subsequent month	Not yet paid
Finance Act,1994	Service Tax	52.26	April 2016 to August 2016	6th day of the subsequent month	Not yet paid
Gujarat Value Added Tax Act, 2003	Work Contract Tax	7.29	Apr 2016 to August 2016	15th day of the subsequent month	Not yet paid
Uttar Pradesh Value Added Tax Act, 2008	Work Contract Tax	143.44	Mar 2016 to August 2016	15th day of the subsequent month	Not yet paid
Karnataka Value Added Tax Act, 2003	VAT	232.39	Apr 2015 to August 2016	15th day of the subsequent month	Not yet paid
The Bihar Value Added Tax Act, 2005	Work Contract Tax	51.36	Apr 2015 to August 2016	15th day of the subsequent month	Not yet paid
The West Bengal Value Added Tax Act, 2003	Work Contract Tax	18.65	Apr 2015 to August 2016	15th day of the subsequent month	Not yet paid
The Orissa Value Added Tax Act, 2004	Work Contract Tax	0.81	Apr 2015 to August 2016	15th day of the subsequent month	Not yet paid

(b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Statement of disputed cases: *(Amount in Lakhs)*

Name of the statute	Nature of the dues	Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	3236.73	0	AY 2011-12	CIT Appeal - 3
The Income Tax Act, 1961	Income tax	63.41	0	AY 2007-08	CIT Appeal - 3
The Income Tax Act, 1961	Income tax	4.76	0	AY 2014-15	CIT Appeal - 3
Karnatka Value Added Tax, 2003	Disallowance of Input Tax Credit and TDS	34.20	0	FY 2012-13	JCCT Appeals, Karnatka
Karnatka Value Added Tax, 2003	Karnataka VAT Disallowing all ITC labouR & TDS	32.00	0	FY 2010-11	DCCT-Audit 5.8-Koramangala
West Bengal CST Act, 1956	Non production of C and E forms	105.10	0	FY 2005-06	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata

Statement of disputed cases: *(Amount in Lakhs)*

Name of the statute	Nature of the dues	Amount	Amount paid under Protest	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	991.62	0	FY 2006-07	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	0	FY 2007-08	West BengalC ommercial Taxes Appellate and Revisional Board, Kolkata
West Bengal CST Act, 1956	Non production of C and E forms	105.34	0	FY 2007-08	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	404.98	0	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	0	FY 2009-10	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal CST Act, 1956	Denial of deduction u/ s18(2) of the WB VAT Act	335.63	0	FY 2009-10	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal CST Act, 1956	Exemption under RGGVY scheme	137.72	0	FY 2006-07	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal CST Act, 1956	Exemption under RGGVY scheme & Denial of deduction u/s18(2) of the WB VAT Act	95.74	0	FY 2008-09	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal CST Act, 1956	WCT sales taxedimproperly, input creditnot allowed and interestcharged	20.04	0	FY 2010-11	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal CST Act, 1956	Disallowance of input taxcredit , interest chargedand demand of purchaseand output tax	75.27	0	FY 2012-13	Senior Joint Commissioner of Sales Tax, Kolkata (South) Circle
West Bengal CST Act, 1956	Disallowance of input taxcredit ,	113.52	0	FY 2013-14	Joint Commr, Comml Taxes, Central Audit Unit, Kolkata
Bihar Vat Act, 2005	Disallowance of labour component	43.13	0	FY 2007-08	JCCT Appeals, Patna
Bihar Vat Act, 2005	Denied the exemptionu/s 6(2) of the CSTAct, on the grounds ofpre-determined salesand non-production ofstatutory forms	234.17	0	FY 2010-11	JCCT Appeals, Patna

Statement of disputed cases: *(Amount in Lakhs)*

Name of the statute	Nature of the dues	Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
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	0	FY 2011-12	JCCT Appeals, Patna
Central Sales Tax Act, 1956	Disallowance of Assessed E-1 Sales out of West Bengal State	333.73	0	FY 2005-06 TO 2007-08	Appellate Tribunal,Com. Tax, Range IInd, Agra Remanded back to CTO Agra.
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	195.30	0	FY 2004-05 to 2010-11	JCCT (Appeals) Jamshedpur
Jharkhand VAT Act, 2005	Tax Demand on receipts and suppression of turnover	38.24	0	FY 2011-12	JCCT (Appeals) Jamshedpur
Central Sales Tax Act, 1956	Tax Demand on receipts and suppression of turnover	61.53	0	FY 2011-12	JCCT (Appeals) Jamshedpur
Delhi VAT Act, 2004	Miscellaneous Demand	26.00	0	FY 2012-2013	Commissioner DVAT, Delhi
Rajasthan VAT Act, 2003	Tax liability on interstate Sales	9.37	0	FY 2009-10	Deputy Commissioner, Appeals-II Jaipur
Rajasthan VAT Act, 2003	Tax liability on interstate Sales	110.64	0	FY 2011-12	Deputy Commissioner, Appeals-II Jaipur
Finance Act, 1994	Service Tax on advance received	23.13	0	FY 2005-06 to 2006-07	Commissioner Service Tax, Kolkata

(viii) There are no loans or borrowings payable to government and no dues payable to debenture-holders. The company has defaulted in repayment of loans/ borrowings to the following banks and financial institutions:

(Amount in Lakhs)

Name of Lender	Amount	
	Upto 90 days	More than 90 days
Banks		
ICICI Bank	224.00	–
State Bank of India	115.85	–
State Bank of Hyderabad	18.78	–
Oriental Bank of Commerce	6.96	–
Financial Institutions		
SREI	6.14	–

Further, during the year, the Company delayed in repayment of dues to banks and financial institutions as detailed below:

(Amount in Lakhs)

Name of Lender	Amount	
	Upto 90 days	More than 90 days
Banks		
ICICI Bank	931.29	–
Yes Bank	303.18	–
Canara Bank	176.54	–
State Bank of Hyderabad	10.99	–
Oriental Bank of Commerce	6.84	–
Financial Institutions		
SREI	69.57	–
IFCI	1298.25	–

The company is enjoying working capital facility of ₹ 2,54,448 lakhs (funded and non-funded) and there is outstanding amount of ₹ 2,45,436 lakhs as at March 31, 2017 which includes overdrawn amount of ₹ 25,415 lakhs including interest overdrawn amounting ₹ 19.28 lakhs.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid and provided by the company in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion, all transaction with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with them covered under section 192 of the Act.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Sunil Kumar Gupta & Co.**
Chartered Accountants
Firm's Registration No.: 003645N

per **S. K. Gupta**
Partner
Membership No.: 082486

Place: Kolkata
Date: 19th May 2017

Annexure - B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the standalone financial statements of SPML Infra Limited ("the Company") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of 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 over financial reporting 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 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 IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

A company's IFCoFR 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 IFCoFR 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 unauthorised 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 over Financial Reporting

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR 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, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting 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 issued by the Institute of Chartered Accountants of India.

For **Sunil Kumar Gupta & Co.**
Chartered Accountants
Firm's Registration No.: 003645N

per **S. K. Gupta**
Partner
Membership No.: 082486

Place: Kolkata
Date: 19th May 2017

Balance Sheet as at March 31, 2017

(All amount in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	819.45	819.45
Reserves and surplus	3	48,409.78	46,973.40
		49,229.23	**47,792.85**
Non-current liabilities			
Long-term borrowings	4	18,177.91	12,130.22
Other long-term liabilities	5	15,776.50	14,042.53
Long-term provisions	6	403.95	384.20
		34,358.36	**26,556.95**
Current liabilities			
Short-term borrowings	7	73,860.60	56,161.69
Trade payables	8		
Outstanding dues of creditors other than micro, small and medium enterprises		60,855.73	70,074.65
Outstanding dues of micro, small and medium enterprises		–	–
Other current liabilities	9	18,393.02	18,887.91
Short-term provisions	6	222.71	238.40
		153,332.06	**145,362.65**
		236,919.65	**219,712.45**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	4,460.25	5,837.19
Intangible assets	10	23.02	26.22
Non-current investments	11	25,142.13	25,142.71
Long-term loans and advances	12	10,659.28	9,531.94
Trade receivables	13	22,856.03	17,650.12
Other non-current assets	14	17,403.88	10,367.50
		80,544.59	**68,555.69**
Current assets			
Inventories	15	4,009.21	3,984.30
Trade receivables	13	57,574.36	61,820.90
Cash and bank balances	16	10,875.25	9,078.42
Short-term loans and advances	12	15,969.19	17,711.62
Other current assets	14	67,947.05	58,561.52
		156,375.06	**151,156.76**
		236,919.65	**219,712.45**
Summary of significant accounting policies	1		

The notes to accounts 1 to 46 form an integral part of these financial statements.

This is the balance sheet referred to in our report of even date

For and on behalf of the Board of Directors

for **Sunil Kumar Gupta & Co.**
Chartered Accountants

Subhash Chand Sethi
Chairman
DIN No.00464390

Sushil Kr. Sethi
Managing Director
DIN No.00062927

per **S.K. Gupta**
Partner

Abhay Raj Singh
Company Secretary

Sujit Kumar Jhunjunwala
Chief Financial Officer

Place: Kolkata
Date: May 19, 2017

Statement of Profit and Loss for the year ended 31 March 2017

(All amount in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
REVENUE			
Revenue from operations	17	161,110.71	140,720.65
Other income	18	12,412.66	5,198.54
Total Revenue		**173,523.37**	**145,919.19**
EXPENSES			
Materials consumed and direct expenses	19	70,384.46	99,027.76
Cost of traded goods		65,200.11	13,653.65
Decrease in work-in-progress	20	(49.40)	275.07
Employee benefit expenses	21	5,173.94	5,309.04
Other expenses	22	9,406.96	6,098.51
		150,116.07	**124,364.03**
Earnings before interest, tax, depreciation and amortization (EBITDA)		**23,407.30**	**21,555.16**
Depreciation and amortization expenses	10	1,034.46	1,195.33
Finance cost	23	20,546.93	18,699.52
Profit before tax		**1,825.91**	**1,660.31**
Tax expenses:			
Current tax		389.53	354.41
Tax for earlier years		–	–
Deferred tax		–	–
		389.53	**354.41**
Profit for the year		**1,436.38**	**1,305.90**
Earnings per equity share (nominal value of equity share ₹2 each)			
Basic / Diluted earning per share (in ₹)	28	3.92	3.56
Summary of significant accounting policies	1		

The notes to accounts 1 to 46 form an integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date

For and on behalf of the Board of Directors

for **Sunil Kumar Gupta & Co.**
Chartered Accountants

Subhash Chand Sethi
Chairman
DIN No.00464390

Sushil Kr. Sethi
Managing Director
DIN No.00062927

per **S.K. Gupta**
Partner

Abhay Raj Singh
Company Secretary

Sujit Kumar Jhunjunwala
Chief Financial Officer

Place: Kolkata
Date: May 19, 2017

Cash Flow Statement for the year ended 31 March 2017

(All amount in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,825.91	1,660.65
Adjustment to reconcile profit before tax to net cash flows :		
Company's share in (profit) /loss of Joint Ventures	(86.14)	(194.00)
Depreciation and amortization expenses	1,034.46	1,195.33
Loss on sale/ discard of fixed assets	(734.54)	16.44
Loss on sale of investments (net)	–	(360.24)
Sundry balances /liabilities written back	(144.91)	(854.29)
Bad debts/ sundry balances written off	4,582.74	1,121.91
Provision for diminution in value of investment	–	18.71
Interest expenses	20,546.93	18,699.26
Interest income	(10,991.80)	(2,523.11)
Operating profit before working capital changes	**16,032.65**	**18,780.66**
Changes in working capital :		
Increase in trade payables / other liabilities	(8,314.60)	14,017.65
Increase in provisions	4.06	36.23
(Increase) / decrease in trade receivables	(5,542.11)	(1,012.62)
(Increase) / decrease in inventories	(24.91)	(423.44)
(Increase) / decrease in loans and advances/ other assets	(7,679.99)	(5,107.52)
Cash generated from operations	**(5,524.90)**	**26,290.96**
Income taxes paid (net of refund)	(736.72)	(829.26)
Net cash generated from / (used in) operating activities (A)	**(6,261.61)**	**25,461.70**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including Capital work in progress and capital advances	(241.87)	(274.82)
Proceeds from sale of fixed assets	1,322.09	172.80
Profit from Joint Venture	86.14	–
Sale / (purchase) of non-current investments:		
-Subsidiaries	–	(1,887.56)
-Others	–	766.06
Sale / (purchase) of current investments	0.59	–
Loans given to related parties / others (net)	(759.94)	(1,184.46)
Advance given for purchase of shares	(191.07)	50.43
Movement in fixed deposits (having original maturity of more than three months)/upaid dividend	(477.44)	226.40
Interest received on loans given and bank deposits	3,923.72	2,351.84
Net cash generated from/(used in) investing activities (B)	**3,662.22**	**220.69**

Cash Flow Statement for the year ended 31 March 2017

(All amount in INR lakhs, unless otherwise stated)

	Year ended March 31, 2017	Year ended March 31, 2016
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term borrowings	(2,869.23)	(2,621.83)
Proceeds from long-term borrowings	9,274.98	7,124.47
Repayment from mobilisation advances (net)	(97.75)	(16,916.51)
Proceeds from short-term borrowings (net)	17,698.91	4,026.91
Dividend paid#	(1.93)	(1.80)
Interest refund on income tax	–	236.34
Interest paid	(20,325.66)	(18,852.00)
Net cash flow generated from / (used in) financing activities (C)	**3,679.32**	**(27,004.42)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**1,079.93**	**(1,322.03)**
Cash and cash equivalents at the beginning of the year	1,987.59	3,309.62
Cash and cash equivalents at the end of the year	**3,067.52**	**1,987.59**

	As at March 31, 2017	As at March 31, 2016
Components of cash and cash equivalents		
Cash on hand	21.51	46.33
With banks - on current account	3,046.01	1,914.02
- on deposit account *	–	27.24
	3,067.52	**1,987.59**

* lying with banks as security against letters of credits and Guarantees issued by them.

dividend deposited to investor education and protection fund

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

For and on behalf of the Board of Directors

for **Sunil Kumar Gupta & Co.**
Chartered Accountants

Subhash Chand Sethi
Chairman
DIN No.00464390

Sushil Kr. Sethi
Managing Director
DIN No.00062927

per **S.K. Gupta**
Partner
Place: Kolkata
Date: May 19, 2017

Abhay Raj Singh
Company Secretary

Sujit Kumar Jhunjunwala
Chief Financial Officer

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2017

(All amount in INR lakhs, unless otherwise stated)

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 two stock exchanges 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation

The financial statements have been prepared on going concern basis under the historical cost basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents and the management considers this to be the project period.

ii) Use of estimates

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

iii) Tangible Fixed Assets

(a) Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT / VAT), taxes, incidental expenses, erection/commissioning expenses etc. upto the date the asset is ready to be put to use.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(b) Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be non-regular, are capitalized and depreciated prospectively over the useful life of the respective assets.

(c) Leasehold improvements are amortised over lease term, or estimated useful life whichever is shorter.

iv) Intangible Fixed Assets

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

v) Depreciation and amortisation

Gains and losses arising from de-recognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on fixed assets is calculated on straight line basis using the cost arrived at based on the useful lives estimated by the management. The company uses the following lives to provide depreciation on its fixed assets:

Block of asset	Revised estimated useful life (in years)
Buildings (including temporary structure)	3 – 60
Plant and equipment	9 – 20
Furniture and fixture	10
Office equipment	5
Computers	3 – 6
Vehicles	8 – 10
Software (Intangible asset)	5

vi) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

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.

vii) Impairment of tangible and intangible assets

The carrying amount of tangible and intangible assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows considered for determining the value in use, are discounted to their present value using a pre tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

viii) Leases

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets is classified as operating lease. Operating lease payments are recognized as expense in the Statement of Profit & Loss on straight line basis over the lease term.

ix) Investments

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

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However provision for diminution in value is made to recognise a decline other than temporary in the nature of investment.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

x) 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.

Stock of trading goods is valued at lower of cost, or net realizable value. Cost is determined on First In First Out (FIFO) basis.

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

xi) Unbilled revenue

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.

xii) Revenue recognition

(a) Construction contracts

Revenue from contracts is recognized on "percentage completion method" based on the stage of completion of the contract. The stage of completion is determined as a proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total costs. When it is probable that the total contract cost will exceed the total contract revenue, the future loss is recognized immediately. The future loss is adjusted with unbilled revenue. For this purpose, total contract costs are ascertained on the basis of actual costs incurred and costs to be incurred for completion of contracts in progress, which is arrived at by the management based on current technical data, forecasts and estimate of expenditure to be incurred in future including contingencies. Revisions in projected profit or loss arising from change in the estimates are reflected in each accounting period.

Overhead expenses representing indirect costs that cannot be directly aligned with the jobs are allocated over the various contracts on a systematic basis.

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

The Company collects Value Added Tax (VAT), Sales tax and Service tax on behalf of the government and therefore, these are not economic benefits flowing to the Company and have been excluded from revenue.

Arbitration awards which are granted in favor of the Company by independent arbitrators are accounted for when the management is reasonable certain of its ultimate recovery. The interest granted on such awards is recognized as per terms of the award.

(b) Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company and have been excluded from revenue.

(c) Income from Services

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

(d) Interest

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

(e) Dividends

Revenue is recognized when the company's right to receive payment is established by the balance sheet date.

xiii) 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 in terms of the provisions contained in Accounting Standard – 29.

xiv) Foreign currency transactions

Initial Recognition

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

Conversion

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

Exchange Differences

Exchange differences arising on the settlement 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 recognized as 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 amortized as expense or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

xv) Retirement and other employee benefits

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.

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

Accumulated leave, which is expected to be utilized 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.

Actuarial gain and losses are recognized immediately in the Statement of Profit & Loss as income or expense.

xvi) Income taxes

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

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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

xvii) Earnings Per Share

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

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

xviii) Provisions

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

Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xix) Cash and Cash Equivalents

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

xx) Accounting for interests in joint ventures

Accounting for joint ventures undertaken by the Company has been done as follows:

Type of Joint Venture	Accounting treatment
Jointly controlled operations	Company's share of profit/(loss) are included in the financial statements as share of Profit/ (Loss) of Joint Venture and adjusted with the value of Investment.
Jointly controlled Entities	Company's investment in joint ventures is reflected as investment and accounted for in accordance with para 1 (viii) above.

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 recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xxii) Measurement of EBITDA (Earnings before interest, tax, depreciation and amortization)

The Company has elected to present EBITDA as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

2. SHARE CAPITAL

	As at 31 March 2017	As at 31 March 2016
Authorized capital		
20,00,00,000 (20,00,00,000) equity shares of ₹ 2/- each	4,000.00	4,000.00
10,00,000 (10,00,000) preference shares of ₹ 100/- each	1,000.00	1,000.00
	5,000.00	**5,000.00**
Issued, subscribed and paid-up capital		
3,66,50,276 (3,66,50,276) equity shares of ₹ 2/- each, fully paid -up	733.01	733.01
Add : Forfeited shares (amount originally paid up)	86.44	86.44
	819.45	**819.45**

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

	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning and end of the year	36,650,276	733.01	36,650,276	733.01

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share (previous year ₹ 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 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. Details of shareholders holding more than 5% equity shares of the Company

Name of Shareholders	As at 31 March 2017		As at 31 March 2016	
	Number of shares	% holding	Number of shares	% holding
Client Rosehill Limited	3,521,575	9.61	3,521,575	9.61
Zoom Industrial Services Limited	3,073,510	8.39	3,073,510	8.39
SPML India Limited	2,335,735	6.37	2,335,735	6.37
Udgam Commercial Limited	1,889,236	5.15	1,992,531	5.44
CVCIGP II Employee Rosehill Limited	1,972,301	5.38	1,972,301	5.38
Anil Kumar Sethi	1,902,835	5.19	1,902,835	5.19

d. No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceeding the reporting date.

3. RESERVES AND SURPLUS

	As at 31 March 2017	As at 31 March 2016
A. Capital reserve	885.73	885.73
B. Securities premium account	15,263.80	15,263.80
C. General reserve	5,929.05	5,929.05
D. Surplus in the statement of profit and loss		
Balance as per the last year	24,894.82	23,588.92
Profit for the year	1,436.38	1,305.90
Net surplus in the statement of profit and loss	**26,331.20**	**24,894.82**
Total reserves and surplus (A+B+C+D)	**48,409.78**	**46,973.40**

4. LONG-TERM BORROWINGS

Name of Shareholders	Non-current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Secured				
Term loans				
from banks (refer note 4.1)	5,383.25	1,950.00	1,862.05	1,650.00
from financial institutions (refer note 4.2)	2,466.32	3,308.42	848.24	631.58
Deferred payment credits (refer note 4.3)				
from banks	6.94	17.44	12.58	16.65
from others	26.83	34.77	7.93	74.51
Unsecured				
Term loans				
from related parties (refer note 4.4)	9,594.57	6,819.59	–	–
from Body corporate (refer note 4.5)	700.00	–	–	–
Sub total	**18,177.91**	**12,130.22**	**2,730.80**	**2,372.74**
Less: Amount disclosed under the head "other current liabilities" (refer note 9)	–	–	(2,730.80)	(2,372.74)
Total	**18,177.91**	**12,130.22**	–	–

4.1 Security and repayment terms in respect of term loans from banks

a. Term loan of ₹ Nil (₹ 312.50 lakhs) carries interest @ 12.75 % p.a. (I - Base plus spread @ 2.5% p.a.). The said loan is secured against a subservient charge on all the fixed assets and current assets (both present and future) of the Company and also by the personal guarantee of a promoter directors of the Company.

b. Term loan of ₹ 937.50 lakhs (₹ 1687.50 lakhs) carries interest @ 13.00 % p.a. (I - Base plus spread @ 3.75% p.a.) and is repayable in five quarterly instalments of ₹ 187.50 lakhs each along with interest thereon by March 2018. The said loan is secured against an exclusive charge over the Company's property located at Gurgaon.

c. Term loan of ₹ 507.80 lakhs (1,600 lakhs) carries interest @ 11.75 % p.a. (I - Base plus spread @ 2.05% p.a.) and is repayable in 12 quarterly instalments of ₹ 120 lakhs each along with interest thereon by February 2020. Prepayment of loan has been made to the extent principal amount of ₹ 932.20 lakhs which resulted into reduction of loan. The said loan is secured against an exclusive charge over the Company's office property located at Bengaluru and Subservient charge on all movable fixed assets and current assets (both present and future) of the Company. Further, loan is backed by the personal guarantee of the Managing Director of the Company and pledge of shares of the Company by the promoters.

d. As at the year ended March 31, 2017, the Company has defaulted in repayment of principal amount of loan and interest upto 90 days amounting to ₹ 239.50 lakhs (₹ 519.19 lakhs) and ₹ 126.19 (₹ 154.46 lakhs), respectively; the default for more than 90 days amounted to ₹ 6.14 lakhs (₹ 7.04 lakhs) to banks and financial institutions.

4.2 Security and repayment terms in respect of term loans from financial Institutions

Loan of ₹ 3,306.06 Lakhs (3,940 lakhs) taken from a financial institution carries interest @ 13.55% p.a. and is repayable in sixteen equated quarterly instalments by January 2021. The said loan is secured against an exclusive charge over the free hold property located at Faridabad, owned by SPML Industries limited and corporate guarantee provided by SPML Industries limited. The said loan is also secured against an exclusive charge over company's landed property situated at village - Bucholai, Tehsil - Gangapur, Dist- Sawaimadhopur, Rajasthan. Further, loan is backed by the personal guarantee provided by the Chairman and by the Managing director of the Company and pledge of shares of the company by the promoters.

4.3 Deferred payment credits from banks and others are secured against hypothecation of vehicles / construction equipments purchased against such loans and are repayable in equated monthly instalments (ranging from 8 to 32) carrying interest rates ranging from 9.60% to 11.46% p.a.

4.4 Loan from related parties carries interest @ 12.00% and is repayable after 5 years from the date of their receipts.

4.5 Loan from body corporates is repayable after 5 years from the date of their receipts.

5. OTHER LONG-TERM LIABILITIES

	As at 31 March 2017	As at 31 March 2016
Advance from customers including interest	7,819.48	7,204.89
Trade payables	7,957.02	6,837.64
	15,776.50	14,042.53

6. PROVISIONS

	Long term		Short term	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Provision for employee benefits				
Gratuity (refer note 36 (a))	403.95	384.20	106.44	112.00
Compensated absences	–	–	116.27	126.40
	403.95	384.20	222.71	238.40

7. SHORT-TERM BORROWINGS

	As at 31 March 2017	As at 31 March 2016
Secured		
From banks		
Cash Credit and demand loan facilities from bank (refer note 7.1)	66,818.82	46,550.16
Unsecured		
from related parties (refer note 7.2)	1,695.56	3,013.37
from bodies corporate (refer note 7.3)	5,346.22	6,598.16
	73,860.60	**56,161.69**
The above amount includes:		
Secured loans	66,818.82	46,550.16
Unsecured loans	7,041.78	9,611.53
	73,860.60	**56,161.69**

7.1- Demand loans and 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 and also the lien on fixed deposit of ₹ 38 lakhs in favour of lead banker as a pari passu charge with other consortium bankers. These loans are additionally secured by the guarantees of three promoter directors of the Company and corporate guarantee of SPM Engineers Limited (related party). The demand loans and cash credit and working capital facilities carry interest @ 12.65% to 16.25% p.a.

