SPML
Engineering Life

Infrastructure Development for the Future

Annual Report 2020-21

SPML INFRA LIMITED

40 YEARS OF INFRASTRUCTURE DEVELOPMENT
MAKING HUMAN LIFE COMFORTABLE

CONTENTS

BUILDING INFRASTRUCTURE FOR THE FUTURE

Established in 1981, SPML Infra Limited (BSE: 500402 / NSE: SPMLINFRA) has completed 40 successful years in Building Sustainable Infrastructure for a future India. In a rich legacy of four decades, this leading public listed infrastructure development company in India has implemented over 600 projects across the country. During the period of multidisciplinary experience, the company has executed world class infrastructure for water treatment and transmission, waste water treatment & recycling, urban & rural water supply scheme, underground sewerage network, sanitation & solid waste management, power transmission & distribution, technologically advanced power substation, rural electrification, smart cities and civil infrastructure development. The ISO–9001:2015 certified, SPML Infra is providing clean drinking water facilities to more than 50 million people in India & it is the first Indian company featured among the World's Top 50 Private Water Companies as per Global Water Intelligence, London. It also features among India's Top 500 Largest Corporations as per Fortune India.

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

Core Values

Customer orientation
Wealth creation
Employee empowerment
Systems and processes
Teamwork and cooperation
Pro-activeness and innovation

SPML INFRA LIMITED
Key Strengths & Achievements

- More than 600 infrastructure projects completed
- Among World's Top 50 Private Water Management Companies
- ISO 9001:2015 certified company; Also has ISO 14001:2015, ISO 45001-2018 and OHSAS 18001:2007 certification
- 50 million people provided with drinking water facility
- In-house engineering and design capabilities
- Visionary Board and experienced Management Team
- Long-team support of business associates
- Significant presence across India
- Amongst 1000 High-Growth Companies in Asia-Pacific as per Financial Times, London
- Ranked 10 in India's Top 50 Infrastructure & Construction Companies as per Construction Week
- 20,000+ villages connected with electricity
- 10,000+ kms of cross country pipeline
- 5000+ MLD of water pumping stations
- 2000+ MLD of water treatment plants
- 1000+ MLD wastewater treatment plants
- 1500+ kms of roads and highways
- 800+ tonnes of handling municipal solid waste per day
- 500+ kms sewerage network
- 500,000+ Smart water meters installed
- Executing 24x7 urban water supply projects in Delhi and 6 cities in Karnataka
- Executing over 40 projects in water, power, irrigation and sanitation sectors

CHAIRMAN'S MESSAGE

SUBHASH SETHI
Chairman
SPML Infra Ltd.

"We have realized that the projects we execute have greater impact on people's lives by providing basic necessities like water and electricity. So, we have moved into being a very impact oriented company with deeper social conscience."

Dear esteemed shareholders,

Before I discuss the economy, business and company affairs, let us remember the people we lost during the coronavirus pandemic. It is a big humanitarian loss globally on such a large scale, severity and geographical spread that has never been seen before in a century.

Some of our valued employees have suffered and we lost them during the second wave of pandemic. I, and my colleagues on the Board and Company Management offers our heartfelt condolences to all those in our SPML Family who have lost their loved ones. Prayers and fond memories are what we have to remember our dearly departed.

For us the financial year 2020-21 was marked not only by its challenges due to COVID-19, but also by how people in your company came together to fight it. After the initial lockdowns, your company continued to operate its project sites and offices in accordance with the guidelines issued by the Central, State and local Governments, while strictly adhering to the prescribed safety protocols.

Even amidst the 2nd wave of COVID-19 infections and thereafter, the employees of your company constantly worked closely with the clients, associates and suppliers to ensure continuing project executions and uninterrupted supply of water and power to the people of our country through many water supply and electricity distribution projects. The commitment and courage shown by the employees during these testing times has been exemplary. My sincere gratitude and appreciation to all of them.

I would also like to convey our deepest gratitude to all the doctors, healthcare professionals, police and administration officials across the country for the extraordinary fortitude displayed in serving the people during these trying times. Unprecedented efforts were witnessed as the country rallied together to provide crucial support in augmenting oxygen supplies, ramping up healthcare infrastructure and extending relief to the people in need.

Government of India's endeavors to accelerate vaccination program brings optimism for the future. The determined efforts to vaccinate all citizens are undoubtedly the most crucial to restore normalcy at the earliest possible. The crisis however is far from over. The distress caused by the pandemic continues to be a concern for lives and livelihoods as well as for our economic growth. Despite uncertainties, the Indian economy holds immense promise.

Indian Economy

Indian economy that was witnessing a sharp drop in GDP following the impact of Covid-19 induced disruptions and lockdowns has started showing signs of improvement during the second half of FY 21. The GST collections got robust from November 2020 onwards. However, the second wave that started in March 2021 has come in the way of further recovery necessitating deployment of resources to protect lives, safety, and basic needs of large number of people besides augmenting healthcare infrastructure that was needed to fight the most deadly second wave. There have been restrictions and lockdowns again by all the states across the country causing shutdown and constraints for movements and activities.

Apart from the huge spends on covid relief measures, the Government is focusing on economic recovery with planned investment in various infrastructure projects and schemes. This can create employment as well as income sources that can boost economic activities in the coming months. With the vaccination program and focused approach of the government, I am hopeful that the Indian economy will bounce back at a higher rate leading to global supremacy towards achieving $5 trillion GDP.

Construction Sector

According to a latest report, 'Global Construction Outlook to 2025' signifying that global construction sector will continue on a recovery path following the historic collapse in activity in 2020 amid the severe disruptions caused by the pandemic. From 2022 to 2025, global output growth is predicted to average 3.7% a year.

In India, the construction sector which suffered colossal losses is expected to bounce back from the perils. The Union Budget laid huge emphasis on the infrastructure sector, highlighting the commitment of the Government to the growth of the sector, which would have a multiplier effect on the overall economy.

On his Independence Day speech, Hon'ble Prime Minister of India has put the Covid shocks behind and places the economy on the fast-track, promising several initiatives. ₹ 100 trillion announcements for Pradhan Mantri Gatishakti Bharat Master Plan for integrated infrastructure growth will certainly see robust growth in the sector in coming years. He also set a target of making India energy independent by 2047 by replacing petroleum with other forms of energy produced indigenously and announced a National Hydrogen Mission noting the

country spends ₹ 12 trillion on energy imports every year. The National Infrastructure Pipeline Project announced earlier and re-emphasized again also aimed at easier interconnectivity between road, rail, air and waterways to reduce travel time and improve industrial productivity.

India is facing a vital challenge of fresh water. Already, 20% of the population lacks clean drinking water and 40% lacks basic sanitation. Over 43% population is suffering from acute water stress and more than 20 large cities in the country are facing extreme water shortage and possibility of 'day zero' water supply. Sustainable infrastructure development with awareness and behavioral change around water usage and management is critical in addressing this challenge.

The government is well aware about the emerging situation and has initiated a number of dedicated water supply schemes. The flagship, Jal Jeevan Mission will see huge spending worth ₹ 6.47 trillion under rural and urban water supply infrastructure development in the next 3 years' time. As on mid-August'21; 7.98 crore (41.57%) out of 19.19 crore total households in the country has been connected with functional tap water supply. Every rural household in over 1.08 lakh villages and 78 districts is getting assured tap water supply in their home.

Apart from the much publicized Jal Jeevan Mission program, there are other schemes in water sector like Pradhan Mantri Krishi Sinchayee Yojana- Har Khet ko Pani with an allocation of ₹ 9,050 Crore; Dam Rehabilitation and Improvement Project (DRIP) Phase 2 & 3 with ₹ 10,200 Crore for the period of 2020 – 2031; National River Linking Project - ₹ 22,495 Crore; Atal Mission for Rejuvenation and Urban Transformation (AMRUT) with ₹ 7,300 Crore for 2021-22; and National Hydrology Programme with ₹ 3,680 Crore upto year 2024. Pradhan Mantri Krishi Sinchayi Yojana (PMKSY) - Accelerated Irrigation Benefit Project (AIBP) scheme with exclusive budget allocation of ₹ 11,588 Crore for the period of 2021-22; National Watershed Project with ₹ 2,611 Crore upto 2022; Atal Bhujal Yojana with ₹ 6,000 Crore upto year 2025 are the important government schemes that promises a better prospect for water infrastructure development in next few years' time.

On the capex side, the National Infrastructure Pipeline Plan has already taken up 8,158 projects and another 1,858 projects are under development stage. 217 projects worth INR 1.10 lakh crore are already completed. Another 678 projects worth ₹ 6 lakh crore have been in the stage of formulation and implementation.

Power, irrigation, roads and highways, urban infrastructure, railways, aviation, metro rail, bullet train, smart cities development, Swachh Bharat program, digital and telecom infrastructure and other sub-sectors together constitute the infrastructure development grid in India. The Centre and State Governments are the major funding sources with moderate participation from the private sector.

Water and electricity infrastructure is in focus of attention through implementation of the Jal Jeevan Mission and the new power distribution scheme. On road connectivity, significant work is being done under the Bharatmala Pariyojana and Pradhan Mantri Gram Sadak Yojana which are expected to deliver gains in trunk and rural connectivity. Efficiency of transport services requires attention. Use of technology proposed under the National Logistics Policy is expected to deliver good results. With several key initiatives in the relevant sectors, it hold promises of good business prospects for your Company.

Technology Intervention

World over, business enterprises are navigating their way to a better future by connecting their businesses with digital and cellular technologies and automation devices. The global information technology market is expected to grow from $7.85 trillion in 2020 to $8.37 trillion in 2021 at a compound annual growth rate (CAGR) of 6.6%. Almost every object around us is going to be connected; from streetlights, water & electricity meters, water pumps, supply network, household utility connections, cars, elevators, household appliances and all utility gadgets we can think about. The transformative potential technology holds for business and society is boundless, allowing us to solve problems like never before. The pandemic has further accelerated extensive digitalization and this transformation is happening faster than ever.

In order to execute successful projects at scale, we must organize our business with the perspective of long-term transformation that includes setting up operational fundamentals in a smart way. We need to think digitalization and embed appropriate innovative technologies into the core of our business with clear and smooth path to business growth. With end-to-end implementation in mind, we will need to ensure that we have or can source the right skill sets and capabilities.

Company Highlights

Since its inception in 1981, your Company has come a long way to stand tall as one the largest water management company in the country. Many years of dedication and sweat have contributed to this fruitful yet exhilarating journey. Over the years, we have created sustainable water infrastructures across the country to provide drinking water facilities to more than 50 million people and have been a valuable partner to the government and water utilities.

Notwithstanding the positives outlined above, there exists a fair probability of conditions remaining uncertain over a longer duration as the pandemic is yet to abate, both globally and locally with the emergence of newer strains. Large scale disruptions have affected the growth pattern and continue to trigger aftershocks that weigh on the recovery. Your company had to deal with the following major challenges during FY 20-21.

- Lockdown that started in the second fortnight of March 2020 and continued during a major part of Q1 of FY 21 have adversely impacted the operations. Company's project sites remained closed with significant losses reported in revenues and profitability.
- The Company has gone through a difficult phase of liquidity crunch to meet its working capital requirements with mismatch cash flow due to payment delayed from the clients.
- Absorption of idle costs of machineries and employees incurred during Q1 as your company did not resort employment cuts or kneejerk cost saving measures.
- Continuous increasing of key raw-material prices from the second quarter onwards and absorbing price increases without disturbing the projects execution had a significant impact on profitability.
- Making alternate indigenous supply arrangements for some key equipment and material that were being imported from other countries. This also caused project delays and loss of sizable execution opportunities during FY 21.
- In the financials, like many other construction companies, your Company also suffered a major loss in sales and profit. The turnover during the year reduced drastically to ₹ 658.58 Crore as against ₹ 925.42 Crore in the previous year. The Company's profit also suffered a major loss of ₹ 107.17 Crore during the FY 21.

  With the above background I shall proceed to briefly cover the other significant highlights of FY 21 and the steps being taken by your Company to stay stronger as it continued to maintain its leadership in the core water sector opportunities.
- Your Company featured again in the World's Top 50 Private Water Companies, as per bi-annual survey by Global Water Intelligence, London. Your Company continuously being featured in World's Top 50 since 2015.
- During the year, your Company also received substantial new project orders in joint ventures with different friendly companies worth ₹ 5,770 Crore from the esteemed clients in the state of Odisha, Manipur, and Uttar Pradesh including several projects under the Jal Jeevan Mission.
- Your Company continue to bid for water projects aggressively and the business development team has already submitted or in the process of submitting project tenders worth about ₹ 20,000 Crore with our JV partners.

"We are well known as a key player in the water sector in India, improving quality of life of people across the country".

- Your Company has completed a drinking water supply project in Manipur in a record time of 18 months as against the project duration of 24 months despite being a challenging task to provide tap water facilities to around 300,000 populations in 73,014 households. The project was inaugurated by Hon'ble Chief Minister of Manipur Shri N. Biren Singh.

- The Hon'ble Prime Minister of India has laid the foundation stone for Manipur water supply projects under the Jal Jeevan Mission which your Company will be executing.

- Your Company has secured an arbitration award of ₹ 236.43 Crore against the National Thermal Power Corporation (NTPC) for Bongaigaon Thermal Power Plant in the State of Assam which has been challenged by the NTPC and final outcome is awaited.

- Your Company also featured among the BS1000 Top Indian Companies report published by leading business daily, Business Standard.

Every business has to discover its own ways to adapt to the new normal, find innovative approaches to meet the challenges and remain afloat in every aspect. The one who moves swiftly and take proactive measures is bound to sail through these turbulent times and emerge stronger. Your company took the disruptions caused by the pandemic as an opportunity and initiated several proactive steps in digitalizing business operations, project monitoring, HR management, technological intervention in systems and processes and most importantly augmenting supply chain to ensure that it is prepared to meet the requirement of every project adequately on time.

Your company is committed to the welfare of its employees at all levels and has kept their morale high through various support measures to tide over these difficult times. Almost every employee and work force is fully vaccinated and comprehensively follows all covid and safety guidelines.

Your Company is committed to conduct business with a strong environment conscience, to ensure sustainable development, safe work places and enrichment of the quality of life of its employees, clients and the community. It respects human rights, values supporting organizations and invests in innovative technologies and solutions for the economic growth of the country. We stay committed to our core values for development of a better India in the making.

Acknowledgements

Before concluding, I once again wish to convey my sincere thanks to the dedicated employees of the Company. Without their efforts and commitment, the Company could not have performed and sustained during these challenging conditions. I would also like to thank the leadership team and management, for their continued strong and unequivocal support.

I extend my gratitude to the various government and regulatory authorities, Company's valued clients, suppliers, vendors, investors, bankers and shareholders for their consistent and resolute co-operation and trust. The supports we continue to receive from our banks enable us to obtain and execute projects and plan for the future.

I take this opportunity to thank the Board Members and particularly the distinguished Independent Directors for their continued leadership and unwavering support to the Company. They are always there for invaluable guidance and I truly value their partnership which holds the company to the highest governance and compliance standards.

I wish and pray that this world emerges victorious from the crisis created by the pandemic. I urge each and every one of you to stay safe and take care of your loved ones.

Thank you!

Subhash Chand Sethi

STATUTORY REPORTS

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of your Company is pleased to submit their 40th Annual Report on the operations and performance of the Company along with the audited financial statements for the year ended March 31, 2021.

Financial Results:

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

₹ In Lakhs

PARTICULARS	Standalone		Consolidated	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Revenue from Operations	61, 539.17	82,424.28	68,285.34	1,70,647.73
Other Income	4,319.15	10,118.43	6,377.41	10,866.24
Total Income	**65,858.32**	**92,542.71**	**74,662.75**	**1,81,513.97**
Total Expenses	66,497.46	92,766.65	75,771.23	1,79,448.37
Earnings before Interest, depreciation, tax and amortization (EBIDTA)	**6,744.37**	**14,993.65**	**6,142.55**	**18,876.08**
Less:- Finance Cost	6,840.53	14,655.45	6,695.13	15,692.41
Less:- Depreciation	542.98	562.13	555.90	1,118.07
Profit/ (Loss) before tax from continuing operations	(639.14)	(223.93)	(1,108.48)	2,065.60
Tax Expenses of Continuing Operations				
Less: - Current tax	-	259.15	5.95	553.53
Less: - Deferred Tax	(598.18)	(342.66)	(458.68)	899.70
Earning before share of profit/ (loss) of associate and joint venture, with continuing operations	**-**	**-**	**(655.75)**	**612.37**
Share of profit/(loss) of Associates & Joint Ventures	-	-	(443.48)	(388.82)
Minorities share of profit/(loss)	-	-	(54.98)	(53.36)
Profit/ (Loss) after tax from continuing operations	(40.96)	(140.43)	(1,044.25)	276.91
Profit/ (Loss) before tax from discontinued operations	(10,676.46)	382.22	(10,676.46)	382.22
Tax Expenses of discontinued Operations				
Less: - Current tax	-	-	-	-
Less: - Deferred Tax	-	-	-	-
Profit/ (Loss) after tax from discontinued operations	(10,676.46)	382.22	(10,676.46)	382.22
Earning Before Tax (EBT)	**(11,315.60)**	**158.29**	**(12,173.44)**	**2,112.36**
Tax Expenses				
Less: - Current tax	-	259.15	5.95	553.53
Less: - Deferred Tax	(598.18)	(342.66)	(458.68)	899.70
Profit After Tax	**(10,717.42)**	**241.80**	**(11,720.71)**	**659.13**
Other Comprehensive Income for the Year (Net of Taxes)	(530.21)	458.01	(509.22)	449.97
Total Comprehensive Income for the year	(11,247.63)	699.81	(12,229.93)	1,109.10
Earnings per share (in ₹) - Basic and Diluted (Nominal value ₹ 2 Per Share)	(29.24)	0.66	(31.98)	1.80

Financial Performance

On Standalone basis, the Operating Revenue of your Company for the financial year ended March 31, 2021 stood at ₹ 61,539.17 Lakh as compared to ₹ 82,424.28 Lakh in the previous year. The Net Loss for the year is ₹ 10,717.42 Lakh over the previous year Net Profit of ₹ 241.80 Lakh. Profit of the Company mainly impacted due to ongoing pandemic.

On Consolidated basis, the Operating Revenue of your Company for the financial year ended March 31, 2021 stood at ₹ 68,285.34 Lakh as compared to ₹ 1,70,647.73 Lakh in the previous year. The Consolidated Net Loss in Financial Year 2020-21 is ₹ 11,720.71 Lakh over the previous year Net Profit of ₹ 659.13 Lakh.

State of Company's Affairs

SPML Infra Ltd. is India's leading Public Listed Infrastructure Development Company with over four decades of experience in the public and private sectors. The Company has executed and commissioned over 600 large and medium infrastructure projects across India and created significant value for the country, thus touching lives of millions of people with provision of drinking water facilities, wastewater treatment, integrated sewerage network, better municipal waste management, power transmission & distribution and lighting up homes. The Company features among the World's Top 50 Private Water Companies and amongst India's 50 Best Real Estate & Infrastructure Companies. The Company operates on engineering, procurement, construction (EPC) segment and as on date, there is no change in the nature of business being undertaken by the Company.

The key highlights of the performance of the Company during the Financial Year 2020-21 are summarized herein below:

- The Hon'ble Prime Minister of India has laid the foundation stone of water supply projects in Manipur being executed by the Company. The water supply projects envisage to provide freshwater household tap connections (FHTCs) to the households in Greater Imphal planning area for 1,731 rural habitations covering around 3,00,000 households in all 16 districts of Manipur.

- Shri N. Biren Singh, Hon'ble Chief Minister of Manipur has inaugurated water supply projects in Imphal under the Churachandpur Water Supply Distribution Network executed by the Company that envisage providing tap water to around 300,000 population in 73,014 households in Manipur.

- The Company received an order worth ₹ 246 Crore for integrated water supply project for Imphal Planning Area, Phase-III under the Manipur Water Supply Project from Public Health Engineering Department, Government of Manipur for implementation of one package.

- The Company has secured an arbitration award of ₹ 236.43 Crore against the National Thermal Power Corporation (NTPC) for Bongaigaon Thermal Power Plant project in the State of Assam. The same has been challenged by NTPC at the Hon'ble Delhi High Court and the final outcome is awaited.

- Executing a power augmentation project under Deen Dayal Upadhyaya Gram Jyoti Yojna for Rural Electricity Infrastructure Development for Agriculture Feeder Segregation works in Murshidabad district of West Bengal.

- The Company also received Skoch Awards 2020 – Order of Merit Certificate for Kanpur Sewerage System.

Business Disruption

The World Health Organisation (WHO) declared a 'Pandemic' to the Covid-19 disease. The pandemic has hit the economy, business and people around the world and has resulted in many restrictions, including nationwide lockdown, thereby greatly hampering businesses and day to day functioning of Companies. This pandemic has given rise to a new way of doing business.

In enforcing social distancing and to comply with the direction issued by the Government of India, the Company's Project sites remained closed from March 23, 2020 due to lockdown and partially opened w.e.f. May 04, 2020, adhering to the safety norms prescribed by the Government of India. The Company is taking utmost care of its staff and work force as per the guidelines like sanitization, social distancing, mandatory mask wearing, thermal checking at the gate, maintaining proper hygiene and regular disinfecting of the offices and work stations. Supply chain which got disturbed due to lockdown have been monitored to ensure availability of material at project sites under strict guidelines and following all required SOPs.

The on-going Covid-19 disruptions has hit us hard and disrupted regular business operations of the Company as the labour force got immobilized at sites due to lockdown because in the interruption in the project activities, supply chain disruption, human resource availability constraints etc. The business operations have recommenced on a lower scale post relaxation of lockdown as compared to pre-pandemic event.

Debt Resolution

The operations of your company have suffered in last few years mainly due to general economic slowdown as well as actions and inactions by various Government bodies / authorities, including policy paralysis and various other factors beyond control of the Company or its management. The major clients/ customers of your Company are government bodies wherein the monies of the company are stuck since long and for which the claims of the Company are pending.

Considering the financial stress in your Company, the Lenders restructured the debts of the Company in 2017 under the Reserve Bank of India's guidelines. However, the Company could not come out of financial stress and the mismatch in the cash flows was further widened with the non-release of sanctioned working capital credit facilities including Bank Guarantee limits, alongwith levy of excess margin & charges by some of the Lenders as against the agreed terms of sanction by the Banks.

Due to the mismatch in the cash flows, the Company has not been able to service its debts or meet the payment obligations to the Lenders. Hence, the accounts of the Company with the Banks have been classified as sub – standard.

However, your company is in the process of formulating a resolution plan with Lenders, which is at an advanced stage of discussions after protracted negotiations and completion of various processes ('resolution plan'). Considering the above progress in implementation of a sustainable resolution plan together with positive future growth outlook, the management is confident of improving the overall financials of the Company. Your company's financials are further likely to improve with expected realization of various contingent assets in the form of arbitration awards and claims which have been considered as part of the resolution plan.

Dividend

During the year under review your Company has incurred heavy loss and also faced financial stress and liquidity crunch. Hence, Your Company has not recommended any dividend for the financial year 2020-21.

Transfer to Reserves

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

Deposits

Your Company has not accepted any Deposit from the Public in terms of the provisions of Section 73 of the Companies Act, 2013 read along with the Companies (Acceptance of Deposits) Rules, 2014 including any amendment thereto and as such there is no amount of principal or interest was outstanding as on March 31, 2021.

Subsidiary Companies/ Joint venture Companies/ Associate Companies

As on March 31, 2021, the Company had 8 direct and indirect Subsidiaries including 3 Wholly Owned Subsidiaries, 5 Joint Ventures (JVs), 9 Joint Control Operations (JCOs) and 11 Associates.

During the year under review M/s. Mizoram Infrastructure Development Company Ltd. has applied for Striking off the name of the Company from the Registrar of Companies, therefore, it ceased to be Subsidiary of the Company.

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

In compliance with the provisions of Section 136 of the Companies Act 2013, a copy of the Financial Statement consisting of the Standalone as well as the Consolidated, along with all relevant Annexures, Auditors Report, Directors Report are available on the website of the Company and will also be available for inspection in electronic mode during working hours till the Annual General Meeting of the Company.

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

Directors and Key Managerial Personnel

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

To comply with the provision of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of your Company appointed Mr. Tirudaimarudhur Srivastan Sivashankar and Mr. Charan Singh as an Additional Independent Director of the Company w.e.f 08th June, 2021 and July 07, 2021 respectively for a term of 5 consecutive years subject to the approval of Shareholders in the ensuing Annual General Meeting. Resolutions seeking shareholders' approval for appointment of Mr. Tirudaimarudhur Srivastan Sivashankar and Mr. Charan Singh as Independent Director forms part of the Notice of the ensuing Annual General Meeting.

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

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

During the year under review, Mr. Laxmi Narayan Mandhana, CFO and Company Secretary of the Company resigned from the post of CFO and Company Secretary w.e.f. September 15, 2020 and November 16, 2020 respectively. The Board places its sincere appreciation for the service rendered by him during his tenure as CFO and Company Secretary of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to fill the vacancy caused due to resignation of Mr. Laxmi Narayan Mandhana as CFO and Company Secretary of the Company, Mr. Manoj Kumar Digga appointed as the CFO and Mrs. Swati Agarwal appointed as the Company Secretary of the Company w.e.f. September 15, 2020 and November 17, 2020 respectively.

As on March 31, 2021 Mr. Sushil Kumar Sethi, Managing Director and Mr. Subhash Chand Sethi Whole-time Director, Mr. Manoj Kumar Digga, CFO and Mrs. Swati Agarwal, Company Secretary continue to be the Key Managerial Personnel (KMP) of the Company in accordance with the provisions of Section(s) 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Board Diversity

Your Company understands and believes that a well diverse Board enhances the quality of decisions by utilizing different skills, qualifications, professional experience, ethnicity and other distinguished quality of the individual Board members. Company believes that Board diversification is necessary for effective corporate governance, driving business results, sustainable and balanced development and to monitor the effectiveness of the company's practices. In order to achieve the aforesaid your Board has well experienced and expertise combination of industry knowledge which is in the best interest of the Company.

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

Board Evaluation

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

Familiarization Program for independent Directors

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

Meeting of the Board of Directors

During the year under review, the Board met five (5) times, the details of the Meetings of the Board held during the financial year 2020-21 are given under the section Corporate Governance Report which forms the part of this report.

Meeting of Independent Directors

Pursuant to the requirements of Schedule IV of the Companies Act, 2013 and as in terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the separate meeting of the Independent Directors of the Company has been convened on March 31, 2021 to review the matters as laid down in the aforesaid Schedule and Regulations.

Declaration by Independent Director

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

Directors Responsibility Statements

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

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

b) that we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the annual accounts have been prepared on a going concern basis;

e) that proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and

f) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

Extract of the Annual Return

In accordance with Section 92 (3) of the Companies Act, 2013 read along with Rule 12 (1) of the Company (Management & Administration) Rules, 2014 including any amendment thereto, an extract of the Annual Return in the prescribed format for the Financial Year ended March 31, 2021 is available on the website of the Company at https://www.spml.co.in/Investors/CorporateAnnouncements

Statutory Auditors and their Report

At the Annual General Meeting held on September 29, 2017, M/s Maheshwari & Associates, Chartered Accountants (FRN No. 311008E), Kolkata were appointed as Statutory Auditor of the Company for a term of five years to hold office from the conclusion of 36th Annual General Meeting till the conclusion of the 41stAnnual General Meeting of the Company to be held in the Calendar Year 2022. The Auditor's have confirmed that they are not disqualified from continuing as the Auditors of the Company.

The Auditors' Report(s) to the Members of the Company in respect of the Standalone Financial Statements and the Consolidated Financial Statements for the Financial Year ended March 31, 2021 are self-explanatory and the qualification or observations of the Auditors have been suitably addressed in Note No. 42,43 and 49 of the notes forming part of the standalone financials and Note No 46,54 to 55 of the notes forming part of the consolidated financials and therefore do not call for any further comments.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of your company had appointed Mr. Tumul Maheshwari Proprietor of M/s MT & Co., (erstwhile PTM & Co.,) Company Secretary in Practice as Secretarial Auditor to conduct the secretarial audit for the financial year ended on March 31, 2022.

The Secretarial Audit Report for the Financial Year ended March 31, 2021 in Form MR-3 is annexed to the Directors Report - Annexure - 1 and forms part of this Report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.

Cost Auditors

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit), Rules, 2014 the Company is required to get its cost record audited by a cost accountants in whole time practice. In this regard the Board of Directors, on the recommendation of the Audit Committee, has appointed M/s Deepak Mittal & Co., Cost Accountants as the Cost Auditor of the Company for Financial Year 2021-22.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration as recommended by the Board shall be ratified by the Members. Accordingly, requisite resolution seeking ratification of remuneration payable to the Cost Auditors for the Financial Year 2021-22 is forming part of the notice convening the ensuing Annual General Meeting.

Related Parties Transactions

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

All the related party transactions are placed on quarterly basis before the Audit Committee and Board for their approval. Prior Omnibus approval also obtained from the Audit Committee and Board for the transactions which are repetitive in nature.

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–2 to this report.

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 positive social impact.

As part of its initiatives under "Corporate Social Responsibility" (CSR), the company is promoting health care and education by making contributions to the registered trusts that are imparting education and improving health care to the society. The Annual Report on CSR is annexed as Annexure – 3 to this report. The Policy as adopted by the Company for the Corporate Social Responsibility is available at the website of the Company at www.spml.co.in

Committee of the Board

Your Company has the following Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Finance Committee, CSR 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. Such Systems are inherent in the Company and are working effectively and efficiently. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosure.

Vigil Mechanism

In line with the requirement under Section 177(9) & (10) of the Companies Act, 2013, read with the Companies (Meeting of the Board and its Powers) Rules 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted a Whistle Blower Policy establishing Vigil Mechanism, to provide a formal mechanism to the directors and employees to report any fraudulent financial or other information any unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The functioning of the vigil mechanism is reviewed by the Audit Committee. It is hereby affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is available at Company's website at www.spml.co.in.

Risk Management

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

Particulars of Investments, Loans, Guarantees given or Securities Provided

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

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

Policy on Director's Appointment and Remuneration

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

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

Material Changes and Commitments

During the year under review operations of the Trading Segment of your company had virtually ceased since January, 2020 onwards, primarily to focus on its core activity i.e infrastructure development. The management was continuously assessing the realisability of the non-moving debtors/ advances to creditors of the segment due to the impact of COVID-19. Accordingly, the Board of Directors of your Company, at its meeting held on February 12, 2021, accorded it's consent towards closure of the Trading Segment of the Company w.e.f the financial year ended March 31, 2021.Consequentially, during the quarter ended March 31, 2021, in respect of the Trading segment, the Company has written off all the balances appearing in the books of account (non-moving debtors and creditors) of ₹ 10,676.46 Lakhs. The Company is now operating in a single segment viz. EPC.

Other than cited above there have been no other material changes and commitments affecting the financial position of the Company which occurred between the end of the Financial Year of the Company as on March 31, 2021 and the date of this report.

Significant and Material Orders impacting Operations of Company in Future

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

Investor Education and Protection Fund (IEPF)

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

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

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

Secretarial Standards

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

Reporting of Frauds

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

Management Discussion and Analysis

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

Corporate Governance Report

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

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

Employees Relations

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

Protection of Women at Workplace

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

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

Particulars of Employees

Disclosures required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Statement containing the name of top ten employee of the Company in terms of the receipt of the remuneration of ₹ 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- 4 to this report.

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

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

Insolvency and Bankruptcy Code, 2016

During the year under review no application made/no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

One Time Settlement

During the year under review, the Company has not entered in any one time settlement with any of the Banks/Financial Institutions and therefore, the relevant disclosures are not applicable to the Company.

Acknowledgement

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

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

On behalf of the Board

Place: Kolkata
Date: 12th August, 2021

Subhash Chand Sethi
Chairman

ANNEXURE – 1

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

[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 March 31, 2021, 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 March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

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

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; NA and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: NA

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) SEBI Listing Regulations (LODR), 2015;

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

1. The National Stock Exchange has imposed a penalty on the Company for non-compliance of the provisions of Regulation 17(1) of SEBI Listing Regulations (LODR), 2015 for non-composition of Board having minimum 6 Directors during the financial year and Company has prayed to the exchange for waiver of penalty.

2. The Company has not spent the amount as per the requirement of Section 135 of the Companies Act, 2013.

3. The Company has applied for 'in-principle' approval to the recognized Stock Exchanges for the issue of new securities by way of conversion of existing unsecured loan to the Promoter entities, but the same is pending for the approval.

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 MT & Co.
Company Secretaries

(Tumul Maheshwari)
Proprietor
ACS No. 16464
C.P. No. 5554

Place: Delhi
Date: 29/06/2021
UDIN No. A016464C000505469

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

ANNEXURE-A

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

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MT & Co.
Company Secretaries

(Tumul Maheshwari)
Proprietor
ACS No. 16464
C.P. No. 5554

Place: Delhi
Date: 29/06/2021
UDIN No. A016464C000505469

Note: The COVID-19 outbreak was declared as a global pandemic by WHO. In the month of April 2021, Delhi government announced lockdown which was extended multiple times for various days across the state to contain the spread of the virus. Due to COVID- 19 pandemic impact, the compliance documents for the period were obtained through electronic mode and verified with requirements.

ANNEXURE – 2

Form No. AOC-2

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

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

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

The company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2020-21.

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: 12th August, 2021

Subhash Chand Sethi
Chairman

ANNEXURE – 3

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2020-21 (Pursuant to Section135 of the Companies Act, 2013)

1. Brief outline on CSR Policy of the Company

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

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

2. Composition of CSR Committee

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

Sr. No.	Name of the Director	Designation	Date of Appointment	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sushil Kumar Sethi	Non-Executive Director	07.07.2021	N.A.	N.A.
2	Mr. Prem Singh Rana	Independent Director	28.05.2014	1	1
3	Mr. Charan Singh	Independent Director	07.07.2021	N.A.	N.A.
4.	Mr. Dinesh Kumar Goyal*	Independent Director	11.02.2020	1	1
5	Mr. Subhash Chand Sethi **	Whole-Time Director	11.02.2020	1	1

**Resigned from the directorship of the Company w.e.f. 01.07.2021*

*** ceased to be member of the Committee w.e.f. 07.07.2021*

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

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

4. Provide the details of Impact assessment of CSR Projects carried out in pursuance of sub rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

5. Details of amount available for set off in pursuance of sub rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if any: Not Applicable

6. Average Net Profit of the Company as per Section 135(5): ₹ 4,439.84 Lakh

7. a. Two percent of average net profit of the Company as per Section 135(5): ₹ 88.80 Lakh

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

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

d. Total CSR obligation for the financial year (7a+7b7c): ₹ 88.80 Lakh

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

Total amount unspent for the financial year (₹ In lakh)	Amount Unspent				
	Total amount transferred to unspent CSR Account as per Section 135(6)*		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)*		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
88.80	-	-	-	-	-

* Due to financial crisis and stress in the Company and the mismatch in the cash flow, the Company was could not spent the aforesaid amount in the CSR activities as per the CSR Policy of the Company

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

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

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

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

d. **Amount Spent in Administrative Overheads:** Nil

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

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

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

Sl. No.	Particular	Amount (in Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	**88.80**
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Lakh)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2017-18	-	-	-	-	-	77.66
2.	2018-19	-	-	-	-	-	45.93
3.	2019-20	-	-	-	-	-	80.96
	Total						**204.55**

b. **Details of Unspent CSR amount for the preceding three financial year:**

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

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

11. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):** Due to the financial stress and mismatch in cash flow Company was unable to spend the amount in CSR Projects. However, the company is in process to transfer the unspent amount in the fund specified under Schedule VII as per second proviso to section 135(5).

The company has been facing financial crisis since last few financial years and with effect from the previous financial year, the Company has defaulted in payment of its dues to the financial creditors mainly to banks/financial institutions, and accordingly, the borrowing facilities of the company with the Lenders are irregular as on March 31, 2021. The Company is in the process of formulating a resolution plan with Lenders, which is at an advanced stage of discussions after protracted negotiations and completion of various processes.

Subhash Chand Sethi
Whole-Time Director

Sushil Kumar Sethi
Chairman - CSR Committee

ANNEXURE – 4

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

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

Median remuneration of all employees of the Company for Financial Year 2020-21	4,23,012
The percentage increase in median remuneration of employees in the Financial Year	-
The number of permanent employees on the rolls of Company as on March 31, 2021	325

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

Name of Director	Remuneration for financial Year 2020-21	Remuneration for financial Year 2019-20	% increase in remuneration in the Financial Year 2020-21	Ratio of Remuneration to median remuneration of all employees
Independent Directors				
Mr. Prem Singh Rana[1]	-	-	-	-
Mrs. Pavitra Joshi Singh[1]	-	-	-	-
Dr. Dinesh Kumar Goyal[1]	-	-	-	-
Executive Directors/KMP				
Mr. Subhash Chand Sethi	82.78	121.60	-	-
Mr. Sushil Kumar Sethi	82.78	121.60	-	-
Mr. Manoj Kumar Digga[2]	58.88	-	-	-
Mrs. Swati Agarwal[3]	2.90	-	-	-
Mr. Laxmi Narayan Mandhana[4]	18.68	35.93	-	-
Mr. Abhay Raj Singh	-	5.79	-	-
Mr. Sujit Jhunjhuwala	-	8.69	-	-

[1] Except sitting fees there was no remuneration or commission was paid to Independent directors

[2] Mr. Manoj Kumar Digga was appointed as the Chief Financial Officer of the Company w.e.f September 15, 2020

[3] Mrs. Swati Agarwal was appointed as the Company Secretary of the Company w.e.f November 17, 2020.

[4] Mr. Laxmi Narayan Mandhana resigned from Chief Financial Officer & Company Secretary of the Company w.e.f September 15, 2020 and November 16, 2020 respectively.

3. During the financial year 2020-21 the median remuneration has not increased for the employees. The total remuneration of the KMPs for the financial year 2020-21 was ₹ 246.02 lakh as against ₹ 293.61 lakh in the previous year.

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

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

1. **Names of top ten employees in terms of remuneration drawn during the Financial Year 2020-21**

Sl No	Name	Designation	Remuneration in Lakhs	Qualification	Experience	Date of Commencement of Employment	Age	Last Employment
1	Manoj Kumar Digga	CFO	58.88	Chartered Accountant	30	10-09-2020	52	Mc Nally Bharat Engineering Co. Ltd.
2.	Abhinandan Sethi	Chief Operating Officer	63.08	BBA	9.3	01-12-2011	33	SPML Infra Ltd.
3	Amitava Basu	Executive Vice President-Projects	36.00	M Tech - Electrical	30.7	01-08-1995	56	Consolidated Energy Consultant Ltd.
4	Malay Kanti Chakraborti	Executive Vice President	30.00	DCE	31.6	02-06-1998	52	Batliboi Ltd.
5	Sunil Mall	General Manager - Finance & Accounts	30.00	Chartered Accountant	14	03-04-2017	34	JIS Group
6	Mohammed Ranapurwala	Chief Technical Officer	26.58	DCA	3.3	15-03-2021	49	Lawrace Sikutwa & Associates
7	Sujit Kumar Jhunjhunwala	Associate Vice President	26.08	Chartered Accountant	25.3	29-03-2017	54	Khetan Financial Services Pvt. Ltd.
8	Satish H	General Manager-Projects	23.04	B Tech-Electrical	17	07-02-2005	38	Urban Electrical Pvt. Ltd.
9	Hemant Agrawal	AVP-Banking	22.92	B.Com	28	28-09-2020	54	Mc Nally Bharat Engineering Co. Ltd.
10	D P Mukherjee	Vice President - Projects	21.21	DCE	33.6	18-12-1991	59	Enertek Engineering

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. Except Mr. Abhinandan Sethi, son of Mr. Subhash Chand Sethi, Chairman & Whole Time Director of the Company none of the employees mentioned above is a relative of any Director or Manager of the Company

2. **None of the employees employed throughout the financial year 2020-21, was in receipt of aggregate remuneration not less than Rupees One Crore and Two Lakh.**

3. **None of the employee, who was employed for a part of the financial year 2020-21 and was in receipt of aggregate remuneration at not less than Rupees Eight lakh and Fifty Thousand per month.**

On behalf of the Board

Place: Kolkata
Date: 12th August, 2021

Subhash Chand Sethi
Chairman

ANNEXURE – 5

Additional information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rule, 2014.

A. CONSERVATION OF ENERGY

a) Steps taken or impact on conservation of energy

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

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

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

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

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

c) Capital investment on energy conservation equipment

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

B. Technology Absorption

i) The Company has adapted state of the art technology, available in the Industry of operation of the Company to derive cost and efficiency benefits.

ii) Expenditure incurred on Research & Development (R & D)- NIL

C. During the financial year 2020-21 Company has not earned in Foreign Exchange nor incurred any expenses in Foreign Exchange

On behalf of the Board

Place: Kolkata
Date: 12th August, 2021

Subhash Chand Sethi
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

The Hon'ble Prime Minister of India has laid down India's vision to become a US$5 trillion economy by 2025 and to achieve this goal the country needs to shift its gears to accelerate and sustain a GDP growth rate of 8% and above for the coming years. Such growth can be sustained by catalyzing investment in sectors of growth including special focus on infrastructure development, water supply, transportation and electricity and supported by a favourable demographic phase. Investment drives demand, creates capacity, increases productivity, introduces new technology, allows creativity, and generates jobs. Hence, the focus of the government is continued to push for transformative reforms to attract more investments and make India an economic powerhouse in Asia and beyond.

COVID-19 Disruption

COVID-19 brought massive disruption to the world, highlighting the vulnerability of human life, medical infrastructure and spurring changes in business models and consumer behavior. All economies from largest to developed or even meagre ones have been facing the heat of lockdowns, disruption and unfortunate mounting cases and deceases.

It is difficult to exactly calculate the economic damage caused by the pandemic globally, but there is widespread agreement among economists that it indeed have damaged the global economy severely. The forecast and emerging trends suggest that there is a real GDP loss of 4.5%. To put this number in perspective, global GDP is estimated at around 93.86 trillion USD in 2021 and 8 months of the year already passed by with virus still spreading in several large countries, a 4.5% drop in economic growth results in almost 4.22 trillion USD of lost economic output.

Advantage India

- 2nd largest population (18%)
- can facilitate skilling working age population which can power economic growth
- one of the Fastest Growing Major Economy in the world with a GDP of over US$2.78 trillion (expected 3.05 trillion in 2021)
- India jumps 79 spots in World Bank Doing Business ranking in five years
- By 2030:
    - estimate suggest India will become the world's third largest economy
    - average age of India's workforce will be 32 years
    - urban India will account for nearly 75% of the GDP and Indian cities will act as engines of economic growth
    - expected 40% India's population will live in urban regions
    - targeting about 450 gigawatts of installed renewable energy capacity including 280 GW (over 60%) from solar alone
    - upward income will make it a big market
    - better infrastructure and accessibility will transform rural India
    - over 1 billion will be connected digitally
    - technology-enabled new business models will shape the economy

In India, as per the official data released by the ministry of statistics and program implementation, the Indian economy contracted by 7.3% in the April-June quarter of this fiscal year. This is the worst decline ever observed since the ministry had started compiling GDP stats quarterly in 1996.

The drop was much sharper in FY 21 as India's GDP dropped by a massive 24.4% during the Q1 of FY 21. According to the national income estimates, in the second quarter of the 2020-21 financial year, the economy contracted by a further 7.4%, with the third and fourth quarters seeing only a weak recovery with GDP rising 0.5% and 1.6%, respectively. This means that overall rate of contraction in India was 7.3% for the whole FY 21. This means that 2020-21 financial year is the worst year in terms of economic contraction in the country's history.

Government support

Despite the clear danger that the global economy is in, there are also reasons to be hopeful that this worst-case scenario can be avoided. Governments across the world have learned from previous crises that the effects of a demand-driven recession can be countered with government spending. Consequently, many governments are increasing their provision of monetary welfare to citizens, and ensuring businesses have access to the funds needed to keep their operations alive throughout the pandemic. In addition, the specific nature of this crisis means that some sectors may benefit from it. E-commerce, food retail, and the healthcare industry provide at least some economic growth to offset the damage. Also, a crisis-induced movement to online activities (working from home, purchasing goods online, contacting family, etc.) can be observed. It gives an opportunity for IT solution providers to increase their market shares.

Vaccinated World

There is a hope that the pandemic crisis may have a clear end date when all restrictions can be lifted – this seems to be possible when the majority of the global population is vaccinated. It could then enable the global economy to experience a sharp rebound once the pandemic is over. The growing vaccine coverage lifts sentiments and latest report as on August 23, 2021 shows that 32.7% of the world population has received at least one dose of a COVID-19 vaccine, and 24.6% is fully vaccinated. 5 billion doses have already been administered globally, and 33.56 million are now administered each day. India has administered 588.9 million populations with at least one dose of the vaccine and almost 130 million people are fully vaccinated. It is currently vaccinating around five million people every day.

There are still many variables that could affect such an economic recovery – for example, a reduced supply of goods and services to meet lower demand could create mid-term shortages and price increases, but there are right mix of appropriate government responses with resource mobilization and increased spending that help in restoring the situation much earlier than previously estimated.

World Economy

The growing vaccine coverage lifts sentiments, but the global economic outlook still witnessing the uncertainty. The reason for this could be attributed to new virus mutations and rising concerns due to the accumulating human toll. Economic recovery varies across countries and sectors, due to difference in pandemic-induced disruptions and the extent of policy support.

Core inflation in all the major economies recorded a mixed trend in June 2021 as compared to the previous month. The inflation in United States, United Kingdom and Japan increased to 5.4%, 2.5% and 0.2% in June 2021 as compared to the previous month. Whereas the inflation in Germany, China and South Africa decreased to 2.3%, 1.1% and 4.9% in June 2021 as compared to the previous month. Inflation in India stood at 6.26% in June 2021 as compared to 6.30% in the previous month.

Trade balance in major economies in the global ecosystem recorded a mixed trend. The trade surplus of China, Russia, Brazil and UK increased; Canada, US and India's trade deficit increases. Future developments will depend on the path of the health crisis, including whether the new delta variants of COVID-19 strains prove susceptible to vaccines or they prolong the pandemic along with effectiveness of policy actions and the adjustment capacity of the economy.

The major economies have also recorded a decreasing trend in their GDP growth as per the latest data. GDP growth rate of US and Eurozone improved in Q1 2021. The GDP growth rate of UK, Germany, Japan and Russia decreased in Q1 2021 to (-)1.6%, (-)1.8%, (-)1.0% and (-)0.2%as compared to 1.3%, 0.5%, 2.8% and 0.6% in the previous quarter. The GDP growth rate of China increased in Q2 2021 to 1.3% from 0.4% in the previous quarter. US recorded an increase in growth rate of GDP to 6.4% in Q1 2021 as compared to 4.3% in the previous quarter.

Indian Economy

The Indian economy expanded 1.6% year-on-year in Q1 2021, accelerating from an upwardly revised 0.5% growth in Q4 and beating market forecasts of 1%. It was the 2nd straight quarter of growth since the country exit a pandemic-induced recession. On the expenditure side, both private and public spending rebounded while gross fixed capital formation rose faster. Meantime, net trade contributed negatively to growth as exports climbed 8.8% (vs -3.5% in Q4) but imports jumped at a faster 12.3% (vs -5% in Q4). On the production side, output rose for manufacturing (6.9%); construction (14.5%) and utilities (9.1%). In the last fiscal year, the economy contracted a record 7.3%, less than earlier estimates of an 8% drop. Asia's 3rd largest economy is expected to grow at the world's fastest rate

this year despite projections for the current quarter being more pessimistic amid the 2nd flare-up of infections in April.

India Growth Rebound

Domestic economic activity started showing normal trends with receding of the second wave of the coronavirus and phased reopening of the economy. The growth indicators suggest that consumption, investment and external demand are all on the path of regaining traction. Further easing of restrictions and increasing coverage of vaccinations are likely to boost private spending on goods and services including travel, tourism and recreational activities, propelling a broad-based recovery in aggregate demand. The robust outlook for agriculture and rural demand would continue to support private consumption. Urban demand is likely to accelerate with recovery in manufacturing and non-contact intensive services, release of pent-up demand and the pace of vaccination.

As Indian economy heads towards an uncertain but pivotal moment, growth is the only answer.

– Indian Express

The recent encouraging movements in several high frequency indicators, viz. sale of automobiles, electricity consumption, non-oil non-gold imports, consumer durable sales and hiring of urban workers. The results of the July round of the Reserve Bank's consumer confidence survey suggest that one year ahead of the predictions, sentiments returned to optimistic territory from historic lows. Early results from listed firms show that corporates have been able to maintain their healthy growth in sales, wage growth and profitability, led by information technology firms. This will also support aggregate disposable income of consumers.

Our actions, together with those of the Government, are aimed at alleviating distress and prioritising growth, while keeping the financial system healthy and stable.

– RBI

Transformative Policies That Impacted the Economy

The Insolvency & Bankruptcy Code (IBC): Nearly 4376 insolvency cases have been admitted for resolution. 2653 cases has been decided and closed and 1723 is currently under the process. The resolution plans recovered **US$58.4 bn** in last four years.

Goods & Services Tax: One Nation, One market, One tax: Expanded India's tax base to a large extent and strengthened the financial ecosystem, while aiding productivity.

Bolstering Real Estate with RERA: The introduction of Real Estate (Regulation and Development) Act, 2016 seeks to protect home-buyers as well as help boost investments in the real estate industry.

Reducing Corporate Tax from 30% to 22%

FDI reforms has triggered record FDI inflows: US$ 81.72 billion during 2020-21, 10% more than the last financial year.

India's VIBRANT Start-up ecosystem with 21 companies already achieved unicorn status by August 2021 and expected the number to increase to 54 by 2024

Government's inclusive Digital program has transformed India: India is the second fastest digitizing economy among 17 leading economies in the world, Economic value of India's digital economy is US$200 bn, India can create USD 1 trillion of economic value using digital technology by 2025.

Although investment demand is still anaemic, improving capacity utilisation, rising steel consumption, higher imports of capital goods, congenial monetary and financial conditions and the economic packages announced by the union government are expected to kick-start a long-awaited revival. Innovation and working models adopted during the pandemic by businesses will continue to reap efficiency and productivity gains even after the pandemic recedes. This should help trigger a virtuous cycle of investment, employment and growth. Strong external demand is an opportunity for India and further policy support should help in capitalising on this. Global commodity prices and episodes of financial market volatility, together with vulnerability to new waves of infections are, however, downside risks to economic activity.

Taking all these factors into consideration, RBI has projected of real GDP growth at 9.5% in 2021-22 consisting of 21.4% in Q1; 7.3% in Q2; 6.3% in Q3; and 6.1% in Q4 of 2021-22. Real GDP growth for Q1 2022-23 is projected to be at 17.2%.

Rolling Back of Retrospective Tax

In an unprecedented move in the first week of August, India amended the Income Tax Act to put an end to the contentious retrospective tax law that had caused so much damage to its reputation as a destination conducive for business for overseas investors. The clause had put India in the crosshairs with two major British firms-Vodafone and Cairn, and by finally doing away with it, the government has given the clearest signal to world that India means business.

"The decision to get rid of retrospective taxation shows our commitment and consistency in policies. It sends a clear message to all investors that the decisive government of India is not only opening doors to new possibilities but also has the will to fulfil its promises," said the Hon'ble Prime Minister.

While addressing the heads of Indian missions abroad, the PM referred the development as he sought to make a clear distinction between the India of the past and the one re-energised over the last 7 years. The basic message was simple - India knew its rightful place in the world and unlike in the past it would not hesitate to take any step needed to get there.

Construction Sector Conundrum

Construction industry is the important growth driver of India's economy, an integral part of country's social and economic development. With a contribution of about 8% in India's GDP, construction sector employs around 16% of the nation's working population for their livelihood directly or through associated services. The rising population especially the trends of urbanisation and urban expansion has necessitated the revamp and development of new infrastructure in cities and towns of India.

"India is transitioning from an agrarian economy to a service sector economy giving a boost to urbanization and hence creating a need for a robust infrastructure."

— National Infrastructure Pipeline Report

The government has focussed to accelerate the economic growth momentum through construction projects that provide the needed thrust to the beleaguered economy of the country. Through national infrastructure pipeline, government has announced an ambitious plan to spend ₹ 111 Lac Crore (US$ 1.4 Trillion) by the year 2025 and have so far identified and listed 8,151 projects across sectors such as energy, social and commercial infrastructure, communication, water and sanitation, roads, airports and ports etc. Another 1870 projects are under development stage. The total outlay of the NIP consists of projects in various stages; the conceptualization stage amounting to USD 44.8 billion, the implementation stage worth USD 58.6 billion and the development phase worth USD 36.5 billion.

Government initiatives such as Swachh Bharat, developing smart cities, world-class highways and shipping infrastructure, housing and urban development, water and energy infrastructure, metro rail, bullet train etc. has attracted huge investments through FDI, private players apart from the allocation through government budgets.

"I firmly believe that best rewards come from a long term relationship with your clients, customers and partners. Commercial success comes from doing something useful for others and doing so on a sustainable basis. The record of SPML Infra is a testimony of the same."

— Mr. P. S. Rana
Independent Director

Construction is the biggest industry in the world and have been severely hit by the wide spread pandemic that has created mayhem in almost every country. India has faced the disruptions at higher level with increasing cases and casualties and a longer period of lockdowns. The restrictions on construction activities, migration by the workforce and supply chain interruptions had a cascading impact on construction projects. This sector is amongst the worst-hit by the pandemic and for some companies it has even become an existential crisis. Government has put on hold a large number of development projects and deferred major spending on already planned and on ground projects. With a complete washout quarter and earnings downgrades, construction companies are scurrying for resources and projects to remain in business and survive through the worst phase of the business crisis.

India is at a decisive point in its journey with firm potential to reach the $5 trillion economy, cannot afford to lose on the momentum of economic growth. A sudden economic crisis globally sparked by the pandemic has posed unprecedented challenges in social and commercial environment and many business continuity plans are being put to test.