7.2 - Loan from related parties is repayable on demand and carry interest @ Nil to 14.5%.

7.3 - Loans from bodies corporate carry interest @ 12% p.a to 18% p.a..

8. TRADE PAYABLES

	As at 31 March 2017	As at 31 March 2016
Micro, small and medium enterprises (refer note 31)	–	–
Others	60,855.73	70,074.65
	60,855.73	**70,074.65**

9. OTHER CURRENT LIABILITIES

	As at 31 March 2017	As at 31 March 2016
Advance from customers	9,139.40	9,851.73
Current maturities of long-term borrowings (refer note 4)	2,730.81	2,372.74
Interest accrued and due on borrowings	725.61	423.84
Interest accrued and not due on borrowings	21.20	27.49
Interest accrued on advance from customers	3,510.49	3,584.70
Interest on micro, small and medium enterprises (refer note 31)	–	52.56
Unpaid dividend*	2.77	4.70
Salaries and other employee benefit payable	1,021.46	976.01
Statutory dues payable	1,241.28	1,594.14
	18,393.02	**18,887.91**

* there is no amount due and outstanding which is to be transferred to investor education & protection fund.

10. FIXED ASSETS

	Freehold Land	Buildings	Temporary site sheds and shuttering materials	Plant and machinery	Furniture and Fixtures	Vehicles	Site office/ equipments	Intangible assets (softwares)	Total
Gross block									
At April 1, 2015	151.06	1,684.35	2,342.17	6,998.81	1,777.96	1,185.26	2,250.02	409.47	16,799.10
Additions during the year	–	–	–	149.76	20.61	8.04	96.41	–	274.82
Sale/ disposals during the year	–	–	–	(54.05)	–	–	–	–	(54.05)
At March 31, 2016	**151.06**	**1,684.35**	**2,342.17**	**7,094.52**	**1,798.57**	**1,193.30**	**2,346.43**	**409.47**	**17,019.87**
At April 1, 2016	**151.06**	**1,684.35**	**2,342.17**	**7,094.52**	**1,798.57**	**1,193.30**	**2,346.43**	**409.47**	**17,019.87**
Additions during the year	–	–	–	164.68	18.10	1.30	57.79	–	241.87
Sale/ disposals during the year	–	(322.49)	–	(454.31)	(975.12)	–	(64.41)	–	(1,816.33)
At March 31, 2017	**151.06**	**1,361.86**	**2,342.17**	**6,804.90**	**841.55**	**1,194.60**	**2,339.81**	**409.47**	**15,445.41**
Depreciation									
At April 1, 2015	–	207.10	2,286.03	3,659.16	975.82	753.79	1,723.75	378.04	9,983.69
Charge for the year	–	29.76	19.09	559.90	214.74	94.86	271.77	5.21	1,195.33
On sale/ disposals	–	–	–	(22.56)	–	–	–	–	(22.56)
At March 31, 2016	**–**	**236.86**	**2,305.12**	**4,196.50**	**1,190.56**	**848.65**	**1,995.52**	**383.25**	**11,156.46**
At April 1, 2016	**–**	**236.86**	**2,305.12**	**4,196.50**	**1,190.56**	**848.65**	**1,995.52**	**383.25**	**11,156.46**
Charge for the year	–	29.76	19.02	563.81	213.59	85.69	119.38	3.20	1,034.46
On sale/ disposals	–	(98.46)	–	(324.36)	(744.76)	–	(61.19)	–	(1,228.77)
At March 31, 2017	**–**	**168.16**	**2,324.13**	**4,435.96**	**659.39**	**934.34**	**2,053.71**	**386.45**	**10,962.14**
Net Block									
At March 31, 2016	**151.06**	**1,447.49**	**37.05**	**2,898.02**	**608.01**	**344.65**	**350.91**	**26.22**	**5,863.41**
At March 31, 2017	**151.06**	**1,193.70**	**18.04**	**2,368.94**	**182.15**	**260.26**	**286.10**	**23.02**	**4,483.27**

11. NON CURRENT INVESTMENTS

	As at 31 March 2017	As at 31 March 2016
Long term (valued at cost unless otherwise stated)		
(A) Investment in others		
(a) Equity shares (fully paid-up)		
Arihant Leasing & Holding Limited 24,000 (Previous year 24,000) equity shares of ₹ 10 each	0.75	0.75
Indian Arcylics Limited 100 (Previous year 100) equity shares of ₹ 10 each	0.01	0.01
Petrochem Industries Limited 500 (Previous year 500) equity shares of ₹ 10 each	0.14	0.14
Best and Crompton Engineering Limited 200 (Previous year 200) equity shares of ₹ 10 each	0.10	0.10
SPML India Limited 10,000 (Previous year 10,000) equity shares of ₹ 10 each	1.50	1.50
Hindustan Engineering & Industries Limited (Bonus Shares) 4 (Previous year 4) equity shares of ₹ 10 each	–	–
(b) Debentures (fully paid-up)		
Escorts Tractors Limited 25 (Previous year 25) Debentures of ₹ 1 each	0.01	0.01
Hindustan Engineering & Industries Limited 110 (Previous year 110) Debentures of ₹ 1 each	0.06	0.06
	2.57	**2.57**
Less: provision for diminution in value of investments	2.56	2.56
Net quoted investments	**0.01**	**0.01**
(B) Unquoted		
Equity shares (fully paid-up)		
In subsidiary companies (fully paid-up)		
Subhash Kabini Power Corporation Limited* 18,586,300 (Previous year 18,586,300) equity shares of ₹ 10 each. Of the above, 13,122,000 (Previous year 13,122,000) equity shares are under first pari passu charge with State Bank of India against Loan.	2,715.13	2,715.13
Bhilwara Jaipur Toll Road Private Limited* 3,520,302 (Previous year 3,520,302) equity shares of ₹ 10 each. Of the above, 12,49,336 (Previous year 12,49,336) equity shares are pledged with ICICI Bank and Punjab National Bank against loans obtained by the said investee Company.	5,285.45	5,285.45
Madurai Municipal Waste Processing Company Private Limited 5,878,000 (Previous year 5,878,000) equity shares of ₹ 10 each	587.80	587.80
Bhagalpur Electricity Distribution Company Private Limited 10,000 (Previous year 10,000) equity shares of ₹ 10 each	1.00	1.00

11. NON CURRENT INVESTMENTS

	As at 31 March 2017	As at 31 March 2016
(B) Unquoted (contd...)		
Mizoram Infrastructure Development Company Limited 34,500 (Previous year 34,500) equity shares of ₹ 10 each	5.00	5.00
SPML Infraprojects Limited 250,000 (Previous year 250,000) equity shares of ₹ 2 each	5.00	5.00
SPML Infra Developers Limited 250,000 (Previous year 250,000) equity shares of ₹ 2 each	5.00	5.00
Delhi Waste Management Limited 292,500 (Previous year 292,500) equity shares of ₹ 10 each	29.25	29.25
Mizoram Power Development Corporation Limited 89,625 (Previous year 89,625) equity shares of ₹ 10 each	8.91	8.91
Neogal Power Company Private Limited 8,736,774 (Previous year 8,736,774) equity shares of ₹ 1 each	1,324.82	1,324.82
Awa Power Company Private Limited 11,639,605 (Previous year 11,639,605) equity shares of ₹ 1 each	1,794.99	1,794.99
Luni Power Company Private Limited 7,049,597 (Previous year 7,049,597) equity shares of ₹ 1 each	1,053.92	1,053.92
IQU Power Company Private Limited* 8,580,500 (Previous year 8,580,500) equity shares of ₹ 1 each. Of the above, 2,506,875 (Previous year 2,506,875) equity shares are pledged with Punjab National Bank against loans obtained by the said investee Company.	1,115.53	1,115.53
Binwa Power Company Private Limited 2,948,340 (Previous year 2,948,340) equity shares of ₹ 1 each	436.09	436.09
SPML Energy Limited 99,550,000 (Previous year 99,550,000) equity shares of ₹ 1 each	995.50	995.50
SPML Infrastructure Limited 4,964,500 (Previous year 4,964,500) equity shares of ₹ 1 each	4,196.43	4,196.43
ADD Urban Enviro Limited 2,467,000 (Previous year 2,467,000) equity shares of ₹ 1 each	1,770.10	1,770.10
Subhash Urja Private Limited 10,000 (Previous year 10,000) equity shares of ₹ 10 each	1.00	1.00
SPML Utilities Limited 200,000,000 (Previous year 200,000,000) equity shares of ₹ 1 each	2,000.00	2,000.00
Doon Valley Waste Management Private Limited 25,000 (Previous year 25,000) equity shares of ₹ 10 each	2.50	2.50
Jamshedpur Waste Processing Company Private Limited 35,000 (Previous year 35,000) equity shares of ₹ 1 each	0.35	0.35
Mathura Nagar Waste Processing Company Private Limited 255,000 (Previous year 255,000) equity shares of ₹ 1 each	2.55	2.55
Allahabad Waste Processing Company Private Limited 255,000 (Previous year 255,000) equity shares of ₹ 1 each	2.55	2.55
	23,338.87	**23,338.87**
Less: provision for diminution in value of investments	11.41	11.41
	23,327.46	**23,327.46**

11. NON CURRENT INVESTMENTS

	As at 31 March 2017	As at 31 March 2016
In Associate Companies		
Mizoram Mineral Development Corporation Limited 73,500 (Previous year 73,500) equity shares of ₹ 10 each	7.30	7.30
Aurangabad Jal Supply Solution Private Limited 2,600 (Previous year 2,600) equity shares of ₹ 10 each	0.26	0.26
Aurangabad Jal Construction Private Limited (Formerly Essel Water Utility Company Private Limited) 2,600 (Previous year 2,600) equity shares of ₹ 10 each	0.26	0.26
SPML Bhiwandi Water Supply Infra Limited 224,700 (Previous year 224,700) equity shares of ₹ 1 each	2.25	2.25
SPML Bhiwandi Water Supply Management Limited 250,000 (Previous year 250,000) equity shares of ₹ 1 each	2.50	2.50
Pondicherry Port Limited 100 (Previous year 100) equity shares of ₹ 10 each	0.01	0.01
	12.58	**12.58**
Less: provision for diminution in value of investments	7.30	7.30
	5.28	**5.28**
In Joint Ventures (refer note 29)		
Om Metal Consortium	718.46	719.58
Siddharth - Mahaveer - SPML JV	92.15	97.72
SPML - Simplex JV	28.61	25.39
SPML - CISC JV	20.06	18.90
M&P + Subhash JV	13.54	11.81
Malviya Nagar Water Services Pvt Limited 2,205,000 (Previous year 2,205,000) equity shares of ₹ 10 each	220.50	220.50
Gurha Thermal Power Company Limited 25,000 (Previous year 25,000) equity shares of ₹ 10 each	2.50	2.50
MVV Water Utility Pvt Ltd TYPE A Shares 10,000 (Previous year 10,000) equity shares of ₹ 10 each	1.00	1.00
MVV Water Utility Pvt Ltd TYPE B Shares 364,693 (Previous year 364,693) equity shares of ₹ 10 each	26.26	26.26
	1,123.08	**1,123.66**
In Others		
Bharat Hydro Power Corporation Limited 3,294,150 (Previous year 3,294,150) equity shares of ₹ 10 each	211.85	211.85
Om Metal - SPML Infraproject Private Limited 4,999 (Previous year 4,999) equity shares of ₹ 10 each	0.50	0.50
Jarora Nayaganv Toll Road Company Private Limited* 500 (Previous year 500) equity shares of ₹ 10 each. The equity shares are pledged with OBC Bank against loans obtained by the said investee Company.	0.05	0.05
	212.40	212.40

11. NON CURRENT INVESTMENTS

	As at 31 March 2017	As at 31 March 2016
Preference Shares In Subsidiary Companies (Fully Paid-up)		
Allahabad Waste Processing Company Private Limited 5,000,000 (Previous year 5,000,000) Preference Shares of ₹ 1 each	450.00	450.00
	450.00	**450.00**
Debentures (Fully Paid-Up)		
MVV Water Utility Pvt Ltd 18,380 (Previous year 18,380) Debentures of ₹ 100 each	18.38	18.38
	18.38	**18.38**
Others:		
Unquoted		
National Saving Certificate	0.52	0.52
Mutual funds 50,000 (Previous year 50,000) units of ₹ 10 each	5.00	5.00
	5.52	**5.52**
Total	**25,142.13**	**25,142.71**
Aggregate value of investments		
Quoted (net of provision in value of diminution)	0.01	0.01
Unquoted (net of provision in value of diminution)	25,142.12	25,142.70
Market value of quoted investment	0.01	0.01

Notes :

* The Company has given an undertaking to the banks not to sell its share holding in the aforementioned investee companies till the full repayment of the loans.

12. LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)

	Long term		Short term	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Capital advances	251.25	251.25	–	–
Security deposits/ earnest money deposits	–	–	836.98	1,296.38
Loans to related parties (partly bearing interest)*	–	–	9,396.31	8,636.37
Other loans and advances :				
Advances recoverable in cash or kind	–	–	1,809.85	3,501.80
Advance income-tax (net of provision for taxation of ₹ 2343.66 lakhs (₹1967.15 lakhs))	8,879.17	7,638.95	266.78	1,159.82
Prepaid expenses	–	–	1,281.16	1,270.35
Value added tax/ work contract tax receivable	566.56	870.51	2,378.11	1,846.90
Advance towards share application money to related parties	962.30	771.23	–	–
	10,659.28	**9,531.94**	**15,969.19**	**17,711.62**

* Loans and advances due from private limited companies in which Company 's director(s) is/ are director(s)/ member(s)

Name	Short term	
	31 March 2017	31 March 2016
Binwa Power Company Private Limited	62.11	62.11
Luni Power Company Private Limited	321.51	256.58
Neogal Power Company Private Limited	534.50	469.89
Doon Valley Waste Management Private Limited	23.82	21.06
	941.94	**809.64**

13. TRADE RECEIVABLES* (Unsecured)

	Non-current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Outstanding for a period exceeding six months from the date they are due for payment				
considered good	22,856.03	17,650.12	39,600.39	41,046.97
considered doubtful	1,846.54	1,846.54	–	–
	24,702.57	**19,496.66**	**39,600.39**	**41,046.97**
Less : Allowance for bad and doubtful receivables	(1,846.54)	(1,846.54)	–	–
(A)	**22,856.03**	**17,650.12**	**39,600.39**	**41,046.97**
Other receivables				
considered good	–	–	17,973.97	20,773.93
(B)	–	–	**17,973.97**	**20,773.93**
Total (A + B)	**22,856.03**	**17,650.12**	**57,574.36**	**61,820.90**

* Includes retention money ₹ 19,967.47 lakhs (₹ 15,856.81 lakhs) and refer note 39,43 & 44.

Trade Recievable from private limited companies in which Company 's director(s) is/ are director(s)/ member(s)

Name	Current	
	31 March 2017	31 March 2016
Luni Power Company Private Limited	59.51	59.51
Neogal Power Company Private Limited	82.19	82.19
MVV Water Utility Private Limited	370.41	336.67
	512.11	**478.37**

14. OTHER ASSETS (Unsecured, considered good unless otherwise stated)

	Non-current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Non-current bank balances* (refer note 16)	3,163.67	3,403.14	–	–
Unbilled revenue	–	–	64,348.33	54,755.04
Interest accrued on fixed deposits/ other loans	590.58	465.42	1,284.88	1,338.47
Interest accrued on arbitration awards (refer note 43)	13,649.63	6,498.95	1,541.78	1,695.95
Recievable against sale of investment	–	–	772.06	772.06
	17,403.88	**10,367.50**	**67,947.05**	**58,561.52**

* lying with banks as security against letters of credits and Guarantees issued by them.

15. INVENTORIES

	As at 31 March 2017	As at 31 March 2016
Project materials	3,876.74	3,900.64
Stores and spares	49.43	50.02
Work in progress	83.04	33.64
	4,009.21	**3,984.30**

16. CASH AND BANK BALANCES

	Non-current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Cash and cash equivalents				
Balances with banks :				
On current accounts	–	–	3,046.01	1,914.02
Deposits with original maturity of less than three months*	–	–	–	27.24
Cash on hand	–	–	21.51	46.33
(A)	–	–	**3,067.52**	**1,987.59**
Other bank balances				
Deposits with original maturity for more than 12 months*	3,163.67	3,403.14	7,307.01	3,224.13
Deposits with original maturity for more than 3 months but less than 12 months*	–	–	497.95	3,862.00
Balances on unpaid dividend account	–	–	2.77	4.70
(B)	**3,163.67**	**3,403.14**	**7,807.73**	**7,090.83**
Amount disclosed under non-current assets (refer note 14)	(3,163.67)	(3,403.14)	–	–
(A+B)	–	–	**10,875.25**	**9,078.42**

* lying with banks as security against letters of credits and Guarantees issued by them.

17. REVENUE FROM OPERATIONS

	Year ended 31 March 2017	Year ended 31 March 2016
Operating Revenue		
Contract revenue	91,794.35	126,028.47
Sale of traded goods	65,691.90	13,757.70
Other operating revenue		
Operation and maintenance	1,097.95	934.48
Claims as per arbitration awards (refer note 43)	2,526.51	
	161,110.71	**140,720.65**

18. OTHER INCOME

	Year ended 31 March 2017	Year ended 31 March 2016
Interest income on		
Loans given	1,023.32	1,312.33
Bank deposits	779.98	948.28
Income tax refund	173.74	252.26
Arbitration awards (refer note 43)	9,014.76	1,042.86
Others	–	10.24
Sundry balances / liabilities written back (refer note 40)	144.91	854.29
Company's share in profit of Joint Ventures (net) (refer note 29)	86.14	194.00
Profit on sale of investment (net)	–	360.24
Profit on sale of fixed assets (Net)	734.54	–
Others	455.27	224.04
	12,412.66	**5,198.54**

19. MATERIAL CONSUMED AND DIRECT EXPENSES

	Year ended 31 March 2017	Year ended 31 March 2016
Construction materials and stores and spare consumed		
Opening stock	3,950.66	3,252.15
Add: purchases	35,892.91	71,731.20
	39,843.57	74,983.35
Less: closing stock	3,926.17	3,950.66
Materials Consumed	35,917.40	71,032.69
Direct expenses		
Subcontractor charges	32,184.97	26,429.74
Drawing and designing charges	69.93	85.07
Equipment hire and running charges	528.11	463.38
Other direct expenses	1,684.05	1,016.88
	34,467.06	27,995.07
	70,384.46	**99,027.76**

20. CHANGE IN WORK IN PROGRESS

	Year ended 31 March 2017	Year ended 31 March 2016
Opening work in progress	33.64	308.71
Less : Closing work in progress	83.04	33.64
(Increase)/Decrease in work in progress	**(49.40)**	**275.07**

21. EMPLOYEE BENEFIT

	Year ended 31 March 2017	Year ended 31 March 2016
Salaries, wages and bonus	4,742.27	4,793.80
Contribution to provident and other funds	280.90	335.84
Gratuity expense (refer note 36 (a))	65.11	89.23
Staff welfare expenses	85.66	90.17
	5,173.94	**5,309.04**

22. OTHER EXPENSES

	Year ended 31 March 2017	Year ended 31 March 2016
Rent	549.19	499.01
Rates and taxes	208.54	135.47
Repairs and maintenance:		
Building	16.31	22.51
Plant and machinery	76.26	53.18
Others	27.29	61.39
Insurance	323.39	433.80
Professional charges and consultancy fees	1,269.11	1,114.52
Vehicle running charges	577.11	553.01
Travelling and conveyance	559.41	617.41
Security Charges	393.95	
Communication expenses	84.06	87.80
Power and fuel	152.02	197.58
Printing & Stationery Expenses	43.96	
Charity and donations	3.12	15.78
Auditor's remuneration (refer note 22.1)	42.51	115.48
Business promotion	247.57	253.45
Loss on sale of fixed assets (net)	–	16.44
Provision for dimunition in value of investment	–	18.71
Bad debts / sundry balances written off	4,582.74	1,121.91
Miscellaneous expenses	250.42	781.06
	9,406.96	**6,098.51**

22.1 - PAYMENT TO AUDITOR

	Year ended 31 March 2017	Year ended 31 March 2016
As auditor:		
Audit fee	13.50	60.75
Tax audit fee	3.50	3.50
Limited review	22.25	44.25
Reimbursement of expenses	0.54	3.18
In other capacity:		
Other services (certification fees)	2.72	3.80
	42.51	115.48

23. FINANCE COSTS

	Year ended 31 March 2017	Year ended 31 March 2016
Interest (including interest on mobilisation advance amounting to ₹ 1,271.32 lakhs (₹ 2,060.38 lakhs))	16,115.84	14,725.41
Other borrowing costs	4,431.09	3,974.11
	20,546.93	18,699.52

24 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :

Particulars	As at 31 March 2017	As at 31 March 2016
(A) Claims against the Company not acknowledged as debts	1,110.13	1,066.51
(B) Claims towards liquidated damages not acknowledged as debts by the Company		
Against the above, debts of the like amounts are withheld by the customers.	19,630.65	15,694.27
However, the Company expects no material liability to accrue on account of these claims		
(C) Disputed demands		
(a) Income tax	#	#
(b) Excise / service tax*	23.13	23.13
(c) Sales tax / VAT*	4,209.04	3,596.42
(D) Performance bank guarantees, given on behalf of subsidiaries and joint ventures	5,528.10	6,352.10
(E) Corporate guarantees given to banks for financial assistance extended to subsidiaries and other bodies corporate	40,771.96	44,097.21

* In respect of above cases, based on favourable decisions in similar cases/legal opinions taken by the Company /discussions with the solicitors etc., the management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for liability has been made in the standalone financial statements.

Refer Note no. 25

25 The Company has claimed income tax benefits of ₹ 32,553.78 lakhs (₹ 31,064.84 lakhs upto March 31, 2016) approx. having tax impact of ₹ 9,633.74 lakhs (₹9,118.45 lakhs upto March 31, 2016) including ₹ 515.29 lakhs (March 31, 2016 : ₹ 452.06 lakhs) for the year under section 80IA of the Income Tax Act, 1961, on construction contracts for certain infrastructure projects executed on behalf of various departments / agencies of different State Governments during the financial years 2003-04 onwards. In the tax assessments for the financial years upto 2013-14 , the above claims were initially disallowed by the Tax Authorities, but the appellate authority during the earlier year allowed the aforesaid claims for the years 2005-2006 to 2009-2010. Accordingly, the Company believe that all such claims under Section 80IA would be allowed for subsequent years also. The Company's writ with the Honourable Calcutta High Court, challenging the validity of the

retrospective amendment in Section 80IA, which, as per legal opinion obtained by the Company, is ultra vires to the main section of the Income Tax Act, 1961, however, remains pending disposal.

26 CAPITAL AND OTHER COMMITMENTS

Particulars	As at 31 March 2017	As at 31 March 2016
Estimated amount of contracts remaining to be executed on capital account (net of capital advance of ₹ 251.25 lakhs (previous year ₹ 251.25 lakhs)) and not provided for	Nil	Nil

27 The Company has operating leases that are renewable on a periodic basis and are cancellable by giving a notice period ranging from one month to three months. There is no escalation clause in the lease agreements. There are no restrictions imposed by lease arrangements. The amount of rent expenses included in the Statement of Profit and Loss towards operating leases aggregate to ₹ 549.19 lakhs (previous year ₹499.01 lakhs).

28 EARNING PER SHARE

Particulars	As at 31 March 2017	As at 31 March 2016
Profit after tax (₹ in lakhs)	1,436.38	1,306.24
Weighted average number of equity shares outstanding during the year	36,650,276	36,650,276
Nominal value of equity per share (₹)	2.00	2.00
Basic and diluted earnings per Share (₹)	3.92	3.56

29 INTEREST IN JOINT VENTURES:

Particulars of the Company's interest in Joint Ventures are as below:

Name of Joint Venture	Proportion of Ownership	Country of	
		Incorporation	Residence
Siddartha - Mahavir-SPML	10%	India	India
Om Metal Consortium	5%	India	India
KBL - SPML (JV)*	50%	India	India
SPML - CISC JV	50%	India	India
SPML - Simplex	50%	India	India
SPML - HCIL*	33%	India	India
Malviya Nagar Water Services Private Limited	26%	India	India
Gurha Thermal Power Company Limited	50%	India	India
M&P + Subhash JV	40%	India	India
MVV Water Utility Private Ltd	48%	India	India
SPML - OM Metal JV	50%	India	India
Suez Environment France & SPML Infra Ltd India JV	48%	India	India
MEIL-SPML (JV)	49%	India	India

* Represents joint ventures where the Company, through a supplementary agreement with the JV partner, has altered its risk and reward from 50% and 33% to a specific amount of the contract representing 50% and 99% respectively of the total contract value and for which ''back to back'' work contract has been awarded to the Company by the joint venture entity. Accordingly, the Company's share of assets, liabilities, income and expense in respect of these JV entities has not been disclosed in the table given below since these figures have got incorporated directly through the contract accounting . However, joint venture partners are, jointly and severally, liable to clients for any claims in these projects as per the original terms of the contract.