The pandemic spread in the country has become a matter of great concern as more than 32 million reported cases and the casualty graph reaching higher with every passing day. It has significantly affected the construction and economic activities and abruptly halted the projects execution and reforms initiatives. The construction work for almost all construction projects were stopped due to nationwide lockdowns causing great concern and challenging financial stability of many companies beyond the current fiscal. Many construction companies in India are facing liquidity crunch with pending payments and mismatch in fund inflow and outflow. As the focus of government has shifted towards the welfare and safety of citizens in the wake of pandemic, investment on infrastructure development has been deferred. Several projects announced by government of India has been put on hold or shelved completely.

But it is going to be a defining event as long-awaited measures in the areas of infrastructure development, labour policy reforms, digitization of business, technological advancement in project execution, privatization of assets and utility services and more resilient business models could be implemented. Although, government is taking necessary steps to protect Indian industry from the threat and announced ₹ 1.7 Lakh Crore relief packages for those being impacted by the COVID-19 lockdowns. The state governments have been asked to use the building and construction workers welfare funds to provide relief to construction workers. Reserve Bank of India are taking steps to combat the slowing GDP growth and helping the industries with restructuring of loans and deferring payments to arrest the falling economy and declining construction sector which also forms the backbone of several other sectors.

Optimism

Despite the Q1 traction, India is taking swift remedial action and all international financial organisations are also positive about India's growth prospects in coming times. A rapid and sustained economic growth with about 8% of GDP expansion annually fuelled by heightened productivity and critical reforms will enable the nation to achieve the ambitious target of becoming an economic power in the world order. McKinsey Global Institute has suggested that manufacturing and construction are the two sectors that would need to amplify the most, adding 9.6% and 8.5% annual GDP growth while creating 11 million and 24 million jobs respectively from 2023 to 2030 to strengthen the growth momentum.

In the current scenario when almost all sectors are on the declining spree, water sector is seen to be propelling the growth. With dedicated allocation and initiatives for several water infrastructure development schemes including the most ambitious Jal Jeevan Mission (rural+urban) having exclusive budgetary allocation of ₹ 6.47 Lac Crore, the water is going to be the growth driver of construction sector for the next few years.

Manufacturing and Construction sectors need to amplify the most, adding 9.6% and 8.5% annual GDP to strengthen the growth momentum.

Technological Intervention

SPML Infra Limited have recognised the importance of digital technologies much earlier and implemented a number of technological initiatives such as core functioning is coordinated and controlled through SAP business suite-HANA, digitalization of old records and files and all current information is stored and organized electronically which is easily retrievable for quick decision making.

"Excellence in project delivery and uncompromising quality are two important aspects of business process that are synonymous to SPML as a brand. The people in the country deserve the best water supply services and SPML strives to be there to fill this need with utmost sincerity."

– Mr. T. S. Sivashankar
Independent Director

The digital transformation and technological intervention at SPML Infra Limited has been beneficial with comprehensive adaptation and innovation. The efforts of digitizing project and business operations have been fructified and helped the company significantly during the pandemic. With the support of technology, SPML Infra continued its activities in the pandemic period while addressing the health and safety concerns of the workforce. These technological interventions have positively impacted the working of the company including project execution, tendering, engineering, procurement, and operation & maintenance. The pandemic has overturned all traditional business models and has propelled a new set of challenges. In this changed business landscape, the technological intervention across SPML Infra rose to the challenge, supporting the business during this critical time.

Human Capital

With digitization of business operations, SPML Infra also focused on human capital management to develop and optimize the performance of every employee at all level from the corporate office to project sites. The overarching idea is to maximize the impact of each individual in day to day working and to get a comprehensive advantage for businesses the company is following. During the lockdowns and other restrictions effected by the authorities, the company was able to face the challenges primarily due to its committed employees and guidance from the leadership. With the talented and professional team having diverse experience, SPML Infra has a culture of excellence that provides the competitive edge to the organization. The development goals and people practices adopted by the company attracts best engineering and managerial talents that results in better project procurement and execution.

Environmental Consciousness

SPML Infra is intimately concerned about environmental issues and with high level of awareness; it is embedded in the

"With a rich legacy of four decades, established project delivery capabilities and high quality service standards, SPML Infra has the strength and skills to secure and execute large and complex projects with ease. Innovation in project engineering and design with technological intervention will be a game changer in India's construction industry."

– Mr. Charan Singh
Independent Director

"SPML Infra aims to be on the forefront of providing innovative solutions for water and wastewater management along with power transmission & distribution and have consistently distinguished itself in providing such solutions to meet the rapidly emerging urban and rural demands."

– Mrs. Pavitra Joshi
Independent Director

corporate culture of the company. It has actively implemented the efforts to set stricter environmental standards in all project operations and corporate level since the very inception with dedicated resources. The company has been certified with ISO 14001:2015 along with other quality, health and safety certificates.

It is among the top priorities of the company to design, build and operate infrastructure projects in an environmentally responsible manner with sustainability. The company's commitment of improving human life goes beyond the regulatory compliance as it put conscious efforts of environmental safety and quality while reducing the water footprint and adopting energy efficiency practices.

Internal Control & Fraud Prevention

SPML Infra has an adequate and robust system in place for internal control, fraud prevention and to ensure that all the resources of the Company are used efficiently and effectively. The well-organized structure also ensures that all assets are safeguarded and protected against loss from unauthorised use or disposition, all significant transactions are appropriately authorised, recorded and reported correctly, all financial data are reliable for preparing financial information and other data are appropriate for maintaining accountability of assets. The internal control is supplemented by extensive programme of internal audits, review by management, documented policies, guidelines and procedures.

Cautionary Statement

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

CORPORATE GOVERNANCE REPORT

1. COMPANY PHILOSOPHY ON CODE OF GOVERNANCE

The Company philosophy on Corporate Governance is not only about encompassing regulatory and legal requirements but also strives to enhance Stakeholder's value as a whole. The principle of Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization wealth generating capacity.

SPML further ensures the accountability, fairness, transparency, ethical corporate behaviour in managing the affairs of the Company for maximizing long-term value of the Company. The Company believes that sound Corporate Governance is the pillar for any company to grow in long term and create value for all its stakeholder.

2. BOARD OF DIRECTORS

The Board of Directors of SPML are in fiduciary position, ensuring its effectiveness and enhancement of Shareholders value. The Board also protects the long and short terms interest of all the stakeholders of the Company.

(a) Composition and Category of Directorship / Chairmanship

The composition of the Board of the Company is in accordance with Regulation 17 of the Listing (Obligations and Disclosures Requirements) Regulations, 2015, which maintains a combination of executive and non-executive directors. As on the date of this report, the Board comprises six Directors, including four Independent Directors. The details of the Directors as on March 31, 2021 are given below:

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	11	1	Nil
2	Mr. Sushil Kumar Sethi	Promoter & Executive Director-Managing Director	10	Nil	Nil
3	Mr. Prem Singh Rana	Non- Executive & Independent Director	3	2	2
4	Mr. Dinesh Kumar Goyal	Non- Executive & Independent Director	4	2	Nil
5	Mrs. Pavitra Joshi Singh	Non- Executive & Independent Director	Nil	1	Nil

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

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

Notes:

1. None of the Directors except Mr. Subhash Chand Sethi and Mr. Sushil Kumar 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.
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.

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

During the year under review the Board of the Company met five times on August 18, 2020, September 15, 2020, November 12, 2020, February 12, 2021 and February 25, 2021 respectively.

Sl No	Name of the Directors	No of board meetings held during the tenure of Directors[1]	No. of Board Meetings attended	Whether attended the last AGM
1	Mr. Subhash Chand Sethi	5	5	Yes
2	Mr. Sushil Kumar Sethi	5	4	No
3	Mr. Prem Singh Rana	5	5	Yes
4	Mr. Dinesh Kumar Goyal	5	5	Yes
5	Mrs. Pavitra Joshi Singh	5	4	No

[1]Excludes the separate meeting of Independent Directors

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

Sl No	Name of the Director	Name of Other Listed Entities	Category of Directorship
1.	Mr. Dinesh Kumar Goyal	H.G. Infra Engineering Limited	Wholetime Director
2.	Mr. Sushil Kumar Sethi	SPML India Limited	Non-Executive Director

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

Sl No	Name of the Directors	Category	Number of equity shares
1.	Mr. Prem Singh Rana	Non-Executive & Independent Director	Nil
2.	Mr. Dinesh Kumar Goyal	Non-Executive & Independent Director	Nil
3.	Mrs. Pavitra Joshi Singh	Non-Executive & Independent Director	Nil

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

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

Areas	Details of Skills, Expertise and Competence	Name of the Directors
Leadership	Having leadership experience, judgment on issues of strategy, performance, risk management, resources and standards of conduct;	Mr. Subhash Chand Sethi Mr. Sushil Kumar Sethi Mr. Prem Singh Rana
Expertise & Experience	Relevant expertise and experience relating to the business of the Company and project understanding, general management, business development	Mr. Subhash Chand Sethi Mr. Sushil Kumar Sethi Mr. Prem Singh Rana Mr. Dinesh Kumar Goyal Mrs. Pavitra Joshi Singh
Knowledge	Understands the business of the Company, resulting in knowledge for reviewing the proposed tender, increasing the brand value, achieving agreed goals and objectives and monitor the reporting of performance	Mr. Subhash Chand Sethi Mr. Sushil Kumar Sethi Mr. Prem Singh Rana Mr. Dinesh Kumar Goyal Mrs. Pavitra Joshi Singh

Financial Skill	Having depth knowledge of financial management, capital allocation, dealing with Banks and supervise the auditor or any other person who deals with financials if required	Mr. Subhash Chand Sethi Mr. Sushil Kumar Sethi Mr. Prem Singh Rana

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

(h) Reason for resignation of Independent Directors before expiry of their tenure: Not Applicable

3. COMMITTEES OF THE BOARD

As on March 31, 2021, the Board has six Committees for uninterrupted operation of the Company. The committees have been constituted to focus on the specific areas and make decisions with the delegated authorities. All the decisions and recommendation made by the various Committees are to be placed before the Board for their approval or record. The following Committees have been constituted by the Board. The detail of such committees viz Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee, Finance Committee, Corporate Social Responsibility Committee and Committee of Directors provided herein below:

i) Audit Committee

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

Composition, meetings and attendance: During the year under review four Meetings of the Audit Committee has been held on August 18, 2020, September 15, 2020, November 12, 2020 and February 12, 2021.

The Composition of the Audit Committee as on March 31, 2021 and details of attendance for the Meetings of the Audit Committee are as under:

Sl No	Name of the Director	Category	No of Meetings held	No. of Meetings attended
1	Mr. Prem Singh Rana	Chairman/ Independent Director	4	4
2	Mr. Dinesh Kumar Goyal	Member/ Independent Director	4	4
3	Mrs. Pavitra Joshi Singh	Member/ Independent Director	4	3

ii) Stakeholders' Relationship Committee

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

During the year under review 1 Meetings of the Stakeholder Relationship Committee was held on November 12, 2020.

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

Sl No	Name of the Director	Category / Position	No of Meetings held	No. of Meetings attended
1.	Mr. Prem Singh Rana	Chairperson/Independent Director	1	1
2.	Mr. Subhash Chand Sethi	Member/Executive Director	1	1
3.	Mr. Dinesh Kumar Goyal	Member/Independent Director	1	1

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

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

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

(a)	No. of Shareholders complaints received during the year	:	0
(b)	No. of complaints disposed of during the year	:	0
(c)	No. of complaints not resolved to the satisfaction of the Shareholders	:	0
(d)	No. of pending complaints as on 31.03.2021	:	0

iii) Nomination and Remuneration Committee:

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

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

Composition and attendance: During the year under review three meetings of the Nomination and Remuneration Committee were held on September 15, 2020, November 12, 2020 and February 12, 2021.

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

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

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

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

As on March 31, 2021 CSR Committees comprises of two independent directors and one executive director. Mr. Prem Singh Rana is the Chairman of the Committee whereas Mr. Dinesh Kumar Goyal and Mr. Subhash Chand Sethi are the members of the CSR Committee of the Board of Directors.

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

v) Finance Committee

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

Composition and Meetings

The Committee comprises of two Directors namely, Mr. Sushil Kumar Sethi and Mr. Subhash Chand Sethi. The Committee meets as and when it is required. The Company Secretary of the Company acted as the secretary to the Committee.

vi) Committee of Directors

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

4. REMUNERATION OF DIRECTORS

Nomination, Remuneration and Performance Evaluation Policy:

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

(a) Details of the remuneration for the financial year 2020-21

(i) Executive Directors:

Name of Director	Salary (₹)	Commission (₹)	Benefits, Perquisites and Allowances (₹)	Term
Mr. Subhash Chand Sethi	76,38,192	-	640,000	5 Years w.e.f. 01.01.2020
Mr. Sushil Kumar Sethi	76,38,192	-	6,40,000	5 Years w.e.f. 01.01.2020

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

(ii) Non-Executive Directors:

Sl No	Name of Director	Sitting Fees (₹)
1	Mr. Prem Singh Rana	3,40,000
2	Mr. Dinesh Kumar Goyal	3,00,000
3	Mrs. Pavitra Joshi Singh	2,10,000

5. GENERAL BODY MEETINGS

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

Year	Venue	Date	Time	Special Resolution passed
2019-20	Held through Video Conferencing/ Other Audio Visual Means	17th December, 2020	02:30 PM	1. Special Resolution under Section 149 of the Companies Act, 2013 2013 to re-appoint Mr. Dinesh Kumar Goyal as an Independent Director of the Company.
2018-19	PHD chamber of Commerce, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi–110016	24th September, 2019	03:30 PM	1. Special Resolution under Section 149 of the Companies Act, 2013 to re-appoint Mr. Sarthak Behuria as an Independent Director of the Company. 2. Special Resolution under Section 149 of the Companies Act, 2013 to re-appoint Mr. Prem Singh Rana as an Independent Director of the Company.

Year	Venue	Date	Time	Special Resolution passed
				3. Special Resolution under Section 196 & 203 of the Companies Act, 2013 to re-appoint Mr. Suhash Chand Sethi as Chairman & Whole time Director of the Company
				4. Special Resolution under Section 196 & 203 of the Companies Act, 2013 to re-appoint Mr. Sushil Kumar Sethi as Managing Director of the Company.
2017-18	PHD chamber of Commerce, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi–110016	29th September, 2018	03:30 PM	1. Special Resolution under Section 180 (1)(c) of the Companies Act, 2013 to borrow in excess of paid up capital and free reserves of the Company.
				2. Special Resolution under Section 180(1)(a) of the Companies Act, 2013 to mortgage, hypothecate or create charge on all or any part of the movable and immovable properties of the Company.
				3. Special Resolution under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 to reclassification of status of some of the existing Promoters as Public shareholders

*Mr. R. S Bhatia, Company Secretary in whole-time practice, New Delhi was appointed by the Board as the Scrutinizer for e-voting and remote e-voting process at the venue of the Annual General Meetings held for FY 2017-18, 2018-19 and 2019-20 in a fair and transparent manner.

b. **Location and the time of Extraordinary General Meetings held during the FY 2020-21:** An Extra Ordinary General Meeting of the Company was held on March 25, 2021 through Video Conferencing/Other Audio Visual Means at 1:00 PM.

c. **Detail of Special Resolution passed during FY 2020-21 through Postal Ballot:** During the FY 2020-21, no Special Resolution was passed through Postal Ballot

d. **Person who conducted the Postal Ballot exercise:** Not Applicable

e. **Whether any Special Resolution is proposed to be conducted through postal ballot:** None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

f. **Procedure for Postal Ballot:** Not applicable, as there was no postal ballot carried out during the FY 2020-21.

6. MEANS OF COMMUNICATION

The quarterly, half yearly and annual financial results of the Company are published in leading newspaper usually Business Standard in English & Hindi editions. The financial results, annual report, notices to the shareholders meetings, results of postal ballots, results of e-voting, news releases, press releases, any presentations made to Institutional Investors or Analysts and other important announcements are sent to the stock exchanges and are also displayed on Company's website at www.spml.co.in.

7. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting for FY 2020-21

Date	:	September 29, 2021
Time	:	02.30 PM
Venue	:	The Company is conducting meeting through VC/OVAM and as such there is no requirement to have a venue for the AGM.

ii) Financial Calendar (tentative) : Financial Year- 1st Apr 2021 to 31st Mar 2022

Adoption of Results for the Quarter ending:

a) 30th Jun 2021 - During August, 2021

b) 30th Sep 2021 – During November, 2021

c) 31st Dec 2021 - During February, 2022

		d) 31st March 2022 - During May, 2022
iii) Dividend Payment Date	:	Not Applicable.
iv) Book Closure Date	:	from September 23, 2021 to September 29, 2021 (both days inclusive)
v) Listing on Stock Exchanges	:	**The BSE Limited (BSE)** (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 **National Stock Exchange of India Ltd. (NSE),** Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 The annual listing fee for the year 2021-22 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 – 700001 Phone: +91-033-2248 2248 email: mdpldc@yahoo.com
ix) Debenture Trustee	:	SBICAP Trustee Company Limited 6th Floor, Apeejay House 3, Dinshaw Wachha Road, Churchgate, Mumbai- 400020

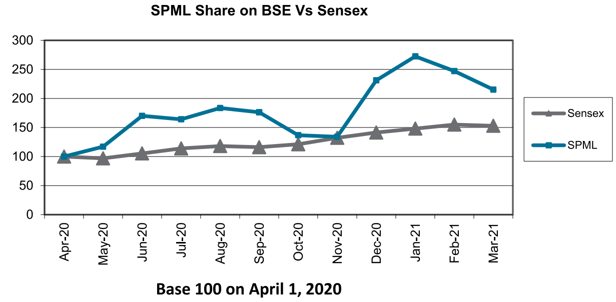
x) Stock Prices data and performance of Company’s share prices vis-à-vis Nifty & Sensex;

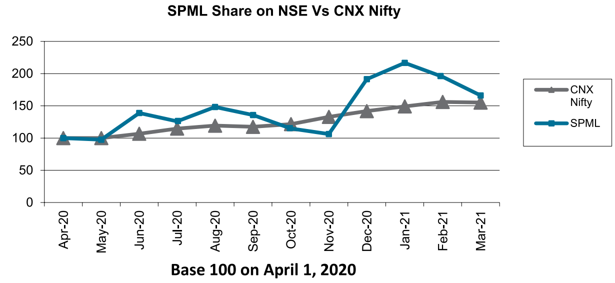
a) Share Price Data at BSE and NSE

₹ Per share

Month	National Stock Exchange		BSE Limited	
	High	Low	High	Low
April, 2020	8.10	4.90	6.64	5.26
May, 2020	7.90	5.90	7.77	6.11
June, 2020	11.25	6.95	11.29	7.25
July, 2020	10.20	7.45	10.90	7.42
August, 2020	12.00	7.15	12.19	6.95
September, 2020	11.00	8.35	11.70	8.55
October, 2020	9.30	7.60	9.08	7.74
November, 2020	8.60	7.30	8.90	7.41
December, 2020	15.50	7.80	15.35	8.05
January, 2021	17.55	13.00	18.09	13.20
February, 2021	15.80	12.75	16.41	12.60
March, 2021	13.45	9.45	14.29	9.50

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





xi) Trading of Securities of the Company and detail of suspension during the Financial Year 2020-21

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

xii) Share Transfer System

The Board has constituted the Stakeholder Relationship Committee and delegated the power of transfer to the Committee. The Committee holds its meeting as and when required, to consider all matters concerning transfer and transaction of shares. The shares received for transfer in physical mode by the Company are transferred expeditiously and the share certificates, duly transferred, are sent to the transferee(s).

The Company obtains from a Company Secretary in practice, 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.

xiii) Reconciliation of Share Capital Audit Report

As required under Regulation 76 of SEBI (Depositories and Participants), Regulations, 2018, the reconciliation of share capital audit report on the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") and the total issued and listed capital for each of the quarter in the financial year ended March 31, 2021 was carried out. The audit reports confirm that the total issued / paid-up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

xiv) Distribution of Shareholding by size as on March 31, 2021

Shares held From - To	Number of Shareholders	Number of Shares	% of Total Shares
1- 500	5645	819546	2.2361
501-1000	655	555639	1.5161
1001-2000	396	616857	1.6831
2001-3000	178	459200	1.2529
3001-4000	77	279190	0.7618
4001-5000	75	360850	0.9846
5001-10000	141	1078996	2.9440
>10000	178	32479998	88.6214
Total	**7345**	**36650276**	**100.0000**

xv) Dematerialization of Shares and Liquidity

The Company has arrangements with both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL), to establish electronic connectivity for trading of Company's shares. As on March 31, 2021 Equity Shares of the Company, forming 99.57% of total shareholding stands dematerialized. The International Securities Identification Number (ISIN) allotted to the Company's shares is 'INE937A01023'.

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

xvi) Share Ownership Pattern as on March 31, 2021.

Category	No. of Shares held	% shareholding
Promoter and Promoter Group	10950200	29.88
Financial Institutions / Banks / Foreign Institutional Investors	4472232	12.20
Corporate Bodies	5160933	14.08
Indian Public	9820363	26.80
Non Resident Individual	475439	1.30
Clearing Members	70972	0.19
Investor Education and Protection Fund Authority	139261	0.38
Foreign Company	5493876	14.99
Trusts	67000	0.18
Total	**36650276**	**100.00**

xvii) Outstanding Global Depository Receipt (GDR) or American Depository Receipt (ADR) or Warrants or any convertible instruments: The Company has not issued any GDR, ADR, or Warrant. However, as on March 31, 2021 there are 5,453,517 Optionally Convertible Debentures (OCDs) of ₹ 1000 each are outstanding, which were issued to the lender banks of the Company in pursuance of Scheme for Sustainable Structuring of Stressed Assets (SPML S4A Scheme) as approved by the Overseeing Committee formed under the aegis of Reserve Bank of India. These OCDs can be converted within a period of 10 years from the date of allotment, in case of occurrence of any event of defaults as defined under the S4A documents at a price to be determined at the time of conversion of OCD into Equity shares of the Company. As the date and rate of conversion is not known at present and therefore, the impact of conversion on equity cannot be ascertained.

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

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

xx) Address for Correspondence:

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

The Company Secretary
SPML Infra Limited
22, Camac Street, Block-A,
3rd Floor, Kolkata- 700016
E-mail: cs@spml.co.in

Website: www.spml.co.in

xxi) Credit Ratings

The company has obtained Credit Rating for the credit facilities availed by the Company from M/s Acute Ratings & Research Limited (formerly known as SMERA Ratings Ltd). As on March 31, 2021, the Company has D credit rating.

8. OTHER DISCLOSURES

a. Related Party Transactions:

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

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

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

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

There was no instance of non-compliance by the Company on any matter related to Capital markets during the last three years. However, National Stock Exchange imposed the penalty of ₹ 5,42,800/- and ₹ 5,31,000/- on the Company for December and June, Quarter respectively for non-compliance of Regulation 17(1) of the SEBI (Listing of Obligations and Disclosures Requirements) Regulations, 2015. The same was paid by the Company and at the same time Company prayed to the exchange for the waiver of penalty.

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

Other than non-compliance of Regulation 17(1) of the SEBI (Listing of Obligations and Disclosures Requirements) Regulations, 2015 there were no other instance of non-compliance by the Company on any requirement of Corporate Governance during the year under review.

d. Whistle Blower Policy:

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

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

i. Mandatory Requirements:

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

ii. Non Mandatory Requirements:

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

f. Policy for determining material subsidiaries

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

g. Utilization of funds raised through preferential allotment:

During the year under review the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

h. Certificate from Practicing Company Secretary:

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

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

During the financial 2020-21, there was no instances recorded where the Board of the Company has not accepted any recommendations of any committee.

j. Details of fees paid to Statutory Auditors

During the Financial year 2020-21, a total fees of ₹ 42,41,520/- for all services was paid by the Company and its Subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor.

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

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

The status of complaints received, disposed of and pending during the FY 2020-21 is as under:

(a) No. of complaints filed during the financial year: Nil

(b) No. of complaints disposed of during the year: Nil

(c) No. of complaints pending as on end of the financial year: Nil

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

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

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

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

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

Not Applicable

10. DISCRETIONARY REQUIREMENTS:

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

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

(c) Modified Opinion in the Auditor's Report: The financial Statement of the Company for the year ended March 31, 2021 contains modified audit opinion. The management is putting all efforts to achieve regime of financial statements with unmodified audit opinions.

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

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

11. CEO / CFO CERTIFICATION

The Wholetime Director and CFO have certified to the Board in accordance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to CEO / CFO certification for the financial year ended March 31, 2021.

12. 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.

13. CODE OF CONDUCT

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

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

For SPML Infra Limited

Subhash Chand Sethi
Chairman
DIN 00464390

Place: Kolkata
Date: 12th August, 2021

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

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the SPML Code of Business Conduct and Ethics as applicable to them for the financial year 2020-21.

For SPML Infra Limited

Subhash Chand Sethi
Whole-Time Director
DIN 00464390

Place: Kolkata
Date: 12th August, 2021

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 March 31, 2021 and to the best of our knowledge and belief:

    a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

    b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee that:

    i. there are no significant changes in internal control over financial reporting during the year;

    ii. there are no significant changes in accounting policies during the year; and

    iii. there are no instances of significant fraud of which we have become aware.

Place: Kolkata
Date: 12th August, 2021

Subhash Chand Sethi
Whole Time Director

Manoj Kumar Digga
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

I, Tumul Maheshwari, Company Secretaries in practice confirm that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

For MT & Co.
Company Secretaries

(Tumul Maheshwari)
Proprietor
Membership No 055788
C.P. No. 5554

Place: Delhi
Date: 29th June, 2021
UDIN No. A016464C000505471

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
SPML Infra Limited

We have examined the compliance of conditions of Corporate Governance by SPML Infra Limited ("the Company") for the year ended March 31, 2021, as stipulated under Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(the "SEBI Listing Regulation").

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

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representation made by the management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulation for the year ended March 31, 2021.

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

For Maheshwari & Associates
Chartered Accountants
Firm Registration No 311008E

CA Bijay Murmuria
Partner
Membership No 055788
UDIN: 21055788AAAABR4997

Place: Kolkata
Date: 12th August, 2021

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of SPML Infra Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of SPML Infra Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors in respect of certain joint operations, as referred to in the Other Matters section of our report below, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive expense, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As stated in:

a. Note no. 42 to the standalone financial statements, interest on YTM basis amounting to ₹ 5,560.59 Lakhs (March 31, 2020: ₹ 5,143.45 Lakhs) was not provided on Optionally Convertible Debentures ('OCDs') issued to lenders under S4A scheme, which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109:Financial Instruments. Had such interest expense been recognized, the finance costs, loss before tax, loss after tax and total comprehensive expense would have been higher by the aforesaid amount for the year ended March 31, 2021. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is ₹ 17,287.29 Lakhs as at March 31, 2021 (March 31, 2020: ₹ 11,726.69 Lakhs). The Auditor's Report for the year ended March 31, 2020 was also qualified in respect of this matter.

b. Note no. 49 to the standalone financial statements, ₹ 10,093.03 Lakhs representing liability towards interest expense on the Company's borrowings from financial creditors, for the period from November 01, 2019 to September 30, 2020, has been written back during the quarter ended December 31, 2020. Further, interest expense of ₹ 8,592.57 Lakhs on the said borrowings has not been recognized for the six month period October 01, 2020 to March 31, 2021. This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid liability towards interest expense not been written back and the aforesaid interest expense been recognised, the finance costs, loss before tax, loss after tax and total comprehensive expense for the year ended March 31, 2021 would have been higher by ₹ 18685.60 Lakhs.

c. Note no. 43 to the standalone financial statements, the Company's trade receivables (net of ECL) and inventories as at March 31, 2021 include ₹ 8,017.29 Lakhs and ₹ 1,120.38 Lakhs respectively (March 31, 2020: ₹ 6,142.27 Lakhs and ₹ 1,040.62 Lakhs respectively) relating to certain projects where the claims are presently under arbitration/ litigation proceedings. Pending the ultimate outcome of these matters (fate of which is presently unascertainable), we are unable to comment on the recoverability thereof. The Auditor's Report for the year ended March 31, 2020 was also qualified in respect of this matter.

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

Emphasis of Matters

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

(i) Note no. 44, regarding uncertainties relating to the recoverability of certain trade & other receivables as at March 31, 2021 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Company.

(ii) Note no. 41, regarding write back of ₹ 2,118.18 Lakhs in respect of certain credit balances.

(iii) Note no. 52, regarding closure of Trading Segment by the Company.

(iv) Note no. 29 on 'Other Expenses', regarding impairment on equity investments/expected credit loss on loans given by the Company/provisions against advances to vendors.

(v) Note no. 47, which describes the effects of uncertainties relating to COVID-19 pandemic outbreak on the Company's operations and management's evaluation of its impact on the standalone financial statements.

(vi) Note no. 48, which indicates that the Company has defaulted in payment of dues to financial creditors, is facing working capital constraints and its borrowing facilities are irregular with certain financial creditors as at March 31, 2021. Based on ongoing discussion with such creditors for formulation of a resolution plan and other mitigating factors as mentioned in the aforesaid Note no. 48, the Company's Board of Directors is of the view that going concern basis of accounting is appropriate for preparation of the standalone financial statements.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

Key Audit Matter	How our audit addressed the key audit matter
Assessment of impairment of non-current investments (refer Note no. 6 to the standalone financial statements) The Company, as at March 31, 2021, had non-current investments of ₹ 12,798.86 Lac (prior to impairment provision), almost entirely comprising of investments in subsidiaries, associates and joint ventures. Due to the significance of the carrying amounts of the non-current investments and the significant management judgement involved in carrying out the impairment assessment, this was considered to be a key audit matter of the standalone financial statements. Also refer Note no. 29 to the standalone financial statements in this regard.	Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • Obtained an understanding of the management process for identification of possible impairment indicators and process followed by the management for impairment testing of non-current investments; • Discussed extensively with management regarding impairment indicators and evaluated the design and testing operating effectiveness of controls; • Assessed the methodology used by the management to estimate the recoverability of investment and ensured that it is consistent with applicable accounting standards; • Verified the appropriateness of the key assumptions considered by the management/independent valuer as part of the impairment assessment. • Evaluated the management's assessment of the ultimate outcome of the ongoing legal proceedings, if any, impacting a particular investment, including analysis of the latest judgment pronounced relating to such proceedings or any legal opinion obtained by the management; • Compared the carrying value of the non-current investment with the realizable value determined by the independent valuer to ensure there is no impairment/provision required to be recognized.

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

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Other Matters

a. We did not audit the financial statements / financial information of 3 (three) joint operations included in the standalone financial statements, whose financial statements / financial information reflect total assets of ₹ 117.29 Lakhs as at March 31, 2021, total revenues of ₹ Nil and total net profit after tax of ₹ 1.28 Lakhs for the year ended on that date, as considered in the standalone financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Company's management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on the audit reports of such other auditors and on the procedures performed by us as stated in the section Auditor's Responsibilities for the Audit of the Standalone Financial Statements hereinabove.

b. We did not audit the financial statements / financial information of 4 (four) joint operations included in the standalone financial statements, whose financial statements / financial information reflect total assets of ₹ 4,982.76 Lakhs as at March 31, 2021, total revenues of ₹ 4,151.86 Lakhs and total net loss after tax of ₹ 70.12 Lakhs for the year ended on that date, as considered in the standalone financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Company's management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such un-audited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Company's management, these financial statements / financial information are not material to the Standalone Financial Statements.

c. Owing to non-availability of financial statements/ financial information/financial results of 2 (two) joint operations, the same were not included in the standalone financial statements. According to the information and explanations given to us by the Company's management, such financial statements/ financial information/financial results are not material to the Statement.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in **"Annexure – A",** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 for Qualified Opinion section hereinabove, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) Except for the possible effects of the matters described in the Basis for Qualified Opinion section hereinabove, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

d) Except for the effects of the matters described in the Basis for Qualified Opinion section hereinabove, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) In view of the matters described in the Basis for Qualified Opinion section hereinabove, we are unable to comment whether these may have an adverse effect on the functioning of the Company;

f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.;

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section hereinabove;

h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure - B” ;

i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note no. 30 to the standalone financial statements;

   ii. Except for the possible effects of the matters described in the Basis for Qualified Opinion section hereinabove, the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

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

3. In our opinion, according to the information and explanations given to us, remuneration paid by the Company to its directors for the year ended March 31, 2021 has been in accordance with the provisions of section 197 read with Schedule V to the Act;

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

CA. Bijay Murmuria
Partner
Membership No.: 055788
UDIN: 21055788AAAABP6895

Place: Kolkata
Date: 29th June, 2021

Annexure-A to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of SPML Infra Limited on the standalone Ind AS financial statements for the year ended March 31, 2021]

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

(b) According to the information and explanations given to us, the Company has a regular program of physical verification of its fixed assets under which the 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 physically verified after closure of the current financial year and no material discrepancies between the book records and the physical inventory have been noticed on such verification

(c) The title deeds of all the immovable properties (which are included under the head 'Property, Plant and Equipment') are held in the name of Company.

(ii) According to the information and explanations given to us and in our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has granted unsecured loans to 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 and according to the information & explanations given to us, the terms and conditions of grant of certain loans are prima facie, prejudicial to the Company's interest on account of the fact that the loans have been granted at an interest rate which is lower than the cost of funds to the company;

b) the schedule of repayment of principal and payment of interest has been stipulated but the repayments or receipts in some cases towards interest are irregular;

c) there is no overdue for more than 90 days in respect of loans granted to such parties

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

(v) In our opinion and according to the information & explanations given to us, the Company has not accepted any deposit within the meaning of sections 73 to 76 of the Act. or any other relevant provisions of the Act. and the rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) In our opinion and according to the information & explanations given to us, the Company, pursuant to the Rules made by the Central Government is required to maintain cost records under sub-section (1) of section 148 of the Act. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records u/s 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether same are accurate and complete.

(vii) According to the books and records as produced before and examined by us and the information and explanations given to us:

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

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Due date	Date of payment
Professional Tax	Professional Tax	8.45	June 2016 to August 2020	15th day of the subsequent month	Not yet paid
Employee State Insurance,1948	Employee State Insurance Dues	21.53	June 2016 to August 2020	15th day of the subsequent month	Not yet paid
Income Tax Act, 1961	Tax Deducted at Source	64.04	April 2020 to August 2020	7th day of the subsequent month	Not yet paid
Gujarat Value Added Tax Act, 2003	Works Contract Tax	3.82	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
Uttar Pradesh Value Added Tax Act, 2008	Works Contract Tax	140.97	Mar 2016 to June 2017	15th day of the subsequent month	Not yet paid
Delhi Value Added Tax Act, 2005	Works Contract Tax	11.94	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
Jharkhand Value Added Tax Act, 2005	Works Contract Tax	4.19	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
Tripura Value Added Tax Act, 2005	Works Contract Tax	1.22	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
Bihar Value Added Tax Act, 2005	Works Contract Tax	155.11	Apr 2015 to August 2016	15th day of the subsequent month	Not yet paid
Rajasthan Value Added Tax Act, 2003	Works Contract Tax	2.09	Apr 2017 to June 2017	15th day of the subsequent month	Not yet paid
West Bengal Value Added Tax Act, 2003	Works Contract Tax	44.01	Apr 2015 to June 2017	15th day of the subsequent month	Not yet paid
The Orissa Value Add-ed Tax Act, 2004	Works Contract Tax	1.76	Apr 2015 to June 2017	15th day of the subsequent month	Not yet paid

(b) The dues of sales-tax, service tax and value added tax that have not been deposited with the appropriate authorities on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Non production of C and E forms	105.10	-	FY 2005-06	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Central Sales Tax Act, 1956	Claim exemption u/s 6(2)of Central Sales Tax Act,1956	293.97	-	FY 2007-08	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal Value Added Tax Act, 2003	Non production of C and E forms	105.34	-	FY 2007-08	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Central Sales Tax Act, 1956	Claim exemption u/s 6(2)of Central Sales Tax Act,1956	404.98	-	FY 2008-09	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Central Sales Tax Act, 1956	Non production of C and E forms	285.55	-	FY 2009-10	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal Value Added Tax Act, 2003	Denial of deduction u/s18(2) of the WB VAT Act	335.63	-	FY 2009-10	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Value Added Tax Act, 2003	Exemption under RGGVY scheme & Deni-al of deduction u/s18(2) of the WB VAT Act	95.74	-	FY 2008-09	West Bengal Commer-cial Taxes Appellate and Revisional Board, Kolkata
West Bengal Value Added Tax Act, 2003	Disallowance of input tax credit, interest charged and demand of purchase and output tax	75.27	-	FY 2012-13	West Bengal Commer-cial Taxes Appellate and Revisional Board, Kolkata
Bihar VAT Act, 2005	Disallowance of labour component	43.13	-	FY 2007-08	JCCT Appeals, Patna
Bihar VAT Act, 2005	Denied the exemption u/s 6(2) of the CST Act, on the grounds of pre-determined sales and non-production of stat-utory forms	234.27	-	FY 2010-11	JCCT Appeals, Patna
Central Sales Tax Act, 1956	Our CST Sales u/s 6(2) IS accepted and taxed where Form C and E1 are due to be received and produced, interest added	82.12	-	FY 2011-12	JCCT Appeals, Patna
UP VAT Act, 2008	Tax Liability on Exempt-ed project RGGVY sales	44.13	8.82	FY 2007-08	Additional Commis-sioner, Agra
Jharkhand VAT Act, 2005	Tax Demand on receipts and suppression of turnover	193.41	-	FY 2005-06 to 2010-11	JCCT (Appeals) Jam-shedpur
Jharkhand VAT Act, 2005	Tax Demand on receipts and suppression of turnover	38.24	-	FY 2011-12	JCCT (Appeals) Jam-shedpur
Central Sales Tax Act, 1956	Tax Demand on receipts and suppression of turnover	61.53	-	FY 2011-12	JCCT (Appeals) Jam-shedpur
Delhi VAT Act, 2004	Miscellaneous Demand	26.00	-	FY 2012-2013	Commissioner DVAT, Delhi
Rajasthan VAT Act, 2003	Tax liability on interstate Sales	9.37	-	FY 2009-10	Deputy Commissioner, Appeals-II Jaipur
Rajasthan VAT Act, 2003	Tax liability on interstate Sales	110.64	-	FY 2011-12	Deputy Commissioner, Appeals-II Jaipur
Bihar VAT Act, 2005	Denied the exemption u/s 6(2) of the CSTAct, on the grounds of pre-determined sales and non-production of stat-utory forms	163.49	20.00	FY 2013-14	JCCT Appeals, Patna
Finance Act, 1994	Service Tax	23.13	-	FY 2005-06 to 2006-07	Commissioner Service Tax, Kolkata
West Bengal Value Added Tax Act, 2003	CST 6(2) sales taxed un-der VAT Act at full rate.	1,132.94		FY 2016-17	Sr JCCT, Appeals, Commercial Taxes, Kolkata
Central Sales Tax Act, 1956	Non submission of "C" forms and "E" forms	91.44		FY 2014-15	Appeal filed at JCCT - Patna

(viii) In our opinion and according to the information and explanations given to us, the Company has no loans or borrowings payable to government.

As at year ended March 31, 2021 The Company has defaulted in repayment of loans/ borrowings to the following banks and financial institution as detailed below:

Name of Lender	Amount of default (₹ in Lakhs)	
	Upto 90 days	**More than 90 days**
Banks:		
Canara Bank	2652.30	25007.87
State Bank of India	10255.73	8913.85
ICICI Bank Limited	479.36	2835.68
Bank of Baroda	278.34	4851.97
Union Bank of India	144.45	2181.69
Punjab National Bank	1071.79	15094.92
YES Bank Ltd.	24.69	53.71
Financial Institution:		
IFCI Limited	137.59	392.30

The Company has not defaulted in repayment of dues to debenture holders.

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

(x) According to the information and explanations given to us, no material 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 5 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 standalone Ind AS financial statements as required by the applicable Ind AS.

(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) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

CA. Bijay Murmuria
Partner
Membership No.: 055788
UDIN: 21055788AAAABP6895

Place: Kolkata
Date: 29th June, 2021

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

[Referred to in paragraph 2(h) under "Report on Other Legal and Regulatory Requirements" section in our Independent Auditors' Report of even date to the members of SPML Infra Ltd. on the standalone financial statements for the year ended March 31, 2021]

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

We have audited the internal financial controls with reference to financial statements of **SPML Infra Limited** ("the Company") as of 31stMarch, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

CA. Bijay Murmuria
Partner
Membership No.: 055788
UDIN: 21055788AAAABP6895

Place: Kolkata
Date: 29th June, 2021

BALANCE SHEET
as at March 31, 2021

₹ In Lakhs

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	9,649.35	9,999.59
(b) Right of Use Assets	4	68.16	252.26
(c) Intangible Assets	5	20.51	20.65
(d) Financial Assets			
(i) Investments	6	10,273.65	12,798.86
(ii) Trade Receivables	7	10,614.71	29,683.34
(iii) Loans	8	13,487.62	13,200.93
(iv) Other Bank Balances	9	1,382.52	4,440.34
(v) Other Financial Assets	10	304.39	363.84
(e) Deferred Tax Assets	39	11,405.20	10,566.58
(f) Other Non-Current Assets	11	30,909.66	29,145.42
		88,115.77	**110,471.81**
Current assets			
(a) Inventories	12	7,123.60	6,273.73
(b) Financial Assets			
(i) Trade Receivables	7	39,222.51	33,912.90
(ii) Cash and Cash Equivalents	13	3,797.47	1,927.63
(iii) Other Bank Balances	9	1,970.74	1,358.97
(iv) Other Financial Assets	10	99,523.22	104,895.44
(c) Other Current Assets	11	11,244.05	10,522.12
		162,881.59	**158,890.79**
TOTAL ASSETS		**250,997.36**	**269,362.60**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	14	819.45	819.45
(b) Other Equity	15	26,576.22	37,823.86
TOTAL EQUITY		**27,395.67**	**38,643.31**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	63,055.44	65,098.36
(ii) Trade Payables	17		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises			
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		5,242.15	9,475.04
(iii) Other Financial Liabilities	18	4,987.02	6,157.35
(b) Provisions	19	297.19	314.22
		73,581.80	**81,044.97**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	115,028.86	81,473.17
(ii) Trade Payables	17		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		58.22	92.03
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		26,835.83	48,340.09
(iii) Other Financial Liabilities	21	6,237.42	17,619.00
(b) Other Current Liabilities	22	1,690.78	1,938.32
(c) Provisions	19	168.80	211.71
		150,019.90	**149,674.32**
TOTAL LIABILITIES		**223,601.70**	**230,719.29**
TOTAL EQUITY AND LIABILITIES		**250,997.36**	**269,362.60**

Notes to Financial Statements (including Significant Accounting Policies) 1 to 53

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

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

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

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

CA Bijay Murmuria
Partner
Membership No - 055788

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Place: Kolkata
Date: 29th June 2021

Manoj Kumar Digga
Chief Financial Officer

Swati Agarwal
Company Secretary

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

₹ In Lakhs

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from Operations	23	61,539.17	82,424.28
Other Income	24	4,319.15	10,118.43
Total Income		**65,858.32**	**92,542.71**
Expenses			
Materials consumed and other construction expenses	25	48,605.07	63,684.94
Employee Benefits Expense	26	2,580.80	4,219.59
Finance Costs	27	6,840.53	14,655.45
Depreciation and Amortisation expenses	28	542.98	562.13
Other Expenses	29	7,928.08	9,644.53
Total Expenses		**66,497.46**	**92,766.65**
Profit/(Loss) before tax from continuing operations		**(639.14)**	**(223.93)**
Tax Expenses			
Current tax		-	259.15
Deferred tax credit (net)		(598.18)	(342.66)
Income Tax Expense		**(598.18)**	**(83.51)**
Net Profit/(Loss) after tax from continuing operations (A)		**(40.96)**	**(140.43)**
Profit/(Loss) before tax from discontinued operations		**(10,676.46)**	**382.22**
Tax Expenses			
Current tax		-	-
Deferred tax credit (net)		-	-
Income Tax Expense		**-**	**-**
Net Profit/ (Loss) after tax from discontinued operations (A)		**(10,676.46)**	**382.22**
Total Profit/(loss) before tax (I):		**(11,315.60)**	**158.29**
Total Tax Expenses			
Current tax		-	259.15
Deferred tax credit (net)		(598.18)	(342.66)
Total Income Tax Expense		**(598.18)**	**(83.51)**
Total Net Profit/ (Loss) after tax (II)		**(10,717.42)**	**241.80**
Other Comprehensive Income/ (Expenses)			
Items not to be reclassified subsequently to profit or loss			
- Gain/(Loss) on Fair valuation of Equity instruments measured at FVOCI		(808.71)	571.86
Income Tax effect		252.32	(190.89)
- Gain/(Loss) on fair value of defined benefit plans		38.06	115.65
Income Tax effect		(11.87)	(38.60)
Total Other Comprehensive Income/(Expenses) (III)		**(530.21)**	**458.01**
Total Comprehensive Income/(Loss) for the year, net of tax (IV) = (II+III)		**(11,247.63)**	**699.81**
(i) Basic and Diluted earnings per share for Continuing operations (in Rupees) (par value ₹ 2/- each)		(0.11)	(0.38)
(ii) Basic and Diluted earnings per share for Discontinued operations (in Rupees) (par value ₹ 2/- each)		(29.13)	1.04
(iii) Basic and Diluted earnings per share for Continuing and discontinued operations(in Rupees) (par value ₹ 2/- each)	40	(29.24)	0.66

Notes to Financial Statements (including Significant Accounting Policies) 1 to 53

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

This is the Statement of Profit and Loss referred to in our report of even date

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

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

CA Bijay Murmuria
Partner
Membership No - 055788

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Place: Kolkata
Date: 29th June 2021

Manoj Kumar Digga
Chief Financial Officer

Swati Agarwal
Company Secretary

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

A) Equity Share Capital (also refer Note 14)

₹ In Lakhs

Particulars	Subscribed and Fully Paid-up		Total Equity share capital
	No. of Shares	Amount	Amount
As at March 31, 2020	**36,650,276**	**819.45**	**819.45**
As at March 31, 2021	**36,650,276**	**819.45**	**819.45**

B) Other Equity (also refer Note 15)

₹ In Lakhs

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained earnings	
Balance as at March 31, 2020	**885.73**	**15,263.80**	**5,929.05**	**15,745.27**	**37,823.86**
Profit for the year	-	-	-	(40.96)	(40.96)
Other comprehensive income for the year, net of tax	-	-	-	(530.21)	(530.21)
Total comprehensive income for the year	**-**	**-**	**-**	**(571.17)**	**(571.17)**
Balance as at March 31, 2021	**885.73**	**15,263.80**	**5,929.05**	**15,174.09**	**37,252.68**

Notes to Financial Statements (including Significant Accounting Policies) 1 to 53

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

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

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

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

CA Bijay Murmuria
Partner
Membership No - 055788

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Place: Kolkata
Date: 29th June 2021

Manoj Kumar Digga
Chief Financial Officer

Swati Agarwal
Company Secretary

STATEMENT OF CASH FLOW

for the year ended March 31, 2021

₹ In Lakhs

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before tax from continuing operations	(639.14)	(223.93)
	Profit / (Loss) before tax from discontinuing operations	(10,676.46)	382.22
	Total Profit / (Loss) before tax	(11,315.60)	158.29
	Adjustments for:		
	Depreciation and Amortisation expenses	542.98	562.13
	Interest Expenses	4,496.33	10,461.12
	Commission income	(202.09)	(550.90)
	Sundry Balances written off	656.28	1,755.69
	Expected Credit Loss on loans	722.69	240.55
	Impairment of investment in equity shares of subsidiaries and associates	1,547.55	2,193.79
	Expected Credit Loss on investment in preference shares	-	368.00
	Impairment of investment in equity shares of company fair valued through profit and loss	168.96	168.96
	Expected Credit Loss charge /(reversal) on Trade Receivable	263.37	(2,118.42)
	Profit on sale of property, plant and equipment	-	1.29
	Liabilities no longer required written back	(2,352.08)	(4,692.01)
	Interest Income	(1,567.99)	(2,414.75)
	Operating Profit before Working Capital changes	**(7,039.60)**	**6,133.74**
	Adjustments for:		
	Increase/ (decrease) in trade payables	(23,418.88)	(15,283.88)
	Increase/ (decrease) in provisions	(590.15)	381.68
	Increase/ (decrease) in other current liabilities	(13,278.69)	(957.92)
	(Increase)/ decrease in trade receivables	15,444.53	(3,977.40)
	(Increase)/ decrease in inventories	(849.87)	(809.59)
	(Increase)/ decrease in loans and advances	(965.58)	257.23
	(Increase)/ decrease in other current assets	2,866.16	1,385.98
	Cash generated/(used) from operations	**(27,832.09)**	**(12,870.16)**
	Taxes Paid (net of refunds)	628.89	(460.65)
	Net Cash from Operating Activities	**(27,203.20)**	**(13,330.81)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of PPE including capital work in progress	175.16	(88.81)
	Proceeds from sale of PPE	4.46	4.60
	Fixed Deposits encashed/ (invested)	123.27	6,338.13
	Loans (given) / repayment received	(111.26)	249.13
	Interest received	1,322.63	1,322.63
	Net Cash generated/(used) in Investing Activities	**1,514.26**	**7,825.68**

STATEMENT OF CASH FLOW for the year ended March 31, 2021 (Contd..)

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in Long Term Borrowings	(1,131.43)	(1,178.46)
Net movement in Short Term Borrowings	33,555.68	18,670.72
Interest paid	(4,865.47)	(10,805.94)
Net Cash generated/(used) in Financing Activities	**27,558.78**	**6,686.32**
Net Increase/(Decrease) in Cash & Cash Equivalents	**1,869.84**	**1,181.19**
Cash & Cash Equivalents at the beginning of the year	1,927.63	746.44
Cash & Cash Equivalents at the end of the year	**3,797.47**	**1,927.63**

Note: The above Cash Flow statement has been prepared under the Indirect Method as setout in Indian Accounting Standard 7 (Ind AS7) "Statement of Cash Flow"

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

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

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

CA Bijay Murmuria
Partner
Membership No - 055788

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Place: Kolkata
Date: 29th June 2021

Manoj Kumar Digga
Chief Financial Officer

Swati Agarwal
Company Secretary

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2021. (All amount in INR Lakhs, unless otherwise stated)

1. CORPORATE INFORMATION

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

These standalone financial statements for the year ended March 31, 2021 have been approved by the Board of Directors on 29th June, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

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

These financial statements for the year ended March 31, 2021 have been prepared in accordance with Indian Accounting Standards ("Ind-AS") consequent to the notification of The Companies (Indian Accounting Standards) Rules, 2015 (the Rules) issued by the MCA. Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

(ii) Accounting Estimates

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

(iii) Current and Non-current classifications

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent treated as current unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

(iv) Basis of Measurement

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

(v) Functional and presentation currency

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

(vi) Property, Plant and Equipment

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

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

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

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

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

(vii) Intangible Assets and Amortistion

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

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

(viii) Depreciation/Amortisation

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

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

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

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

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

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

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external or internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value using pre-tax discount rates and risks specific to the asset.

(x) Borrowing Costs

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

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

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

(xi) Financial Instruments

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

Financial Assets:

a) Classification

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

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

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

b) Initial Recognition

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

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

c) Subsequent Measurement of Financial Assets

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

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

d) Impairment of Financial Assets

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

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

e) Derecognition of financial assets

A financial asset is primarily derecognised when:

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

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

Financial Liabilities:

a) Classification

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

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

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

b) Initial Recognition

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

c) Subsequent Measurement of Financial Liabilities

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

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

EIR amortisation is included as finance costs in the statement of profit and loss.

d) Derecognition of financial liabilities

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

Offsetting of Financial Instruments

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

(xii) Inventories

Materials, components and stores & spares to be used in contracts are valued at lower of cost, or net 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 Realizable Value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sale.

(xiii) Cash & Cash Equivalents

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

(xiv) Revenue Recognition

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

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party.

Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

(I) Revenue from operations

a) Revenue from sale of goods including contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Revenue from sale of traded goods is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods. Performance obligations in respect of contracts for sale of traded goods is considered as satisfied at a point in time when the control of the same is transferred to the customer.

b) Revenue from construction/project related activity is recognised as follows:

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

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

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

(II) Other income

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

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

(xv) Liquidated Damages

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

(xvi) Leases

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

The Company as lessee:

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee,

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

except for leases with low-value assets and short-term leases (i.e., leases with a lease term of 12 months or less). For these short term and low value leases, the Company recognizes the lease payments as an operating expense over the term of the lease.

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

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

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

(xvii) Foreign Currency Translations

Initial Recognition

In the financial statements of the Company, transactions in foreign currencies are translated into the functional currency at the exchange rates ruling at the date of the transaction.

Conversion

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

Exchange Differences

Exchange differences arising on the settlement or reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements and / or on conversion of monetary items, are recognized at income or expense in the year in which they arise.

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

The premium or discount arising at the inception of forward exchange contracts is amortized at 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.

(xviii) Retirement and Other Employee Benefits

Employee benefits

(A) Short-term employee benefits

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

Accumulated leave, which is expected to be 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.