The Company's share of assets, liabilities, income and expenses in the joint ventures as at and for the year ended March 31, 2017 is as follows:-

Name of the Joint Venture	Company's Share in					capital expenditure commitments and contingent liabilities
	Assets	Liabilities	Income	Expenses	Profit/(Loss) (-) after tax	
Siddartha-Mahavir-SPML # *	351.33	283.81	193.54	190.50	3.04	–
	(475.71)	(412.14)	(124.28)	(124.71)	0.44	–
OM Metal Consortium # ^	647.76	2.74	–	–	–	–
	(647.76)	(2.74)	(1.65)	(0.53)	(1.12)	–
SPML CISC JV # ^	13.36	2.64	–	–	–	–
	(13.36)	(2.64)	–	(1.16)	1.16	–
SPML - Simplex #	57.52	28.91	12.44	9.22	3.22	121.27
	(41.11)	(15.71)	(0.43)	(0.08)	(0.35)	(121.27)
Malviya Nagar Water Services Private Limited ^	501.76	475.87	–	–	–	–
	(501.76)	(475.87)	(921.02)	(936.87)	15.85	–
Gurha Thermal Power Company Limited *	610.97	608.47	–	–	–	–
	(610.97)	(608.47)	–	–	–	–
Suez Environment France & SPML Infra Limited India JV # *	982.89	981.59	1,172.28	1,176.09	(3.81)	–
	(982.89)	(977.78)	(1,533.31)	(1,532.95)	(0.36)	–
MVV Water Utility Pvt Limited *	1,012.18	979.33	163.82	162.06	1.76	41.68
	(959.95)	(928.86)	(182.69)	(165.63)	(17.06)	(41.68)
M&P + Subhash JV #	2,162.33	2,148.91	1.79	0.06	1.74	–
	(2,160.68)	(2,149.00)	(1.91)	(2.12)	0.21	–
SPML - OM Metal JV #*	709.54	709.54	1,564.94	1,507.43	57.52	–
	(1,184.61)	(1,184.61)	(12.19)	(12.19)	–	–
Total	7,049.63	6,221.79	3,108.81	3,045.34	63.47	162.95
	(7,578.79)	(6,757.82)	(2,777.49)	(2,776.25)	(1.24)	(162.95)
Share of Net Assets/Profit/(loss) after tax		**827.84**			**63.47**	
		(820.97)			**(1.24)**	

* These financial statement have been accounted for based on the management certified financial statement.

^ The financials statement of these entities was not available till the date of finalization.

\# Represents Joint Controlled Operations, wherein share of profit / loss have been accounted for in the standalone financial statement.

The above table does not include the amount pertaining to joint ventures where the Company has renounced a major part of its risk and reward in the joint ventures through supplementary agreement in favour of the joint venturer partners for a specified consideration which was duly accounted for upfront as Company's share of profit in the joint venture amounting to ₹194.34 lakhs (₹194.34 lakhs).

30 : RELATED PARTIES DISCLOSURE

Disclosure in respect of Accounting standard -18 'Related Party Disclosures' as specified under section 133 of Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rule, 2014 (as amended)

(A) Name of Related Party

(i) Subsidiary Companies

1	Subhash Kabini Power Corporation Limited
2	SPML Energy Limited
3	SPML Infrastructure Limited
4	SPM Holding Pte. Limited
5	Binwa Power Corporation Private Ltd
6	Awa Power Company Private Limited
7	IQU Power Company Private Ltd
8	Neogal Power Company Private Ltd
9	Luni Power Company Private Limited
10	Tons Valley Power Company Private Limited
11	Rupin Tons Power Company Private Limited
12	Uttarkashi Tons Hydro Power Private Limited
13	Delhi Waste Management Ltd
14	Add Urban Enviro Ltd
15	Add Energy Management Co. Private Limited
16	Madurai Municipal Waste Processing Co. Private. Limited
17	SPML Utilities Limited
18	Allahabad Waste Processing Co. Limited
19	Mathura Nagar Waste Processing Co. Limited
20	Mizoram Power Development Corporation Limited**
21	Bhilwara Jaipur Toll Road Private Limited
22	PT Sanmati Natural Resources
23	Mizoram Infrastructure Development Co. Limited
24	SPML Infraprojects Limited
25	SPML Infra Developers Limited
26	Bhagalpur Electricity Distribution Com P Ltd
27	Doon Valley Waste Management Private Limited
28	Jamshedpur Waste Processing Company Private Limited
29	SJA Developers Private Limited
30	Subhash Urja Private Limited
31	Synergy Promoters Private Ltd

(ii) Associates

1	Hydro Comp Enterprises (India) Limited
2	Mizoram Mineral Development Corporation Limited **
3	SPML Bhiwandi Water Supply Infra Limited
4	SPML Bhiwandi Water Supply Management Limited
5	Aurangabad Jal Supply Solution Private Limited
6	Aurangabad City Water Utility Co. Limited

(iii) Joint Ventures

1	SPML-CISC JV
2	SPML - Simplex JV
3	SPML-HCIL JV
4	OM Metals Consortium JV
5	Siddharth- Mahaveer SPML –JV
6	KBL-SPML JV
7	SPML - OM Metals JV
8	Malviya Nagar Water Services Private Limited
9	MVV Water Utility Private Limited
10	Gurha Thermal Power Co. Ltd
11	M&P+Subhash JV
12	SPML-SEW-AMR Joint Venture
13	SMS-SPML JV
14	SUEZ -SPML JV
14	MEIL-SPML (JV)

(iv) Key Management Personnel (KMP)

1	Mr. Subhash Chand Sethi	Chairman
2	Mr. Sushil Kumar Sethi	Managing Director
3	Mr. Rishabh Sethi***	Excutive Director and Son of Managing Director

(v) Relatives of Key Management Personnel

1	Mrs. Preeti Devi Sethi	Wife of Anil Kumar Sethi
2	Mr. Abhinandan Sethi	Son of Chairman

(vi) Enterprises owned by KMP's or their relatives or whether the KMP's have significantly influence

1	Arihant Leasing & Holding Co. Limited
2	Rishabh Homes Private Limited
3	Subhash Systems Private Limited
4	International Construction Limited
5	SPM Engineers Limited
6	Zoom Industrial Services Limited
7	Meena Homes Limited
8	20Th Century Engineering Limited
9	SPML India Limited
10	ADD Realty Limited #
11	Sanmati Power Company Private Limited
12	Add Eco Enviro Limited
13	Meena Holdings Limited
14	Add Technologies (India) Limited
15	Sushil Kumar Sethi & Sons (HUF)
16	Pondicherry Special Economic Zone Company Limited
17	Bharat Hydro Power Corporation
18	Om Metal-SPML Infra Project Private Limited
19	Peacock Pearl Business Solution Pvt Ltd
20	Sethi Infratech Private Limited
21	Niral Enterprises Pvt Ltd
22	SPML Industries Limited

Ceased to be associates w.e.f. March 31, 2016

**Company strike off w.e.f. Feb 22, 2017

***Resigned on Oct 6, 2016

(B) Transactions during the year

Nature of transaction	Subsidiary companies	Joint ventures	Associates	Key managerial personnel	Relative of KMP	Entities where significant influence is exercised by KMP and / or relatives
Sale of goods & services & Fixed Assets	–	11,928.77	–	–	–	5.00
	–	(2,572.64)	–	–	–	(1.50)
Purchase of goods & services	–	–	–	–	–	95.13
	(335.23)	–	–	–	–	(970.68)
Interest paid	642.38	–	–	23.24	–	878.30
	(459.64)	–	–	(12.12)	–	(722.48)
Purchase of investment	–	5.09	–	–	–	–
	(281.00)	–	–	–	–	–
Interest received	860.43	100.96	93.11	–	–	154.60
	(831.48)	(105.95)	(102.01)	–	–	(224.42)
Loan/ advance taken/ repaid/ share application money refunded	1,976.91	211.72	2.85	106.42	5.21	6,416.12
	(5,031.55)	(444.95)	(6.81)	(469.10)	–	(7,773.05)
Loan/ advance given/ repaid/ share application money	4,332.27	161.10	0.18	370.66	5.21	2,730.63
	(2,868.06)	(4.26)	(12.36)	(136.68)	–	(7,474.21)
Sale/ transfer of investment	–	–	–	–	–	–
	(572.06)	–	–	–	–	–
Managerial remuneration/ salary	–	–	–	169.58	25.40	–
	–	–	–	(162.09)	(25.40)	–
Commission received	–	72.95	–	–	–	–
	–	(176.63)	–	–	–	–
Rent paid/ accured	–	–	–	–	13.80	58.46
	(34.18)	–	–	–	(10.31)	(23.09)

Above include following material transactions

Nature of transaction	Subsidiary companies	Joint ventures	Associates	Key managerial personnel	Relative of KMP	Entities where significant influence is exercised by KMP and / or relatives
Sale of goods & services						
Malviya Nagar Water Services Pvt. Ltd	–	–	–	–	–	–
	–	(800.97)	–	–	–	–
SUEZ -SPML JV	–	1,627.34	–	–	–	–
	–	(1529.73)	–	–	–	–
MEIL-SPML (JV)		9365.15	–	–	–	–
		(–)	–	–	–	–

Nature of transaction	Subsidiary companies	Joint ventures	Associates	Key managerial personnel	Relative of KMP	Entities where significant influence is exercised by KMP and / or relatives
Purchase of goods & services						
Delhi Waste Management Limited	–	–	–	–	–	–
	(335.23)	–	–	–	–	–
Add Technologies (India) Limited	–	–	–	–	–	95.13
	–	–	–	–	–	(88.17)
Interest paid						
SPML Infrastrucurte Limited	127.40	–	–	–	–	–
	(277.65)	–	–	–	–	–
Delhi Waste Management Limited	446.22	–	–	–	–	–
	(60.40)	–	–	–	–	–
Meena Homes Limited	–	–	–	–	–	–
	–	–	–	–	–	(349.53)
Zoom Industrial Services Limited	–	–	–	–	–	163.91
	–	–	–	–	–	(146.86)
Bharat Hydro Power Corporation	–	–	–	–	–	264.16
	–	–	–	–	–	(133.63)
Purchase of investment						
Awa Power Company Private Limited	–	–	–	–	–	–
	(110.00)	–	–	–	–	–
IQU Power Company Private Limited	–	–	–	–	–	–
	(110.00)	–	–	–	–	–
Neogal Power Company Private Limited	–	–	–	–	–	–
	(40.00)	–	–	–	–	–
Interest received						
Bhagalpur Electricity Distribution Com Private Limited	328.82	–	–	–	–	–
	(374.40)	–	–	–	–	–
Add Urban Enviro Limited	165.91	–	–	–	–	–
	(62.89)	–	–	–	–	–
International Construction Limited	–	–	–	–	–	154.55
	–	–	–	–	–	(151.73)
Loan/ advance taken/ repaid/ share application money refunded						
Delhi Waste Management Limited	200.00	–	–	–	–	–
	(3,373.29)	–	–	–	–	–
Bhagalpur Electricity Distribution Com Private Limited	1,426.27	–	–	–	–	–
	(86.90)	–	–	–	–	–

Above include following material transactions

Nature of transaction	Subsidiary companies	Joint ventures	Associates	Key managerial personnel	Relative of KMP	Entities where significant influence is exercised by KMP and / or relatives
Loan/ advance taken/ repaid/ share application money refunded						
Zoom Industrial Services Limited	–	–	–	–	–	–
	–	–	–	–	–	(2,720.50)
Bharat Hydro Power Corporation Limited	–	–	–			1,625.00
	–	–	–	–	–	(3,481.05)
SPM Engineers Limited	–	–	–			1,160.00
	–	–	–	–	–	(801.50)
Loan/ advance given/ repaid/ share application money						
Add Urban Enviro Limited	542.00	–	–	–	–	–
	(1,069.14)	–	–	–	–	–
Delhi Waste Management Limited	1,382.12	–	–	–	–	–
	(71.63)	–	–	–	–	–
Bhagalpur Electricity Distribution Company Private Limited	1,326.87	–	–	–	–	–
	(10.65)	–	–	–	–	–
Meena Homes Limited	–	–	–	–	–	–
	–	–	–	–	–	(2,686.38)
Zoom Industrial Services Limited	–	–	–	–	–	212.19
	–	–	–	–	–	(1,410.00)
Bharat Hydro Power Corporation Limited	–	–	–	–	–	619.60
	–	–	–	–	–	(2,480.88)
Add Eco Enviro Limited	–	–	–	–	–	1,008.51
	–	–	–	–	–	(–)
Sale/ transfer of investment						
SPML Utilities Limited	–	–	–	–	–	–
	(572.06)	–	–	–	–	–
Managerial remuneration/ salary						
Mr. Sushil Kuamr Sethi	–	–	–	76.80	–	–
	–	–	–	(60.00)	–	–
Mr. Subhash Kumar Sethi	–	–	–	75.60	–	–
	–	–	–	(60.00)	–	–
Mr. Rishabh Sethi	–	–	–	17.18	–	–
	–	–	–	(42.09)	–	–
Mr. Abhinandan Sethi	–	–	–	–	25.40	–
	–	–	–	–	(25.40)	–

Above include following material transactions

Nature of transaction	Subsidiary companies	Joint ventures	Associates	Key managerial personnel	Relative of KMP	Entities where significant influence is exercised by KMP and / or relatives
Commission received						
SPML-SEW-AMR Joint Venture	–	72.95	–	–	–	–
	–	(157.44)	–	–	–	–
SMS-SPML JV	–	–	–	–	–	–
	–	(19.19)	–	–	–	–
Rent paid/ accured						
SPML Industries Limited***	–	–	–	–	–	34.97
	(34.18)	–	–	–	–	–
Subhash Systems Private Limited	–	–	–	–	–	17.49
	–	–	–	–	–	(17.09)

(C) Outstanding balance at the year end

Nature of relationship	Party	Nature of balance	As at March 31, 2017	As at March 31, 2016
Subsidiary companies	Subhash Kabini Power Corporation Limited	Recoverable	807.17	743.33
	SPML Energy Limited	Recoverable	205.61	184.83
	SPML Infrastrucurte Limited	Payable	994.98	1,265.55
	Binwa Power Corporation Private Limited	Payable	440.58	440.58
	Awa Power Company Private Limited	Recoverable	902.42	691.83
	IQU Power Company Private Limited	Recoverable	714.78	534.37
	Neogal Power Company Private Limited	Recoverable	677.30	616.63
	Luni Power Company Private Limited	Recoverable	414.37	351.34
	Delhi Waste Management Limited	Payable	2,699.34	3,479.87
	Add Urban Enviro Limited	Recoverable	1,761.65	1,070.33
	SPML Utilities Limited	Recoverable	551.74	825.96
	Allahabad Waste Processing Company Limited	Recoverable	297.80	297.80
	Mathura Nagar Waste Processing Company Limited	Payable	405.72	686.92
	Mizoram Power Development Corporation Limited	Recoverable	–	2.70
	Mizoram Infrastructure Development Company Limited	Recoverable	0.01	0.01
	SPML Infraprojects Limited	Recoverable (payable)	1.41	4.50
	SPML Infra Developers Limited	Payable	4.25	4.25
	Bhagalpur Electricity Distribution Com Private Limited	Recoverable	3,097.48	3,114.39
	Madurai Municipal Waste Processing Company Private Limited	Recoverable	118.51	118.51
	Add Energy Management co. Private Limited	Recoverable	133.96	133.96
	Doon Valley Waste Management Private Limited	Recoverable	26.93	23.82

(C) Outstanding balance at the year end

Nature of relationship	Party	Nature of balance	As at March 31, 2017	As at March 31, 2016
Joint ventures	SPML-CISC JV	Recoverable	20.06	20.06
	SPML - Simplex JV	Recoverable	28.61	25.04
	SPML-HCIL JV	Recoverable	269.46	307.14
	M&P+Subhash JV	Recoverable	433.69	432.17
	SPML-OM Metals JV	Payable	324.11	330.63
	OM Metals Consortium JV	Recoverable	918.46	918.46
	Siddharth- Mahaveer SPML –JV	Recoverable	92.15	102.15
	KBL-SPML JV	Recoverable	819.40	785.49
	Malviya Nagar Water Services Pvt .Ltd	Recoverable	450.16	547.35
	MVV Water Utility Pvt Ltd.	Recoverable (payable)	370.42	488.20
	SUEZ -SPML JV	Recoverable	896.32	499.53
	SPML-SEW-AMR Joint Venture	Recoverable	–	17.64
	SMS-SPML JV	Payable	24.35	24.67
	SPML - SMC Infrastructure	Recoverable	60.00	182.22
	MEIL-SPML (JV)	Recoverable	876.96	–
	Gurha Thermal Power Co Limited	Recoverable	962.30	771.23
Associate companies	Mizoram Mineral Development Corporation Limited	Recoverable	–	2.85
	SPML Bhiwandi Water Supply Infra Limited	Recoverable	788.10	707.74
	SPML Bhiwandi Water Supply Management Limited	Recoverable	34.54	30.92
	Aurangabad City Water Utility Company Limited	Recoverable	215.99	215.99
	Hydro-Comp Enterprises (India) Private Limited	Recoverable	0.01	0.01
Key managerial personnel (KMP)	Mr. Sushil Kumar Sethi	Payable	100.00	123.07
	Mr. Subhash Chand Sethi	Payable	–	117.88
	Mr. Rishabh Sethi	Payable	–	102.37
Relative of KMP	Mr. Abhinandan Sethi	Payable	–	5.17
	Mrs. Preeti Devi sethi	Payable	12.40	–
Entities where significant influence is exercised by KMP and / or relatives	Arihant Leasing & Holding Company Limited	Payable	46.52	43.82
	Subhash Systems Private Limited	Recoverable (payable)	3.39	8.21
	International Construction Limited	Recoverable	989.50	1,505.47
	SPML Industries Limited	Payable	692.91	871.46
	SPM Engineers Limited	Payable	961.28	18.31
	Zoom Industrial Services Limited	Payable	1,378.00	1,442.67
	20Th Century Engineering Limited	Payable	0.02	0.16
	SPML India Limited	Payable	729.45	58.31
	Sanmati Power Company Private Limited	Recoverable	251.25	251.25
	Meena Holdings Limited	Recoverable (payable)	5.00	43.74
	Add Technologies (India) Limited	Payable	31.66	41.85
	Add Eco Enviro Limited	Payable	5.71	–
	Pondicherry Special Economic Zone Company Limited	Payable	723.57	688.97
	Om Metal-Spml Infra Project Private Limited	Recoverable	–	165.54
	Bharat Hydro Power Corporation Limited	Payable	2,449.91	1,206.76
	Sethi Infratech Private Limted	Payable	0.09	0.08
	Niral Enterprises Pvt Ltd	Payable	1,093.23	–
	Peacock Pearl Business Solution Pvt Ltd	Recoverable	0.11	0.08

(D) Guarantee given on behalf of related parties

Nature of relationship	Party	As at March 31, 2017	As at March 31, 2016
Subsidiary companies	Awa Power Company Private Limited	873.28	939.92
	IQU Power Company Private Limited	152.50	152.50
	Neogal Power Company Private Limited	840.18	867.87
	Luni Power Company Private Limited	–	12.00
	Delhi Waste Management Limited	322.65	572.65
	Allahabad Waste Processing Company	626.00	997.31
	Mathura Nagar Waste Processing Company Private Limited	437.00	695.00
	Bhagalpur Electricity Distribution Com Private Limited	1,310.00	1,310.00
	Madurai Municipal Waste Processing Company Private Limited	1,280.00	1,280.00
	SPM Holding Pte. Limited	12,968.00	13,266.00
	Bhilwara Jaipur Toll Road Private Limited	23,700.00	25,754.00
Joint ventures	Siddharth- Mahaveer SPML –JV	2,127.22	2,127.22
	MVV Water Utility Pvt Ltd.	–	551.00
	Gurha Thermal Power Co Limited	–	261.00
Entities where significant influence is exercised by KMP and / or relatives	SPML - OM Metals JV	1,663.23	1,663.23

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

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
(i) the principal amount and interest due thereon remaining unpaid to any suppliers at the end of accounting year	–	–
(ii) the amount of interest paid by the buyer along with the amounts of payment made to the suppliers beyond the appointed date dring each accounting year	–	–
(iii) Amount of interest due and payable for the period of delay in payments (which have been paid beyond the due date during the year) but without adding the interest specified under the Act	–	–
(iv) Amount of interest accrued and remaining unpaid at the end of accounting year	–	52.56
(v) 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	–	–

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

32 Additional information in terms of para 5(viii) of general instructions for preparation of statement of profit and loss of schedule III to the Companies Act, 2013:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Expenditure in foreign currency (accrual basis)		
Travelling	21.31	17.44
Interest	–	1.90
Total	**21.31**	**19.34**
Value of imports calculated on CIF basis		
Materials	568.37	633.39
Traded Goods	1,050.44	–
Total	**1,618.81**	**633.39**
Earning in Foreign Exchange		
Export of Traded Goods (FOB Value)	1062.44	–
Total	**1,062.44**	–

33 Imported and indigenous materials and store and spare parts consumed & traded goods:

A Imported and indigenous materials and store and spare parts consumed:

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
	Percentage of total consumption	Value (₹ in Lakhs)	Percentage of total consumption	Value (₹ in Lakhs)
Imported	1.58	568.37	0.89	633.39
Indigenous	98.42	35,349.03	99.11	70,399.30
Total	**100.00**	**35,917.40**	**100.00**	**71,032.69**

B Imported and indigenous traded goods

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
	Percentage of total consumption	Value (₹ in Lakhs)	Percentage of total consumption	Value (₹ in Lakhs)
Imported	1.61	1,050.44	0.00	–
Indigenous	98.39	64,149.67	100.00	13,653.65
Total	**100.00**	**65,200.11**	**100.00**	**13,653.65**

34 **(a) Construction contracts disclosure**

Information relating to Construction contracts as per Accounting Standard 7 (Revised) notified by the Companies Accounting Standards Rules, 2006 (as amended), read with the General Circular 08/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs are given below:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Contract income recognized as revenue during the year	91,793.68	126,028.47
Aggregate amount of costs incurred and recognized profits (less recognized losses) till date for contracts in progress	606,862.90	520,198.52
Advances received (unadjusted) for contracts in progress	16,958.88	15,051.00
Retention amount for contracts in progress	10,541.99	7,187.54
Gross amount due from customers for contract work for contracts in progress	66,947.00	56,295.65
Gross amount due to customers for contract work for contracts in progress	352.00	1,540.61

(b) The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under the law/ Accounting Standards for the material foreseeable losses on such long term contracts has been made in the books of accounts.

35 Disclosure of outstanding loans and advances due from by the Company together with maximum amount thereof pursuant to schedule V of Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as below:

Name	As at March 31, 2017		As at March 31, 2016	
	Balance outstanding*	Maximum amount outstanding during the year	Balance outstanding*	Maximum amount outstanding during the year
From Subsidiaries and associates				
Subhash Kabini Power Corporation Limited	807.17	807.17	743.33	770.51
Spml Energy Limited	205.61	205.61	184.83	184.83
Awa Power Company Private Limited	722.96	722.96	512.37	565.03
IQU Power Company Private Limited	711.78	711.78	531.36	582.48
Neogal Power Company Private Limited	595.11	595.11	534.43	534.43
Binwa Power Company Private Limited	62.11	62.11	62.11	62.11
Luni Power Company Private Limited	354.86	354.86	291.82	291.82
Add Urban Enviro Ltd	1,761.65	1,761.65	1,070.33	1,070.33
Spml Utilities Limited	551.74	826.10	825.96	825.96
Mizoram Power Development Corporation Limited	–	2.84	2.70	2.70
Bhagalpur Electricity Distribution Com Private Limited	2,973.04	2,989.83	2,776.46	2,776.46
"Add Energy Management Co. Private Limited				
(formerly SPML Semitech India Private Limited)"	133.96	133.96	133.96	133.96
Allahabad Waste Processing Co. Limited	25.20	25.20	25.20	25.20
Doon Valley Waste Management Private Limited	26.93	26.93	23.82	28.71
Mizoram Mineral Development Corporation Limited	–	2.85	2.85	2.85
Spml Bhiwandi Water Supply Infra Limited	788.10	788.10	707.75	707.75
Spml Bhiwandi Water Supply Management Limited	34.54	34.54	30.92	30.92
Gurha Thermal Power Co Limited	962.30	1,034.90	771.23	771.23
Aurangabad City Water Utility Co. Limited	215.99	215.99	215.99	227.47
Hydro-comp Enterprises (India) Private Limited	0.01	0.01	0.01	0.01
Mizoram Infrastructure Development Company Limited	0.01	0.01	0.01	0.01
SPML Infraprojects Limited	1.41	5.91	–	–
International Construction Limited	989.50	1,616.00	1,505.47	1,706.36
Peacock Pearl Business Solution Pvt Ltd	**0.11**	**0.11**	**0.08**	**0.08**
SPM Engineers Limited	–	–	–	**758.94**

*Including Interest

36 (a) **Gratuity plan (AS 15 Revised)**

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

The following table summaries the components of net benefit expenses recognised in the statement of profit and loss and amounts recognized in the balance sheet :

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
(i) Net employee benefit expense (recognized in Employee Cost)		
Current service cost	77.22	78.93
Interest cost on benefit obligation	37.75	37.10
Net actuarial gains/(loss) recognized in the year	(44.94)	(26.80)
Total employer expense /(surplus) recognized in the statement of profit and loss	70.03	89.23
(ii) Benefit assets/ (liability)	(510.39)	(496.20)
Present value of obligation	(510.39)	(496.20)
Net liability recognised		
(iii) Movement in benefit liability		
Opening defined benefit obligation	496.20	428.74
Interest cost	37.75	37.10
Current service cost	77.22	78.93
Benefit paid	(55.84)	(21.77)
Actuarial gains on obligation	(44.94)	(26.80)
Closing benefit obligation	510.39	496.20
The Principal actuarial assumptions are as follows:	**2016-17**	**2015-16**
Discount rate	7.50%	8.00%
Withdrawal rate	Varying between 8% per annum and 1% per annum depending on duration and age of employees	
Expected rate of salary increase	6%	6%
Expected average remaining working lives of employees (years)	20.24	21.33
Experience adjustments on plan liabilities	Not Available*	

* The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities are not readily available and hence not disclosed.