(B) Post-employment benefits

The Company operates the following post-employment schemes:

i) Employee benefits in the form of Provident Fund is made to a government administered fund and charged as an expense to the Statement of Profit and Loss, when an employee renders the related service. There are no obligations other than the contributions payable to the fund.

ii) Gratuity is administered through an approved benefit fund. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method done at the end of each financial year.

iii) Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability and the

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

(xix)Income Taxes

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

Current income tax

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

Deferred tax

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

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

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

(xx) Provisions

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

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

(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. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(xxii) Earnings Per Share

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

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

(xxiii) Accounting for Interests in Joint Operations

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

(xxiv) Cash Flow Statement

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

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

Particulars	Freehold land	Buildings	Temporary site sheds and shuttering materials	Plant and machinery	Furniture and fixtures	Vehicles	Site office/ equipments	TOTAL
GROSS BLOCK								
As at March 31, 2019	**7,435.52**	**1,460.32**	**2,360.62**	**6,698.14**	**1,611.54**	**1,308.84**	**2,422.10**	**23,297.07**
Additions	-	-	-	36.81	2.83	3.38	45.77	88.79
Adjustments	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	(49.43)	(18.56)	(67.99)
As at March 31, 2020	**7,435.52**	**1,460.32**	**2,360.62**	**6,734.95**	**1,614.37**	**1,262.79**	**2,449.31**	**23,317.87**
Additions	-	-	18.13	3.80	0.18	1.48	8.38	31.97
Adjustments	-	-	-	-	-	-	-	-
Deductions	-	-	-	(89.10)	-	-	-	(89.10)
As at March 31, 2021	**7,435.52**	**1,460.32**	**2,378.75**	**6,649.64**	**1,614.55**	**1,264.27**	**2,457.69**	**23,260.73**
DEPRECIATION AND IMPAIRMENT								-
As at March 31, 2019	**-**	**317.68**	**2,340.51**	**5,560.35**	**1,483.45**	**1,072.91**	**2,164.49**	**12,939.40**
Charge for the year	-	25.52	0.57	307.22	24.58	47.18	35.91	440.98
Deductions	-	-	-	-	-	(44.46)	(17.64)	(62.10)
As at March 31, 2020	**-**	**343.20**	**2,341.08**	**5,867.57**	**1,508.03**	**1,075.63**	**2,182.76**	**13,318.28**
Charge for the year	-	25.53	0.57	242.06	18.43	41.30	49.86	377.75
Deductions	-	-	-	(84.65)	-	-	-	(84.65)
As at March 31, 2021	**-**	**368.73**	**2,341.65**	**6,024.98**	**1,526.46**	**1,116.93**	**2,232.62**	**13,611.38**
NET BLOCK								-
As at March 31, 2020	**7,435.52**	**1,117.12**	**19.54**	**867.38**	**106.34**	**187.16**	**266.55**	**9,999.61**
As at March 31, 2021	**7,435.52**	**1,091.59**	**37.10**	**624.66**	**88.09**	**147.34**	**225.07**	**9,649.35**

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 4: RIGHT OF USE ASSETS

₹ In Lakhs

Particulars	
GROSS BLOCK	
As at March 31, 2019	**154.49**
Additions	218.74
Deductions	-
As at March 31, 2020	**373.23**
Additions	-
Deductions	18.05
As at March 31, 2021	**355.18**
ACCUMULATED DEPRECIATION	
As at March 31, 2019	**-**
Charge for the year	120.97
Deductions	-
As at March 31, 2020	**120.97**
Charge for the year	166.05
Deductions	-
As at March 31, 2021	**287.02**
NET BLOCK	
As at March 31, 2020	**252.26**
As at March 31, 2021	**68.16**

NOTE 5: INTANGIBLE ASSETS

₹ In Lakhs

Particulars	
GROSS BLOCK	
As at March 31, 2019	**409.85**
Additions	-
Deductions	-
As at March 31, 2020	**409.85**
Additions	-
Deductions	-
As at March 31, 2021	**409.85**
ACCUMULATED AMORTISATION	
As at March 31, 2019	**389.04**
Charge for the year	0.18
Deductions	-
As at March 31, 2020	**389.22**
Charge for the year	0.12
Deductions	-
As at March 31, 2021	**389.34**
NET BLOCK	
As at March 31, 2020	**20.65**
As at March 31, 2021	**20.51**

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 6: NON- CURRENT INVESTMENTS

₹ In Lakhs

	Particulars	As at March 31, 2021	As at March 31, 2020
(a)	In Quoted Equity Instruments (fully paid up) at FVOCI		
	Indian Acrylics Limited	0.01	0.01
	100 (Previous year 100) equity shares of ₹ 10/- each		
	Less: Impairment Loss	0.01	0.01
		-	-
	Best and Crompton Engineering Limited	0.10	0.10
	200 (Previous year 200) equity shares of ₹ 10/- each		
	Less: Impairment Loss	0.10	0.10
		-	-
	Net quoted Investments	-	-
(b)	In Unquoted Equity Shares in Subsidiaries (Fully paid up) at Cost		
	Madurai Municipal Waste Processing Company Private Limited *	587.80	587.80
	5,878,000 (Previous year 5,878,000) equity shares of ₹ 10/- each		
	Less: Impairment Loss	587.80	587.80
		-	-
	Bhagalpur Electricity Distribution Company Private Limited	1.03	1.03
	10,000 (Previous year 10,000) equity shares of ₹ 10/- each		
	Less: Impairment loss	1.03	-
		-	**1.03**
	Mizoram Infrastructure Development Company Limited	5.00	5.00
	34,500 (Previous year 34,500) equity shares of ₹ 10/- each		
	Less: Impairment Loss	5.00	5.00
		-	-
	SPML Infrastructure Limited	2,946.62	2,946.62
	7,432,000 (Previous year 7,432,000) equity shares of ₹ 1/- each		
	Less: Impairment Loss	1,326.44	1,326.44
		1,620.18	**1,620.18**
	SPML Utilities Limited	762.30	762.30
	200,000,000 (Previous year 200,000,000) equity shares of ₹ 1/- each		
	Less: Impairment Loss	762.30	682.30
		-	**80.00**
	Doon Valley Waste Management Private Limited	2.50	2.50
	25,000 (Previous year 25,000) equity shares of ₹ 10/- each		
	Less: Impairment Loss	2.50	2.50
		-	-
	Mathura Nagar Waste Processing Company Limited	2.55	2.55
	255,000 (Previous year 255,000) equity shares of ₹ 1/- each		
	Less: Impairment Loss	2.55	2.55
		-	-

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

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

₹ In Lakhs

Particulars		As at March 31, 2021	As at March 31, 2020
	Allahabad Waste Processing Company Limited	2.55	2.55
	255,000 (Previous year 255,000) equity shares of ₹ 1/- each		
	Less: Impairment Loss	2.55	2.55
		-	-
		1,620.18	**1,701.21**
(c)	**In Unquoted Equity Shares in Associates (Fully paid up) at Cost**		
	Bhilwara Jaipur Toll Road Private Limited*	5,191.39	5,191.39
	3,520,302 (Previous year 3,520,302) equity shares of ₹ 10/- each. Of the above, 17,95,348 (Previous year 17,95,348) equity shares are pledged with ICICI Bank and Punjab National Bank against loans obtained by the said investee Company.		
	Subhash Kabini Power Corporation Limited*	2,063.16	2,063.16
	13,172,000 (Previous year 13,172,000) 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.		
	Less: Impairment Loss	773.62	-
		1,289.54	**2,063.16**
	Delhi Waste Management Limited	838.27	838.27
	292,500 (Previous year 292,500) equity shares of ₹ 10/- each		
		-	-
	SPML Energy Limited	466.94	466.94
	99,550,000 (Previous year 99,550,000) equity shares of ₹ 1/- each		
	IQU Power Company Private Limited	412.57	412.57
	2,580,500 (Previous year 2,580,500) 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.		
	Less: Impairment Loss	412.57	167.16
		-	**245.41**
	Awa Power Company Private Limited*	203.27	203.27
	2,639,605 (Previous year 2,639,605) equity shares of ₹ 1/- each		
	Less: Impairment Loss	203.27	13.23
		-	**190.04**
	Neogal Power Company Private Limited	66.61	66.61
	1,136,774 (Previous year 1,136,774) equity shares of ₹ 1/- each		
	Less: Impairment Loss	66.61	4.66
		-	**61.95**
	Binwa Power Company Private Limited	436.09	436.09
	2,948,340 (Previous year 2,948,340) equity shares of ₹ 1/- each		
	Less: Impairment Loss	436.09	436.09

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

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

₹ In Lakhs

Particulars		As at March 31, 2021	As at March 31, 2020
		-	-
	SPML Bhiwandi Water Supply Infra Limited	2.25	2.25
	224,700 (Previous year 224,700) equity shares of ₹ 1/- each		
	Less: Impairment Loss	2.25	-
		-	**2.25**
	SPML Bhiwandi Water Supply Management Limited	2.50	2.50
	250,000 (Previous year 250,000) equity shares of ₹ 1/- each		
	Less: Impairment Loss	2.50	-
		-	**2.50**
		7,786.14	**9,061.91**
(d)	**In Unquoted Equity Shares in Joint Venture (Fully paid up) at Cost**		
	Malviya Nagar Water Services Private Limited	220.50	220.50
	2,205,000 (Previous year 2,205,000) equity shares of ₹ 10/- each		
	Gurha Thermal Power Company Limited	2.50	2.50
	25,000 (Previous year 25,000) equity shares of ₹ 10/- each		
	Less: Impairment Loss	2.50	-
		-	**2.50**
	Aurangabad City Water Utility Limited	104.77	104.77
	Less: Impairment Loss	104.77	-
		-	**104.77**
	MVV Water Utility Private Limited TYPE A Shares	1.00	1.00
	10,000 (Previous year 10,000) equity shares of ₹ 10/- each		
	Less: Impairment Loss	1.00	-
		-	**1.00**
	MVV Water Utility Private Limited TYPE B Shares	0.42	0.42
	364,693 (Previous year 364,693) equity shares of ₹ 10/- each		
	Less: Impairment Loss	0.42	-
		-	**0.42**
		220.50	**329.19**
(e)	**In Unquoted Equity Instruments (Fully paid up) at FVTPL**		
	Luni Power Company Private Limited (Note 6.1)	337.92	337.92
	7,049,597 (Previous year 7,049,597) equity shares of ₹ 1/- each		
	Less: Impairment Loss	337.92	168.96
		-	**168.96**
		-	**168.96**
(f)	**In Unquoted Equity Instruments (Fully paid up) at FVOCI**		
	Bharat Hydro Power Corporation Limited	239.15	1,047.86
	3,294,150 (Previous year 3,294,150) equity shares of ₹ 10/- each		
	Arihant Leasing and Holding Limited	0.75	0.75
	24,000 (Previous year 24,000) equity shares of ₹ 10/- each		
	Less: Impairment loss	0.75	0.75
		-	-

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

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

₹ In Lakhs

	Particulars	As at March 31, 2021	As at March 31, 2020
	SPML India Limited	1.50	1.50
	10,000 (Previous year 10,000) equity shares of ₹ 10/- each		
	Less: Impairment loss	1.50	1.50
		-	-
	Petrochem Industries Limited	0.14	0.14
	500 (Previous year 500) equity shares of ₹ 10/- each		
	Less: Impairment loss	0.14	0.14
		-	-
	Hindustan Engineering & Industries Limited (Bonus Shares)	-	-
	4 (Previous year 4) equity shares of ₹ 10/- each		
	Om Metal - SPML Infraproject Private Limited	0.50	0.50
	4,999 (Previous year 4,999) equity shares of ₹ 10/- each		
	Pondicherry Port Limited	0.01	0.01
	100 (Previous year 100) equity shares of ₹ 10/- each		
	Less: Impairment Loss	0.01	-
		-	**0.01**
	Jaora Nayagaon Toll Road Company Private Limited	0.05	0.05
	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.		
	Less: Impairment Loss	0.05	-
		-	**0.05**
		239.65	**1,048.42**
(g)	**In Unquoted Debt Instruments (Fully paid-up) at Amortised Cost**		
	Escorts Tractors Limited	0.01	0.01
	25 (Previous year 25) Debentures of ₹ 1/- each		
	Hindustan Engineering & Industries Limited	0.06	0.06
	110 (Previous year 110) Debentures of ₹ 1/- each		
	Less: Impairment loss	0.06	0.06
		-	-
		0.01	**0.01**
(h)	**In Unquoted Debt Instruments (Fully paid-up) at Amortised cost**		
	Allahabad Waste Processing Company Private Limited	450.00	450.00
	5,000,000 (Previous year 5,000,000) Preference Shares of ₹ 1/- each		
	Less: Impairment loss	450.00	368.00
		-	**82.00**
	MVV Water Utility Private Limited		
	18,380 (Previous year 18,380) Debentures of ₹ 100/- each	-	-
		-	**82.00**

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

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

₹ In Lakhs

	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	**In Others**		
	SPM Holdings Pte Limited*	392.28	392.28
		392.28	**392.28**
(j)	**In Others at FVTPL**		
	National Saving Certificate	0.52	0.52
	Mutual funds	14.38	14.36
	50,000 units of ₹ 10/- each		
		14.90	**14.88**
	Total	**10,273.65**	**12,798.86**

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate value of investments		
Quoted (net of Impairment Loss)	-	-
Unquoted (net of Impairment Loss)	10,273.65	12,798.86
Market value of quoted investment	-	-

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

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
SPM Holdings Pte Limited	392.28	392.28
Madurai Municipal Waste Processing Company Private Limited	-	77.13
Subhash Kabini Power Corporation Limited	79.28	79.28
Bhilwara Jaipur Toll Road Private Limited	554.06	554.06
Total	**1,025.62**	**1,102.75**

6.1 An application for initiation of Corporate Insolvency Resolution Process ('CIRP'), under Section 7 of the Insolvency and Bankruptcy Code, 2016 has been admitted against Luni Power Company Pvt. Ltd. ('Luni'), a subsidiary of the Company, on December 23, 2019 by the Hon'ble NCLT, Chandigarh Bench. Consequently, since the said date, the Company is not exercising control or significant influence over Luni so as to treat it as its subsidiary or associate and is carrying its equity investment in Luni at FVTPL as at March 31, 2021. Accordingly, as a matter of prudence, the Company has impaired its equity investment of ₹ 337.92 Lakhs in Luni to the extent of 100% in the Current Financial Year (P.Y. 50% i.e ₹ 168.96 Lakhs). Further, the recoverability of the Company's remaining direct exposure in Luni as at March 31, 2021 (₹ NIL by way of equity, ₹ 340.86 Lakhs by way of loan and ₹ 59.51 Lakhs by way of trade receivables) (P.Y. ₹ 168.96 Lakhs by way of equity, ₹ 331.64 Lakhs by way of loan and ₹ 59.51 Lakhs by way of trade receivables) would be assessed on an ongoing basis since the CIRP is in process now and the consequent impairment, if any, will be dealt with appropriately in the subsequent financial results.

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

Investments of SPML Infra Ltd. i.e. 19,99,99,700 Equity Shares in SPML Utilities Limited; 74,32,000 Equity Shares in SPML Infrastructure Limited; 2,55,000 Equity Shares in Allahabad Waste Processing Company Limited; 9,999 Equity Shares in Bhagalpur Electricity Distribution Company Private Limited; 29,48,340 Equity Shares in Binwa Power Company Private Limited; 2,92,500 Equity Shares in Delhi Waste Management Limited; 25,000 Equity Shares in Doon Valley Waste Management Private Limited; 2,55,000 Equity Shares in Mathura Nagar Waste Processing Company Limited; 2,24,700 Equity Shares in

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

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

SPML Bhiwandi Water Supply Infra Limited; 2,49,700 Equity Shares in SPML Bhiwandi Water Supply Management Limited; 58,78,000 Equity Shares in Madurai Municipal Waste Processing Company Pvt. Ltd. has been pledged as on the Balance Sheet signing date in favour of the SBICAP Trustee/ S4A Lenders for securing the due repayment of the Debts as restructured under the "SPML S4A Scheme" as approved by the Overseeing Committee (governed under RBI) with the super majority of the Lenders Banks.

NOTE 7: TRADE RECEIVABLES

(at amortised cost)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Trade Receivables	22,337.63	41,236.04	36,354.20	30,136.86
Trade Receivables - Related Parties	23.16	-	2,868.31	3,776.04
Trade Receivables - which have significant increase in credit risk	-	-	-	-
Trade Receivables - Credit Impaired	4,557.96	3,447.95	-	-
Less: Allowance for Expected Credit Loss	(16,304.04)	(15,000.65)	-	-
Total	**10,614.71**	**29,683.34**	**39,222.51**	**33,912.90**

Break- up for Security details:

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Trade Receivables				
Secured, considered good	-	-	-	-
Unsecured, considered good	22,360.79	41,236.04	39,222.51	33,912.90
Considered doubtful	4,557.96	3,447.95	-	-
	26,918.75	**44,683.99**	**39,222.51**	**33,912.90**
Allowance for Expected Credit Loss				
on unsecured, considered good	(11,746.07)	(11,552.70)	-	-
on considered doubtful	(4,557.96)	(3,447.95)	-	-
	(16,304.04)	**(15,000.65)**	**-**	**-**
Total	**10,614.71**	**29,683.34**	**39,222.51**	**33,912.90**

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

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
MVV Water Utility Private Limited	-	-	557.34	557.34
Total	**-**	**-**	**557.34**	**557.34**

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 8: LOANS

(at amortised cost)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Security Deposits	956.08	894.77	-	-
Loans to related parties (Refer Note 35)	12,182.48	11,855.32	-	-
Loan to Others	349.06	450.84		
Total	**13,487.62**	**13,200.93**	**-**	**-**

Break-up:

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Loans considered good - Secured	-	-	-	-
Loans considered good - Unsecured	8,776.43	7,736.80	-	-
Loans which have significant increase in credit risk	6,947.72	6,977.96	-	-
Loans credit Impaired	-	-	-	-
Total	**15,724.15**	**14,714.76**	**-**	**-**
Less:- Allowance for Expected Credit Loss	2,236.53	1,513.83	-	-
Total	**13,487.62**	**13,200.93**	**-**	**-**

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

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

₹ In Lakhs

Name of Related Parties	As at March 31, 2021		As at March 31, 2020	
	Balance Outstanding	Maximum Amount Outstanding during the year	Balance Outstanding	Maximum Amount Outstanding during the year
Subhash Kabini Power Corporation Limited	207.73	207.73	192.06	1,437.53
Spml Energy Limited	22.38	219.87	197.46	198.30
SPML Infrastructure Limited	400.76	400.76	462.81	809.54
Awa Power Company Private Limited	1,794.96	1,794.96	1,642.55	1,642.55
IQU Power Company Private Limited	948.82	948.82	861.40	861.40
Neogal Power Company Private Limited	699.63	699.63	628.93	990.61
Subhash Urja Private Limited	-	-	-	0.01
Binwa Power Corporation Private Limited	7.52	99.90	92.38	92.38
Spml Utilities Limited	0.70	128.01	127.31	127.31
Bhagalpur Electricity Distribution Company Private Limited	5,190.37	5,190.37	4,799.68	4,799.68
Allahabad Waste Processing Co. Limited	3.58	34.72	31.14	31.14
Madurai Municipal Waste Processing Company Private Limited	207.64	207.64	90.79	90.79

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 8: LOANS (CONTD..)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Balance Outstanding	Maximum Amount Outstanding during the year	Balance Outstanding	Maximum Amount Outstanding during the year
Doon Valley Waste Management Private Limited	4.36	42.26	37.90	37.90
Spml Bhiwandi Water Supply Infra Limited	887.29	887.29	886.64	1,043.11
Spml Bhiwandi Water Supply Management Limited	0.65	41.15	40.50	47.65
Gurha Thermal Power Co. Limited	1,401.22	1,401.22	1,295.73	1,295.73
Aurangabad City Water Utility Co. Limited	-	194.39	194.39	215.99
Meena Holding Limited	-	0.77	0.77	0.77
Hydro-comp Enterprises (India) Private Limited	0.40	1.02	0.62	0.62
International Construction Limited	1,151.70	1,151.70	1,151.70	1,151.70
20th Century Engineering Limited	0.02	0.22	0.20	0.20
Bharat Hydro Power Corporation Limited	188.08	188.08	173.83	173.83
	13,117.81		12,908.79	
Less: Interest accrued and due on above	935.34		1,053.47	
Total	**12,182.47**		**11,855.32**	

NOTE 9: OTHER BANK BALANCES

(at Amortised Cost)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Deposit with Maturity more than 12 months*	1,382.52	4,440.34	-	-
Deposits with Maturity more than 3 months but less than 12 months*	-	-	1,970.74	1,358.97
Total	**1,382.52**	**4,440.34**	**1,970.74**	**1,358.97**

* lying with banks as security against Letters of Credits, Guarantees and demand loan facilities issued by them.

NOTE 10: OTHER FINANCIAL ASSETS

(at Amortised Cost, unless otherwise stated)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Interest Accrued on Fixed deposit/ Loan	304.39	363.84	1,871.17	1,887.94
Unbilled Revenue	-	-	74,274.62	77,034.38
Retention Money	-	-	22,463.94	25,107.45
Other Receivables	-	-	259.73	183.80
Receivable against sale of Investments	-	-	200.00	200.00
Earnest Money Deposit	-	-	453.76	481.87
Total	**304.39**	**363.84**	**99,523.22**	**104,895.44**

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 11: OTHER ASSETS

(at amortised cost)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Capital advances	251.25	251.25	-	-
Less: Allowance for expected credit loss	(251.25)	-	-	-
Advances recoverable in cash or kind	-	-	5,899.25	4,871.05
Less: Allowance for expected credit loss	-	-	(924.56)	-
Prepaid expenses	-	-	74.62	360.60
Balance with Revenue Authorities	-	-	6,194.74	5,290.47
Advance income-tax (net of provision for taxation)	4,865.36	5,494.25	-	-
Interest accrued on arbitration awards (Refer Note 45)	26,044.30	23,399.92	-	-
Total	**30,909.66**	**29,145.42**	**11,244.05**	**10,522.12**

NOTE 12: INVENTORIES

(Valued at lower of Cost and Net Realisable Value)

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Project materials	6,941.53	6,105.63
Stores and spares	99.03	85.06
Work in progress	83.04	83.04
Total	**7,123.60**	**6,273.73**

NOTE 13: CASH AND BANK BALANCES

(at Amortised Cost)

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
Balances with banks:		
On current accounts	3,311.57	1,919.43
Deposits with original maturity of less than three months*	478.19	-
Cash on hand	7.71	8.20
Total	**3,797.47**	**1,927.63**

* lying with banks as security against Letters of Credits, Guarantees and demand loan facilities issued by them.

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 14: SHARE CAPITAL

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Authorized capital		
200,000,000 equity shares ₹ 2/- par value per share	4,000.00	4,000.00
1,000,000 preference shares ₹ 100/- par value per share	1,000.00	1,000.00
	5,000.00	**5,000.00**
Issued, subscribed and paid-up capital		
36,650,276 equity shares ₹ 2/- par value per share	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

Equity Shares

₹ In Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
At the beginning of the year	36,650,276	733.01	36,650,276	733.01
Calls in arrears	-	-	-	-
Outstanding at the 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. Each holder of equity shares is entitled one vote per share. The Company declares and pays dividends in Indian Rupees.

In the event of liquidation of the Company, the holders of the Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% equity shares of the Company

₹ In Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% holding	No. of Shares	% holding
Client Rosehill Limited	5,493,876	14.99	5,493,876	14.99
Zoom Industrial Services Limited	2,500,000	6.82	2,500,000	6.82
SPML India Limited	2,119,055	5.78	2,119,055	5.78
Canara Bank	2,014,450	5.50	1,751,336	4.78

d. In pursuance of the implementation of “SPML S4A Scheme”,the Promoters of the Company had diluted their shareholding in the Company to the extent of “Principle of Proportionate loss sharing by Lenders (S4A Lenders)” in favour of the Lender Banks to entitle them to hold 21.44 % stake in the Company. As on balance sheet dated March 31, 2021 Lenders are holding 12.20% shareholding in the Company.

e. In terms of the “SPML S4A Scheme” as approved by the Overseeing Committee (constituted under the aegis of Reserve Bank of India) the entire debt of the Company as bifurcated into Part A Debt and Part B Debt together with all interest thereon is also inter-alia secured by pledge of the Shares of the Company held by Promoters in favour of SBICAP Trustee Ltd. for the benefit of the Secured Parties. The Promoters & the Promoter Group of the Company as on the balance sheet dated March 31, 2021 had pledged 29.88% of the Shares as held by them in the Company in favour of the Security Trustee.

f. 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.

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 15: OTHER EQUITY

₹ In Lakhs

Particulars		As at March 31, 2021	As at March 31, 2020
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.	Retained Earnings (movements given below)	4,862.32	15,579.74
E.	Other Comprehensive Income	(364.67)	165.54
Total		**26,576.22**	**37,823.86**

Movement in Retained Earnings

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	15,579.73	15,337.94
Add: Profit for the year	(10,717.42)	241.79
Closing Balance	**4,862.32**	**15,579.73**

NOTE 16: BORROWINGS

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term loans		
from banks (refer note 16.1)	343.73	1,310.73
from financial institutions (refer note 16.2)	-	-
0.01% Optionally Convertible Debentures		
Issued to banks (Refer Note 16.3.3)	52,858.17	52,858.17
Issued to financial institutions (Refer Note 16.3.3(d))	1,677.00	1,677.00
Deferred payment credits (refer note 16.4)		
from others	47.35	59.48
Unsecured		
Term loans		
from related parties (refer note 16.5)	7,492.83	8,556.63
from Body Corporate (Refer Note 16.6)	636.35	636.35
Current maturities of Long term Borrowings	2,895.33	1,983.84
Less: Amount clubbed under "Other Current Liabilities"	(2,895.33)	(1,983.84)
Total	**63,055.44**	**65,098.36**

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

a. Term loan of ₹ 7.36 Lakhs (P.Y. ₹ 8.37 Lakhs) from Yes Bank carries interest @ 11.75 % p.a. (YBL +1.50% p.a.) and is repayable in 5 quarterly instalments of ₹ 7.75 Lakhs each along with interest thereon starting from February 2019 and ending by February 2020. The said loan is secured by way of 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 Chairman of the Company and pledge of shares of the Company by the promoters/ associates.

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 16: BORROWINGS (CONTD..)

b. Corporate Loan of ₹ 2,898.08 Lakhs (P.Y. ₹ 3,003.69 Lakhs) from Consortium Member-Banks carries interest @ 12.65% p.a. and are repayable in uneven quarterly instalments along with interest thereon by FY 2022-2023. The said loans are secured on pari-passu basis by (i) Extension on all the current and non-current assets of the Company (both present and future) (ii) Exclusive mortgage on two Immovable Properties situated at Sarita Vihar, New Delhi owned by relatives of the Promoters (iii) Negative lien on one property at New Delhi owned by one of the associates (iv) Pledged shares of the Company held by Promoters/Associates. In addition, these loans are also secured by Personal Guarantee of relatives of promoter and others to the extent of the value of the their mortgaged properties as well as Personal Guarantees of the Promoters of the Company.

c. As at the year ended March 31, 2021, the Company has defaulted in repayment of dues upto 90 days amounting to ₹ 14,906.67 Lakhs (PY ₹ 17,647.36 Lakhs) and dues exceeding 90 days amounting to ₹ 58,939.70 Lakhs (PY ₹ 6,521.40 Lakhs) in respect of Banks. The Company has also defaulted in repayment of dues upto 90 days amounting to ₹ 137.59 Lakhs (PY ₹ 139.00 Lakhs) and dues exceeding 90 days amounting to ₹ 392.30 Lakhs (PY ₹ NIL) in respect of financial institution.

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

Term Loan of ₹ 335.41 Lakhs (P.Y. ₹ 270.81 Lakhs) from a Financial Institution carries interest @ 13.55% p.a. (IBR +2.80% p.a.) and is repayable in twelve equated quarterly installments by April 2021. The said loan is secured against an exclusive charge on (i) the Immovable Property situated at Faridabad owned by one of group entities (ii) Immovable Property of the Company situated in Gangapur, Sawai Madhopur in Rajasthan (iii) Pledge of shares of the Company held by Promoters/Group entities giving coverage of 1x of Loan amount. Further, the Loan is also backed by Personal Guarantees of Promoters, in addition to Corporate Guarantee & PDCs given by one of group entities i.e SPML Industries Limited.

16.3.1 Restructuring of entire Debts as availed from the Banks/Financial Institutions under Scheme for Sustainable Structuring of Stressed Assets (“SPML S4A Scheme”)

The Company’s debt has been restructured under the Scheme for Sustainable Structuring of Stressed Assets (“SPML S4A Scheme”) as approved by the Overseeing Committee (constituted under the aegis of the RBI) on October 06, 2017.Pursuant to the approval of the Company’s business re-orginasation plan by S4A, a framework agreement had also been executed on November 01, 2017 among the Company and lenders. In terms of the S4A the Company’s debt potfolio was reorganised/ reallocated. Consequentially, 54,53,517 Optionally Convertible Debentures (OCDs) of ₹ 1000/- each (carrying coupon rate @0.01 % p.a. with an YTM @8.15% p.a.) were issued in favour of the lender Banks based on their subscription to the OCDs. The security details are given here under.

16.3.2 Note for Right of Re-compensation:

The Company acknowledges that the S4A Lenders reserves a right of recompense (“RoR”) for Concessional Interest Rates. The recompense payable by the Company after the final redemption date depends on various factors such as improved performance of the Company, Cash Inflow & other conditions.

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

The Company had allotted Unlisted, Unrated, Redeemable, Optionally Convertible Debentures (OCDs) of the ₹ 1000/- each under eight series to the Lender Banks:

a. The OCDs issued under Series A, B, C, & H are secured by way of first ranking charge in favour of Security Trustee (appointed for the benefit of the Secured Parties/debenture holders on pari-passu basis) on Hypothecation of Stocks and Book Debts of the Company, both present and future and all other current assets and non-current receivable, Plant and Machinery, Furniture and Fixture and office equipment. In addition to above these loans are secured by the Personal Guarantee of two Promoter Directors and others of the Company and Corporate Guarantee of one of the associates of the Company, except for OCDs issued to ICICI Bank under Series B & under Series C to Yes Bank which are also secured by extension of exclusive securities with them. Over and above Lien of Fixed Deposit having issue value of ₹ 38 Lakhs has been issued in favour of Lead Bank.

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 16: BORROWINGS (CONTD..)

b. OCDs issued under Series D are secured by way of exclusive charge in favour of Yes Bank Ltd. on Pledge of shares of the Company held by Promoters/ Associates as well as subservient charge on moveable fixed assets and all current assets of the Company, both present and future. Further, these OCDs are also backed by Personal Guarantee of one Promoter of the Company

c. OCDs issued under Series E are secured by way of first ranking charge in favour of the Security Trustee (appointed for the benefit of the Secured Parties/debenture holders on pari-passu basis) (i) on all the current and non-current assets of the Company (both present and future)(ii) Exclusive charge on two Immovable Properties situated at Sarita Vihar, New Delhi, (iii) Pledge of Shares of the Company held by Promoters/Associates (iv) Negative lien on one property at New Delhi owned by one of the Associates.In addition, these OCDs are also secured by Personal Guarantee of two property owners to the extent of the value of the properties as well as Personal Guarantee of Promoters.

d. OCDs issued under Series F are secured by way of exclusive charge in favour of IFCI Ltd. on (i) the Immovable Property owned by one of group entities situated in Faridabad (ii) Immovable Property owned by the Company situated in Gangapur, Sawai Madhopur, Rajasthan (iii) Pledge of shares of the Company held by Promoters/ Group entities giving coverage of 1x of Loan amount. Further, the Loan is also backed by Personal Guarantee of Main Promoters, Corporate Guarantee & PDCs given by one of Associates of the Company

e. OCDs issued under Series G are secured by way of exclusive charge in favour of ICICI Bank Ltd. on the Immovable Property of the company situated in Gurugram.

f. OCDs carry Coupon Rate of 0.01% p.a. to be paid in the first instance from November 01, 2017 to March 31, 2018 and thereafter at the end of each financial quarter commencing from last coupon payment date and ending on the next coupon payment date. OCDs also carry Yield-to-Maturity (YTM) of 8.15% p.a. are redeemable after a moratorium period of five years from the date of issue starting from quarter ending December, 2022 and ending on quarter ending September, 2027.

16.4. Deferred payment credits from financial companies is secured against hypothecation of vehicle purchased against such loans which are repayable in 48 equated monthly installments carrying compounding interest rate of 10.81% p.a.

16.5 Loans from related parties carry interest @8.60%- 14.5% and are repayable within a maximum period of 10 years.

16.6 Loans from body corporates are repayable within a maximum period of 10 years

NOTE 17: TRADE PAYABLES

(at amortised cost)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Trade Payables				
i) Total outstanding dues of micro enterprises and small enterprises	-	-	58.22	92.03
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,242.15	9,475.04	26,835.83	48,340.09
Total	**5,242.15**	**9,475.04**	**26,894.05**	**48,432.12**

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 17: TRADE PAYABLES (CONTD..)

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

₹ In Lakhs

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
-Principal	31.80	61.62
-Interest	26.42	30.41
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
-Principal	-	-
-Interest	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued for the year and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

NOTE 18: OTHER FINANCIAL LIABILITIES

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from customers	4,518.40	5,479.41
Lease Liability (refer note 33)	-	88.63
Financial Guarantee Obligation	468.62	589.31
Total	**4,987.02**	**6,157.35**

NOTE 19: PROVISION

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits				
Gratuity (refer note 32)	297.19	314.22	121.35	164.26
Compensated absences	-	-	47.45	47.45
Total	**297.19**	**314.22**	**168.80**	**211.71**

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 20: BORROWINGS

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
From banks		
Cash Credit and demand loan facilities from bank (refer note 20.1)	89,703.16	56,292.66
Working Capital Demand Loan	16,098.99	17,016.59
Unsecured		
from bodies corporate (refer note 20.2)	9,226.71	8,163.92
Total	**115,028.86**	**81,473.17**

20.1 - Demand loan 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 having value of ₹ 38 Lakhs in favour of One member bank as a pari passu charge with other consortium banks. 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 15.75% p.a.

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

NOTE 21: OTHER CURRENT FINANCIAL LIABILITIES

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term borrowings (refer note 16)	2,895.33	1,983.84
Interest accrued and due on borrowings	15.78	111.21
Interest accrued and not due on borrowings	-	4.03
Lease Liability (refer note 33)	74.48	174.47
Salaries and other employee benefit payable	953.37	1,452.64
Advance from Customers	979.20	12,240.75
Interest accrued on Advances from Customers	1,319.26	1,652.06
Total	**6,237.42**	**17,619.00**

NOTE 22: OTHER CURRENT LIABILITIES

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Dues payable	1,199.01	1,460.32
Other Liabilities	491.77	478.00
Total	**1,690.78**	**1,938.32**

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 23: REVENUE FROM OPERATIONS

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Operating Revenue		
- Construction/EPC contracts	57,510.25	78,101.13
- Operation and Maintenance	1,384.54	1,801.05
Other operating revenue		
Interest Income as per Arbitration Awards (Refer Note 44)	2,644.38	2,522.09
Total	**61,539.17**	**82,424.28**

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

23.2 Contract balances

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables	49,837.22	63,596.24
Contract assets	96,738.56	102,141.83
Contract liabilities	5,497.60	17,720.16

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

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

Decrease in the trade receivables, contract assets and contract liabilities as at March 31, 2021 from April 01, 2020 is on account of changes in operations of the Company. Impairment loss recognized on trade receivables have been disclosed in note 7. No Impairment loss has been recognised on contract assets since the management is of the opinion that the contract assets are fully recoverables.

Changes in contract assets are as follows:

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**102,141.83**	**99,424.72**
Revenue recognised in the reporting period	25,252.30	24,488.88
Amount Received against Contracts during the year	(30,655.57)	(21,771.77)
Balance at the end of the year	**96,738.56**	**102,141.83**

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 23: REVENUE FROM OPERATIONS (CONTD..)

Changes in contract liabilities are as follows:

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**17,720.16**	**18,814.74**
Amount Received against Contracts during the year	8,352.60	4,027.75
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	(20,575.16)	(5,122.33)
Balance at the end of the year	**5,497.60**	**17,720.16**

NOTE 24: OTHER INCOME

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income on		
Loans given	1,033.22	1,210.50
Bank deposits	238.83	765.47
Income tax refund	175.26	302.93
Others	120.68	135.85
Other Non Operating Income		
Sundry balances / liabilities written back (refer note 41)	2,352.08	4,692.01
Commission received	202.09	550.90
Profit on sale of Fixed Asset (net)	6.64	-
Expected Credit Loss Reversals on Trade Receivables	-	2,118.42
Others	190.35	342.35
Total	**4,319.15**	**10,118.43**

NOTE 25: MATERIALS CONSUMED AND OTHER CONSTRUCTION EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Construction materials and stores and spare consumed		
Inventory at the beginning of the year	6,190.69	5,381.09
Add: Purchases	17,842.29	39,918.12
	24,032.98	**45,299.21**
Less: Inventory at the end of the year	7,040.56	6,190.69
	16,992.42	**39,108.52**
Construction Expenses		
Subcontractor charges	30,182.84	22,167.14
Drawing and designing charges	0.89	23.81
Equipment hire and running charges	378.38	213.52
Other direct expenses	1050.54	2,171.95
	31,612.65	**24,576.42**
Total	**48,605.07**	**63,684.94**

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 26: EMPLOYEE BENEFITS EXPENSE

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages and Bonus	2,373.90	3,821.51
Contribution to Provident and Others Funds	74.65	226.74
Gratuity expense	69.90	90.80
Staff Welfare Expenses	62.35	80.54
Total	**2,580.80**	**4,219.59**

NOTE 27: FINANCE COSTS

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest	4,474.97	10,435.16
Finance Cost on Lease	21.36	25.95
Other borrowing costs	2,344.20	4,194.34
Total	**6,840.53**	**14,655.45**

NOTE 28: DEPRECIATION AND AMORTIZATION

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on Tangible Assets	376.81	440.98
Depreciation on ROU Assets	166.05	120.97
Amortisation of Intangible Assets	0.12	0.18
Total	**542.98**	**562.13**

NOTE 29: OTHER EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent (Refer Note 33)	171.59	296.13
Rates and taxes	50.12	141.44
Repairs and maintenance:		
- Building	16.48	92.27
- Plant and machinery	30.89	87.65
- Others	23.93	26.78
Insurance	332.25	271.60
Professional charges and consultancy fees	1,110.53	1,855.91
Vehicle running charges	88.31	220.54
Travelling and conveyance	56.00	364.46
Security Charges	166.21	216.55
Communication expenses	22.56	44.97

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 29: OTHER EXPENSES (CONTD..)

Power and fuel	77.19	233.04
Printing & Stationery Expenses	13.82	80.92
Charity and donations	0.31	4.11
Auditor's remuneration (refer note 29.1)	39.41	37.96
Loss on sale of fixed assets (net)	-	1.29
Expected Credit Loss on loans to a subsidiary, JV and certain associates (refer note 29.2)	722.69	240.55
Impairment of equity investments in certain subsidiaries and associates (refer note 29.3)	1,547.55	2,193.79
Expected Credit Loss on investment in preference shares of subsidiary	-	368.00
Impairment of investment in equity shares of company fair valued through profit and loss	168.96	168.96
Expected Credit Loss on Doubtful advance	1,175.81	-
Bad debts / sundry balances written off	656.28	1,755.69
Miscellaneous expenses	153.80	941.92
Expected Credit Loss on Trade Receivables	1,303.39	-
Total	**7,928.08**	**9,644.53**

Note 29.1: Payment to Auditors

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As Auditors		
- Audit fees	22.00	22.00
- Tax Audit fees	4.50	4.50
- Limited review	10.50	10.50
- Reimbursement of expenses	2.06	0.28
In other capacity:		
- Other services (certification fees)	0.35	0.68
Total	**39.41**	**37.96**

Note 29.2: Expected Credit Loss on loans

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
SPML Utilities Limited (Subsidiary)	127.31	55.33
SPML Bhiwandi Water Supply Infra Limited (Associate)	-	156.47
SPML Bhiwandi Water Supply Management Limited (Associate)	40.50	7.15
Aurangabad City Water Utilitiy Limited (Joint Venture)	194.39	21.60
Binwa Power Company Pvt. Ltd. (Associate)	92.38	-
Spml Energy Limited (Associate)	197.49	-
Allahabad Waste Processing Co. Limited (Subsidiary)	31.14	-
Doon Valley Waste Management Private Limited (Subsidiary)	37.90	-
Meena Holdings Ltd.	0.76	-
Hydro Comp Enterprises (India) Limited (Joint Venture)	0.62	-
20Th Century Engineering Limited	0.20	-
Total	**722.69**	**240.55**

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 29: OTHER EXPENSES (CONTD..)

Note 29.3: Impairment of equity investments

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Neogal Power Company Private Limited	61.95	4.66
Awa Power Company Private Limited	190.04	13.23
IQU Power Company Private Limited	245.41	167.16
SPML Infrastructure Limited	-	1,326.44
SPML Utilities Limited	80.00	682.30
Aurangabad City Water Utility Co. Ltd.	104.77	-
Spml Bhiwandi Water Supply Mgt Ltd.	2.50	-
Spml Bhiwandi Water Supply Infra Ltd.	2.25	-
Allahabad Waste Processing Co. Limited	82.00	-
Gurha Thermal Power Company Limited	2.50	-
Bhagalpur Electricity Distribution Co. Pvt. Ltd.	1.03	-
MVV Water Utility Private Limited	1.42	-
Pondicherry Port Limited	0.01	-
Jarora Nayaganv Toll Road Co. Pvt. Ltd.	0.05	-
Subhash Kabini Power Corporation Limited	773.62	-
Total	**1,547.55**	**2,193.79**

NOTE 30: CONTINGENT LIABILITIES AND COMMITMENTS

₹ In Lakhs

Particulars				As at March 31, 2021	As at March 31, 2020
A.	**Contingent Liabilities**				
	i	Claims against the Company not acknowledged as debts:			
		(a)	Demand for licence fees raised by Mines and Mineral Department, Government of Bihar	83.41	83.41
		(b)	Legal suits filed against the Company by third parties towards claims disputed by the Company relating to supply of goods and services	102.00	102.00
		(c)	Legal suits filed against the company by ex-employees towards claims disputed by the Company relating to non-payment of their dues.	4.36	4.36
				189.77	**189.77**
	ii	Claims towards liquidated damages not acknowledged as debts by the Company (Against the above, debts of the like amounts are withheld by the customers. However, the Company expects no material liability to accrue on account of these claims)		14,462.92	14,111.78
	iii	Disputed Demands:			
		(a)	Excise/ Service tax	23.13	23.13
		(b)	Sales tax/ VAT	3,932.29	2,707.91
	iv	Performance bank guarantees, given on behalf of a Joint Venture			
		- MVV Water Utilities Private Limited		216.00	281.00
	v	Corporate Financial Guarantees given to banks for financial assistance extended to subsidiaries and other body corporates:		27,500.12	29,845.94
B.	**Commitments**				
	i	Capital Commitments (Net of Advances)		-	48.65

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 31 THE DISAGGREGATION OF CHANGES TO OCI BY EACH TYPE OF RESERVES IN EQUITY IS SHOWN BELOW:

During the year ended March 31, 2021

₹ In Lakhs

Particulars	Retained Earnings
Opening Balance	**165.54**
Fair valuation Loss on Investments at FVOCI	(556.40)
Re measurement gains/ (losses) on Defined Benefit Plan	26.18
Closing Balance	**(364.68)**

During the year ended March 31, 2020

₹ In Lakhs

Particulars	Retained Earnings
Opening Balance	(292.47)
Fair valuation Gain on Investments at FVOCI	380.97
Re measurement gains/ (losses) on Defined Benefit Plan	77.05
Closing Balance	**165.54**

NOTE 32 EMPLOYEE BENEFITS

(a) Contribution to defined Contribution Plans recognised as expense are as under

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Provident Fund and other Funds	74.65	226.74

(b) Defined Benefit Plan

Disclosure for Defined Benefit Plans based on actuarial report

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Changes in Defined Benefit Obligation:		
Present value of defined benefit obligation at the beginning of the year	**478.47**	**601.60**
Current Service Cost	36.40	20.21
Interest Cost	33.49	44.30
Re measurements (gains)/losses		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	4.88	20.41
Actuarial (gains)/losses arising from changes in experience adjustments	(42.93)	(136.06)
Benefits paid	(91.78)	(71.99)
Present value of defined benefit obligation at the end of the year	**418.53**	**478.47**

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 32 EMPLOYEE BENEFITS (CONTD..)

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Expenses Recognized in the Statement of Profit and Loss		
Interest Cost	33.49	44.30
Current Service Cost	36.40	20.21
Total	**69.89**	**64.51**
Expenses recognised in other comprehensive income		
Actuarial (gains)/losses arising from changes in financial assumptions	4.88	20.41
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(42.93)	(136.06)
Total Actuarial (Gains)/ losses recognized in other comprehensive income	(38.05)	(115.65)

The Principal actuarial assumption used:

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount Rate	6.90%	7.00%
Salary Growth Rate	**6.00%**	**6.00%**
Mortality Rate	Indian assured lives mortality (2012-14) Table Ultimate	Indian assured lives mortality (2006-08) modified
Withdrawal Rate (Per Annum)	1% to 8%	1% to 8%

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

Disclosure for Defined Benefit Plans based on actuarial report

Current and Non Current Classification

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity		
Current	121.35	164.26
Non Current	297.18	314.21

Basis used to determine expected rate of return on assets:

The expected return on plan assets is based on market expectation, at the beginning of the period, which is used for calculating returns over the entire life of the related obligation. The Gratuity Scheme is invested in group Gratuity-Cum-Life assurance cash accumulation policy offered by Life Insurance Corporation of India.

Sensitivity Analysis for significant assumptions for the year ended March 31, 2021 are as follows:

₹ In Lakhs

Assumptions	Discount Rate	
Sensitivity Level	1% increase	1% decrease
Impact on Defined Benefit Plan (₹)	393	448

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 32 EMPLOYEE BENEFITS (CONTD..)

₹ In Lakhs

Assumptions	Future Salary increase	
Sensitivity Level	1% increase	1% decrease
Impact on Defined Benefit Plan (₹)	444	396

₹ In Lakhs

Assumptions	Withdrawal Rate	
Sensitivity Level	1% increase	1% decrease
Impact on Defined Benefit Plan (₹)	421	416

Sensitivity Analysis for significant assumptions for the year ended March 31, 2020 are as follows:

₹ In Lakhs

Assumptions	Discount Rate	
Sensitivity Level	1% increase	1% decrease
Impact on Defined Benefit Plan (₹)	451	509

₹ In Lakhs

Assumptions	Future Salary increase	
Sensitivity Level	1% increase	1% decrease
Impact on Defined Benefit Plan (₹)	505	454

₹ In Lakhs

Assumptions	Withdrawal Rate	
Sensitivity Level	1% increase	1% decrease
Impact on Defined Benefit Plan (₹)	481	476

The Weighted Average duration of the defined benefit obligation as at March 31, 2021 is 60 years

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

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

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 33: LEASES

Company as a Lessee

Lease Assets and Lease Liabilities

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Assets		
Right of Use Assets (refer note 4)	68.16	252.26
Liabilities		
Lease Liabilities		
- Current (refer note 21)	74.48	174.47
- Non-Current (refer note 18)	-	88.63

Depreciation on Right of Use Assets & Interest Expenses on Lease Liabilities

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation and Amortisation	166.05	120.97
Interest Expenses	21.36	25.95
Short Term Lease Payment	171.59	296.13

Carrying amounts of right-of-use assets recognised and the movement during the year:

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance (Previous year Initial recognition on adoption of Ind AS 116)	252.26	154.49
Addition / (Deduction) during the year	(18.05)	218.74
Depreciation Expense	(166.05)	(120.97)
Closing balance	**68.16**	**252.26**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance (Previous year Initial recognition on adoption of Ind AS 116)	263.10	154.49
Addition / (Deduction) during the year	(19.94)	218.73
Interest expenses during the year	21.36	25.95
Payments	190.04	136.07
Closing balance	**74.48**	**263.10**
Current	74.48	174.47
Non Current	-	88.63

The effective interest rate for lease liabilities is 12.65%, with maturity between April 2019 and September 2022

₹ In Lakhs

Maturity analysis of lease liabilities are as follows:	As at March 31, 2021	As at March 31, 2020
1 Year	74.48	174.47
2 to 5 Years	-	88.63

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

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

List of Related Parties

I. Subsidiary Companies including Step-Down Subsidiary Companies:

Names of related parties

SPML Infrastructure Limited

Madurai Municipal Waste Processing Co. Private. Limited

SPML Utilities Limited

Allahabad Waste Processing Co. Limited

Mathura Nagar Waste Processing Co. Limited

Mizoram Infrastructure Development Co. Limited (Applied for strike off on October 19, 2020)

SPML Infra Developers Limited (Applied for strike off on December 13, 2019)

Bhagalpur Electricity Distribution Co. Pvt. Ltd.

Doon Valley Waste Management Private Limited

Subhash Urja Private Limited (Applied for strike off on December 13, 2019)

SPMLIL- Amrutha Constructions Pvt. Ltd.

II. Joint Ventures of the Company

Names of related parties

Malviya Nagar Water Services Private Limited

MVV Water Utility Private Limited

Gurha Thermal Power Co. Ltd.

Aurangabad City Water Utility Co. Limited

Hydro Comp Enterprises (India) Limited

III. Associates of the Company

Names of related parties

Awa Power Company Private Limited

Binwa Power Corporation Private Ltd.

Bhilwara Jaipur Toll Road Private Limited

Delhi Waste Management Ltd.

IQU Power Company Private Ltd.

Neogal Power Company Private Ltd.

Sanmati Infra Developers (P) Ltd.

SPML Bhiwandi Water Supply Infra Limited

SPML Bhiwandi Water Supply Management Limited

Subhash Kabini Power Corporation Limited

SPML Energy Limited

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 34: DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO IND AS 24 (CONTD..)

List of Related Parties

IV. Key Management Personnel

Names of related parties	Nature of relationship
Mr. Subhash Chand Sethi	Chairman
Mr. Sushil Kumar Sethi (Managing Director upto 05.04.2021, Director w.e.f. 06.04.2021	Director
Mr. Dinesh Kumar Goyal	Independent Director
Mr. Prem Singh Rana	Independent Director
Mr. Pavitra Joshi Singh	Independent Director
Mr. Abhinandan Sethi	Chief Operating Officer
Mr. Laxmi Narayan Mandhana (Resigned w.e.f 15.09.2020 as CFO and 16.11.2020 as CS)	Chief Financial Officer and Company Secretary
Mr. Manoj Kumar Digga (Appointed w.e.f. 15.09.2020)	Chief Financial Officer
Mrs. Swati Agarwal (Appointed w.e.f. 17.11.2020)	Company Secretary

V. Relatives of Key Management Personnel

Names of related parties	Nature of relationship
Mr. Anil Kumar Sethi	Brother of Chairman & Managing Director
Mr. Harshavardhan Sethi	Son of Chairman
Mrs. Maina Devi Sethi	Mother of Chairman & Managing Director
Mrs. Noopur Jain	Daughter of Managing Director
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
Dr. Ankit Jain	Son-in-law of Managing Director
Mrs. Priyanshi Sethi	Daughter in law of Chairman
Mrs. Aanchal Sethi	Daughter in law of Managing Director

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

Names of related parties

Add Energy Management Co. Private Limited

Arihant Leasing & Holding Co. Limited

Rishabh Homes Private Limited

Subhash Systems Private Limited

International Construction Limited

SPM Engineers Limited

Zoom Industrial Services Limited

20Th Century Engineering Limited

SPML India Limited

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 34: DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO IND AS 24 (CONTD..)

Pondicherry Special Economic Zone Company Limited
Bharat Hydro Power Corporation Limited
Om Metal-SPML Infra Project Private Limited
Peacock Pearl Business Solution Pvt. Ltd.
Sethi Infratech Private Limited
Acropolis Properties Pvt. Ltd.
Niral Enterprises Pvt. Ltd.
JWIL Infra Limited
SPML Industries Limited
Latur Water Supply Managment Company Limited
PT Sanmati Natural Resources
PT Bina Insan Sukses Mandiri
PT Vardhaman Mining Services
PT Vardhaman Logistics
Rabaan (S) Pte Limited
Sanmati Corporate Investments Private Limited
SJA Developers Private Limited
SPM Holding Pte. Limited
VidyaEdutech Private Limited
Amrutha Constructions Private Limited

NOTE 35:

A. DURING THE YEAR FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH THE RELATED PARTIES IN THE ORDINARY COURSE OF BUSINESS:

₹ In Lakhs

Transaction	Related Party	Year ended March 31, 2021	Year ended March 31, 2020
Sale of Goods	**Joint ventures**		
	MVV Water Utility Pvt. Ltd.	-	38.31
	Entities where significant influence is exercised by KMP and / or relatives		
	JWIL Infra Limited	-	66.30
Interest Income	**Subsidiary companies**		
	Awa Power Company Private Limited	-	116.67
	Binwa Power Corporation Private Limited	-	8.35
	IQU Power Company Private Limited	-	96.51
	Neogal Power Company Private Limited	-	72.95
	SPML Energy Limited	-	24.82
	SPML Infrastrucurte Limited	51.41	54.35
	Allahabad Waste Processing Company Limited	3.89	3.51
	Doon Valley Waste Management Private Limited	4.74	4.26
	Madurai Municipal Waste Processing Company Private Limited	15.49	6.19
	Bhagalpur Electricity Distribution Com Private Limited	425.15	432.60
	Subhash Kabini Power Corporation Limited	-	118.29

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 35: (CONTD..)

₹ In Lakhs

Transaction	Related Party	Year ended March 31, 2021	Year ended March 31, 2020
	Associate companies		
	SPML Bhiwandi Water Supply Management Limited	-	3.33
	SPML Bhiwandi Water Supply Infra Limited	-	73.16
	Awa Power Company Private Limited	165.86	-
	Binwa Power Corporation Private Limited	8.18	-
	IQU Power Company Private Limited	95.13	-
	Neogal Power Company Private Limited	76.95	-
	SPML Energy Limited	24.07	-
	Subhash Kabini Power Corporation Limited	17.02	-
	Joint ventures		
	Gurha Thermal Power Co. Limited	114.78	116.44
	MVV Water Utility Pvt. Ltd.	-	0.57
	Entities where significant influence is exercised by KMP and/or their relatives		
	20Th Century Engineering Limited	0.02	0.02
	Bharat Hydro Power Corporation Limited	15.50	15.69
Interest Expenses	**Subsidiary companies**		
	Mathura Nagar Waste Processing Company Private Limited	67.34	60.65
	Delhi Waste Management Limited	-	174.46
	Associate companies		
	Delhi Waste Management Limited	396.40	183.18
Rent Expenses	**Entities where significant influence is exercised by KMP and / or relatives**		
	Arihant Leasing & Holding Company Limited	6.00	-
	Subhash Systems Private Limited	-	-
Loan/Advance Given/Repaid	**Subsidiary companies**		
	Awa Power Company Private Limited	-	660.84
	Neogal Power Company Private Limited	-	66.60
	SPML Energy Limited	-	0.77
	SPML Infrastructure Limited	-	0.73
	SPML Utilities Limited	0.71	0.30
	Delhi Waste Management Limited	-	300.00
	SPML Infra Developers Limited	-	4.25
	Madurai Municipal Waste Processing Company Private Limited	102.59	85.54
	Bhagalpur Electricity Distribution Com Private Limited	-	3.00
	Subhash Kabini Power Corporation Limited	-	180.00

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 35: (CONTD..)