(b) Amount incurred as expenses for defined contribution plans

	31 March 2017	31 March 2016
Contribution to Provident and other funds	253.35	277.94

a. The estimate of future salary increase considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b. Amounts for the current and previous four periods are as follows:

Description	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Defined Benefit Obligation	510.39	496.20	428.74	311.37	289.84
Assets/(Liability)	(510.39)	(496.20)	(428.74)	(311.37)	(289.84)

37 DEFERRED TAX LIABILITY / (ASSET)

Particulars		As at 31 March 2017	As at 31 March 2016
Deferred tax liability arising on account of			
- depreciation and amortization		388.37	278.51
- retention money by the customers		314.31	294.67
	(A)	**702.68**	**573.18**
Deferred tax assets arising on account of			
- expenses disallowed under the Income Tax Act,1961		176.64	160.99
- provision for doubtfull debt*		526.04	412.19
	(B)	**702.68**	**573.18**
Net deferred tax liability / (asset) (A) - (B)		–	–

*deferred tax asset on provision for doubtful debts has been recognized to the extent of deferred tax liability.

38 The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08-11-2016	131,000	2,418,009	2,549,009
(+) Permitted receipts	–	–	–
(+) Amount withdrawan from Bank	–	4,449,449	4,449,449
(-) Permitted payments	–	(3,732,102)	-3,732,102.00
(-) Amount deposited in Banks	(131,000)	–	-131,000.00
Closing cash in hand as on 30-12-2016	–	3,135,356	3,135,356

39 Clients of the Company have foreclosed the contracts in earlier years (three contracts in current year) which are under arbitration / litigation proceedings. The management, based on the fact of the case is confident to recover the receivables, net book value of fixed assets and inventories of ₹11,198.02 (₹ 4,829.10 lakhs), ₹ 558.21 (₹ 695.49 lakhs) and ₹1,040.62 lakhs (₹500.47 lakhs) respectively.

40 Sundry balances/liabilities written back aggregating ₹ 144.91 lakhs (₹ 854.29 lakhs) consisting of numerous balances being unclaimed / unmoved since long (mostly more than three years) have been written back during the year as the management believes that these amounts are no longer payable.

41 SEGMENT INFORMATION

The Company is primarily engaged in the business of construction, which is as per Accounting Standard - 17 on "Segment Reporting" notified pursuant to Companies (Accounting Standard) Rules, 2006 (as amended) is considered to be the only reportable business segment. The Company is primarily operating in India which is considered as single geographical segment.

Particulars	CONSTRUCTION		TRADING		TOTAL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(a) Revenue						
External sales	95,418.81	126,962.95	65,691.90	13,757.70	161,110.71	140,720.65
Total Revenue						
(b) Results						
Segment Results	18,820.87	16,928.78	491.79	104.05	19,312.66	17,032.83
Unallocated expenses (Net of unallocated income)					(3,060.18)	(3,327.00)
Operating Profit					22,372.84	20,359.83
Finance Expenses					20,546.93	18,699.52
Profit before tax					1,825.91	1,660.31
Provision for Taxation (Current Tax, Deferred Tax, and adjustments on account of Previous years)					389.53	354.41
Profit after tax					1,436.38	1,305.90
OTHER INFORMATION						
(a) Total Assets						
Segment Assets	172,732.60	157,500.45	1,708.31	2,797.00	174,440.91	160,297.45
Unallocated Corporate/ other Assets					62,478.73	59,415.00
Total					**236,919.65**	**219,712.45**
(b) Total Liabilities						
Segment Liabilities	33,536.49	69,717.00	37,539.00	9,765.00	71,075.49	79,481.60
Unallocated Corporate/other Liabilities					116,614.93	92,438.00
Total					187,690.42	171,919.60
(c) Capital Expenditure					241.87	274.82
(d) Depreciation / Amortisation					1,034.46	1,195.33
(e) Non cash expenses other than depreciation included in segment expenses for arriving at Segment Results					4,582.74	1,121.91

42 DETAILS IN RESPECT OF TRADING ACTIVITIES :

Steel products	Year ended 31 March 2017	Year ended 31 March 2016
Purchases	65,200.11	13,653.65
Sales	65,691.90	13,757.70

43 The Company has recognised income of ₹23,358.81 lakhs upto March 31, 2017 (₹ 15,997.75 lakhs upto March 31, 2016) including interest of ₹ 6,603.68 lakhs (₹769.68 lakhs) during the year arising out of arbitration awards pronounced in favour of the Company. 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 carried forward as receivable as the management believes that the final outcome of the appeals would be in favor of the Company based on the facts of the respective cases and is confident to recover the aforesaid claims in full.

44 Trade receivables aggregating ₹ 9,842.77 lakhs (previous year ₹ 2,135.12 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 realization.

45 In accordance with the provisions of Section 135 of the Companies Act 2013, the Company was to spend a sum of ₹ 24.64 lakhs towards the CSR activities during the year ended March 31, 2017. The CSR Committee has approved contribution of such funds towards CSR activities of promoting health care and education at various locations. During the year, the Company has spent ₹ 24.64 lakhs by contributing such funds for the aforesaid activities.

46 Figures in bracket represent the previous year numbers and have been regrouped / rearranged wherever considered necessary to confirm to the figures presented in the current year.

As per our report of even date

for **Sunil Kumar Gupta & Co.**
Chartered Accountants

per **S.K. Gupta**
Partner

Place: Kolkata
Date: May 19, 2017

For and on behalf of the Board of Directors

Subhash Chand Sethi
Chairman
DIN No.00464390

Sushil Kr. Sethi
Managing Director
DIN No.00062927

Abhay Raj Singh
Company Secretary

Sujit Kumar Jhunjunwala
Chief Financial Officer

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 fo 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	Add Urban Enviro Limited	–	INR	1	2,467,300	159,058,865	339,350,217	177,858,552	282,158,200	–	(13,640,152)	–	(13,605,652)	–	99.99%
2	ADD Energy Management Co (Pvt) Ltd.	–	INR	1	101,200	(9,948,515)	12,700,279	22,547,594	–	–	(1,583,490)	46,535	(1,630,025)		64.49%
3	Allahabad Waste Processing Co. Ltd.	–	INR	1	47,248,000	111,617,237	318,822,116	159,956,879	2,000	–	(19,783,152)	322,109	(20,105,261)		95.01%
4	Awa Power Company Private Limited	–	INR	1	22,162,220	225,733,853	600,250,667	352,354,592	–	5,733,185	(45,118,390)	5,450	(45,123,840)		70.76%
5	Bhagalpur Electricity Distribution Power Corporation Limited	–	INR	1	100,000	(98,038,140)	1,082,238,028	1,180,176,166	–	1,482,433,933	(89,349,605)	–	(89,349,605)		99.99%
6	Binwa Power Company Private Limited	–	INR	1	5,781,250	77,448,714	114,931,687	31,701,724	–	–	(279,916)	4,932	(284,848)		61.59%
7	Delhi Waste Management Ltd.	–	INR	1	15,000,000	841,622,758	1,015,999,387	159,376,628	317,856,355	626,905,615	90,788,302	(44,078,701)	134,867,002		52.03%
8	Doon Valley Waste Management Private Ltd	–	INR	1	37,774,000	(39,624,499)	2,312,755	4,163,254	–	–	(574,763)		(574,763)		61.46%
9	IQU Power Company Private Limited	–	INR	1	20,149,916	(1,605,912)	272,427,484	236,963,648	–	5,924,988	(31,365,038)	(13,602)	(31,351,436)		54.95%
10	Jamshedpur Waste Processing Company Pvt Ltd	–	INR	1	12,350,000	(1,605,912)	29,255,550	18,511,462	–	–	(721,486)	–	(721,486)		99.66%
11	Luni Power Company Private Limited	–	INR	1	13,662,986	145,165,318	614,925,963	456,097,658	–	–	(2,940,350)	445,377	(3,385,727)		85.26%
12	Madurai Municipal Waste Processing Company Pvt. Ltd.	–	INR	1	233,221,000	(32,646,381)	477,902,860	277,328,241	–	–	(26,734,775)	–	(26,734,775)		92.33%
13	Mathura Nagar Waste Processing Co. Ltd	–	INR	1	10,445,000	38,167,530	99,791,719	51,179,189	2,700	–	(14,751,575)	114,998	(14,866,573)		90.25%
14	Mizoram Infrastructure Development Company Limited	–	INR	1	500,000	(114,739)	418,141	32,880	–	–	(18,854)	–	(18,854)		69.00%
15	Neogal Power Company Private Limited	–	INR	1	16,785,026	116,326,927	535,904,334	402,792,383	–	4,914,736	(50,904,064)	31,265	(50,935,329)		70.16%
16	Rupin Tons Power Private Limited	–	INR	1	1,907,500	(2,231,583)	16,456	340,539	–	–	(65,334)	–	(65,334)		69.13%
17	SJA Developers Private Limited	–	INR	1	55,811,000	(358,707)	114,371,785	88,733	–	–	(70,560)	3,015	(73,575)		43.14%
18	SPM Holdings Pte Ltd	–	USD	64.84	577,110,872	(101,729,559)	3,478,651,644	3,003,411,160	48,261,964	3,202,190,241	98,981,164	15,153,884	83,827,280		64.49%
19	PT Sanamti Natural Resoures	–	IDR	205.33	7,197,085	(301,389,821)	930,565,021	1,224,782,094	922,322,690	148,612,461	148,089,026	–	148,089,026		63.85%
20	SPML Energy Limited	–	INR	1	113,800,000	(178,202,015)	217,103,692	281,505,707	122,404,265	–	(1,822,533)	–	(1,822,533)		87.48%
21	SPML Infrastructure Ltd	–	INR	1	4,964,800	347,036,118	636,145,728	284,144,811	410,796,740	6,681,773	1,186,175	811,143	375,032		99.99%
22	SPML Utilities Limited	–	INR	1	200,000,000	(18,109,775)	245,479,067	63,588,841	108,636,050	–	(15,265)	–	(15,265)		100.00%
23	SPML Infra Developers Limited	–	INR	1	500,000	(151,794)	436,939	88,733	–	–	(34,434)	–	(34,434)		100.00%
24	SPML Infraprojects Limited	–	INR	1	500,000	(497,310)	341,044	338,354	–	–	(406,590)	–	(406,590)		100.00%
25	Subhash Kabini Power Corporation Ltd.	–	INR	1	437,400,000	869,405,089	2,207,238,963	900,433,873	1,379,407,179	128,530,402	7,294,316	11,923,680	(4,629,364)		64.49%
26	Synergy Promoters Private Limited	–	INR	1	87,366,000	(48,812,566)	61,985,764	23,432,330	–	–	(157,739)	3,668	(48,547,394)		43.30%
27	Tons Valley Power Company Private Limited	–	INR	1	8,717,500	(9,179,285)	9,191	470,976	–	–	(82,612)	–	(82,612)		83.46%
28	Uttarkashi Tons Hydro Power Private Limited	–	INR	1	2,330,000	(2,633,502)	14,565	318,067	–	–	(62,165)	–	(62,165)		72.46%
29	Bhilwara Jaipur Toll Road Private	–	INR	1	69,025,120	690,145,172	3,763,208,452	3,004,038,159	20,000	283,480,661	(140,063,548)	–	(140,063,548)		51.00%
30	Add Technologies (India) Limited	–	INR	1	71,340,000	5,378,841	169,424,357	92,705,516	1,500,000	179,132,931	4,499,108	1,598,282	1,487,359		45.70%
31	Subhash Urja Private Limited	–	INR	1	100,000	(17,897)	100,000	(17,897)	–	–	–	–	–		100.00%

PART 'B' - Associates and Joint Ventures

	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	share of profit /loss for the year: Not Considered in Consolidation
A.		Joint Ventures										
1	M & P Subhash JV		31st Mar-17	INR	–	1,353,814	40.00%	Controls more than 20% of share Capital		1,341,983	173,555	260,333
2	Suez Environnement - SPML JV		31st Mar-17	INR	–	0.00	48.00%	Controls more than 20% of share Capital		(216,849)	(727,856)	(788,511)
3	SPML - HCIL		31st Mar-17	INR	–	0.00	33.00%	Controls more than 20% of share Capital		(2,718,962)	(2,563,543)	(5,204,769)
4	SPML - Simplex		31st Mar-17	INR	–	2,861,459.00	50.00%	Controls more than 20% of share Capital		2,861,460	322,164	322,164
5	SPML - CISC		31st Mar-17	INR	–	2,006,272.00	50.00%	Controls more than 20% of share Capital		1,072,069	–	–
6	SIDDHARTH+MAHAVIR+SPML (J.V.)		31st Mar-17	INR	–	9,214,818.41	10.00%	Controls more than 20% of share Capital		6,751,958	304,186	2,737,670
7	Om Metal Consortium		31st Mar-17	INR	–	71,845,515.00	5.00%	Controls more than 20% of share Capital		64,606,781	101,911	1,936,310
8	Gurha Thermal Power Project		31st Mar-17	INR	25,000	250,000.00	50.00%	Controls more than 20% of share Capital		250,000	–	–
9	MVV Water Utility Private Limited		31st Mar-17	INR	374,693	2,726,000.00	47.99%	Controls more than 20% of share Capital		2,441,477	(667,193)	(723,087)
10	Malviya Nagar Water Services Private Limited		31st Mar-17	INR	2,205,000	22,050,000.00	26.00%	Controls more than 20% of share Capital		(824,875)	(3,413,708)	(9,715,939)
11	SPML-Om Metal JV(Ujjain)		31st Mar-17	INR	–	–	50.00%	Controls more than 20% of share Capital		(12,376,281)	5,751,583	5,751,583
B.		Associates										
1	Aurangabad City Water Utility Co. Ltd		31st Mar-17	INR	19,405	200,050	40.01%	Controls more than 20% of share Capital		22,604,150	(7,115,050)	(152,704,178)
2	Aurangabad Jal Constructions Private limited		31st Mar-17	INR	2,600	26,000	26.00%	Controls more than 20% of share Capital		(52,160)	–	(20,685)
3	Aurangabad Jal Supply Solution Pvt Ltd.		31st Mar-17	INR	2,600	26,000	26.00%	Controls more than 20% of share Capital		(11,568,761)	(20,000)	(17,615,385)
4	Hydro Comp Enterprises India Private Limited		31st Mar-17	INR	2,296,265	2,296,265	50.00%	Controls more than 20% of share Capital		(5,036,778)	–	–
6	PT Bina Insan Sukses Mandiri		31st Mar-17	IDR	2,738	922,005,613	29.14%	Controls more than 20% of share Capital		31,988,354	95,624,000	232,529,025
7	PT Vardhaman Logistics		31st Mar-17	IDR	137,500	8,429,200	17.73%	Controls more than 20% of share Capital		4,739,407	(22,000)	(99,995)
8	PT Vardhaman Mining Services		31st Mar-17	IDR	456,500	29,599,460	29.44%	Controls more than 20% of share Capital		(20,610,087)	–	(580,831)
9	Rabaan (S) Pte Limited		31st Mar-17	SGD	7,840	508,346	29.44%	Controls more than 20% of share Capital		168,530	2,156,000	5,706,758
10	Sanmati Infra Developers (p) Ltd.		31st Mar-17	INR	500,000	5,000,000	25.00%	Controls more than 20% of share Capital		(27,185,162)	–	(975,570)
11	Spml Bhiwandi Water Supply Infra Ltd		31st Mar-17	INR	224,700	225,000	44.94%	Controls more than 20% of share Capital		(259,227)	–	–
12	Spml Bhiwandi Water Supply Management Ltd.		31st Mar-17	INR	250,000	250,000	50.00%	Controls more than 20% of share Capital		90,339	–	–

Note:

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary, joint ventures and associates are based on the exchange rate as on 31st March 2017
2. The reporting period of all these entities is 31st March 2017

Independent Auditor's Report

To the Members of SPML Infra Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of SPML Infra Limited, ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its associates and jointly controlled entities, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Holding Company's Board of Directors, and the respective Board of Directors/management of the subsidiaries included in the Group, and of its associates and jointly controlled entities are responsible for the design, implementation and maintenance of internal control 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. Further, in terms with the provisions of the Act, the respective Board of Directors of the Holding Company and its subsidiary, associate and jointly controlled companies, which are incorporated in India are responsible for maintenance of adequate accounting records; safeguarding the assets; 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 financial statements, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditor's report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

7. We believe that the audit evidence obtained by us and the

audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 11(a) of the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

8. As stated in note 39 to the consolidated financial statements, the Holding Company's trade receivables, fixed assets and inventories as at 31 March 2017 comprise of ₹ 11,198.02 lakhs (31 March 2016: ₹ 4,829.10 lakhs), ₹ 558.21 lakhs (31 March 2016: ₹ 695.49 lakhs) and ₹ 1,040.62 lakhs (31 March 2016: ₹ 500.47 lakhs), respectively, related to contracts which have been foreclosed by customers in earlier years and these are presently under arbitration / litigation proceedings. In absence of sufficient appropriate evidence, we are unable to comment upon the recoverability of the aforesaid trade receivables and carrying value and existence of the aforesaid fixed assets and inventories and the consequential impact, if any, that may arise on settlement of the aforesaid matters. The Auditor's report on the consolidated financial statements for the year ended 31 March 2016 was also qualified in respect of this matter.

9. We did not audit the financial statements of certain subsidiaries and jointly controlled entities as detailed in note 1(i)(l), included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 73,825.48 lakhs as at 31 March 2017 total revenues of ₹ 52,830.92 lakhs for the year ended on that date. The consolidated financial statement also includes the Group's share of net profit of ₹ 15,54 lakhs for the year ended 31 March 2017. The financial statements of these subsidiaries and jointly controlled entities are not audited and consequently, we are unable to comment on adjustments that may have been required to the consolidated financial statements had such financial statements been audited. The Auditor's report on the consolidated financial statements for the year ended 31 March 2016 was also qualified in respect of this matter, in relation of certain subsidiaries and jointly controlled entities.

Qualified Opinion

10. 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 the other auditors on the financial statements of the subsidiaries, associates and jointly controlled entities as noted below, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31 March 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

11. We draw attention to note 40 to the consolidated financial statements, which indicates the uncertainty relating to the recovery of trade and other receivables amounting to ₹ 23,358.81 lakhs as at 31 March 2017 (31 March 2016: ₹ 15,997.75 lakhs) and recognition of interest income amounting to ₹ 6,603.38 lakhs during the year ended 31 March 2017 (₹769.68 lakhs upto the year ended 31 March 2016). These amounts relates to the litigations pending with various courts with respect to arbitration awards pronounced in favor of the Holding Company and recognized by the Holding Company in the current year and earlier years, wherein the customers have gone into appeals. Pending the final outcome of these litigations, which is presently unascertainable, no adjustment has been recorded in the consolidated financial statement. Our opinion is not modified in respect of this matter.

12. The Independent auditors of certain subsidiaries in their audit report on the financial statements for the year ended 31 March 2017 have drawn attention on certain matters in their respective auditor reports as detailed below:

    (a) We draw attention to note 41, which indicates that the subsidiaries had suo-moto foreclosed certain contracts and filed a petition of arbitration, however, the financial statements of these subsidiaries have been prepared on a going concern basis for the reasons stated in the note.

    (b) We draw attention to note 42 to the consolidated financial statement, in respect of Madurai Municipal Waste Processing Company Private Limited, wherein, in respect of handing over possession of its Project/ plant to Madurai City Municipal Corporation with effect from 15 February 2015 as per the interim order of the arbitral tribunal. The Subsidiary company has recorded consideration receivables from Madurai City Municipal Corporation at the book value of fixed assets as at the date of transfer of possession of project/plant. The recovery of consideration receivable is subject to the final order of the Arbitrator and balance confirmation from Madurai City Municipality Corporation.

(c) Further, we draw attention to note 42 to the consolidated financial statement, in respect of Madurai Municipal Waste Processing Company Private Limited, in respect of uncertainty over the subsidiary company's ability to continue as a going concern. The conditions set forth in aforesaid note indicate the existence of a material uncertainty that may cast significant doubt about the subsidiary Company's ability to continue as a going concern.

(d) We draw attention to note 43 with regard to agreement entered into by SPML Infrastructure Limited, the subsidiary company, with Viva Highway Limited to sell the investment in equity shares, however, the sale transaction is not complete as at the end of the financial year due to restrictions placed by the concessionaire agreement.

(e) We draw attention to note 44, which indicates that certain subsidiaries have accumulated losses and their net worth has been fully eroded. The subsidiaries have incurred net cash losses during the current year and in previous years and, their current liabilities exceeded their current assets as at balance sheet date. However, the financial statements of these subsidiaries have been prepared on a going concern basis for the reasons stated in the note.

Our opinion is not modified in respect of these matters.

Other Matter(s)

13. We did not audit the financial statements of certain subsidiaries and jointly controlled entities, included in the consolidated financial statement, whose financial statements reflect total assets of ₹ 84,109.17 lakhs as at 31 March 2017 and total revenues of ₹ 6,693.64 lakhs for the year ended on that date. The consolidated financial statement also includes the Group's share of net loss of ₹ 21.34 lakhs for the year ended 31 March 2017, as considered in the consolidated financial statement, in respect of certain associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors, whose audit reports have been furnished to us, and our opinion in respect thereof is based solely on the audit reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

14. As required by Section 143(3) of the Act, and based on the auditor's reports of the Holding Company, subsidiaries, associates and jointly controlled entities, we report, to the extent applicable, that:

a) We have sought and, except for the possible effect(s) of the matter(s) described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) Except for the possible effects of the matter(s) described in the Basis for Qualified Opinion paragraph, 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 financial statements 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 possible effects of the matter(s) described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended);

e) The matter(s) described under the Emphasis of Matters/ Basis for Qualified Opinion paragraph, in our opinion, 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 Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies, incorporated in India is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

g) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company, its subsidiary companies, associate companies and jointly controlled companies, which are companies incorporated in India, as of 31 March 2017, in conjunction with our audit of the consolidated financial statements of the group, its associates and jointly controlled entities for the year ended on that date and our report dated 25 August 2017 as per annexure A expressed unmodified opinion.

h) 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, in our opinion and to the best of our information and according to the explanations given to us:

   (i) Except for the possible effects of the matters described under the Basis of Qualified Opinion above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities;

   (ii) except for the possible effects of the matter(s) described under the Basis for Qualified Opinion paragraph, as detailed in note 34(b) to the consolidated financial statements, provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses 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 Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

   (iv) In the consolidated financial statement, holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 by the company, its subsidiary and associates companies incorporated in india has been requisitely disclosed on the basis of information available with the company. Based on the audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company, Subsidiary Company, Associates Companies and produced to us by the management and report of the other auditors.

For **Sunil Kumar Gupta & Co.**
Chartered Accountants
Firm's Registration No.: 003645N

per **S. K. Gupta**
Partner
Membership No.: 082486

Place: Kolkata
Date: 25 August 2017

Annexure A

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the SPML Infra Limited ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 the company's business, including adherence to the company's policies, the safeguarding of the company's 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

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control 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.

5. 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 IFCoFR of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR 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 unauthorised 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 over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. We did not audit the IFCoFR of certain subsidiaries and jointly controlled entities, included in the consolidated financial statements, which are companies incorporated in India, whose financial statements reflect total assets of ₹ 84,109.17 lakhs as at 31 March 2017and total revenues of ₹ 6,693.64 lakhs. The consolidated financial statement also includes the Group's share of net loss of ₹ 21.34 lakhs for the year ended 31 March 2017, as considered in the consolidated financial statement, in respect of certain associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors, whose audit reports have been furnished to us, and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary companies, jointly controlled companies and its associates, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

For **Sunil Kumar Gupta & Co.**
Chartered Accountants
Firm's Registration No.: 003645N

per **S. K. Gupta**
Partner
Membership No.: 082486

Place: Kolkata
Date: 25 August 2017

Consolidated Balance Sheet as at March 31, 2017

(All amount in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	819.45	819.45
Reserves and surplus	3	44,928.81	45,998.79
		45,748.26	46,818.24
Minority interest		13,369.41	10,954.06
Non-current liabilities			
Long-term borrowings	4	50,966.40	50,232.08
Deferred tax liability	5	50.46	110.22
Other long-term liabilities	6	18,386.53	16,616.29
Long-term provisions	7	643.41	633.89
		70,046.80	67,592.48
Current liabilities			
Short-term borrowings	8	89,793.27	63,212.72
Trade payables	9	96,760.30	112,733.68
Other current liabilities	10	27,099.65	23,395.43
Short-term provisions	7	594.84	749.90
		214,248.06	200,091.73
		343,412.53	325,456.51
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11 (a)	23,642.82	24,720.69
Intangible assets	11 (b)	40,929.48	39,617.68
Capital work-in-progress	12	7,795.16	9,552.36
Non-current investments	13	15,259.94	14,236.86
Deferred tax asset	5	647.27	133.89
Long-term loans and advances	14	15,972.98	13,854.22
Trade receivables	15	23,340.24	17,677.78
Other non-current assets	16	22,569.98	13,606.77
		150,157.87	133,400.25
Current assets			
Inventories	17	7,230.28	7,512.10
Trade receivables	15	87,395.34	92,707.68
Cash and bank balances	18	15,773.43	14,010.87
Short-term loans and advances	14	12,939.89	17,096.87
Other current assets	16	69,915.72	60,728.74
		193,254.66	192,056.26
		343,412.53	325,456.51
Summary of significant accounting policies	1		

The accompanying notes 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 and on behalf of the Board of Directors

for **Sunil Kumar Gupta & Co.**
Chartered Accountants

Subhash Chand Sethi
Chairman
DIN No.00464390

Sushil Kr. Sethi
Managing Director
DIN No.00062927

per **S.K. Gupta**
Partner

Abhay Raj Singh
Company Secretary

Sujit Kumar Jhunjunwala
Chief Financial Officer

Place: Kolkata
Date: 25th August 2017

Consolidated Statement of Profit and Loss for the year ended 31 March 2017

(All amount in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
REVENUE			
Revenue from operations	19	221,961.49	203,539.26
Other income	20	18,268.06	5,856.26
Total Revenue (I)		**240,229.55**	**209,395.52**
EXPENSES			
Materials Consumed and Direct expenses	21	90,554	117,570.52
Cost of Traded goods		95,608	47,902.41
Change in Inventory	22	61	238.53
Employee benefits expenses	23	8,515	7,676.34
Other expenses	24	13,039	10,388.96
Total expenses (II)		**207,777**	**183,776.76**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		**32,452.09**	**25,618.76**
Depreciation and amortization expenses	11 (a) & (b)	2,576.38	2,681.51
(after adjusting revaluation reserve of ₹0.00 lakhs (₹ 0.00 lakhs))			
Finance costs	25	29,030.65	22,517.98
Profit / (Loss) before tax		**845.06**	**419.27**
Tax expenses:			
- Current tax (Includes Minimum alternative tax of ₹ 389.53 Lakhs (Previous Year ₹ 425.25 Lakhs) and proportionate share in Joint Ventures ₹ 1.41 lakhs (₹ 8.63 lakhs))		561.05	1,045.45
- Deferred tax credit (net)		(456.64)	172.98
- Minimum Alternative Tax (MAT) Credit		10.33	(12.52)
- Income Tax charge / (credit) for earlier years		21.53	(53.52)
Total tax expense		**136.27**	**1,152.39**
Profit / (Loss) after Tax but before share of Associates and Minority Interest		**708.79**	**(733.12)**
Prior Period Adjustments		**(878.51)**	**(100.09)**
Adjustment for share in Loss of Associates		906.23	(229.71)
Adjustment for minority Interest		2.08	(464.62)
Net Profit / (Loss) for the year		**734.43**	**(598.29)**
Earnings / (Loss) per equity share (nominal value of equity share ₹2 each)	30		
Basic and Diluted (in ₹)		2.00	(1.63)
Summary of significant accounting policies	1		

The accompanying notes 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 and on behalf of the Board of Directors

for **Sunil Kumar Gupta & Co.**
Chartered Accountants

Subhash Chand Sethi
Chairman
DIN No.00464390

Sushil Kr. Sethi
Managing Director
DIN No.00062927

per **S.K. Gupta**
Partner

Abhay Raj Singh
Company Secretary

Sujit Kumar Jhunjunwala
Chief Financial Officer

Place: Kolkata
Date: 25th August 2017

Consolidated Cash Flow Statement for the year ended 31 March 2017

(All amount in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	845.06	419.27
Non-cash adjustment to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortization expenses	2,576.38	2,681.51
Loss on sale/ discard of fixed assets (Net)	4.68	16.44
Finance Cost	29,030.65	22,517.98
Loss on sale of investments (net)	–	(104.97)
Provision for doubtful debts	–	–
Unrealised foreign exchange loss (Net)	–	–
Bad Debts/ Sundry Balances written off	4,586.89	1,287.14
Project expenditure written off	–	–
Sundry Balances/Liabilities written back	(164.45)	(902.56)
Interest income on loans given, Bank deposits, income tax refunds and others	(13,665.85)	(3,238.29)
Interest income on fixed deposits		
Operating profit before working capital changes	**23,213.36**	**22,676.52**
Movements in working capital :		
Increase in trade receivables	(2,595.35)	(19,065.43)
(Increase)/Decrease in inventories	318.28	(2,528.51)
Increase in loans & advances/ other assets	(7,754.22)	(7,507.94)
Increase/(Decrease) in trade payables/ other liabilities	(16,479.83)	37,301.19
Increase in provisions	(994.40)	145.51
Cash generated from/(used in) operations	**(4,292.16)**	**31,021.33**
Direct taxes (paid)/ refund	(1,032.85)	(1,500.78)
Net cash flow from/ (used in) operating activities (A)	**(5,325.01)**	**29,520.55**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including Capital work in progress and capital advances	(5,946.54)	(3,037.03)
Proceeds from sale of fixed assets	3,882.91	3,812.41
Sale/(Purchase) of non-current investments:	(101.84)	3,488.39
Loans (given to)/repaid by related parties/ others	(353.64)	2,031.40
Share application money (paid)	(197.07)	(94.57)
Investment in/(Release of) bank fixed deposits (having original maturity of more than three months)	(2,115.24)	1,051.25
Interest received on loans given and Bank Deposits	4,713.57	2,269.32
Net cash flow from/(used in) investing activities (B)	**(117.85)**	**9,521.17**

Consolidated Cash Flow Statement for the year ended 31 March 2017

(All amount in INR lakhs, unless otherwise stated)

	Year ended March 31, 2017	Year ended March 31, 2016
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from contribution by Minorities	1,321.80	(3,484.38)
Proceeds of long term borrowings	3,023.74	9,951.91
Proceeds from short-term borrowings (net)	26,580.55	2,062.86
Proceeds from Mobilisation Advances (net)	2,905.77	(24,084.20)
Finance Cost	(28,928.81)	(23,456.74)
Net cash flow from/(used in) financing activities (C)	**4,903.06**	**(39,010.54)**
Net Increase/(Decrease) in cash and cash equivalents (A + B + C)	**(540.80)**	**31.18**
Cash Balances of Subsidiary Companies/ Joint Ventures acquired/(disposed) on:		
Acquisition of subsidiaries and a joint venture	32.90	417.00
Disposal of investment in subsidiary	–	(4.79)
Cash and cash equivalents at the beginning of the year	4,880.00	4,436.61
Cash and cash equivalents at the end of the year	**4,372.10**	**4,880.00**

	As at March 31, 2017	As at March 31, 2016
Components of Cash & Cash Equivalents		
Cash-on-hand	40.91	142.73
Balances with Scheduled Banks on :		
- Deposit accounts *	–	1,960.89
- Cheques on Hand	–	1.00
- Current Accounts	4,327.97	2,770.23
- Unpaid Dividend Account **	3.22	5.15
Total cash and cash equivalents (note 18)	**4,372.10**	**4,880.00**
Summary of significant accounting policies (Refer Note No. 1)		

* Receipts lying with banks as security against Letter of Credits and Guarantees issued by them and with clients.

** The Company can utilise such bank balances only towards payment of the unpaid dividend.

Note:

1. The cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 "Cash Flow Statement" issued by the Companies (Accounting Standards) Rules 2006 (as amended).

As per our report of even date.

For and on behalf of the Board of Directors

for **Sunil Kumar Gupta & Co.**
Chartered Accountants
Firm Registration No.:003645N

Subhash Chand Sethi
Chairman
DIN No.00464390

Sushil Kr. Sethi
Managing Director
DIN No.00062927

per **S.K. Gupta**
Partner
Place: Kolkata
Date: 25th August 2017

Abhay Raj Singh
Company Secretary

Sujit Kumar Jhunjunwala
Chief Financial Officer

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2017

(All amount in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES

i. Principles of Consolidation

The consolidated financial statements which relate to SPML Infra Limited, (the "Company") and its Subsidiaries (together referred to as the "Group"), have been prepared in accordance with the applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India on the following basis:

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

The subsidiary companies considered in these consolidated financial statements are as follows:

I) Subsidiaries

Name of the Company	Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2017	March 31, 2016
Subhash Kabini Power Corporation Limited	India	64.49%	64.49%
SPML Energy Limited	India	87.48%	87.48%
Binwa Power Company (P) Limited	India	85.38%	85.38%
Awa Power Company (P) Limited	India	71.63%	83.65%
IQU Power Company (P) Limited	India	59.96%	63.92%
Neogal Power Company (P) Limited	India	70.44%	83.88%
Luni Power Company (P) Limited	India	74.68%	85.35%
Delhi Waste Management Limited	India	51.86%	56.03%
SPML Infrastructure Limited	India	99.99%	99.99%
SPML Utilities Limited	India	100.00%	100.00%
ADD Urban Enviro Limited	India	99.99%	99.99%
Bhilwara Jaipur Toll Road Private Ltd.	India	51.00%	51.00%
Mizoram Power Development Corporation Limited	India	*	59.42%
Doon Valley Waste Management Private Ltd	India	61.46%	61.46%
Madurai Municipal Waste Processing Company Private Limited	India	92.33%	92.33%
Bhagalpur Electricity Distribution Co. Pvt Ltd	India	100.00%	100.00%
Mizoram Infrastructure Development Company Limited	India	69.00%	69.00%
SPML Infra Developers Limited	India	100.00%	100.00%
SPML Infra Projects Limited	India	100.00%	100.00%
Subhash Urja Private Limited	India	100.00%	100.00%

* Ceased to be subsidiary of the Company.

II) Step down subsidiaries

Name of the Company	Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2017	March 31, 2016
Subsidiaries of SPML Energy Limited:			
Rupin Tons Power Company (P) Limited	India	69.13%	69.13%
Tons Valley Power Company (P) Limited	India	83.46%	83.46%
Uttarkashi Tons Hydro Power (P) Limited	India	72.46%	72.46%
Subsidiaries of SPML Infrastructure Limited:			
Jamshedpur Waste Processing Company Pvt. Ltd	India	99.66%	99.66%
Allahabad Waste Processing Company Limited	India	95.01%	95.01%
Subsidiaries of Subhash Kabini Power Corporation Limited:			
SPM Holdings Pte Ltd	Singapore	64.49%	64.49%
ADD Energy Management Co (Pvt) Ltd.	India	64.49%	64.49%
PT Sanmati Natural Resources	Indonesia	63.85%	63.85%
Subsidiaries of Delhi Waste Management:			
SJA Developers Private Limited	India	46.46%	45.37%
Synergy Promoters Private Limited	India	46.63%	45.81%
Add Technologies (India) Limited	India	45.70%	**
Subsidiaries of Add Urban Enviro Limited:			
Mathura Nagar Waste Processing Company Limited	India	90.25%	90.25%

** Became subsidiary during the year.

(b) Minorities' interest in the net profits or losses of consolidated subsidiaries for the year is identified and adjusted against the income or loss in order to arrive at the net income or loss attributable to the shareholders of the Company. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of initial investments. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual/ legal obligation on the minorities, the same is accounted for by the holding company.

(c) The financial statements of certain subsidiaries and associates have been prepared in accordance with the following GAAP:

Name of the Company	GAAP
Subsidiaries	
SPM Holdings Pte Ltd.	Singapore Financial Reporting Standards
PT Sanmati Natural Resources	Indonesian Financial Accounting Standards
Associates	
PT Vardhaman Mining Services	Indonesian Financial Accounting Standards
PT Vardhaman Logistics	Indonesian Financial Accounting Standards
Rabaan (S) Pte Ltd.	Singapore Financial Reporting Standards
PT Bina Insan Sukses Mandiri	Indonesian Financial Accounting Standards

The impact on account of any differences due to adoption of different accounting standards as stated above, in comparison to the Generally Accepted Accounting Principles in India (IGAAP) is not material.

(d) In translating the financial statements of the non-integral foreign subsidiaries for incorporation in the consolidated financial statements, the assets and liabilities, both monetary and non-monetary are translated at the closing exchange rate, while income and expenses are translated at average exchange rate when it approximates the actual exchange rate applicable at the date of transaction and all resulting exchange differences are accumulated in Foreign Currency Translation Reserve as disclosed vide note no. 3.

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment in a non-integral foreign operation is accumulated in foreign currency translation reserve, until the disposal of the net investment, at which time they are recognized as income or as expenses.

The effect of acquisition and disposal of subsidiaries on the financial position and results as included in the consolidated financial statements are given below:

(₹ In Lakhs)

Particulars	Acquisition		Disposal	
	2016-17	2015-16	2016-17	2015-16
Non- Current Liabilities				
Long-term borrowings	334.46	23,653.92	–	–
Other long-term liabilities	34.31	638.00	–	–
Current Liabilities				
Short-term borrowings	327.01	747.30	–	–
Trade payables	115.03	1,275.02	–	86.49
Other current liabilities	73.76	2,106.98	–	127.67
Short-term provisions	42.49	–	–	8.20
ASSETS				
Non-Current Assets				
Fixed Assets				
Tangible assets	546.78	56.28	–	831.84
Intangible Assets	–	36,734.94	–	–
Non current investment	15.00	0.20	–	185.15
Capital work-in-progress	149.37	0.00	–	–
Long-term loans and advances	128.47	7.86	–	0.26
Other non current assets	82.82	20.12	–	–
Current Assets				
Inventories	36.46	28.59	–	–
Trade Receivable	517.07	109.01	–	26.66
Cash and bank balances	32.90	417.00	–	4.79
Short-term loans and advances	134.42	38.79	–	294.59
Other current assets	50.96	(0.77)	–	–
Total Revenue from Operations and other Income considered in the consolidated financial statements	1801.17	1,720.55	–	–
Net Profit/(Loss) considered in the consolidated financial statements	14.87	(503.96)	–	–

(f) Investments in Associates have been accounted for using the equity method in accordance with Accounting Standard (AS) 23 'Accounting for Investments in Associates in Consolidated Financial Statements'.

(g) The Group accounts for its share in the change in the net assets of the associates, post-acquisition, after eliminating unrealised profit and losses resulting from the transactions between the Group and its associates to the extent of its share, through its Consolidated Statement of Profit & Loss to the extent such change is attributable to the associate's Statement of Profit & Loss and the same is added to/deducted from the cost of investments in the respective associate companies. Additional losses are provided for to the extent that the investor has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the investor has guaranteed or to which the investor is otherwise committed. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped. The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in associates is identified in the financial statements as Goodwill or Capital Reserve, as the case may be, and the same remains included/adjusted, as the case may be in the carrying values of investments in associates and is disclosed separately. Where the associates have subsidiaries, the consolidated financial statements of the associates have been used for the equity accounting.

(h) The associate companies considered in the consolidated financial statements are as follows:

I) Associates of the Company

Name of the Company	Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2017	March 31, 2016
Mizoram Mineral Development Corporation Limited	India	**	48.67%
SPML Bhiwandi Water Supply Infra Limited	India	44.94%	44.94%
SPML Bhiwandi Water Supply Management Limited	India	50.00%	50.00%
Aurangabad Jal Supply Solutions Private Limited	India	26.00%	26.00%
Aurangabad Jal Constructions Private Limited	India	26.00%	26.00%

**Ceased to be Associate of the Company.

II) Associates of Subsidiaries

Name of the Company	Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2017	March 31, 2016
Associates of SPML Infrastructure Limited:			
Sanmati Infra Developers Pvt. Limited	India	25.00%	25.00%
Associates of SPML Utilities Limited:			
Hydro Comp Enterprises (India) Limited	India	50.00%	50.00%
Aurangabad City Water Utility Co. Ltd	India	40.01%	38.81%

III) Associates of Step down subsidiaries

Name of the Company	Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2017	March 31, 2016
Associates of SPM Holdings Pte Ltd:			
PT Vardhaman Mining Services	Indonesia	29.44%	29.44%
PT Vardhaman Logistics	Indonesia	17.73%	17.73%
Rabaan (S) Pte Limited	Singapore	29.44%	29.44%
PT Bina Insan Sukses Mandiri	Indonesia	29.14%	29.14%

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

(j) Particulars of interest in joint ventures:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2017	March 31, 2016
Om Metal Consortium	India	5.00%	5.00%
SPML – CISC	India	50.00%	50.00%
SPML – Simplex	India	50.00%	50.00%
SPML – HCIL	India	33.00%	33.00%*
SPML-Om Metal (JV) Ujjain	India	50.00%	50.00%
Siddartha - Mahavir – SPML	India	10.00%	10.00%
Malviya Nagar Water Services Private Limited	India	26.00%	26.00%
MVV Water Utility Private Limited (through SPML Utilities Limited)	India	47.99%	47.99%
Gurha Thermal Power Co Ltd	India	50.00%	50.00%
SUEZ -SPML JV	India	48.00%	48.00%
M&P Subhash JV	India	40.00%	40.00%

* Represents joint ventures where the Company, through a supplementary agreement with the JV partners, has altered its risk and reward from 50% and 33% to a specific amount of the contract representing 50% and 99% respectively of the total contract value and for which "back to back" works contract has been awarded to the Company by the JV entities. However, joint venture partners are, jointly and severally, liable to clients for any claims in these projects as per the original terms of the contract.

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

(l) The Consolidated Financial Statements are based on the audited financial statements of subsidiaries, 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
Subsidiary	Bhagalpur Electricity Distribution Co. Pvt Ltd
	SPM Holding Pte. Ltd.
	Subhash Urja Private Limited
	SPML Utilities Limited
	Subhash Kabini Power Corporation Limited
Associates	Hydro Comp Enterprises India Private Limited
	Aurangabad City Water Utility Co. Ltd
	Aurangabad Jal Constructions Private limited
	Aurangabad Jal Supply Solution Pvt Ltd.
	Spml Bhiwandi Water Supply Infra Ltd
	Spml Bhiwandi Water Supply Management Ltd.
	Sanmati Infra Developers Private Limited

Nature of Entity	Name of Entity
Joint Ventures	SPML-CISC JV
	KBL-SPML JV
	MVV Water Utility Pvt Ltd.
	Siddartha - Mahavir SPML
	Suez – SPML (JV)
	SPML-SEW-AMR Joint Venture
	SMS-SPML JV

(m) As per Accounting Standard 21 – Consolidated Financial Statements notified by Companies (Accounting Standards) Rules, 2006 read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of Section 133 of the Companies Act, 2013, only the notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiaries and/or the parent having no bearing on the true and fair view of the consolidated financial statements is not disclosed in the consolidated financial statements.

ii. Basis of preparation

The consolidated financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. The financial statements have been prepared under the historical cost convention on an accrual basis. Insurance claims on the ground of prudence or uncertainty in realization, are accounted for on acceptance / actual receipt basis. The accounting policies applied by the Group are consistent with those used in the previous year.

iii. Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future.

iv. Tangible Fixed Assets

(a) Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT / VAT), taxes, incidental expenses, erection/ commissioning expenses etc. upto the date the asset is ready to be put to use.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. In case of revaluation of fixed assets, the original cost as written up by the valuer is considered in the accounts and the differential amount is transferred to revaluation reserve.

Capital Work in Progress comprises of all directly attributable costs of bringing the assets to their working condition for their intended use and all indirect and incidental expenses.

Expenditure incurred during construction period is capitalized as part of the project cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Consolidated Statement of Profit & Loss. The same will be allocated to the respective fixed assets on completion of construction/erection of the capital project/ fixed assets.

(b) Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be non-regular are capitalized and depreciated prospectively over the useful life of the respective assets.

(c) Leasehold improvements are amortized over lease term, or estimated useful life whichever is shorter.

Intangible assets

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

iv. **Depreciation / Amortization**

Pursuant to notification of Schedule II of the Companies Act, 2013 by the Ministry of Corporate Affairs, effective April 1, 2014, the management has reassessed and revised wherever necessary the estimated useful lives of the assets, so as to comply with the requirements enunciated under Schedule II of the Companies Act, 2013. Depreciation on fixed assets for year ended March 31, 2016 is provided using straight line method as per the revised estimated useful lives of assets. Such revised estimated useful lives of assets are as below:

Block of asset	Revised estimated useful life (in years)
Buildings (including temporary structure)	3 – 60
Plant and equipment	9 – 20
Furniture and fixture	10
Office equipment	5
Computers	3 – 6
Vehicles	8 – 10
Software (Intangible asset)	5

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

Goodwill arising on consolidation is stated at cost less impairment.

vi. **Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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 occur.

vii. **Impairment**

The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows considered for determining the value in use, are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset

viii. **Leases**

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

ix. **Investments**

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

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Consolidated Statement of Profit and Loss.

x. 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.

xi. Inventories

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

Stock of trading goods is valued at lower of cost, which is ascertained using First in First out (FIFO) Method, or net realizable value.

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

xii. Revenue recognition

(a) Construction contracts

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

Overhead expenses representing indirect costs that cannot be directly aligned with the jobs are allocated over the various contracts on a systematic basis.

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

The Company collects Value Added Tax (VAT), Sales tax and Service tax on behalf of the government and therefore, these are not economic benefits flowing to the Company and have been excluded from revenue.

Arbitration awards which are granted in favor of the Company by independent arbitrators are accounted for when the management is reasonable certain of its ultimate recovery. The interest granted on such awards is recognized as per terms of the award.

(b) Sale of Goods

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

(c) Sale of Electricity:

Earnings from sale of electricity are net of discount for prompt payment of bills and do not include electricity duty payable to the State Government. Where the ability to assess the ultimate collection with reasonable certainty is lacking at the time of sale, revenue recognition is postponed to the extent of uncertainty involved. In such cases, it is appropriate to recognise revenue only when it is reasonably certain that the ultimate collection will be made. Where there is no uncertainty as to ultimate collection, revenue is recognised at the time of sale even though payments are made by instalments. Income from meter rent is accounted for as per the approved rates.

(d) Income from Services

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

(e) Interest

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

(f) Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

xiii. Liquidated damages

No provision is made for liquidated damages deducted by the customers, wherever these have been refuted by the Group 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 in terms of the provisions contained in Accounting Standard – 29.

xiv. Foreign currency translations

Initial Recognition

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

Conversion

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

Exchange Differences

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

Foreign Operations

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

(i) Assets and Liabilities at the rate prevailing at the end of the year.

(ii) Revenues and expenses at yearly average exchange rates prevailing during the year, when it approximates the actual exchange rate applicable at the date of transaction.

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

xv. Retirement and other employee benefits

Employee benefits in the form of Provident Fund being a defined contribution scheme are charged 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.

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

Accumulated leave, which is expected to be utilized 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.

Actuarial gain and losses are recognized immediately in the Statement of Profit & Loss as income or expense.

xvi. Income taxes

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

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, the Group re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Consolidated Statement of Profit and Loss and shown as MAT Credit Entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay income tax under normal provision of Income Tax during the specified period.

xvii. Segment Reporting

Identification of Segments

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

Allocation of common costs

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

Segment Policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

xviii. Earnings Per Share

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

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

xix. Provisions

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

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

xx. Cash and Cash Equivalents

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

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 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 obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

xxii. Measurement of EBITDA (Earnings before interest, tax, depreciation and amortization)

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, the Group has elected to present EBITDA as a separate line item on the face of the Consolidated Statement of profit and loss. The Group measures EBITDA on the basis of profit from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance costs and tax expense.

2. SHARE CAPITAL

	As at 31 March 2017	As at 31 March 2016
Authorized capital		
20,00,00,000 (20,00,00,000) equity shares of ₹ 2/- each	4,000.00	4,000.00
10,00,000 (10,00,000) preference shares of ₹ 100/- each	1,000.00	1,000.00
	5,000.00	**5,000.00**
Issued, subscribed and paid-up capital		
3,66,50,276 (3,66,50,276) equity shares of ₹ 2/- each, fully paid -up	733.01	733.01
Add : Forfeited shares (amount originally paid up)	86.44	86.44
	819.45	**819.45**

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

	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning and end of the year	36650276	733.01	36650276	733.01

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares. The Company declares and pays dividends in Indian Rupees. The holder of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share

In the event of liquidation of the Company, the holders of 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. Details of shareholders holding more than 5% equity shares of the Company

Name of Shareholders	As at 31 March 2017		As at 31 March 2016	
	Number of shares	% holding	Number of shares	% holding
CVCIGP II Client Rosehill Limited	3521575	9.61%	3521575	9.61%
Zoom Industrial Services Limited	3073510	8.39%	3073510	8.39%
SPML India Limited	2335735	6.37%	2335735	6.37%
Udgam Commercial Limited	1889236	5.15%	1992531	5.44%
CVCIGP II Employee Rosehill Limited	1972301	5.38%	1972301	5.38%
Anil Kumar Sethi	1902835	5.19%	1902835	5.19%

d. No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceeding the reporting date.