₹ In Lakhs

Transaction	Related Party	Year ended March 31, 2021	Year ended March 31, 2020
	Associate companies		
	SPML Bhiwandi Water Supply Management Limited	0.65	0.21
	SPML Bhiwandi Water Supply Infra Limited	0.65	0.22
	Delhi Waste Management Limited	-	18.00
	SPML Energy Limited	0.26	-
	Subhash Kabini Power Corporation Limited	0.03	-
	Joint ventures		
	MVV Water Utility Pvt. Ltd.	0.40	157.30
	Gurha Thermal Power Co. Limited	0.01	
	Hydro-Comp Enterprises (India) Private Limited	0.40	0.11
	Key managerial personnel (KMP)		
	Mr. Subhash Chand Sethi	-	31.21
	Relative of KMP		
	Mr. Abhinandan Sethi	-	1.30
	Entities where significant influence is exercised by KMP and / or relatives		
	Pondicherry Special Economic Zone Company Limited	110.80	9.16
	SPML India Limited	-	136.99
	Subhash Systems Private Limited	380.00	30.05
	20Th Century Engineering Limited	-	0.01
	Zoom Industrial Services Limited	-	201.59
	Niral Enterprises Pvt. Ltd.	114.25	0.16
	Sethi Infratech Private Limted	-	0.07
	SPML Industries Limited	1,366.37	209.43
	SPM Engineers Limited	-	35.94
	Bharat Hydro Power Corporation Limited	-	1.18
Loan/Advance Taken/Repaid	**Subsidiary companies**		
	Awa Power Company Private Limited	-	7.98
	Binwa Power Corporation Private Limited	-	4.00
	SPML Energy Limited	-	6.00
	SPML Infrastructure Limited	108.95	396.37
	Bhagalpur Electricity Distribution Com Private Limited	-	40.00
	Subhash Kabini Power Corporation Limited	-	1,385.52
	Subhash Urja Private Limited	-	0.01
	Associate companies		
	Delhi Waste Management Limited	-	1.08
	Joint ventures		
	MVV Water Utility Pvt. Ltd.	28.95	54.82
	Entities where significant influence is exercised by KMP and / or relatives		
	SPML India Limited	-	158.65
	Subhash Systems Private Limited	-	1.50
	Zoom Industrial Services Limited	1,746.37	200.00

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 35: (CONTD..)

₹ In Lakhs

Managerial Remuneration/ Sitting Fees	Mr. Sushil Kumar Sethi	82.78	121.60
	Mr. Subhash Chand Sethi	82.78	121.60
	Mr. Abhinandan Sethi	62.08	90.00
	Mr. Supriyo Kumar Chaudhari	-	1.20
	Mr. Dinesh Kumar Goyal	3.20	3.00
	Mr. Prem Singh Rana	3.20	3.40
	Mr. Pavitra Joshi Singh	1.60	2.10
	Mr. Sarthak Behuria	-	1.90
	Mr. Laxmi Narayan Mandhana	18.68	35.93
	Mr. Manoj Kumar Digga	58.88	-
	Mrs. Swati Agarwal	2.90	-
	Mr. Sujit Kumar Jhunjhunwala	-	8.69
	Mr. Abhay Raj Singh	-	5.79

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

₹ In Lakhs

Outstanding	Related Party	As at March 31, 2021	As at March 31, 2020
Payable	**Subsidiary companies**		
	Mathura Nagar Waste Processing Company Limited	591.51	529.63
	Associate companies		
	Delhi Waste Management Limited	3,515.28	3,150.98
	Key managerial personnel (KMP)		
	Mr. Sushil Kumar Sethi	168.35	169.26
	Mr. Subhash Chand Sethi	0.52	-
	Relative of KMP		
	Mr. Abhinandan Sethi	12.66	-
	Mrs. Preeti Devi Sethi	26.33	26.33
	Entities where significant influence is exercised by KMP and / or relatives		
	Add Technologies (India) Limited	27.42	27.42
	Arihant Leasing & Holding Company Limited	55.92	50.37
	Subhash Systems Private Limited	-	358.29
	SPML Industries Limited	-	1,288.31
	SPM Engineers Limited	-	0.00
	Zoom Industrial Services Limited	1,766.77	20.39
	SPML India Limited	822.03	822.03
	Pondicherry Special Economic Zone Company Limited	794.71	905.51
	Sethi Infratech Private Limted	-	0.00
	Niral Enterprises Pvt. Ltd.	1,298.30	1,412.55

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 35: (CONTD..)

₹ In Lakhs

Outstanding	Related Party	As at March 31, 2021	As at March 31, 2020
Receivable	**Subsidiary companies**		
	SPML Infrastructure Limited	400.76	462.81
	SPML Utilities Limited	556.87	556.17
	Allahabad Waste Processing Company Limited	34.72	31.14
	Bhagalpur Electricity Distribution Company Private Limited	6,614.61	6,223.92
	Madurai Municipal Waste Processing Company Private Limited	209.11	92.26
	Doon Valley Waste Management Private Limited	42.26	37.90
	Joint ventures		
	Malviya Nagar Water Services Pvt. Ltd.	450.16	450.16
	MVV Water Utility Pvt. Ltd.	526.95	557.34
	Gurha Thermal Power Co. Limited	1,401.22	1,295.73
	Aurangabad City Water Utility Company Limited	215.99	215.99
	Hydro-Comp Enterprises (India) Private Limited	1.02	0.62
	Associate companies		
	Subhash Kabini Power Corporation Limited	207.73	192.06
	SPML Energy Limited	293.96	271.58
	Awa Power Company Private Limited	2,204.35	2,051.94
	Binwa Power Corporation Private Limited	99.90	92.38
	IQU Power Company Private Limited	1,164.39	1,076.97
	Neogal Power Company Private Limited	1,021.67	950.96
	SPML Bhiwandi Water Supply Infra Limited	1,043.76	1,043.11
	SPML Bhiwandi Water Supply Management Limited	48.30	47.65
	Entities where significant influence is exercised by KMP and / or relatives		
	Add Energy Management Co. Private Limited	133.96	133.96
	20Th Century Engineering Limited	0.22	0.20
	International Construction Limited	1,046.20	1,046.20
	Sanmati Power Company Private Limited	251.25	251.25
	Meena Holdings Limited	0.77	0.77
	Bharat Hydro Power Corporation Limited	189.26	175.01
	Acropolis Properties Pvt. Ltd.	1.08	1.08
	JWIL Infra Limited	5.73	392.20
	Peacock Pearl Business Solution Pvt. Ltd.	0.13	0.13
Corporate Guarantee outstanding (Also Refer Note 30 for details of security given)	**Subsidiary companies**		
	Madurai Municipal Waste Processing Company Private Limited	-	1,954.23
	Associate companies		
	Bhilwara Jaipur Toll Road Private Limited	19,002.02	18,502.08
	Subhash Kabini Power Corporation Limited	47.31	1,249.99
Performance Gurantee Outstanding	**Associate companies**		
	MVV Water Utility Private Limited	216.00	281.00

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 35: (CONTD..)

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

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
- Short-term employee benefits	288.02	367.13
- Post employment benefits	28.08	28.08
Total	**316.10**	**395.21**

Notes:

Terms and conditions of transactions with related parties:

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

NOTE 36.1 CATEGORIZATION OF FINANCIAL INSTRUMENTS

₹ In Lakhs

Particulars			Carrying value/ Fair value	
			As at March 31, 2021	As at March 31, 2020
(i)	**Financial Assets**			
	a)	**Measured at FVTPL**		
		- Investments in Mutual Fund	14.38	14.36
	b)	**Measured at FVOCI**		
		- Investments in Equity Instruments	239.65	1,048.42
	c)	**Measured at Amortised Cost***		
		- Loans	13,487.62	13,200.93
		- Trade Receivables	49,837.22	63,596.24
		- Other Financial Assets	99,827.61	105,259.28
(ii)	**Financial Liabilities**			
	a)	**Measured at FVTPL**		
		- Financial Guarantee Obligation	468.62	589.31
	b)	**Measured at Amortised Cost***		
		- Borrowings (Secured and Unsecured)	178,084.30	146,571.53
		- Other Financial Liabilities	42,892.02	81,094.20

*Carrying Value of assets / liabilities carried at amortized cost are reasonable approximation of its fair values.

NOTE 36.2 FAIR VALUE HIERARCHY

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 36 (CONTD..)

a) Financial assets and liabilities measured at fair value at March 31, 2021

₹ In Lakhs

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL	14.38	-	-	**14.38**
Investment at OCI	-	-	239.65	**239.65**
Financial Liability				
Financial Guarantee obligation at FVTPL	-	-	468.62	**468.62**

Financial assets and liabilities measured at fair value at March 31, 2020

₹ In Lakhs

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL	14.36	-	-	**14.36**
Investment at OCI	-	-	1,048.42	**1,048.42**
Financial Liability				
Financial Guarantee obligation at FVTPL	-	-	589.31	**589.31**

(b) Financial instruments at ammortized cost

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

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

(d) Description of Significant Unobservable inputs to Valuation:

Particulars	Valuation technique	Significant unobservable inputs	Sensitivity to the input of the fair value
Financial Guarantee Obligation	Discounted Cash Flow approach	Discount rate	1% increase in the discount rate will result in loss of ₹ 18.71 Lakhs in Profit and Loss and 1% decrease will have an equal but opposite effect.

NOTE 37. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's principal financial liabilities, comprise of borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, loans, investments,short-term deposits and cash & cash equivalents, which arise directly from its operations.

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

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

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 37. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTD..)

A. Credit Risk

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

The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost.

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

a) Credit Risk Management

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

Asset Group	Description	Provision for Expected Credit Loss*
Low Credit Risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate Credit Risk	Trade receivables, loans and other financial assets	12 month expected credit loss/life time expected credit loss
High Credit Risk	Trade receivables, loans and other financial assets	Life time expected credit loss

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

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

₹ In Lakhs

Credit Rating	Particulars	As at March 31, 2021	As at March 31, 2020
Low Credit Risk	Cash and cash equivalents, other bank balances, investments, loans and other financial assets	98,711.43	109,270.60
High Credit Risk	Trade Receivables, Loans	81,865.40	93,311.65

b) Credit Risk Exposure

Provision for Expected Credit Loss

The Company provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets:

March 31, 2021

₹ In Lakhs

Particulars	Estimated Gross Carrying amount at default	Expected Credit Loss	Carrying amount net of Impairment Provision
Loans	15,724.14	2,236.52	13,487.62
Trade Receivables	66,141.26	16,304.04	49,837.22

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 37. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTD..)

March 31, 2020

₹ In Lakhs

Particulars	Estimated Gross Carrying amount at default	Expected Credit Loss	Carrying amount net of Impairment Provision
Loans	14,714.76	1,513.83	13,200.93
Trade Receivables	78,596.89	15,000.65	63,596.24

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

₹ In Lakhs

Reconciliation of Loss Allowance	Trade Receivables	Loans
As on March 31, 2019	**18,002.80**	**1,273.28**
Allowance for Expected Credit Loss	(3,002.15)	240.55
As on March 31, 2020	**15,000.65**	**1,513.83**
Allowance for Expected Credit Loss	1,303.39	722.69
As on March 31, 2021	**16,304.04**	**2,236.52**

B. Liquidity Risk

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

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

Maturities of Financial Liabilities

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

March 31, 2021

₹ In Lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	115,028.86	391.08	**62,664.36**	**178,084.30**
Trade Payable	26,894.05	5,242.15	-	**32,136.20**
Other Financial Liabilities	6,237.42	4,987.02	-	**11,224.44**

March 31, 2020

₹ In Lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	81,473.17	1,370.21	**63,728.15**	**146,571.53**
Trade Payable	48,432.12	9,475.04	-	**57,907.16**
Other Financial Liabilities	17,619.00	6,157.35	-	**23,776.35**

C. Market Risk

a. Interest Rate Risk

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

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 37. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTD..)

Interest Rate Risk Exposure

₹ In Lakhs

Particulars	March 31, 2021	March 31, 2020
Variable Rate Borrowing	106,193.23	74,679.46
Fixed Rate Borrowing	71,891.07	71,892.07

Interest rate sensitivity

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

₹ In Lakhs

Particulars	March 31, 2021	March 31, 2020
Interest Sensitivity*		
Interest Rates increase by 100 basis points	**	572.45
Interest Rates decrease by 100 basis points	**	572.45

**Holding all other variables constant*

*** Refer Note - 49*

b. Price Risk

The Company's exposure to price risk arises from investments held and classified as FVTPL or FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Sensitivity Analysis

₹ In Lakhs

Particulars	March 31, 2021	March 31, 2020
Price Sensitivity*		
Price increase/ decrease by 5%- FVOCI	27.82	19.05

*Holding all other variables constant

NOTE 38. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year.The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Company:

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	178,084.30	148,555.38
Trade payables	32,136.20	57,907.16
Less: cash and cash equivalents	(3,797.47)	(1,927.63)
Net debt	**206,423.03**	**204,534.90**
Total capital	27,395.67	38,643.30
Capital and net debt	**233,818.70**	**243,178.20**
Gearing ratio	**88%**	**84%**

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 39: DEFERRED TAX ASSET

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets arising out of:		
Provision as per Expected Credit Loss Model	5,504.88	5,422.71
Adjustment for Modified Retrospective Impact of Ind AS 115 as on 01.04.2018	5,368.34	5,368.34
Impact of Fair valuation of Loans	440.84	210.36
Fair valuation of Investments	3,010.00	2,474.45
Provision for Employee Benefits Plan	5.87	-
Impairment of Property, Plant and Equipment	(100.72)	(123.65)
Gross Deferred Tax Assets	**14,229.21**	**13,352.21**
Deferred Tax Liabilities arising out of:		
Fair valuation of Land	1,680.67	1,680.67
Profit on Sale of Investments	230.69	230.69
Interest Income	874.26	874.26
Guarantee commission	37.66	-
Impact Ind As 116	0.73	-
Gross Deferred Tax Liabilities	**2,824.01**	**2,785.62**
Net Deferred Tax Assets	**11,405.20**	**10,566.58**

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance as of April 1	10,566.58	11,098.52
Tax income/(expense) during the period recognised in profit or loss	598.18	342.66
Tax income/(expense) during the period recognised in OCI	240.45	(229.49)
Tax income/(expense) during the period recognised on Reversal of Interest Free Loan	(0.01)	(645.10)
Closing balance as at March 31	**11,405.20**	**10,566.58**

Statement of profit and loss:

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit or loss section		
Current income tax:		
Current income tax charge	-	259.15
Deferred tax:		
Relating to origination and reversal of temporary differences	(598.18)	(342.66)
Income tax expense reported in the statement of profit or loss	(598.18)	(83.51)
OCI section		
Deferred tax related to items recognised in OCI during in the year:		
Unrealised (gain)/loss on FVTOCI equity securities	(252.32)	190.89
Net loss/(gain) on remeasurements of defined benefit plans	11.87	38.60
Income tax charged to OCI	**(240.45)**	**229.49**

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 39: DEFERRED TAX ASSET (CONTD..)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2021 and March 31, 2020:

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Accounting profit before tax	(11315.60)	158.29
At India's statutory income tax rate of 31.20% (31 March 2020: 34.608%)	(3530.47)	54.78
Effect of Income being taxed at different rate (MAT Rate)	1765.23	(21.00)
Adjustments in respect of items that are exempted from Income tax	(1765.24)	(225.37)
Income tax expense reported in the statement of profit and loss	**-**	**259.15**

NOTE 40. EARNING PER SHARE:

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net profit available for Equity Shareholders	(10,717.42)	241.79
Weighted Average number of Equity shares	366.50	366.50
Basic and Diluted Earnings Per Share	(29.24)	0.66

NOTE 41. Sundry balances/liabilities written back includes ₹ 2,118.18 Lakhs (₹ 4,692.01 Lakhs during the year ended March 31, 2020) consisting of certain credit balances of operational creditors, barred by the laws of limitation and not yet claimed by them.

NOTE 42. No provision for interest on account of YTM amounting to ₹ 5,560.59 Lakhs (₹ 5,143.45 Lakhs as on March 31, 2020) has been made on Optionally Convertible Debentures (OCDs) issued to lenders under SPML S4A Scheme, as the management believes that the same is not payable until maturity of such OCD.

NOTE 43. Clients of the Company have foreclosed the certain contracts which are under arbitration / litigation proceedings. The management, based on the fact of the case is confident to recover the trade receivables and Inventories amounting of ₹ 8,017.29 Lakhs as on March 31, 2021 (₹ 6,142.27 Lakhs as on March 31, 2020) and ₹ 1,120.38 Lakhs (₹ 1040.62 Lakhs as on March 31, 2020) respectively, in respect of certain contracts with customers which are under arbitration/dispute. The Management, based on facts of the cases is confident to recover/ realize the above amounts.

NOTE 44. The Company has Trade and Other Receivables amounting ₹ 39,839.82 Lakhs as on March 31, 2021 (₹ 37,195.44 Lakhs as on March 31, 2020) and has recognized interest of ₹ 2,644.38 Lakhs during the year ended March 31, 2021 (₹ 2,522.09 Lakhs during the year ended March 31, 2020) 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.

NOTE 45. Trade receivables aggregating ₹ 9,754.31 Lakhs (March 31, 2020 ₹ 10,195.01 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.

NOTE 46. In accordance with the provisions of Section 135 of the Companies Act 2013, the Company was to spend a sum of ₹ 88.80 Lakhs towards the CSR activities during the year ended March 31, 2021. During the year, the Company has spent Nil for the aforesaid activities.

NOTE 47. The outbreak of COVID-19 pandemic has disrupted regular business operations of the Company due to the lock down restrictions and other emergency measures imposed by the Central and State Governments from time to time, because of interruption in the project activities, supply chain disruption, human resource availability constraints etc. The business operations have recommenced on a lower scale post relaxation of lockdowns as compared to pre-pandemic levels. The management has

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

evaluated the possible impact of known events, upto the date of approval of these financial results, arising from COVID-19 pandemic on the carrying value of the assets and liabilities as at March 31, 2021 and has concluded that no material adjustments are required currently at this stage, except for matters as mentioned in Note nos. 50 and 52 herein below. However, there exists some uncertainty in relation to the future impact of COVID-19 pandemic on the Company and, accordingly, the actual impact in the future may be different from those presently estimated. The Company will continue to monitor any material change to the future economic conditions and consequential impact on the financial results.

NOTE 48. The company has been facing financial crisis since last few financial years and with effect from the previous financial year, the Company has defaulted in payment of its dues to the financial creditors (mainly to banks/financial institutions, hereinafter referred to as “Lenders”) and accordingly, the borrowing facilities of the company with the Lenders are irregular as on March 31, 2021. The Company has submitted the Resolution Plan to lenders which is being actively considered by lenders. The lenders have applied various agency to evaluate the Resolution Plan submitted by company.The Management is hopeful that with the support of the lenders and approval of the restructuring proposal, the Company shall be able to generate sufficient cash inflows through profitable operation to discharge its financial obligations. Accordingly, the Board of Directors have decided to prepare the Standalone Financial Statements based on going concern basis.

NOTE 49. The operations of the company have suffered in the last few years mainly due to general economic slowdown as well as various actions and inactions by various Government bodies / authorities, including factors beyond the control of the Company or its management. The major clients / customers of the Company are government bodies wherein the monies of the company are stuck since long and for which the claims of the Company are pending. The situation has been further aggravated with the non-release of sanctioned working capital credit facilities including Bank Guarantee limits, alongwith levy of excess margin & charges by some of the Lenders as against the agreed terms of sanction by them. Due to the mismatch in the cash flows, the Company has not been able to service its debts or meet the payment obligations to the Lenders. Hence, the accounts of the Company with the Banks have been classified as irregular and sub – standard. Consequently, w.e.f. November 01, 2019, majority of the Lenders ceased charging interest on loans to the Company, in their books of account, as per RBI’s prudential norms, although the Company continued to provide for the interest liability in its books of account upto September 30, 2020, on accrual basis. In the on-going resolution with the Lenders, the Company has proposed issuance of a separate instrument towards the unpaid interest upto the cut-off date which is under active consideration and hence the company is not recognizing any interest liability on the fund based borrowing facilities in the books of accounts as on March 31, 2021. Accordingly, based on the expectation of imminent approval and implementation of the resolution plan, during the quarter ended December 31, 2020, the Company has written back ₹ 10,093.03 Lakhs representing liability towards interest expense on its borrowings from Lenders, for the period from November 01, 2019 to September 30, 2020. Further, interest expense of ₹ 8,592.57 Lakhs on the said borrowings have not been recognized for the year ended March 31, 2021. Effect of the resolution plan would be provided in the financial statements of the Company as and when the plan is finally approved and implemented by the lenders.

NOTE 50. Other Expenses includes ₹ 2439.20 Lakhs for the year ended March 31, 2021 relating to impairment of certain equity investments and expected credit losses on certain loans advanced by the Company and ₹ 1175.81 Lakhs relating to provision made towards certain vendor advances on a conservative basis, as these are old balances and the management feels that the realisability of the same has further been impacted during to the ongoing COVID-19 situation.

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 51. INFORMATION ON JOINT ARRANGEMENTS OF THE COMPANY

Description of Company's interest in the joint operations of the entity:

₹ In Lakhs

Name of the entity	As at March 31, 2021		As at March 31, 2020	
	Proportion of Interest	Country of Incorporation	Proportion of Interest	Country of Incorporation
Siddartha - Mahavir-SPML	10%	India	10%	India
SPML - CISC JV	50%	India	50%	India
SPML - Simplex	50%	India	50%	India
SPML - HCIL	100%	India	100%	India
M&P + Subhash JV	40%	India	40%	India
SPML - OM Metal JV	50%	India	50%	India
Suez Environment France & SPML Infra Ltd. India JV	48%	India	48%	India
JWIL SPML JV	30%	India	30%	India
Shristi SPML JV	26%	India	26%	India

Description of Company's interest in the joint ventures of the Company:

₹ In Lakhs

Name of the entity	As at March 31, 2021		As at March 31, 2020	
	Proportion of Interest	Country of Incorporation	Proportion of Interest	Country of Incorporation
Malviya Nagar Water Services Private Limited	26.00%	India	26.00%	India
Gurha Thermal Power Company Limited	50.00%	India	50.00%	India
MVV Water Utility Private Ltd.	48.08%	India	48.08%	India
Aurangabad City Water Utility Co. Limited	40.01%	India	40.01%	India
Hydro Comp Enterprises (India) Limited	50.00%	India	50.00%	India

The Company's share of assets, liabilities, income and expenses in the joint Operations as at and for the year ended March 31, 2021 is as follows:-

₹ In Lakhs

Name of the Joint Operation		Company's Share in					Capital expenditure commitments and contingent liabilities
		Assets	Liabilities	Income	Expenses	Profit/(Loss) (-) after tax	
Siddartha-Mahavir-SPML **	2020-21	-	-	-	-	-	-
	2019-20	308.75	294.49	342.94	343.45	(0.51)	-
Shristi SPML JV *	2020-21	297.88	290.80	710.51	703.53	6.98	-
	2019-20	0.93	0.83	9.59	9.49	0.10	-
SPML CISC JV	2020-21	10.06	3.21	-	0.58	(0.58)	-
	2019-20	10.53	3.10	-	0.66	(0.66)	-
SPML - Simplex	2020-21	67.01	28.17	2.15	0.06	2.09	-
	2019-20	65.08	28.33	2.69	0.10	2.59	-
SPML - HCIL JV	2020-21	40.22	124.32	-	0.23	(0.23)	-
	2019-20	40.33	124.20	-	0.25	(0.25)	-

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 51. INFORMATION ON JOINT ARRANGEMENTS OF THE COMPANY (CONTD..)

₹ In Lakhs

Name of the Joint Operation		Company's Share in					Capital expenditure commitments and contingent liabilities
		Assets	Liabilities	Income	Expenses	Profit/(Loss) (-) after tax	
JWIL - SPML JV *	2020-21	1,682.13	1,682.49	3,373.39	3,373.64	(0.24)	-
	2019-20	1,683.20	1,683.31	2,523.05	2,523.05	(0.01)	-
Suez Environment France & SPML Infra Limited India JV**	2020-21	-	-	-	-	-	-
	2019-20	350.74	357.59	288.68	303.76	(15.08)	-
M&P + Subhash JV *	2020-21	2,165.07	2,148.93	1.72	0.15	1.57	-
	2019-20	2,168.79	2,148.93	1.96	0.15	1.81	-
SPML - OM Metal JV *	2020-21	779.70	437.75	610.73	502.92	107.81	-
	2019-20	1,011.16	609.75	1,716.03	1,868.26	(152.23)	-

The Company's share of income and expenses in the joint Ventures as at and for the year ended March 31, 2021 is as follows:-

₹ In Lakhs

Name of the Joint Venture		Company's Share in		
		Income	Expenses	Profit/(Loss) (-) after tax
Malviya Nagar Water Services Private Limited **	2020-21	-	-	-
	2019-20	730.05	731.00	(0.95)
Gurha Thermal Power Company Limited *	2020-21	-	-	-
	2019-20	-	-	-
MVV Water Utility Pvt. Limited	2020-21	508.63	502.14	6.49
	2019-20	652.27	588.36	63.91
Hydro Comp Enterprises (India) Limited *	2020-21	-	6.39	(6.39)
	2019-20	-	4.02	(4.02)
Aurangabad City Water Utility Co. Limited**	2020-21	-	-	-
	2019-20	-	-	-

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

** This financial statement not received.

NOTE 52 SEGMENT REPORTING

Operations of the Trading segment had virtually ceased since January, 2020 onwards, primarily because the Company decided to focus on its core activities i.e infrastructure development. The management was continuously assessing the realisability of the non-moving debtors/ advances to creditors of the segment due to the impact of COVID-19. Accordingly, the Board of Directors of the Company, at it's meeting held on February 12, 2021, accorded it's consent towards closure of the Trading Segment of the Company w.e.f the financial year ended March 31, 2021.Consequentially, during the quarter ended March 31, 2021, in respect of the Trading segment, the Company has written off all the balances appearing in the books of account (non-moving debtors and creditors). The Company is now operating in a single segment viz. EPC in accordance with IND AS -108 notified pursuant to Companies (Indian Accounting Standards) Rules, 2015, (as amended). The Company is primarily operating in India which is considered as single geographical segment.

NOTES TO FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 53. Previous periods's figures have been regrouped/rearranged wherever considered necessary to confirm to the figures presented in the current year.