3. RESERVES AND SURPLUS

	As at 31 March 2017	As at 31 March 2016
A. Capital reserve		
Balance as per last financial statements	1,368.86	1,398.29
Less: Amount Transferred to Retained Earnings	–	(0.77)
Less: Share of Minority Interest	–	(28.67)
Closing Balance	**1,368.86**	**1,368.86**
B. Capital Reserve on Consolidation		
Balance as per last financial statements	782.79	773.87
Add: Addition during the year	500.77	8.92
	1,283.56	**782.79**
C. Securities premium account		
Balance as per last financial statements	16,171.44	15,263.80
Add: Addition during the year	–	907.64
	16,171.44	**16,171.44**
D. General reserve		
Balance as per last financial statements	5,929.05	5,929.05
E. Foreign Currency Translation Reserve		
Balance as per last financial statements	221.13	1,247.92
Arisen on consolidation during the year (Refer Note No. 1(i)(d))	(1,981.83)	(1,026.79)
Closing Balance	**(1,760.70)**	**221.13**
F. Revaluation Reserve		
Balance as per last financial statements	–	362.14
Less: Amount Transferred to Retained Earnings	–	(362.14)
Closing Balance	–	–
G. Surplus in the Consolidated Statement of Profit and Loss		
Balance as per last financial statements	21,525.53	21,394.38
Add: Adjustment on disposal of subsidiary	–	362.91
Add: On account of Minority Adjustment	–	52.55
Add: De-Console Profit/(Loss)	(323.35)	313.99
Profit/(Loss) for the year	734.43	(598.29)
Net surplus in the Consolidated Statement of Profit and Loss	**21,936.61**	**21,525.53**
Total reserves and surplus (A+B+C+D+E+F+G)	**44,928.81**	**45,998.79**

4. LONG-TERM BORROWINGS

	Non-current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Secured				
Term loans (Indian Rupees)				
From Banks (Refer note 4.1)	34,610.64	36,549.39	8,664.00	6,360.47
From Financial Institutions (Refer note 4.2)	2,466.32	3,308.42	848.24	631.58
Deferred Payment credits				
-From Banks (Refer note 4.3)	71.85	121.89	225.52	21.06
-From Others (Refer note 4.3)	118.40	115.68	7.93	108.70
Unsecured				
From a body corporate (Refer note 4.4)	2,953.42	1,855.04	–	–
From related parties (Refer note 4.5)	10,745.77	8,281.66	–	–
Total	**50,966.40**	**50,232.08**	**9,745.69**	**7,121.81**
Less: Amount disclosed under the head "other current liabilities" (refer note 10)	–	–	(9,745.69)	(7,121.81)
Total	**50,966.40**	**50,232.08**	–	–

4.1 Security and repayment terms in respect of term loans from banks

Outstanding * (₹ in lakhs)		Nos. of installments outstanding as on March 31,2017 (remaining)		Rate of interest	Nature of securities
As at 31st March, 2017	As at 31st March, 2016	Quarterly	Monthly		
600.00	997.31	11		BPLR + 4.15%	The Loan is secured by hypothecation over all the current assets including receivables and inventory, and other free/non encumbered movable fixed assets of Allahabad Waste Processing Private Limited (both present and future). An additional Corporate Guarantee of the Ultimate Holding Company is also given as security.
660.41	787.42	4		BPLR + 3%	First charge on all movable and immovable assets of the Company, present and future, equitable Mortgage created on Private land, assignment of all project contracts and documents in favour of the bank, charge on all future receivables and also personal guarantee of all the promoter diretors of Awa Power Company Private Limited.
–	9.88			BPLR + 2.75%	First charge on all movable and immovable assets of Bhagalpur Electricity Distribution Company Private Limited (both present and future, equitable mortgage on Private land, assignment of all project contracts and documents in favour of the bank, charge on all future receivables and also by personal guarantee of all promoter directors of Bhaglpur Electricity Distribution Company Private Limited.

4.1 Security and repayment terms in respect of term loans from banks

Outstanding * (₹ in lakhs)		Nos. of installments outstanding as on March 31,2017 (remaining)		Rate of interest	Nature of securities
As at 31st March, 2017	As at 31st March, 2016	Quarterly	Monthly		
442.98	537.07	4		BPLR + 3 %	All movable and immovable assets of Iqu Power Company Private Limited (both present and future), equitable mortgage on Private land, assignment of all project contracts and documents in favour of the bank, charge on all future receivables and personal guarantee of all the promoter directors of Iqu Power Company Private Limited.
1,800.28	1,567.31	28		BPLR + 4.75 %	The said loan is secured by an exclusive charge on on all the movable and immovable properties of Luni Power Company Private Limited (both present and future), 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 Private Limited and personal guarantee by the promotor director of the Luni Power Company Private Limited.
1,280.00	1,280.00	19		BPLR + 6.50 %	The said loan is secured by and exclusive charge over all the fixed assets purchased out of the bank finance (both present and future) and has also been backed by the personal guarantee of promotor directors of Madurai Municipal Waste Processing Company Private Limited.
419.98	694.60	11		BPLR + 4.15 %	The said loan is secured by all the current assets and other unencumbered movable fixed assets of Mathura Nagar Waste Processing Company Private Limited (both present and future) and the said loan is backed by the corporate guarantee of Ultimate holding company.
840.18	867.87	12		Base Rate + 5.5 %	The said loan is secured by the project assets procured by Neogal Power Company Private Limited out of the said loan, 33.04 lakh shares of Neogal Power Company Private Limited held by Subhash Kabini Power Corporation Limited, further the personal guarantee of promoter directors have been given against the loan in addition to the corporate guarantee given by Subhash Kabini Power Corporation Limited and the Ultimate holding company.
5,154.64	5,913.04	23		Base Rate + 3.5%	The said loan is secured by all movable and immovable properties (both present and future) of Subhash Kabini Power Corporation Limited and is backed by the personal guarantee of the promotor directors.
182.34	226.90		37	11.35%	The said loan is secured by exclusive charge on the Synergy Promoters Private Limited's property at Upper Worli, Mumbai and with the personal guarantee of promotor directors.
585.97	585.97		120	8.85%	The said loan is secured by exclusive charge on the SJA Developers Private Limited's property at Worli, Mumbai and with the personal guarantee of promotor directors.
23,651.10	25,753.42	46**		BPLR + 4 %	The said loan is secured by a charge over all assets of Bhilwara Jaipur Toll Road Private Limited and pledge of 51% shares of the subsidiary by the directors along with the corporate guarantee by Om Metals Infraprojects Limited and the Ultimate holding company.

4.1 Security and repayment terms in respect of term loans from banks

Outstanding * (₹ in lakhs)		Nos. of installments outstanding as on March 31,2017 (remaining)		Rate of interest	Nature of securities
As at 31st March, 2017	As at 31st March, 2016	Quarterly	Monthly		
218.39	337.57				a. Term Loan from PNB is secured by hypothecation of Immovable Properties and ATP machines. b. Term Loan from Syndicate Bank is secured by hypothecation of 40 units of new ATP Kiosks.
7,245.30	3,600.00				a. Term loan of Rs. Nil (Rs. 312.50 lakhs) carries interest @ 12.75 % p.a. (I-Base plus spread @ 2.5% p.a). The said loan is secured against a subservient charge on all the fixed assets and current assets (both present and future) of the Company and also by the personal guarantee of a promoter director of the Company. b. Term loan of Rs. 937.50 lakhs (Rs. 1687.50 lakhs) carries interest @ 13.00 % p.a. (I-Base plus spread @ 3.75% p.a.) and is repayable in five quarterly instalments of Rs. 187.50 lakhs each along with interest thereon by March 2018. The said loan is secured against an exclusive charge over the Company's land property located at Gurgaon. c. Term loan of Rs. 507.80 lakhs (Rs. 1,600 Lakhs) carries interest @ 11.75 % p.a. and is repayable in 12 quarterly instalments of Rs. 120 lakhs each along with interest thereon by February 2020. Prepayment of loan has been made to the extent principal amount of Rs. 932.20 lakhs which resulted into reduction of loan. The said loan is secured against an exclusive charge over the Company's office property located at Bengaluru and Subservient charge on all movable fixed assets and current assets (both present and future) of the Company. Further, loan is backed by the personal guarantee of the Managing Director of the Company and pledge of shares of the Company by the promoters. d. As at the year ended March 31, 2017, the Company has defaulted in repayment of principal amount of loan and interest upto 90 days amounting to Rs. 239.50 lakhs (Rs. 519.19 lakhs) and Rs. 126.19 lakhs (Rs. 154.46 lakhs), respectively. The default for more than 90 days amounted to Rs. 6.14 lakhs (Rs. 7.04 lakhs) to banks and financial institutions."
43,081.57	43,167.86				

4.2 Security and repayment terms in respect of term loans from financial Institutions

a. Loan of Rs. 3,314,56 lakhs (Rs. 3,940 lakhs) taken from a financial institution carries interest @ 13.55% p.a. and is repayable in sixteen equated quarterly instalments by January 2021. The said loan is secured against an exclusive charge over the free hold property located at Faridabad, owned by SPML Industries limited and corporate gurantee provided by SPML Industries limited. The said loan is also secured against an exclusive charge over company's landed property situated at village – Bucholai, Tehsil- Gangapur, Dist- Sawaimadhopur, Rajasthan. Further, loan is backed by the personal guarantees provided by the Chairman and by the Managing director of the Company and pledge of shares of the Company by the promoters.

The loans referred above are secured against hypothecation of respective construction equipments.

4.3 Deferred payment credits from banks and others are secured against hypothecation of vehicles / construction equipments purchased against such loans and are repayable in equated monthly instalments (ranging from 8 to 32) carrying interest rates ranging from 9.60% to 11.46% p.a.

4.4 Loan from Body Corporate:

a. Loans from bodies corporate is repayable after 5 years from the date of their receipt.

4.5 Loan from Related Parties:

a. Rs.10,745.77 lakhs (Rs. 8,281.66 lakhs) is repayable after one year and carries interest rate @ 12% p.a.

5. DEFERRED TAXES

	As at 31 March 2017	As at 31 March 2016
a. Deferred tax liability		
On timing differences of depreciable assets	57.43	–
On retentions by the customers	–	–
Total (a)	**57.43**	–
b. Deferred tax assets		
Carry forward of losses	6.97	–
On timing differences of depreciable assets	627.48	1.33
On expenses disallowed under the Income Tax Act,1961	19.79	22.34
Total (b)	**654.24**	**23.67**
Consists of:		
Deferred tax liabilities(Net)	50.46	110.22
Deferred tax assets(Net)	647.27	133.89
Net Deferred Tax Liabilities/(Assets)	**(596.81)**	**(23.67)**

6. OTHER LONG-TERM LIABILITIES

	As at 31 March 2017	As at 31 March 2016
Trade payables (refer note 32 for details of dues to Micro and Small Enterprises)	7,957.02	7,889.38
Other advances received		
Advance from customers (partly bearing interest)	10,429.51	8,726.91
	18,386.53	**16,616.29**

7. PROVISIONS

	Long term		Short term	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Provision for employee benefits				
Gratuity (refer note 35(a))	639.22	622.63	148.81	161.27
Leave encashment (refer note 35(c))	4.19	11.26	144.47	143.60
	643.41	**633.89**	**293.28**	**304.87**
Other provisions				
Provision for Expenses	–	–	41.06	110.09
Provision for taxation (Net)	–	–	260.50	334.94
	–	–	**301.56**	**445.03**
Total	**643.41**	**633.89**	**594.84**	**749.90**

8. SHORT-TERM BORROWINGS

	As at 31 March 2017	As at 31 March 2016
Secured		
From Banks		
In Indian Rupee		
-Cash Credit and working capital facilities (refer note 8.1, 8.2 and 8.3 below)	67,113.88	47,666.96
Unsecured		
From Related parties and Bodies Corporates (refer note 8.4 and 8.5 below)	12,437.78	8,745.27
Cash Credit facilities - In foreign currency (refer note 8.6 below)	10,241.61	6,800.49
	89,793.27	**63,212.72**

8.1. Demand loans and 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 and also the lien on fixed deposit of ₹ 38 lakhs in favour of lead banker as a pari passu charge with other consortium bankers. These loans are additionally secured by the guarantees of three promoter directors of the Company and corporate guarantee of SPM Engineers Limited (related party). The demand loans and cash credit and working capital facilities carry interest @ 12.65% to 16.25% p.a.

8.2. This facility from bank is secured by first charge on Current Assets and collaterally secured by extension of first charge over all the fixed assets of the company other than those specifically financed by other Bank(s).The cash credit limit carry interest @13.60% p.a.

8.3. Working Capital OD limit is Secured by way of pledge of FDR.

8.4. Loan from related parties is repayable on demand and carry interest @ 0% to 14.5%.

8.5. Loans from bodies corporate repayable within one year and carries interest @ 12% p.a to 18% p.a.

8.6. Cash credit facility in foreign currency carries interest @ Libor plus 5.5% p.a.

9. TRADE PAYABLES

	As at 31 March 2017	As at 31 March 2016
Trade payables (refer note 33 for details of dues to Micro and Small Enterprises)	96,760.30	112,733.68
	96,760.30	**112,733.68**

10. OTHER CURRENT LIABILITIES

	As at 31 March 2017	As at 31 March 2016
Advance from customers	11,455.46	10,252.29
Other liabilities		
Current Maturities of Long-term borrowings (refer note 4)	9,745.69	7,121.81
Interest accrued and not due on borrowings	25.63	32.50
Interest accrued and due on borrowings	510.63	327.71
Interest Accrued on mobilzation advance	3,510.49	3,584.70
Unpaid Dividend*	2.77	4.70
Statutory dues payable	1,848.98	2,071.72
	27,099.65	**23,395.43**

*not yet due for deposit to Investor education and protection fund

11(a) TANGIBLE ASSETS

Particulars	Freehold Land	Leasehold Land	Buildings Owned	Buildings Leased	Plant and machinery	Furniture and Fixtures	Vehicles	Site office/ equipments	Temporary Site Sheds & shuttering materials	Total
Gross Block as on April 1, 2015	1,165.29	44.34	10,366.12		31,193.77	1,884.33	2,311.55	2,313.00	2,499.30	51,777.70
Purchased During the year	31.73	–	7.61		635.44	35.08	405.05	142.79	–	1,257.70
Consolidation Adjustment	(789.06)	–	(141.81)		–	(140.72)	15.14	60.70	1.48	(994.27)
Sale / Disposal	–	–	(3,610.84)	–	(394.83)	–	(34.66)	(272.73)	–	(4,313.07)
Gross Block as on March 31, 2016	**407.97**	**44.34**	**6,621.07**	–	**31,434.38**	**1,778.69**	**2,697.08**	**2,243.75**	**2,500.79**	**47,728.06**
Gross Block as on April 1, 2016	407.97	44.34	6,621.07		31,434.38	1,778.69	2,697.08	2,243.75	2,500.79	47,728.06
Purchased During the year	–	–	230.26	1,094.58	838.71	24.76	109.76	110.23	–	2,408.31
Adjustment for conversion of Associate to Subsidiary	–	–	–	–	–	3.40	34.18	72.86	–	110.44
Sale / Disposal	–	–	(322.49)	(483.86)	(1,344.00)	(975.12)	(496.44)	(66.24)	–	(3,688.16)
Gross Block as on March 31, 2017	**407.97**	**44.34**	**6,528.85**	**610.72**	**30,929.09**	**831.72**	**2,344.58**	**2,360.60**	**2,500.79**	**46,558.65**
Depreciation										
Accumulated Depreciation as on April 1, 2015	–	7.31	3,013.99	–	11,653.46	1,035.42	1,341.10	1,844.25	2,320.69	21,216.22
Depreciation charged during the year	–	4.31	300.80	–	1,220.38	224.99	358.46	355.97	19.09	2,484.01
Consolidation Adjustment	–	–	(99.10)	–	–	(23.03)	12.01	5.28	0.08	(104.75)
Sale / Disposal	–	–	(345.82)	–	(78.19)	–	(14.87)	(149.24)	–	(588.12)
Accumulated Depreciation as on March 31, 2016	–	**11.63**	**2,869.88**	–	**12,795.66**	**1,237.38**	**1,696.70**	**2,056.25**	**2,339.86**	**23,007.36**
Accumulated Depreciation as on April 1, 2016	–	11.63	2,869.88		12,795.66	1,237.38	1,696.70	2,056.25	2,339.86	23,007.36
Depreciation charged during the year	–	4.31	228.13	–	1,294.71	221.57	252.67	179.80	19.02	2,200.21
Adjustment for conversion of Associate to Subsidiary	–	–	–	–	–	1.08	17.35	35.72	–	54.16
Sale / Disposal	–	–	(98.46)	–	(975.27)	(744.76)	(465.15)	(62.25)	–	(2,345.90)
Accumulated Depreciation as on March 31, 2017	–	**15.94**	**2,999.55**	–	**13,115.10**	**715.27**	**1,501.57**	**2,209.53**	**2,358.88**	**22,915.83**
Net Block as on March 31, 2016	**407.97**	**32.72**	**3,751.19**	–	**18,638.72**	**541.30**	**1,000.38**	**187.50**	**160.93**	**24,720.70**
Net Block as on March 31, 2017	**407.97**	**28.40**	**3,529.30**	**610.72**	**17,813.99**	**116.45**	**843.01**	**151.07**	**141.91**	**23,642.82**

11(b) INTANGIBLE ASSETS

	Computer Software	Rights under service concession arrangement	Goodwill on Consolidation	Total
COST				
Gross Block as on April 1, 2015	415.81	119.44	1,211.82	1,747.06
Addition during the year	0.26	3,476.75	1,538.30	5,015.31
Consolidation Adjustment*	9.24	33,799.36	-87.45	33,721.15
Gross Block as on March 31, 2016	**425.31**	**37,395.54**	**2,662.67**	**40,483.52**
Gross Block as on April 1, 2016	425.31	37,395.54	2,662.67	40,483.52
Addition during the year	0.17	1,054.79	642.74	1,697.71
Consolidation Adjustment*	0.01	0.00	0.00	0.01
Gross Block as on March 31, 2017	**425.49**	**38,450.33**	**3,305.41**	**42,181.24**
DEPRECIATION				
Accumulated Depreciation as on April 1, 2015	380.83	8.54	0.00	389.38
Charged for the year	12.05	383.21	0.00	395.26
Adjustment for conversion of Associate to Subsidiary	1.63	79.58	0.00	81.21
Accumulated Depreciation as on March 31, 2016	**394.51**	**471.33**	–	**865.84**
Accumulated Depreciation as on April 1. 2016	394.51	471.33	0.00	865.84
Charged for the year	6.78	379.14	0.00	385.92
Accumulated Depreciation as on March 31, 2017	**401.29**	**850.47**	–	**1,251.76**
NET BLOCK				
Net Block as on March 31, 2016	**30.80**	**36,924.21**	**2,662.67**	**39,617.68**
Net Block as on March 31, 2017	**24.20**	**37,599.86**	**3,305.41**	**40,929.48**

* Adjustments on account of difference in previous year audited financial statement and management certified financial statements of a subsidiary

12.CAPITAL WORK IN PROGRESS (CWIP)

	As at April 1, 2016	Additions	Adjustment pursuant to acquisition of Joint Venture / Subsidiaries	Less: Adjustment for CWIP written off/Capitalized during the year	As at March 31, 2017
Buildings Under Construction	3,858.50	-1.40			3,857.10
Plant & Machinery Under Erection	6,201.20	–		476.81	5,724.38
Toll Road under Construction	-47.26	–			(47.26)
Total	**10,012.43**	**-1.40**	–	**476.81**	**9,534.21**
Project Development Expenditure (Refer note. 36)	3,722.12	596.32	193.21	2,068.52	2,443.13
Less: Subsidy	(4,182.19)	–			(4,182.19)
Total	**9,552.36**	**594.92**	**193.21**	**2,545.33**	**7,795.16**
Previous Year's Total	**8,706.54**	**850.43**	–	**4.61**	**9,552.36**

13. NON CURRENT INVESTMENTS

	No. of Shares/ Units/ Debentures	Face Value per share / unit/ Debenture ₹	As at 31 March 2017	As at 31 March 2016
Long Term (At Cost)				
(A) Other than Trade				
Quoted				
(a) Equity Shares (Fully Paid - up)				
Arihant Leasing & Holding Limited	24,000	10	0.75	0.75
	(24,000)			
Indian Arcylics Limited	100	10	0.01	0.01
	(100)			
Petrochem Industries Limited	500	10	0.14	0.14
	(500)			
Best & Crompton Engineering Limited	200	10	0.10	0.10
	(200)			
SPML India Limited	10,000	10	1.50	1.50
	(10,000)			
Hindustan Engineering & Industries Limited (Bonus Shares)	4	10	–	–
	(4)			
(b) Debentures (Fully Paid - up)				
Escorts Tractors Limited*	25		0.01	0.01
	(25)			
Hindustan Engineering & Industries Limited	110		0.06	0.06
	(110)			
			2.57	2.57
Less: Provision for Diminution in Value of investments			2.56	2.56
Net Quoted Investments*			0.01	0.01
(B) Trade				
Unquoted				
Equity Shares (Fully Paid-up)				
Bharat Hydro Power Corporation Limited	3,294,150	10	211.85	211.85
	(3,294,150)			
Jarora Nayagaon Toll Road Company Pvt. Ltd. (Refer note no. 1 below)	24,423,700	10	2,442.37	2,442.37
	(24,423,700)			
ADD Realty Limited	15,000	1	15.00	–
	(–)			
Om Metals- SPML Infra Projects Pvt. Ltd.	4,999	10	0.50	0.50
	–			
			2,669.72	2,654.72

13. NON CURRENT INVESTMENTS

Particulars	No. of Shares/ Units/ Debentures	Face Value per share / unit/ Debenture ₹	As at 31 March 2017	As at 31 March 2016
In Associate Companies				
Pondicherry Port Limited	181,600	10	2.01	2.01
Less : Share in losses of the Associate Company	(181,600)		(2.01)	(2.01)
			0.00	0.00
HYDRO Comp Enterprises (India) Limited	2,296,265	1	22.96	22.96
Less : Share in losses of the Associate Company	(2,296,265)		(22.96)	(22.96)
			–	–
Sanmati Infra Developers Private Limited	500,000	10	50.00	50.00
Less : Share in losses of the Associate Company	(500,000)		(50.00)	(50.00)
			–	–
PT Vardhaman Mining Services	456,500	USD 1	232.59	232.59
Less : Share in losses of the Associate Company	(456,500)		(296.70)	(302.20)
Add: Foreign Currency Translation differences			64.11	69.61
			–	–
PT Vardhaman Logistics (Includes ₹ 10.13 lakhs (₹ 10.13 lakhs) towards Goodwill)	137,500 (137,500)	USD 1	69.78	69.78
Add : Share in profits of the Associate Company			25.46	19.61
Add: Foreign Currency Translation differences			(11.29)	0.42
			83.96	89.81
Rabaan (S) Pte. Ltd.	11,413	SGD 1	4.49	4.49
Less : Share in losses of the Associate Company	(11,413)		30.60	(5.19)
Add: Foreign Currency Translation differences			5.89	0.70
			40.98	–
PT Bina Insan Sukes Mandiri (Includes ₹ 230.47 lakhs(₹ 230.47 lakhs) towards Goodwill)	2,738 (2,738)	IDR 1million	8,276.20	8,276.20
Add : Share in Profit of the Associate Company			1,809.66	312.30
Add: Foreign Currency Translation differences			1,229.56	2,134.62
			11,315.42	10,723.12

13. NON CURRENT INVESTMENTS

Particulars	No. of Shares/ Units/ Debentures	Face Value per share / unit/ Debenture ₹	As at 31 March 2017	As at 31 March 2016
Aurangabad City Water Utility Company Ltd.	19,405	1	2.00	1.94
Add : Share in Profit of the Associate Company	(19,405)		(2.00)	69.21
			0.00	71.15
Aurangabad Jal Supply Solutions Private Limited	2,600	10	0.26	0.26
Less : Share in losses of the Associate Company	(2,600)		(0.26)	(0.06)
			–	0.20
SPML Bhiwandi Water Supply Infra Ltd.	224,700	1	2.25	2.25
Less : Share in losses of the Associate Company	(224,700)		(0.18)	(0.18)
			2.07	2.07
SPML Bhiwandi Water Supply Management Ltd.	250,000	1	2.50	2.50
Less : Share in losses of the Associate Company	(250,000)		(0.24)	(0.24)
			2.26	2.26
Aurangabad Jal Constructions Private Limited	2,600	10	0.26	0.26
Less : Share in losses of the Associate Company	(2,600)		(0.26)	(0.26)
			0.00	0.00
Total			**11,444.69**	**10,888.61**
Preference Shares				
ADD Realty Ltd.	54,750,000		1,095.00	643.00
	(32,150,000)			
			1,095.00	643.00
Equity Share Warrants				
Sanmati Infra Developers Private Limited	450,000	10	45.00	45.00
	(450,000)		45.00	45.00
Others:				
Unquoted				
National Saving Certificate			0.52	0.52
Units of PNB Mutual Fund	50,000	10	5.00	5.00
	(50,000)		5.52	5.52
TOTAL			15,259.94	14,236.86

* Refer note no 43 and 47

14. LOANS AND ADVANCES (Unsecured, considered good)

	Long term		Short term	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Loans (Partly bearing interest)				
- to Related parties	1,272.38	708.77	421.09	1,952.12
- to Others	–	–	3,149.75	1,700.22
Capital advances				
- to Related parties	928.48	928.48	66.83	2.15
- to Others	1,348.86	1,341.12	–	–
Advances recoverable in cash or kind				
- to Related parties	259.42	–	100.91	300.22
- to Others	–	–	3,872.04	6,784.40
Other loans and advances				
Advance income-tax (Net of provision for tax of ₹ 2,343,66 lakhs (₹ 2,254.83 lakhs))	9,175.28	7,915.42	535.74	1,406.87
Mat Credit Entitlement	660.37	683.18	10.32	10.74
Security Deposits/ Earnest Money Deposits	265.38	257.21	977.97	1,534.06
Prepaid expenses	–	–	1,306.38	1,324.99
VAT Input credit receivable	809.17	957.47	2,418.36	1,989.48
Balances with statutory/government authorities	–	–	74.50	91.62
Advances towards share application money				
- to Related parties	962.30	771.23	–	–
- to Others	–	–	6.00	–
Subsidies Recievable	291.34	291.34	–	–
	15,972.98	**13,854.22**	**12,939.89**	**17,096.87**

15. TRADE RECEIVABLES* (Unsecured)

	Non-current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Outstanding for a period exceeding six months from the date they are due for payment				
considered good	23,340.24	17,677.78	68,881.44	70,412.71
considered doubtful	1,846.54	1,846.54	–	–
	25,186.78	**19,524.32**	**68,881.44**	**70,412.71**
- Provision for doubtful receivables	(1,846.54)	(1,846.54)	–	–
(A)	**23,340.24**	**17,677.78**	**68,881.44**	**70,412.71**
Others				
considered good	–	–	18,513.90	22,294.97
	–	–	**18,513.90**	**22,294.97**
Total (A + B)	**23,340.24**	**17,677.78**	**87,395.34**	**92,707.68**

* Includes retention money ₹19,967.47 lakhs (₹ 15,856.81 lakhs) and refer note no 39,40 and 45

16. OTHER ASSETS (Unsecured, considered good)

	Non-current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Deposits with original maturity for more than 12 months (refer note 18)*	3,488.44	3,643.66	–	–
Unbilled Revenue				
-Construction Contracts	–	–	64,504.33	54,709.40
-Power Distribution	–	–	1,149.90	1,266.83
Interest accrued on fixed deposits / other loans	–	–	1,289.45	1,351.93
Receivable Against Sale of Share	–	–	1,344.12	1,618.49
Other Non Current Assets	5,447.77	3,673.67	86.14	86.14
Interest accrued on Arbitration Awards (Refer Note 40)	13,633.77	6,289.44	1,541.78	1,695.95
	22,569.98	**13,606.77**	**69,915.72**	**60,728.74**

*lying with banks as security against letters of credits and Guarantees issued by them.

17. INVENTORIES (valued at lower of cost and net realisable value)

	As at 31 March 2017	As at 31 March 2016
Material at sites	3,879.58	3,933.54
Work in progress	2,222.02	2,623.31
Finished Goods	36.46	–
Stores and spares	1,092.22	955.25
	7,230.28	**7,512.10**

18. CASH AND BANK BALANCES

	Non-current		Current	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Cash and cash equivalents				
Balances with banks:				
In current accounts	–	–	4,327.97	2,770.23
Deposits with original maturity of less than three months*	–	–	–	1,960.89
Cheques In Hand			–	1.00
Cash in hand	–	–	40.91	142.73
(A)	–	–	**4,368.88**	**4,874.85**
Other bank balances				
Deposits with original maturity for more than 12 months*	3,488.44	3,643.66	9,220.31	3,224.13
Deposits with original maturity for more than 3 months but less than 12 months*	–	–	2,181.02	5,906.74
Balances on unpaid dividend account	–	–	3.22	5.15
(B)	**3,488.44**	**3,643.66**	**11,404.55**	**9,136.02**
Amount disclosed under non-current assets	**(3,488.44)**	**(3,643.66)**	–	–
Total	–	–	**15,773.43**	**14,010.87**

*Receipts lying with banks as security against letters of credit and Guarantees issued by them and with clients

* The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

Particulars	Specified Bank Notes (SBNs)	Other denomination notes	Total
Closing cash in hand as on 08-11-2016	29.30	56.79	86.09
(+) Permitted receipts	92.72	100.28	193.00
(+) Amount withdrawn from Bank	–	55.05	55.05
(-) Permitted payments	2.50	58.12	60.62
(-) Amount deposited in Banks	108.69	94.35	203.05
Closing cash in hand as on 30-12-2016	10.82	59.65	70.47

19. REVENUE FROM OPERATIONS

	Year ended 31 March 2017	Year ended 31 March 2016
Sales of Products and Services		
- Construction Contracts	93,553.80	126,641.20
- Trading sales (refer note 19.1)	96,904.81	48,824.18
- Sale of Power	16,275.37	16,800.58
- Toll Collection	2,294.11	417.96
- Municipal Services	5,778.03	7,173.31
- Space Contract	180.07	292.11
Other operating revenue		
- Operation and Maintenance	1,805.80	1,654.08
- Claims as per arbitration awards	2,526.51	–
- Miscellaneous	2,642.99	1,735.84
	221,961.49	**203,539.26**

19.1 DETAIL OF TRADING SALES

	Year ended 31 March 2017	Year ended 31 March 2016
Steel Products	65,758.72	13,802.21
Coal	31,146.09	35,021.97
	96,904.81	**48,824.18**

20. OTHER INCOME

	Year ended 31 March 2017	Year ended 31 March 2016
Interest income on		
- Loans given	3,356.61	342.30
- Bank deposits	893.67	1,084.55
- Arbitration Award (Refer note 40)	9,014.76	1,042.86
- Income Tax Refund	186.15	261.96
- Others	214.66	506.62
Insurance Claims received	–	0.02
Sundry balances/liabilities written back (Refer note no.38)	164.45	902.56
Miscellaneous Income	4,437.76	1,715.39
	18,268.06	**5,856.26**

21. MATERIAL CONSUMED AND DIRECT EXPENSES

	Year ended 31 March 2017	Year ended 31 March 2016
Materials Consumed		
Opening stock	4,187.91	3,615.34
Add: purchases	36,332.99	71,518.02
	40,520.90	75,133.36
Less: closing stock	4,217.00	4,187.91
	36,303.90	**70,945.45**
Direct expenses		
Stores and Spares Consumed	8.17	4.44
Subcontractor Charges	33,790.04	28,250.02
Drawing and Designing Charges	69.93	85.07
Equipment Hire and Running Charges	528.11	478.25
Cost of Energy Purchased	13,776.89	12,292.27
Other Direct Expenses	6,076.75	5,515.02
	54,249.89	**46,625.07**
	90,553.79	**117,570.52**

22. CHANGE IN INVENTORY

	Year ended 31 March 2017	Year ended 31 March 2016
a) Work In Progress		
Opening	2,283.05	2,812.20
Closing	(2,222.02)	(2,641.89)
	61.03	**170.31**
b) Finished Goods		
Opening	–	68.22
Closing	–	–
	–	**68.22**
(Increase)/Decrease in work in progress	**61.03**	**238.53**

23. EMPLOYEE BENEFITS

	Year ended 31 March 2017	Year ended 31 March 2016
Salaries, wages and bonus	7,852.84	7,011.70
Contribution to provident and other funds (Refer note no.35(a))	414.11	378.10
Gratuity expense	90.01	154.17
Staff welfare expenses	158.00	132.37
	8,514.96	**7,676.34**

24. OTHER EXPENSES

	Year ended 31 March 2017	Year ended 31 March 2016
Rent	737.14	657.14
Rates and Taxes	359.41	233.19
Repairs and Maintenance:		
- Building	18.05	23.24
- Plant and Machinery	92.79	109.13
- Others	380.57	517.14
Insurance	406.72	502.04
Advertisement expenses	24.15	7.43
Professional Charges and Consultancy Fess	1,641.67	1,708.25
Vehicle Running Charges	591.76	565.14
Travelling and Conveyance	854.64	784.18
Communication Expenses	156.90	164.57
Power and Fuel	253.70	312.57
Charity and Donations	13.88	26.12
Auditor's Remuneration	116.18	155.88
Business Promotion Expenses	95.53	135.98
Bad Debts/ Sundry Balances Written Off	4,586.89	1,287.14
Provision for diminution Value of Investments	–	18.71
Loss on sale of Investments	–	455.14
Loss on Sale/Discard of Fixed Assets (net)	4.68	16.44
Miscellaneous Expenses	2,704.32	2,709.53
	13,038.98	**10,388.96**

25. FINANCE COSTS

	Year ended 31 March 2017	Year ended 31 March 2016
Interest (including interest on mobilisation advance)	28,930.34	22,408.29
Other Finance charges	100.31	109.69
	29,030.65	**22,517.98**

26. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :

	As at 31 March 2017	As at 31 March 2016
Claims against the Group not acknowledged as debt	1,110.13	1,066.51
Claims towards liquidated damages not acknowledged as debts by the Company		
Against the above, debts of the like amount are withheld by the customers. However, the Company expects no liability to accrue on account of these claims.	19,630.65	15,694.27
Disputed demands*		
(a) Income Tax (includes proportionate share in joint venture – ₹ 121 Lacs (₹Nil)) #	165.20	43.93
(b) Excise/ Service Tax	23.13	23.13
(c) Sales Tax / VAT	4,209.04	3,596.42
(d) Others	138.75	138.75
Corporate guarantees given for body corporates	56,020.23	61,355.46
Performance Guarantees given for body corporates	5,528.10	6,352.10

* In respect of above cases based on favourable decisions in similar cases/legal opinions taken by the Group/discussions with the solicitors etc., the management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has been made in the financial statements.

Refer Note No. 27 also

27. The Ultimate hoding Company has claimed income tax benefits of ₹ 32553.78 lakhs (₹ 31064.84 lakhs upto March 31, 2016) approximately having tax impact of ₹ 9633.74 lakhs (₹ 9118.45 lakhs upto March 31, 2016) including ₹ 515.29 lakhs (March 2016: ₹ 452.06 lakhs) for the year under Section 80IA of the Income Tax Act, 1961, on construction contracts for certain infrastructure projects executed on behalf of various departments / agencies of different State Governments during the financial years 2003-04 onwards. In the tax assessment for the financials years upto 2013-14, the above claims were initially disallowed by the Tax Authorities, but the Appeallate authority during the earlier year allowed the aforesaid claims for the year 2005-06 to 2009-10. Accordingly, the Company believe that all such claims under Section 80IA would be allowed for subsequent years also. The Company's writ with the Honourable Calcutta High Court, challenging the validity of the retrospective amendment in Section 80IA, which as per legal opinion obtained by the Company, is ultra vires to the main section of the Income Tax Act, 1961, however, remains pending disposal.

28. CAPITAL AND OTHER COMMITMENTS

Particulars	As at 31 March 2017	As at 31 March 2016
Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of Capital Advances] [Share in Joint Venture – ₹ Nil (₹ Nil)]	92.21	65.30

29. The group has operating leases that are renewable on a periodic basis and are cancellable by giving a notice period ranging from one month to three months. There is no escalation clause in the lease agreements. There are no restrictions imposed by lease arrangements. The amount of rent expenses included in the Consolidated Statement of Profit and Loss/ Project Development Expenditure towards operating leases aggregate to ₹677.70 lakhs (₹ 636.15 lakhs).

30. BASIS FOR CALCULATION OF BASIC AND DILUTED EARNINGS/LOSS PER SHARE IS AS UNDER:

Particulars	As at 31 March 2017	As at 31 March 2016
Profit /(loss) after tax and Minority Interest (₹ in lakhs)	734.43	(598.30)
Weighted average number of equity shares outstanding during the year	36,650,276	36,650,276
Nominal value of equity per share (₹)	2	2
Basic and Diluted Earnings/(loss) per Share (₹)	2.00	(1.63)

31. SEGMENT REPORTING

(a) Primary Segment Information (Business Segment)

OTHER INFORMATION		Construction		Hydro Power Generation		Toll Road*		Waste Management		Trading		Others		Total	
		31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
(a)	Total Assets														
	Segment Assets	186,819.89	163,273.46	23,057.90	22,090.77	37,474.99	37,111.04	8,757.05	8,483.45	25,854.29	40,411.30	12,270.88	11,274.54	294,235.00	282,644.57
	Unallocated Corporate / Other Assets													49,177.54	42,811.48
	Total													**343,412.54**	**325,456.05**
(b)	Total Liabilities														
	Segment Liabilities	41,415.87	87,284.96	875.94	4,137.04	4,083.62	1,916.12	1,974.09	1,473.31	52,607.81	33,108.05	7,233.99	5,532.25	108,191.32	133,451.73
	Unallocated Corporate / Other Liabilities													176,103.55	134,232.47
	Total													**284,294.87**	**267,684.20**
(c)	Capital Expenditure (net of Capital Subsidy)	244.00	423.95	684.32	557.82	4.77	3,397.69	69.06	549.55	–	–	1,908.51	657.11	2,910.66	5,586.13
(d)	Depreciation / Amortisation	1,059.85	1,235.28	565.18	577.43	394.67	197.83	264.62	605.41	–	–	292.07	65.55	2,576.38	2,681.51
(e)	Non cash expenses other than Depreciation included in segment expenses for arriving at Segment Results	4,601.45	1,140.62	4.13	–	–	–	0.01	78.16	–	–	–	14.08	4,605.59	1,232.86

		Construction		Hydro Power		Waste Management		Trading		Toll Road		Others		Total	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(a)	Revenue														
	External Sales	112,896.38	132,986.97	1,541.36	1,968.69	2,850.38	1,720.55	6,411.66	7,962.95	99,234.14	49,052.95	17,295.64	15,703.42	240,229.55	209,395.52
	Intersegment Sales	860.43	1,906.57	76.60	25.23			525.11	511.63			330.34	278.61	1,792.47	2,722.04
	Less: Eliminations	(860.43)	(1,906.57)	(76.60)	(25.23)			(525.11)	(511.63)			(330.34)	(278.61)	(1,792.47)	(2,722.04)
	Total Revenue	112,896.38	132,986.97	1,541.36	1,968.69	2,850.38	1,720.55	6,411.66	7,962.95	99,234.14	49,052.95	17,295.64	15,703.42	240,229.55	209,395.52
(b)	Results														
	Segment Results	9,328.91	16,807.30	194.77	171.92	1,778.17	1,115.06	204.86	337.40	4,800.84	665.74	(96.50)	601.53	16,211.05	19,698.95
	Unallocated Expenses/ (Income) (Net)														
	Operating Profit													16,211.05	19,698.95
	Interest & Finance Expenses (net of interest income)													15,365.99	19,279.70
	Profit before tax													845.07	419.26
	Provision for taxation													136.27	1,152.39
	(Current tax, Deferred tax and adjustments on account of previous years)														
	Profit after tax													708.79	(733.13)
	Prior Period Adjustments													(878.51)	(100.09)
	Share of Net Profit from Associates													906.23	(229.71)
	Profit after taxation but before Minority Interest													736.51	(1,062.93)

32. RELATED PARTIES DISCLOSURE

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

Associates Companies	Sanamti Infra Developers Private Limited
	Hydro Comp Enterprises (India) Limited
	PT Vardhaman Mining Services
	PT Vardhaman Logistics
	Rabaan (S) Pte Ltd.
	PT Bina Insan Sukses Mandiri
	Mizoram Mineral Development Corporation Ltd.
	SPML Bhiwandi Water Supply Infra Limited
	SPML Bhiwandi Water Supply Management Limited
	Aurangabad Jal Constructions Private limited
	Aurangabad Jal Supply Solution Private Limited
	Aurangabad City Water Utility Co. Limited
Joint Ventures	Malviya Nagar Water Services Pvt .Ltd
	OM Metals Consortium JV
	Siddaharth- Mahaveer SPML –JV
	SPML-CISC JV
	SPML-HCIL JV
	SUEZ -SPML JV
	Gurha Thermal Power Co Ltd
	SPML - Simplex JV
	M&P+Subhash JV
	KBL-SPML JV
	SPML-OM Metals JV
	SPML-SEW-AMR JV
	SMS-SPML JV
	MEIL-SPML JV
	SPML - SMC Infrastructure
	MVV Water Utility Private Limited
Key Management Personnel (KMP)	Mr. Subhash Chand Sethi, Chairman
	Mr. Sushil Kumar Sethi, Managing Director
	Mr. Rishabh Sethi
Relatives of Key Management Personnel	
Mr. Anil Kumar Sethi	Brother of Chaiman & Managing Director
Mr. Harshavardhan Sethi	Son of Chairman
Mrs. Maina Devi Sethi	Mother of Ex- Chairman, Chairman and Managing Director
Mrs. Preeti Devi Sethi	Wife of Anil Kumar Sethi
Mrs. Suman Sethi	Wife of Chairman
Mr. Abhinandan Sethi	Son of Chairman
Mrs. Sandhya Rani Sethi	Wife of Managing Director
Mr. Rishabh Sethi	Son of Managing Director
Mrs. Shilpa Sethi	Daughter in law of Chairman
Mr. Deepak Sethi	Son of Anil Kumar Sethi

Enterprises owned by KMP's or their relatives or where the KMP's have significant influence	Add Technologies (India) Limited (Become a subsidiary w.e.f. 31st March, 2017)
	Arihant Leasing & Holding Co. Ltd.
	ADD Realty Limited
	Add Eco Enviornment Limited
	ADD Industrial Park (TN) Ltd.
	Bharat Hydro Power Corporation Limited
	DWMG Software Private Limited
	International Construction Limited
	Latur Water Supply Management Company Limited
	Meena Holdings Ltd.
	Meena ADD Charity Initiative Foundation
	Niral Enterprises Pvt Ltd
	Om Metal-SPML Infra Project Private Limited
	Pondicherry Sez Company (P) Ltd.
	Pondicherry Port Limited
	POM POM Recycling Pvt. Ltd.
	Sanmati Corporate Investments Pvt. Ltd.
	Sanmati Power Company Pvt. Ltd.
	VidyaEdutech Pvt. Ltd.
	SPM Engineers Ltd.
	SPML India Ltd.
	Sethi Infratech Private Limted
	Subhash Systems Pvt. Ltd.
	SPML Industries Limited
	Zoom Industrial Services Ltd.
	20th Century Engineering Ltd.
	Peacock Pearl Business Solution Pvt Ltd
	Rishabh Homes Private Limited
	Techno Mechanical Services Pvt Ltd
	Emco Overseas Pte. Ltd.

(b) Aggregated Related party disclosures as at and for the year ended March 31, 2017

Company Name	Transactions during the year												Outstanding as on the Balance Sheet date		
	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	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary	Commission Received	Debit balance	Credit balance	Guarantee Given
ASSOCIATES COMPANIES															
Aurangabad City Water Utility Co. Ltd	–	–	–	–	–	–	–	–	–	–	–	–	227.40	–	–
	–	–	–	–	(3.26)	(6.81)	–	–	–	–	–	–	(227.40)	–	–
Hydro Comp Enterprises (India) Limited	–	–	–	–	–	–	–	–	–	–	–	–	131.48	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(131.48)	–	–
Mizoram Mineral Development Corporation Ltd	–	–	–	–	–	2.85	–	–	–	–	–	–	–	–	–
	–	–	–	–	–	–	(0.01)	–	–	–	–	–	(2.85)	–	–
Sanmati Infra Developers (p) Ltd.	–	–	–	–	8.08	–	1.30	–	–	–	–	–	72.81	–	–
	–	–	–	–	(6.97)	–	(3.00)	–	–	–	–	–	(64.24)	–	–
SPML Bhiwandi Water Supply Infra Limited	–	–	–	–	124.72	–	0.07	–	–	–	–	–	1,152.42	93.80	–
	–	–	–	–	(136.86)	–	(10.75)	–	–	–	–	–	1,036.56	–	–
SPML Bhiwandi Water Supply Management Limited	–	–	–	–	3.90	–	0.11	–	–	–	–	–	55.99	–	–
	–	–	–	–	(6.81)	–	(1.78)	–	–	–	–	–	(52.37)	–	–
P.T Vardhman Mining Services	–	–	–	–	–	–	–	–	–	–	–	–	529.42	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(510.56)	–	–
P.T Bina Insan Sukes Mandiri	–	–	–	–	–	–	–	–	–	–	–	–	–	(1,884.44)	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	(2,495.57)	–
Rabaan (S) Pte Ltd.	–	–	–	–	–	–	–	–	–	–	–	–	3.24	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(88.97)	–	–

(b) Aggregated Related party disclosures as at and for the year ended March 31, 2017

Company Name	Transactions during the year												Outstanding as on the Balance Sheet date		
	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	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary	Commission Received	Debit balance	Credit balance	Guarantee Given
JOINT VENTURES															
Malviya Nagar Water Services Pvt .Ltd	–	–	–	–	–	–	–	–	–	–	–	–	450.16	–	–
	(800.97)	–	–	–	–	–	–	–	–	–	–	–	(547.35)	–	–
OM Metals Consortium JV	–	–	–	–	–	–	–	–	–	–	–	–	918.46	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(918.46)	–	–
Siddaharth- Mahaveer SPML –JV	–	–	–	–	–	10.00	–	–	–	–	–	–	92.15	–	2,127.22
	–	–	–	–	–	–	(3.99)	–	–	–	–	–	(102.15)	–	(2,127.22)
SPML-CISC JV	–	–	–	–	–	–	–	–	–	–	–	–	20.06	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(20.06)	–	–
SPML-HCIL JV	–	–	–	–	–	89.43	51.75	–	–	–	–	–	269.46	–	–
	–	–	–	–	–	–	(0.27)	–	–	–	–	–	(307.14)	–	–
SUEZ -SPML JV	1,627.34	–	–	–	–	–	–	–	–	–	–	–	896.32	–	–
	(1,529.73)	–	–	–	–	–	–	–	–	–	–	–	499.53	–	–
Gurha Thermal Power Co Ltd	–	–	–	–	98.39	–	102.52	–	–	–	–	–	962.30	–	–
	–	–	–	–	(103.38)	–	–	–	–	–	–	–	(771.23)	–	(261.00)
SPML - Simplex JV	–	–	–	–	–	–	–	–	3.57	–	–	–	28.61	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(25.04)	–	–
KBL-SPML JV	85.07	–	–	–	–	–	–	–	–	–	–	–	819.40	–	–
	(73.06)	–	–	–	–	–	–	–	–	–	–	–	(785.49)	–	–
M&P+Subhash JV	2.15	–	–	–	–	–	–	–	1.52	–	–	–	433.69	–	–
	(2.15)	–	–	–	–	–	–	–	–	–	–	–	(432.17)	–	–
SMS-SPML JV	–	–	–	–	–	–	–	–	–	–	–	0.32	–	24.35	–
	–	–	–	–	–	–	–	–	–	–	–	(19.19)	–	(24.67)	–
MVV Water Utility Private Limited	851.21	–	–	–	2.57	7.41	–	–	–	–	–	–	370.42	–	–
	166.73	–	–	–	2.57	114.32	–	–	–	–	–	–	–	(488.20)	(551.00)
SPML-OM Metal JV	–	–	–	–	–	–	6.52	–	–	–	–	–	–	324.11	1,663.23
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(1,663.23)
MEIL-SPML JV	9,365.15	–	–	–	–	–	–	–	–	–	–	–	876.96	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
SPML - SMC Infrastructure	–	–	–	–	–	104.89	–	–	–	–	–	–	60.00	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(182.22)	–	–
SPML-SEW-AMR Joint Venture	–	–	–	–	–	–	–	–	–	–	–	72.95	–	–	–
	–	–	–	–	–	–	–	–	–	–	–	(157.44)	(17.64)	–	–

(b) Aggregated Related party disclosures as at and for the year ended March 31, 2017

Company Name	Transactions during the year												Outstanding as on the Balance Sheet date		
	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	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary	Commission Received	Debit balance	Credit balance	Guarantee Given
KEY MANAGEMENT PERSONNEL (KMP)															
Mr. Subhash Chand Sethi	–	–	–	–	–	114.42	138.30	–	–	–	75.60	–	–	346.15	–
	–	–	–	–	–	(246.50)	–	–	–	–	60.00	–	–	246.50	–
Mr. Sushil Kumar Sethi	–	–	15.31	–	–	58.00	94.85	–	–	–	76.80	–	–	100.00	–
	–	–	(4.19)	–	–	(202.00)	(82.70)	–	–	–	(60.00)	–	–	(123.07)	–
Mr. Rishabh Sethi	–	–	7.93	–	–	29.00	138.50	–	–	–	17.18	–	–	–	–
	–	–	(2.00)	–	–	(130.50)	(29.93)	–	–	–	(24.00)	–	–	(102.37)	–
Mr. Kishore Kumar Thakur	–	–	–	–	–	–	–	–	–	–	48.35	–	–	2.05	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Mr. Pukhraj Jain	–	–	–	–	–	–	–	–	–	–	8.97	–	–	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Mr. Srinivasa Sundarajalyengar Kallahalli	–	–	–	–	–	–	–	–	–	–	12.84	–	–	1.07	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Mr. Prithvi Gururajara	–	–	–	–	–	–	–	–	–	–	14.36	–	–	1.20	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Mr. William Dsouza	–	–	–	–	–	–	–	–	–	–	19.83	–	–	1.65	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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Company Name	Transactions during the year												Outstanding as on the Balance Sheet date		
	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	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary	Commission Received	Debit balance	Credit balance	Guarantee Given
RELATIVES OF KEY MANAGEMENT PERSONNEL															
Mr. Anil Kumar Sethi	–	–	8.64	–	–	–	–	–	–	–	84.00	–	–	70.70	–
	–	–	(2.91)	–	–	(31.00)	–	–	–	–	84.00	–	–	–	–
Mr. Harshavardhan Sethi	–	–	–	–	–	–	–	–	–	–	–	–	–	9.25	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Mrs. Shilpa Sethi	–	–	–	–	–	–	–	–	–	–	12.06	–	–	0.86	–
	–	–	–	–	–	–	–	–	–	–	(12.06)	–	–	(0.86)	–
Vineeta Sethi	–	–	26.40	–	–	100.00	–	–	0.26	–	–	–	–	121.00	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Mrs. Preeti Devi Sethi	–	–	3.78	–	–	–	–	–	–	13.80	–	–	–	33.40	–
	–	–	–	–	–	–	–	–	–	(10.31)	–	–	–	(9.41)	–
Mr. Abhinandan Sethi	–	–	–	–	–	5.21	5.21	–	–	–	25.40	–	–	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Mr. Deepak Sethi	–	–	–	–	–	–	–	–	–	–	80.10	–	–	5.36	–
	–	–	–	–	–	(65.00)	(75.00)	(50.50)	–	–	(80.61)	–	–	(2.10)	–
Mrs. Sandhya Srinivasa	–	–	–	–	–	–	–	–	–	–	7.99	–	–	0.67	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Mrs. Anuradha Prithvi	–	–	–	–	–	–	–	–	–	–	6.71	–	–	0.56	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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Company Name	Transactions during the year												Outstanding as on the Balance Sheet date		
	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	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary	Commission Received	Debit balance	Credit balance	Guarantee Given
ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KMP OR THEIR RELATIVES															
Add Eco Enviro Limited	–	–	6.90	–	–	1,008.00	1,008.51	–	–	–	–	–	–	5.71	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
ADD Industrial Park (TN) Ltd.	–	–	–	–	–	–	–	–	–	–	–	–	170.78	–	–
	–	–	–	–	–	–	(170.78)	–	–	–	–	–	(170.78)	–	–
ADD Realty Ltd.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	–	–	–	–	(16.13)	(254.00)	–	–	(643.00)	–	–	–	–	–	–
Add Technologies (India) Limited (Become a Subsidiary w.e.f. 31st March, 2017)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	–	(88.17)	–	–	–	–	(50.00)	–	–	–	–	–	(50.00)	(41.85)	–
Arihant Leasing & Holding Co. Ltd.	–	–	–	–	–	–	–	–	–	6.00	–	–	–	46.52	–
	–	–	–	–	–	–	–	–	–	(6.00)	–	–	–	(43.82)	–
Bharat Hydro Power Corporation Limited	–	–	340.13	–	–	1,657.84	1,934.86	–	–	–	–	–	–	2,912.75	–
	–	–	(325.06)	–	–	(3,679.06)	(2,480.88)	–	–	–	–	–	–	(2,554.66)	–
DWMG Software Private Limited	–	–	–	–	1.30	–	–	–	–	–	–	–	7.70	–	–
	–	–	–	–	(1.08)	(100.00)	(107.00)	–	(50.50)	–	–	–	(7.98)	–	–
International Construction Limited	–	–	–	–	154.55	676.07	15.00	6.00	661.07	–	–	–	995.50	–	–
	–	–	–	–	(159.17)	(301.50)	(150.55)	(450.00)	–	–	–	–	(1,505.47)	–	–
Latur Water Supply Management Company Limited	–	–	–	–	–	–	–	–	–	–	–	–	626.20	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(626.20)	–	–

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ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KMP OR THEIR RELATIVES															
Meena ADD Charity Initiative Foundation	–	–	–	5.00	–	–	–	–	–	–	–	–	–	–	–
	–	–	–	(12.50)	–	–	–	–	–	–	–	–	–	–	–
Meena Holdings Ltd.	5.00	–	0.06	–	0.05	16.00	59.79	–	–	–	–	–	–	5.00	–
	(1.50)	–	–	–	–	–	–	–	–	–	–	–	–	(43.74)	–
Niral Enterprises Pvt Ltd	–	–	103.63	–		999.97	–	–	–	–	–	–	–	1,093.23	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Om Metal-SPML Infra Project Private Limited	–	–	–	–	–	165.54	–	–	–	–	–	–	–	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(165.54)	–	–
Peacock Pearl Business Solution Pvt Ltd	–	–	–	–	–	–	0.03	–	–	–	–	–	0.11	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(0.08)	–	–
Pondicherry Port Limited	–	–	–	–	–	–	65.00	–	–	–	–	–	574.84	–	–
	–	–	–	–	–	–	(261.50)	–	–	–	–	–	(509.84)	–	–
Pondicherry Sez Company (P) Ltd.	–	–	85.94	–	–	–	42.75	–	–	–	–	–	–	723.57	–
	–	–	(86.40)	–	–	–	(69.00)	–	–	–	–	–	–	(688.97)	–
POM POM Recycling Pvt. Ltd.	163.21	–	–	–	–	–	–	–	–	–	–	–	163.21	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rishabh Homes Private Limited (foremerly as Risabh Fire Management Private Limited)	–	–	–	–	–	5.00	5.00	–	–	–	–	–	–	–	–
	–	–	(2.33)	–	–	(111.30)	(113.40)	–	–	–	–	–	–	–	–
Sanmati Corporate Investments Pvt. Ltd.	–	–	–	–	–	0.03	–	–	–	–	–	–	–	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(0.07)	–	–

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Company Name	Transactions during the year												Outstanding as on the Balance Sheet date		
	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	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary	Commission Received	Debit balance	Credit balance	Guarantee Given
ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KMP OR THEIR RELATIVES															
Sanmati Power Company Pvt. Ltd.	–	–	–	–	–	–	–	–	–	–	–	–	251.25	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(251.25)	–	–
Sethi Infratech Private Limted	–	–	0.01	–	–	–	–	–	–	–	–	–	–	0.09	–
	–	–	(0.18)	–	–	(10.00)	(10.08)	–	–	–	–	–	–	(0.08)	–
VidyaEdutech Pvt. Ltd.	–	–	–	–	0.27	–	–	–	–	–	–	–	–	2.36	–
	–	–	–	–	–	(4.44)	–	–	–	–	–	–	–	(2.37)	–
SPM Engineers Ltd.	–	–	111.58	–	–	1,198.53	308.85	–	–	–	–	–	–	1,088.47	–
	–	–	–	–	(72.68)	(801.50)	(616.55)	–	–	–	–	–	–	(18.31)	–
SPML India Ltd.	–	–	61.66	–	–	698.00	82.35	–	–	–	–	–	–	729.45	–
	–	–	(2.23)	–	–	(74.00)	(17.69)	–	–	–	–	–	–	(58.31)	–
SPML Industries Limited	–	–	103.34	–	–	34.19	325.21	–	–	34.97	–	–	–	820.89	–
	–	–	(20.73)	–	–	(708.00)	(2.00)	–	–	(34.18)	–	–	–	(1,000.52)	–
Subhash Systems Pvt. Ltd.	–	–	–	–	–	34.19	51.35	–	–	17.49	–	–	3.39	–	–
	–	–	–	–	–	–	–	–	–	(17.09)	–	–	–	(8.21)	–
Zoom Industrial Services Ltd.	–	–	163.91	–	–	–	212.19	–	–	–	–	–	–	1,378.00	–
	–	–	(146.86)	–	–	(2,720.50)	(1,410.00)	–	–	–	–	–	–	(1,442.67)	–
Techno mechnical services Pvt Ltd.	–	677.97	–	–	–	–	–	–	–	–	–	–	–	369.88	–
	–	–	(1.21)	–	–	(56.20)	(57.29)	–	–	–	–	–	(0.01)	–	–
20th Century Engineering Ltd.	–	–	0.01	–	–	–	0.16	–	–	–	–	–	–	0.02	–
	–	–	(0.12)	–	–	(13.00)	(12.95)	–	–	–	–	–	–	(0.16)	–
Emco Overseas Pte. Ltd.	–	–	–	–	–	–	–	–	–	–	–	–	505.75	–	–
	–	–	–	–	–	–	–	–	–	–	–	–	(959.84)	–	–

Note:

1. Also refer Note 4 & 8 as regards loans and other funded facilities personally guaranteed by promoter directors of the Group & others.

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

	Particulars	2016-17	2015-16
(i)	Principal amount remaining unpaid to suppliers at the end of accounting year	0.19	–
(ii)	Interest due on above	–	–
	Total of (i) & (ii)	0.19	–
(iii)	Amount of interest paid by the Company to the suppliers	–	–
(iv)	Amounts paid to the suppliers beyond the respective due date	–	–
(v)	Amount of interest due and payable for the period of delay in payments (which have been paid beyond the due date during the year) but without adding the interest specified under the Act	–	–
(vi)	Amount of interest accrued and remaining unpaid at the end of accounting year	52.56	52.56
(vii)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act,2006	–	–

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

34a. **Construction contracts disclosure**

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

Particulars	2016-17	2015-16
Contract income recognized as revenue during the year	91,894.38	124,344.21
Aggregate amount of costs incurred and recognized profits (less recognised losses) till date for contracts in progress	606,862.90	520,198.52
Advances received (unadjusted) for contracts in progress	16,958.88	15,051.00
Retention amount for contracts in progress	10,541.99	7,187.54
Gross amount due from customers for contract work for contracts in progress	66,947.00	56,295.65
Gross amount due to customers for contract work for contracts in progress	352.00	1,540.61

34b. The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under the law/ Accounting Standards for the material foreseeable losses on such long term contracts has been made in the books of accounts.

35. (a) **Gratuity plan (AS 15 Revised)**

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

The following tables summaries the components of net benefit expenses recognized in the Consolidated Statement of Profit & Loss and amounts recognized in the balance sheet:

Particulars	2016-17	2015-16
(i) Net employee benefit expense (recognized in Employee Cost)		
Current service cost	94.26	97.88
Interest cost on benefit obligation	61.18	53.25
Net Acturial losses recognized	99.96	2.78
Total employer expense recognized in the Consolidated statement of Profit and Loss*	55.48	148.35
(ii) Actual return on plan assets	Not Applicable	Not Applicable
(iii) Benefit Liability		
Defined benefit obligation	(618.92)	(764.83)
Benefit Liability	(618.92)	(764.83)
(iii) Movement in benefit liability		
Opening defined benefit obligation	792.83	632.68
Interest cost	61.18	53.25
Current service cost	94.26	97.88
Benefit paid	(61.82)	(21.77)
Actuarial (gains) / losses on obligation	(97.98)	2.78
Closing benefit obligation	788.48	764.82
(v) Movement in fair value of plan assets	(2.99)	Not Applicable

*Includes (₹ 3.32 lakhs) (₹ Nil) charged to capital Work in Progress during the year.

The Principal actuarial assumptions are as follows:

Particulars	2016-17	2015-16
Discount rate	8.00%	8.00%
Withdrawal rate	Varying between 8% per annum and 1% per annum depending on duration and age of employees	
Expected rate of salary increase	5-10%	6%
Expected Average remaining working lives of employees (years)	20.24	21.33
Experience adjustments on plan liabilities	Not Available*	

* The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities are not readily available and hence not disclosed

35. (b) **Amount incurred as expenses for defined contribution plans**

	2016-17	2015-16
Contribution to Provident and other funds	330.04	375.95

Notes:

a. The estimate of future salary increase considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b. The gratuity liabilities are unfunded. Accordingly, information regarding planned assets are not applicable.

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

Description	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Defined Benefit Obligation	618.92	764.83	630.87	455.55	402.15
Benefit Liability	(618.92)	(764.83)	(630.87)	(455.55)	(402.15)

35. (c) **Leave Benefits (AS 15 Revised)**

Leave benefits to Employess are not funded

The following tables summaries the components of net benefit expenses recognized in the Consolidated Statement of Profit & Loss and amounts recognized in the balance sheet:

Particulars	2016-17	2015-16
(i) Net employee benefit expense (recognized in Employee Cost)		
Current service cost	0.06	0.18
Interest cost on benefit obligation	0.26	0.43
Net Acturial losses recognized	4.12	4.81
Total employer expense recognized in the Consolidated statement of Profit and Loss	4.44	5.42
(ii) Actual return on plan assets	Not Applicable	Not Applicable
(iii) Benefit Liability		
Defined benefit obligation	4.28	5.02
Benefit Liability	(4.28)	(5.02)
(iv) Movement in benefit liability		
Opening defined benefit obligation	4.26	5.32
Interest cost	0.34	0.43
Current service cost	0.06	0.18
Benefit paid	(5.89)	(5.71)
Actuarial (gains) / losses on obligation	5.50	4.81
Closing benefit obligation	4.28	5.02
(v) Movement in fair value of plan assets	Not Applicable	Not Applicable

The Principal actuarial assumptions are as follows:

Particulars	2016-17	2015-16
Discount rate	8.00%	8.00%
Withdrawal rate	Varying between 8% per annum and 1% per annum depending on duration and age of employees	
Expected rate of return on Plan assets	Not Applicable	Not Applicable
Expected Average remaining working lives of employees (years)	21.60	21.60
Experience adjustments on plan liabilities	Not Available*	

* The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities are not readily available and hence not disclosed.

36. During the year, certain subssidiaries have capitalized the following expenses of revenue nature to Capital work in progress. Consequently, expenses disclosed under the respective notes are net of amount capitalized by the subsidiaries.

Particulars of Expenses	As at March 31, 2016	Add: Incurred during the year	Adjustment pursuant to acquisition/ (Sale) of Subsidiaries	Less: Adjustment for CWIP Capitalized/ (Written Off)	As at March 31, 2017
a) Employee benefits expenses					
Salaries,Wages and Allownace	448.81	44.79	–	–	493.60
Gratuity	19.89	7.24	–	–	27.13
b) Other expenses					
Rent	28.80	3.46	–	–	32.26
Rates and Taxes	282.40	13.75	–	–	296.15
Insurance	36.70	12.13	–	–	48.84
Repairs & Maintenance					
- Others	24.41	0.32	–	–	24.73
Travelling & Conveyance	51.68	7.89	–	–	59.57
Professional Charges & Consultancy fees	330.89	2.75	–	–	333.63
Communication Expenses	(5.44)	0.57	–	–	(4.87)
Advertisement Expenses	3.05	0.08	–	–	3.13
Charity & Donation	(2.33)	–	–	–	(2.33)
Stores and Consumables	33.83	0.19	183.22	–	217.24
Miscellaneous Expenses	302.03	111.15	10.00	2,068.52	(1,645.34)
Equipment Hire Charges	48.33	–	–	–	48.33
Depreciation	19.81	–	–	–	19.81
Survey charges	36.95	–	–	–	36.95
c) Finance Costs					
Interest & Finance Expenses	2,206.89	392.90	–	–	2,599.80
Total	**3,866.71**	**597.22**	**193.21**	**2,068.52**	**2,588.63**
Less: Income					–
Insurance Claim	(75.34)	–	–	–	(75.34)
Tender Application Money	2.50	–	–	–	2.50
Interest on Fixed Deposit/Loans	(71.76)	(0.91)	–	–	(72.67)
Total	**3,722.11**	**596.32**	**193.21**	**2,068.52**	**2,443.12**
Previous year's total	**3,072.26**	**654.56**	–	**4.71**	**3,722.11**

37. The Group has following un-hedged foreign currencies exposures:

Particulars	Currency	As at March 31, 2017		As at March 31, 2016	
		Percentage of total consumption	Value (₹ in Lakhs)	Percentage of total consumption	Value (₹ in Lakhs)
Investment in:					
PT. Bina Insan Sukses Mandiri	Indonesian Rupee (IDR)	2,321,459.92	11,315.42	2,133,729.03	10,723.12
PT. Vardhaman Logistics	Indonesian Rupee (IDR)	17,224.43	83.96	17,870.46	89.81
Buyer's Credit	USD			–	–

38. Sundry balances/liabilities written back aggregating ₹164.45 lakhs (₹902.56 lakhs) consisting of numerous balances being unclaimed / unmoved since long (mostly more than three years) have been written back during the year as the management believes that these amounts are no longer payable.

39. Clients of the Holding Company have foreclosed the contracts in earlier years (three contracts in current year) which are under arbitration / litigation proceedings. The management, based on the fact of the case is confident to recover the receivables, net book value of fixed assets and inventories of ₹11,198.02 (Rs 4,829.10 lakhs), ₹558.21 (₹695.49 lakhs) and ₹1040.62 lakhs (₹500.47 lakhs) respectively.

40. The Holding Company has recognised income of ₹23,358.81 lakhs upto March 31, 2017 (₹15,997.75 lakhs upto March 31, 2016) including interest of ₹6,603.68 lakhs (₹769.68 lakhs) during the year arising out of arbitration awards pronounced in favour of the Company. 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 carried forward as receivable as the management believes that the final outcome of the appeals would be in favor of the Company based on the facts of the respective cases and is confident to recover the aforesaid claims in full.

41. The auditors of two subsidiaries of the group have drawn attention that the said subsidaries had suo-moto foreclosed their running projects due to the breach of concession agreement by the client on account of non-payment of the dues to the companies. The management has filed the petition for arbitration in above mentioned subsidiaries and, based on the legal opinion obtained, is confident of recovery of the receivables and gross book value of fixed assets of ₹ 1,068.90 lakhs and ₹637.91 lakhs respectively. Accordingly, no adjustments have been considered necessary in these financials results.

42. The auditors of one of the subsidiary of the group has drawn attention indicating that the said subsidary , in view of non compliance and breach of contract by client with respect to project allocated to the Company, has decided to go for cancellation of project as per the terms of contract and file for madatory arbitration by nominating the arbitrator. Consquently, the Company has recieved the interim order from Arbitral Tribunal for handing over the Project/ Plant to Client. Since both the parties are allowed to file the cross objection before the Arbitration panel to decide on the final award for takeover of the project/ plant, the Company is unable to disclose the the impact of this dispute in the financial Statement. Pending the settlement of claim and recoverability thereof, management is strongly of the view that the arbitration proceedings would be in favour of the Company and therefore going concern assumption is appropriate.

43. The Auditor of one of subsidiary of the group has drawn attention indicating that the said subsidary had entered into a sale agreement with Viva Highways Limited for the sale of shares in Jaora Nayagoan Toll Road in the previous year (11 Nov 2014). However the sale transaction has not been completed as at 31 March 2016 due to the restriction placed by the concessionare agreement.

44. The auditors of the five subsidiaries have drawn attention on the fact that the net worth of these companies have fully eroded and have incurred a net cash loss during the current and previous years and the companies have a current liabilities exceeding its current assets as at the balance sheet date. However, the financial statements of these companies have been

prepared on a going concern basis because the immediate holding company of these subsidiaries has undertaken to provide continuing financial support to meet their liabilities.

45. Trade receivables aggregating ₹9,842.77 lakhs (previous year ₹ 2,135.12 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 realization.

46. Details in respect of Trading Activities :

Particulars	Steel products		Coal	
	2016-17	2015-16	2016-17	2015-16
Purchases	65,264.25	13,696.20	30,343.45	34,206.21
Sales	65,758.72	13,802.21	31,146.09	35,021.97

47. Investment in 2,506,875 (2,506,875) equity shares of IQU Power Company Private Limited, 13,122,000 (13,122,000) equity shares of Subhash Kabini Power Corporation Limited (SKPCL), 1,249,336 (1,249,336) equity shares of Bhilwara Jaipur Toll Road Private Limited (BJTPL), 500(500) equity shares of Jarora Nayaganv Toll Road Company Private Limited (JNTRCPL) are pledged with respective banks against loans obtained by these companies. The Company has also given an undertaking to the bank not to sell its shareholding in the above companies till the full repayment of the loan by these subsidiaries

48. (a) Previous year's figures including those given in brackets, have been regrouped / rearranged wherever considered necessary.

(b) Figures pertaining to subsidiaries and joint ventures have been reclassified wherever considered necessary to bring them in line with the holding company's financial statements.

49 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 of entity	Net Assets, ie, Total Assets minus Total Liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in ₹
Parent				
SPML Infra Ltd.	83.27%	49,229.22	185.10%	1,359.41
Subsidiaries				
Indian				
ADD Energy Management Co (Pvt) Ltd.	-0.17%	(98.47)	-2.22%	(16.30)
Add Urban Enviro Limited	2.73%	1,614.92	-18.57%	(136.40)
Allahabad Waste Processing Company Limited	2.69%	1,588.65	-28.79%	(211.43)
Awa Power Company Private Limited	4.19%	2,478.96	-61.44%	(451.24)
Binwa Power Company Private Limited	1.41%	832.30	-0.39%	(2.85)
Bhagalpur Electricity Distribution Co. Pvt Ltd	-1.66%	(979.38)	-197.46%	(1,450.18)
Bhilwara Jaipur Toll Road Private Limited	12.84%	7,591.70	-190.71%	(1,400.64)
Doon Valley Waste Management Private Ltd	-0.03%	(18.50)	-0.78%	(5.75)
Delhi Waste Management Limited	14.49%	8,566.23	183.63%	1,348.67
IQU Power Company Private Limited	0.60%	354.62	-42.69%	(313.51)
Jamshedpur Waste Processing Company Pvt Ltd	0.18%	107.44	-0.98%	(7.21)
Luni Power Company Private Limited	2.69%	1,588.28	-4.61%	(33.86)

Name of entity	Net Assets, ie, Total Assets minus Total Liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in ₹
Madurai Municipal Waste Processing Company Private Limited	3.39%	2,005.75	-36.40%	(267.35)
Mathura Nagar Waste Processing Limited	0.82%	486.13	-21.47%	(157.67)
Mizoram Power Development Corporation Limited	0.00%	–	0.00%	–
Neogal Power Company Private Limited	2.25%	1,331.12	-69.35%	(509.35)
Rupin Tons Power Company Private Limited	-0.01%	(3.24)	-0.09%	(0.65)
SPML Energy Limited	-1.09%	(644.02)	-2.48%	(18.23)
SPML Industries Limited	0.00%	–	0.00%	–
SPML Infra Limited_Delhi and Bangalore	0.00%	–	0.00%	–
SPML Infrastructure Limited	6.58%	3,888.01	50.62%	371.75
Subhash Kabini Power Corporation Limited	22.10%	13,068.05	-6.85%	(50.29)
Subhash Urja Private Limited	0.00%	–	0.00%	–
Tons Valley Power Company Private Limited	-0.01%	(4.62)	-0.11%	(0.83)
SPML Utilities Limited	3.08%	1,818.90	-38.87%	(285.47)
Synergy Promoters Private Ltd	0.65%	385.53	-0.22%	(1.61)
SJA Developers Private Limited	0.94%	554.52	-0.10%	(0.74)
SPML Infra Developers Limited	0.01%	3.48	0.01%	0.06
SPML InfraProjects Limited	0.00%	0.03	-0.55%	(4.07)
Mizoram Infrastructure Development Company Limited	0.01%	3.85	-0.03%	(0.19)
Add Technologies (India) Limited	1.30%	767.19	3.89%	28.60
Uttarkashi Tons Hydro Power Private Limited	-0.01%	(3.04)	-0.08%	(0.62)
Foreign				
SPM Holdings Pte. Limited	3.34%	1,975.16	345.70%	2,538.93
Joint Ventures				
Indian				
M & P Subhash JV	0.02%	13.42	-7.58%	(55.70)
Suez Environnement - SPML JV	0.00%	(2.17)	-0.99%	(7.28)
SPML - HCIL	-0.05%	(27.19)	-3.49%	(25.64)
SPML - Simplex	0.05%	28.61	0.44%	3.22
SPML - CISC	0.00%	–	0.00%	–
SIDDHARTH+MAHAVIR+SPML (J.V.)	0.11%	67.52	0.41%	3.04
Om Metal Consortium	1.09%	646.07	0.14%	1.02
Gurha Thermal Power Project	0.00%	2.50	0.00%	–
MVV Water Utility Private Limited	0.04%	24.41	-55.48%	(407.43)
SPML - Om Metal (JV) Ujjain	-0.21%	(123.76)	7.83%	57.52
Malviya Nagar Water Services Private Limited	-0.01%	(8.25)	-8.12%	(59.65)

Name of entity	Net Assets, ie, Total Assets minus Total Liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in ₹
Associate				
Indian				
Aurangabad City Water Utility Co. Ltd		–	-9.69%	(71)
Aurangabad Jal Constructions Private limited		–	0.00%	–
Aurangabad Jal Supply Solution Pvt Ltd.		–	0.00%	–
Hydro Comp Enterprises India Private Limited		–	0.00%	–
Mizoram Mineral Development Corporation Ltd		–	0.00%	–
Sanmati Infra Developers (p) Ltd.		–	0.00%	–
Spml Bhiwandi Water Supply Infra Ltd		–	0.00%	–
Spml Bhiwandi Water Supply Management Ltd.		–	0.00%	–
Foreign				
PT Bina Insan Sukses Mandiri		–	130.20%	956.24
PT Vardhaman Logistics		–	-0.03%	(0.22)
PT Vardhaman Mining Services		–	0.00%	–
Rabaan (S) Pte Limited		–	2.94%	21.56
Minority Interest in all subsidiaries and associates		(39,991.27)	-0.28%	(2.08)
Total		**59,118.67**		**734.43**

As per our report of even date

for **Sunil Kumar Gupta & Co.**
Chartered Accountants

per **S.K. Gupta**
Partner

Place: Kolkata
Date: 25th August, 2017

For and on behalf of the Board of Directors

Subhash Chand Sethi
Chairman
DIN No.00464390

Sushil Kr. Sethi
Managing Director
DIN No.00062927

Abhay Raj Singh
Company Secretary

Sujit Kumar Jhunjunwala
Chief Financial Officer

Corporate Information

Mr. Sujit Kumar Jhunjhunwala
Chief Financial Officer

Mr. Abhay Raj Singh
Company Secretary

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CIN: L40106DL1981PLC012228

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Bangalore
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Bankers
Andhra Bank
Bank of Baroda
Canara Bank
ICICI Bank Ltd
Oriental Bank of Commerce
Punjab National Bank
State Bank of India
Syndicate Bank
Union Bank of India
Yes Bank Ltd

Auditors
Sunil Kumar Gupta & Co.
Chartered Accountants
B-2, Magnum House-I, Karampura Commercial Complex, New Delhi-110015

Registrar & Share Transfer Agents
Maheshwari Datamatics (P) Ltd., 23, R N Mukherjee Road, 5th floor, Kolkata- 700001

SPML Infra Limited

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