Signatories to Notes 1 to 53

As per report attached of even date

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

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

CA Bijay Murmuria
Partner
Membership No - 055788

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Place: Kolkata
Date: 29th June, 2021

Manoj Kumar Digga
Chief Financial Officer

Swati Agarwal
Company Secretary

Form AOC-1

{Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014}
Statement containing salient features fo the financial statements of the subsidiaries/joint ventures/associate Companies

PART 'A' - Summary of Financial Information of Subsidiary Companies

₹ In Lakhs

Sl. No.	Name of the Company	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1.	Allahabad Waste Processing Company Limited	-	INR	1	12,110,000	90,283,304	261,220,104	158,826,800	2,000	1,601,130	(52,478,460)	(1,877,866)	(50,600,594)		95.01%
2.	Bhagalpur Electricity Distribution Company Private Limited	-	INR	1	100,000	(308,604,098)	1,395,280,270	1,703,884,368	-	-	(19,653,387)	-	(19,653,387)		99.99%
3.	Doon Valley Waste Management Private Ltd.	-	INR	1	960,000	(22,483,792)	102,718	21,626,519	-	-	(1,426,740)	(415,530)	(1,011,210)		87.49%
4.	Madurai Municipal Waste Processing Company Private Limited	-	INR	1	228,270,000	(158,103,092)	222,438,725	152,271,816	-	204,718,720	(58,049,746)	6,717,739	(64,767,486)		92.33%
5.	Mathura Nagar Waste Processing Company Limited	-	INR	1	6,193,000	35,234,858	103,813,076	62,385,219	2,700	8,701,740	3,714,290	(185,980)	3,900,270		90.25%
6.	SPML Infrastructure Limited	-	INR	1	7,433,042	183,258,420	301,358,832	110,667,372	155,487,300	64,538,321	17,472,830	5,968,174	11,504,656		99.99%
7.	SPMLIL Amrutha Constructions Private Limited	-	INR	1	100,000	12,985,911	564,543,531	551,457,620	-	681,825,280	1,630,570	417,260	1,213,310		50.99%
8.	SPML Utilities Limited	-	INR	1	200,000,000	(129,171,199)	144,649,043	73,820,242	83,603,648	-	(86,883)	-	(86,883)		100.00%

₹ In Lakhs

PART 'B' - Associates and Joint Ventures

₹ In Lakhs

	Name of Entity	Latest Audited Balance Sheet Date	Reporting Currency	No. of Shares held by the Company in associate/ joint venture on the year end	Amount of Investment in associate/ joint venture	Extent of Holding (%)	significant Influence	Reason why the associate/ joint venture is not consolidated	Net worth attributable to shareholding as per latest balance sheet	share of profit /loss for the year	
										Considered in Consolidation	Not Considered in Consolidation
A.	**Joint Ventures**										
1	Aurangabad City Water Utility Co. Ltd.	31st Mar-21	INR	19,405	10,477,219	40.01%	Controls more than 20% of share Capital		-	-	-
2	Gurha Thermal Power Project	31st Mar-21	INR	25,000	250,000	50.00%	Controls more than 20% of share Capital		-	-	-
3	Hydro Comp Enterprises India Private Limited	31st Mar-21	INR	2,296,265	2,296,265	50.00%	Controls more than 20% of share Capital		(4,863,925)	(639,418)	(639,418)
4	MVV Water Utility Private Limited	31st Mar-21	INR	383,073	10,976,845	48.08%	Controls more than 20% of share Capital		(165.31)	4.50	4.86
5	Malviya Nagar Water Services Private Limited	31st Mar-21	INR	2,205,000	22,050,000	26.00%	Controls more than 20% of share Capital		-	-	-
B.	**Associates**										
1	Delhi Waste Management Limited	31st Mar-21	INR	778,000	239,263,302	49.39%	Controls more than 20% of share Capital		377,861,620	(1,063,000.47)	1,060,848.32
2	Awa Power Company Private Limited	31st Mar-21	INR	2,639,605	19,005,156	7.20%	Controls more than 20% of share Capital		11,386,975	(2,799,478)	(36,083,522)
3	Binwa Power Company Private Limited	31st Mar-21	INR	2,948,340	-	49.27%	Controls more than 20% of share Capital		27,542,420	(4,087,566)	(4,209,434)
4	IQU Power Company Private Limited	31st Mar-21	INR	2,580,500	24,541,000	7.00%	Controls more than 20% of share Capital		3,626,153	(1,084,370)	(14,412,531)
5	Neogal Power Company Private Limited	31st Mar-21	INR	1,136,774	6,195,418	2.97%	Controls more than 20% of share Capital		5,695,808	310,963	10,165,159
6	Subhash Kabini Power Corporation Ltd.	31st Mar-21	INR	13,172,000	206,315,660	24.82%	Controls more than 20% of share Capital		228,855,928	(75,985,964)	(230,103,867)
7	SPML Energy Limited	31st Mar-21	INR	99,550,000	46,694,000	48.02%	Controls more than 20% of share Capital		102,833,155	45,370,667	49,110,639
8	Bhilwara Jaipur Toll Road Private Limited	31st Mar-21	INR	3,520,302	519,138,000	51.00%	Controls more than 20% of share Capital		450,478,022	63,092	60,618
9	Sanmati Infra Developers private Limited	31st Mar-21	INR	500,000	5,000,000	25.00%	Controls more than 20% of share Capital		(55,725,010)	(177,034)	(531,103)
10	Spml Bhiwandi Water Supply Infra Limited	31st Mar-21	INR	224,700	225,000	44.94%	Controls more than 20% of share Capital		(1,334,064)	(908,242)	(1,112,769)
11	Spml Bhiwandi Water Supply Management Ltd.	31st Mar-21	INR	250,000	250,000	50.00%	Controls more than 20% of share Capital		(236,455)	(16,006)	(16,006)

Annexure-6- Companies that have become/ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies

The names of companies which have become subsidiaries, joint ventures or associate Companies During the year:

Sl. No.	Name of Company	Subsidiary/JV/Associate

The names of companies which have ceased to be subsidiaries, joint ventures or associate Companies During the year:

Sl. No.	Name of Company	Subsidiary/JV/Associate
1	Mizoram Infrastructure Development Company Limited	Subsidiary

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

Sushil Kumar Sethi
Director
DIN: 00062927

Subhash Chand Sethi
Chairman
DIN: 00464390

Swati Agarwal
Company Secretary

Manoj Kumar Digga
Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of SPML Infra Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of SPML Infra Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2021, their consolidated loss (including other comprehensive expense), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

As stated in:

a. Note no. 45 to the consolidated financial statements, interest on YTM basis amounting to ₹ 5,560.59 Lakhs (March 31, 2020: ₹ 5,143.45 Lakhs) was not provided on Optionally Convertible Debentures ('OCDs') issued to lenders under S4A scheme by the Parent, which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109:Financial Instruments. Had such interest expense been recognized, the finance costs, loss before tax, loss after tax and total comprehensive expense would have been higher by the aforesaid amount for the year ended March 31, 2021. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is ₹ 17,287.29 Lakhs as at March 31, 2021(March 31, 2020: ₹ 11,726.69 Lakhs). The Auditor's Report for the year ended March 31, 2020 was also qualified in respect of this matter.

b. Note no. 54 to the consolidated financial statements, ₹ 10,093.03 Lakhs representing liability towards interest expense on the Parent's borrowings from financial creditors, for the period from November 01, 2019 to September 30, 2020, has been written back during the quarter ended December 31, 2020. Further, interest expense of ₹ 8592.57 Lakhs on the said borrowings has not been recognized by the Parent for the six month period October 01, 2020 to March 31, 2021. This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid liability towards interest expense not been written back and the aforesaid interest expense been recognised, the finance costs, loss before tax, loss after tax and total comprehensive expense for the year ended March 31, 2021 would have been higher by ₹ 18685.60 Lakhs.

c. Note no. 46 to the consolidated financial statements, the Parent's trade receivables (net of ECL) and inventories as at March 31, 2021 include ₹ 8,017.29 Lakhs and ₹ 1,120.38 Lakhs respectively (March 31, 2020: ₹ 6,142.27 Lakhs and ₹ 1,040.62 Lakhs respectively), relating to certain projects where the claims are presently under arbitration/ litigation proceedings. Pending the ultimate outcome of these matters (fate of which is presently unascertainable), we are unable to comment on the recoverability thereof. The Auditor's Report for the year ended March 31, 2020 was also qualified in respect of this matter.

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

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

(i) Note no.48, regarding unavailability of financial statements/ financial information/financial results of 2(two) subsidiaries and 2(two) joint venture companies. According to the information and explanations given to us by the Parent's management, such unavailable financial statements/financial information/financial results are not material to the Group.

(ii) Note no.47, regarding uncertainties relating to the recoverability of certain trade & other receivables as at March 31, 2021 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Parent.

(iii) Note no.44, regarding write back of ₹ 2118.18 Lakhs by the Parent in respect of certain credit balances.

(iv) Note no. 53 regarding closure of Trading Segment by the Parent.

(v) Note no.31 on 'Other Expenses', regarding provision made by the Parent against certain advances to vendors.

(vi) Note no.52, which describes the effects of uncertainties relating to COVID-19 pandemic outbreak on the Group's operations and the evaluation by the Parent's management of its impact on the consolidated financial statements.

(vii) Note no.51, which indicates that the Parent has defaulted in payment of dues to its financial creditors, it is facing working capital constraints and its borrowing facilities are irregular with certain financial creditors as at March 31, 2021. Based on ongoing discussion with such creditors for formulation of a resolution plan and other mitigating factors as mentioned in the aforesaid Note no.51, the Parent's Board of Directors is of the view that the going concern basis of accounting is appropriate for preparation of the consolidated financial statements.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

Key Audit Matter	How our audit addressed the key audit matter
Assessment of impairment of non-current investments (reported by us as auditor of the Parent) The Parent, as at March 31, 2021, had non-current investments of ₹ 12,798.86 Lakhs Lakhs (prior to impairment provision). Due to the significance of the carrying amounts of the non-current investments and the significant management judgement involved in carrying out the impairment assessment, this was considered to be a key audit matter.	Our audit approach was a combination of test of internal controls and substantive procedures which included the following: • Obtained an understanding of the management process for identification of possible impairment indicators and process followed by the management for impairment testing of non-current investments; • Discussed extensively with management regarding impairment indicators and evaluated the design and testing operating effectiveness of controls; • Assessed the methodology used by the management to estimate the recoverability of investment and ensured that it is consistent with applicable accounting standards; • Verified the appropriateness of the key assumptions considered by the management/independent valuer as part of the impairment assessment. • Evaluated the management's assessment of the ultimate outcome of the ongoing legal proceedings, if any, impacting a particular investment, including analysis of the latest judgment pronounced relating to such proceedings or any legal opinion obtained by the management; • Compared the carrying value of the non-current investment with the realizable value determined by the independent valuer to ensure there is no impairment/ provision required to be recognized.

Information other than the Consolidated Financial Statements and Auditors' Report thereon

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

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

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

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

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

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its Associates and Joint Ventures in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act/other relevant applicable regulations, for safeguarding the assets of the Group, its associates and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associates and joint ventures (covered under the Act) have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its associates and joint ventures to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

I. We did not audit the financial statements/financial information / financial results of 3(three) subsidiaries included in the consolidated financial statements, whose financial statements / financial information / financial results reflect total assets of ₹ 3,419.66 Lakhs as at March 31, 2021, total revenues of ₹ Nil, total net loss after tax of ₹ 4.54 Lakhs, total comprehensive loss of ₹ 4.54 Lakhs and cash inflows (net) of ₹ 331.74 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax of ₹ 26.43 Lakhs and total comprehensive loss of ₹ 25.05 Lakhs for the year ended March 31, 2021, in respect of 1 (one) joint venture company, whose financial statements / financial information / financial results have not been audited by us. These annual financial statements / financial information / financial results have been audited by other auditors, whose audit reports have been furnished to us by the Parent's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture company, is based solely on the audit reports of such other auditors and on the procedures performed by us as stated in the section Auditor's Responsibilities for the Audit of the Consolidated Financial Statements hereinabove.

   Our opinion on the consolidated financial statements is not modified in respect of the above matters, regarding our reliance on the work done by and the reports of the other auditors.

II. We did not audit the financial statements / financial information/ financial results of 3(three) subsidiaries included in the consolidated financial statements, whose financial statements / financial information / financial results reflect total assets of ₹ 6,513.56 Lakhs as at March 31, 2021, total revenues of ₹ 429.89 Lakhs, total net loss after tax of ₹ 483.83 Lakhs, total comprehensive loss of ₹ 480.18 Lakhs and cash outflow (net) of ₹ 401.67 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax of ₹ 576.13 Lakhs and total comprehensive loss of ₹ 576.15 Lakhs for the year ended March 31, 2021, in respect of 11(eleven) associates and 2(two) joint venture companies, whose financial statements/ financial information / financial results have not been audited by us. These annual financial statements/ financial information/financial results are unaudited and have been furnished to us by the Parent's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures is based solely on such unaudited, management certified financial statements / financial information /financial results. In our opinion and according to the information and explanations given to us by the Parent's Board of Directors, these unaudited and management certified financial statements / financial information /financial results are not material to the consolidated financial statements.

   Our opinion on the consolidated financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, we report, to the extent applicable, that:

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

   b) Except for the possible effects of the matters described in the Basis for Qualified Opinion section hereinabove, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) Except for the effects of the matters described in the Basis for Qualified Opinion section hereinabove, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the relevant rules issued thereunder.;

   e) In view of the matters described in the Basis for Qualified Opinion section hereinabove, we are unable to comment whether these may have an adverse effect on the functioning of the Group;

   f) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.;

   g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section hereinabove;

   h) With respect to the adequacy of internal financial controls with reference to financial statements of the Parent, its subsidiaries, associates and joint ventures incorporated in India, and the operating effectiveness of such controls, refer to our separate report in the Annexure ;

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position - Refer Note no.33 to the consolidated financial statements;

      ii. Except for the possible effects of the matters described under the Basis for Qualified Opinion section hereinabove, provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiaries, associates and joint ventures incorporated in India.

2. According to the information and explanations given to us and the records of the Parent examined by us and the reports of the statutory auditors of its subsidiaries, associates and joint ventures incorporated in India, remuneration paid by the Parent and its subsidiaries, associates and joint ventures incorporated in India to their directors for the year ended March 31, 2021 has been in accordance with the provisions of section 197 read with Schedule V to the Act.

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

CA. Bijay Murmuria
Partner
Membership No.: 055788
UDIN: 21055788AAAABQ7469

Place: Kolkata
Date: 29th June, 2021

Annexure to the Independent Auditors' Report of SPML Infra Limited

[Referred to in paragraph 1(h) under "Report on Other Legal and Regulatory Requirements" section in our Independent Auditors' Report of even date to the members of SPML Infra Ltd. on the consolidated financial statements for the year ended March 31, 2021]

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

In conjunction with our audit of the consolidated financial statements of SPML Infra Limited ("the Parent") as of and for the year ended on March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Parent, its subsidiary companies, its associate companies and joint ventures.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matters paragraph below, the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to:

(i) certain subsidiaries, associates and joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India;

(ii) certain subsidiaries, associates and joint ventures, is based solely on the representation provided by the management.

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

CA. Bijay Murmuria
Partner
Membership No.: 055788
UDIN: 21055788AAAABQ7469

Place: Kolkata
Date: 29th June, 2021

CONSOLIDATED BALANCE SHEET

as at March 31, 2021

₹ In Lakhs

Particulars		Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS				
Non-Current Assets				
(a)	Property, Plant and Equipment	3	10,037.86	10,399.76
(b)	Capital Work in Progress	4	5,634.72	5,634.72
(c)	Right of Use Assets	5	68.16	252.26
(d)	Intangible Assets	6	1,571.42	1,567.92
(e)	Financial Assets			
	- Investments	7	6,984.74	9,474.44
	- Trade receivables	9	12,316.46	29,683.34
	- Loans	10	9,447.19	9,739.81
	- Other Financial Assets	11	1,701.49	4,818.29
(f)	Non Current Tax Assets	12	4,833.87	5,462.76
(g)	Deferred Tax Assets	24	9,995.02	9,284.67
(h)	Other Non-Current Assets	13	31,977.37	29,004.00
			94,568.30	**1,15,321.97**
Current Assets				
(a)	Inventories	14	7,123.60	6,273.73
(b)	Financial Assets			
	- Investments	8	-	2,442.32
	- Trade Receivables	9	46,062.56	46,773.80
	- Cash and Cash Equivalents	15	3,965.48	2,027.98
	- Other Bank Balances	15	1,970.74	1,358.97
	- Loans	10	494.07	514.97
	- Other Financial Assets	11	99,542.82	1,05,694.27
(c)	Current Tax Assets	12	432.58	499.44
(d)	Other Current Assets	13	17,888.15	18,940.42
			1,77,480.00	**1,84,525.90**
TOTAL ASSETS			**2,72,048.30**	**299,847.87**
EQUITY AND LIABILITIES				
EQUITY				
(a)	Equity Share Capital	16	819.45	819.45
(b)	Other Equity	17	25,385.73	37,612.15
Equity attributable to Owners of the parent			**26,205.18**	**38,431.60**
(c)	Non-Controlling Interests		1,528.61	1,583.58
TOTAL EQUITY			**27,733.79**	**40,015.18**
LIABILITIES				
Non-Current Liabilities				
(a)	Financial Liabilities			
	- Borrowings	18	65,033.49	67,349.31
	- Trade Payables	19		
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
	- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		5,242.15	9,475.04
	- Other Financial Liabilities	22	4,945.80	6,116.13
(b)	Provisions	20	307.70	329.70
			75,529.14	**83,270.18**
Current Liabilities				
(a)	Financial Liabilities			
	- Borrowings	21	1,16,257.26	82,084.67
	- Trade payables	19		
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		58.22	92.03
	- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		38,572.94	62,969.29
	- Other Financial Liabilities	22	11,203.01	25,181.02
(b)	Other Current Liabilities	23	2,524.90	6,023.54
(c)	Provisions	20	168.80	211.72
(d)	Current Tax Liabilities	12	0.24	0.24
			1,68,785.37	**1,76,562.51**
TOTAL LIABILITIES			**2,44,314.51**	**2,59,832.69**
TOTAL EQUITY AND LIABILITIES			**2,72,048.30**	**2,99,847.87**

Significant Accounting Policies & Notes to Consolidated Financial Statements 1 to 57

The Notes referred to above form an integral part of the Consolidated Balance Sheet.
This is the Consolidated Balance Sheet referred to in our report of even date.

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

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

CA Bijay Murmuria
Partner
Membership No - 055788

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Place: Kolkata
Date: 29th June 2021

Manoj Kumar Digga
Chief Financial Officer

Swati Agarwal
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT

for the year ended March 31, 2021

₹ In Lakhs

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from Operations	25	68,285.34	1,70,647.73
Other Income	26	6,377.41	10,866.24
Total Income		**74,662.75**	**1,81,513.97**
Expenses			
Materials Consumed and Other Construction Expenses	27	55,331.35	70,733.33
Purchases of Traded Goods		-	76,033.86
Employee Benefits Expense	28	2,622.25	5,356.27
Finance Cost	29	6,695.13	15,692.41
Depreciation and Amortisation Expenses	30	555.90	1,118.07
Other Expenses	31	10,566.60	10,514.43
Total Expenses		**75,771.23**	**1,79,448.37**
Profit / (Loss) before share of (Profit) / Loss of Associates and Joint Ventures, & Tax from Continuing Operations		(1,108.48)	2,065.60
Share of Profit/(Loss) from Investment in Associates and Joint Ventures		(443.48)	(388.82)
Adjustments for Non-Controlling Interests		(54.98)	(53.34)
Profit/(Loss) Before Tax		(1,496.98)	1,730.14
Tax Expenses of continuing operations			
Current Tax		5.83	646.76
Minimum Alternate Tax Credit		-	(134.29)
Deferred Tax		(458.68)	899.70
Tax for Earlier Years		0.12	41.06
Total Tax Expense of continuing operations		**(452.73)**	**1,453.23**
Profit/(Loss) after tax from continuing operations		**(1,044.25)**	**276.91**
Profit/(Loss) before tax from discontinued operations		**(10676.46)**	**382.22**
Tax Expenses of discontinued operations			
Current Tax		-	-
Deferred Tax		-	-
Total Tax Expense of discontinued operations		**-**	**-**
Profit/(Loss) after tax from discontinued operations		**(10,676.46)**	**382.22**
Total Profit/(Loss) before tax (I)		**(12,173.44)**	**2,112.36**
Total Tax Expenses for the period			
Current Tax		5.83	646.76
Minimum Alternate Tax Credit		-	(134.29)
Deferred Tax		(458.68)	899.70
Tax for Earlier Years		0.12	41.06
Total Tax Expense		**(452.73)**	**1,453.23**
Total Profit for the year (II)		**(11,720.71)**	**659.13**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT for the year ended March 31, 2021 (Contd..)

₹ In Lakhs

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Other Comprehensive Income/(Expense)			
Items not to be reclassified to subsequently Profit or Loss			
Gain/(Loss) on Fair Value of Defined Benefit Plans		42.94	99.20
Income Tax Effect on the above		(13.40)	(33.11)
Gain/(Loss) on Fair Value of Equity instruments measured at FVOCI		(808.71)	576.23
Income Tax Effect on Above		269.95	(192.34)
Total Other Comprehensive Income/ (Expenses) (III)		**(509.22)**	**449.97**
Total Comprehensive Income / (Loss) for the year, net of tax (IV) = (II+III)		**(12,229.93)**	**1,109.10**
Earnings per Equity Share			
(i) Earnings (Loss) per equity share for continuing operations (par value of ₹ 2 each) - Basic and Diluted EPS (in ₹)	32	(2.85)	0.76
(iI) Earnings (Loss) per equity share for discounted operations (par value of ₹ 2 each) - Basic and Diluted EPS (in ₹)		(29.13)	1.04
(i) Earnings (Loss) per equity share for continuing and discounted operations (par value of ₹ 2 each) - Basic and Diluted EPS (in ₹)		(31.98)	1.80

Significant Accounting Policies & Notes to Consolidated Financial Statements 1 to 57

The Notes referred to above form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

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

CA Bijay Murmuria
Partner
Membership No - 055788

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Place: Kolkata
Date: 29th June 2021

Manoj Kumar Digga
Chief Financial Officer

Swati Agarwal
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2021

A) Equity Share Capital (also refer Note 16)

₹ In Lakhs

Particulars	Subscribed and Fully Paid-up		Total Equity share capital
	No. of Shares	Amount	Amount
Balance as at March 31, 2020	**3,66,50,276**	**819.45**	**819.45**
Balance as at March 31, 2021	**3,66,50,276**	**819.45**	**819.45**

B) Other Equity (also refer Note 17)

₹ In Lakhs

Particulars	Capital Reserve	Capital Reserve on Consolidation	Securities Premium	General Reserve	Foreign Currency Translation Reserve	Retained earnings (including Other Comprehensive Income)	TOTAL
Balance as at March 31, 2020	**952.89**	**757.70**	**15,699.78**	**5,929.05**	**-**	**14,302.74**	**37,612.16**
Profit for the year	-		-	-	-	(11,720.71)	(11,720.71)
Other comprehensive income for the year, net of tax	-		-	-	-	(509.22)	(509.22)
Total comprehensive income for the year	-		-	-	-	(12,229.93)	(12,229.93)
Other Additions/ (deductions)	-	-	-	-	-	3.50	3.50
Balance as at March 31, 2021	**952.89**	**757.70**	**15,669.78**	**5,929.05**	**-**	**2,076.31**	**25,385.73**

Significant Accounting Policies & Notes to Consolidated Financial Statements 1 to 57

The Notes referred to above form an integral part of the Consolidated Financial Statements.

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

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

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

CA Bijay Murmuria
Partner
Membership No - 055788

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Place: Kolkata
Date: 29th June 2021

Manoj Kumar Digga
Chief Financial Officer

Swati Agarwal
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ended March 31, 2021

₹ In Lakhs

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before share of Profit/(Loss) of Associates and Joint Ventures & Tax from continuing operations	(1,108.48)	2,065.60
	Profit/(Loss) before tax from discontinuing operations	(10,676.40)	382.22
	Profit before share of Profit/(Loss) of Associates and Joint Ventures & Tax	**(11,784.94)**	**2,447.82**
	Adjustments for:		
	Depreciation and Amortisation expenses	555.90	1,118.07
	Interest Expenses	6,673.75	15,663.38
	Bad debts written off	11,240.75	2,046.36
	Provision for doubtful debts	5,693.64	1,105.89
	Profit on sale of property plant and equipment	-	2.00
	Liabilities no longer required written back	(4,400.42)	(5,311.76)
	Interest Income	(1,092.77)	(1,667.35)
	Operating Profit before Working Capital changes	**6,885.91**	**15,404.41**
	Adjustment for:		
	Increase/(decrease) in trade payables	(24,262.62)	(28,330.66)
	Increase/(decrease) in provisions	(629.12)	178.91
	Increase/(decrease) in other current liabilities	(16,936.51)	(2,650.13)
	(Increase)/decrease in trade receivables	3,587.24	14,313.49
	(Increase)/decrease in inventories	(849.87)	388.41
	(Increase)/decrease in loans and advances	1,109.66	(5,923.05)
	(Increase)/decrease in other current assets	424.50	6,931.07
	Cash generated/(used) from operations	**(30,670.81)**	**312.45**
	Taxes Paid (net of refunds)	438.13	(575.81)
	Net Cash from Operating Activities	**(30,232.68)**	**(263.36)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of PPE including capital work in progress	(33.32)	(476.74)
	Proceeds from sale of PPE	256.55	16,392.56
	Fixed Deposits encashed/ (Invested)	2,445.58	8,984.18
	Sale / (purchase) of non-current investments:	4,932.01	5,260.93
	Loans (given)/repayment received	353.92	(3,716.07)
	Interest received	1,127.87	1,729.14
	Net Cash generated/(used) in Investing Activities	**9,082.61**	**28,174.00**
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Movement in Minority Interest	(384.99)	(19,616.01)
	Net movement in Long Term Borrowings	(2,684.31)	(2,020.91)
	Net movement in Short Term Borrowings	34,172.59	10,223.01
	Interest paid	(8,015.72)	(15,896.50)

CONSOLIDATED STATEMENT OF CASH FLOW for the year ended March 31, 2021 (Contd..)

	Net Cash generated/(used) in Financing Activities	**23,087.57**	**(27,310.41)**
Particulars		**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
D.	**Exchange differences on translation of foreign subsidiaries**	**-**	**(2,257.66)**
	Net Increase/(Decrease) in Cash & Cash Equivalents	1,937.50	(1,657.43)
	Cash & Cash Equivalents at the beginning of the year	2,027.98	3,685.41
	Cash & Cash Equivalents at the end of the year	**3,965.48**	**2,027.98**
	Cash & Cash Equivalents includes:		
	Balance with Banks	3,468.33	2,009.97
	Cash-in- Hand	18.96	18.01
	Term Deposits with original maturity of less than three months	478.19	-
	Total Cash & Cash Equivalents at the end of the year	**3,965.48**	**2,027.98**

Note: The above Consolidated Cash Flow Statement has been prepared under the Indirect method as setout in Indian Accounting Standard 7 (Ind As 7) "Statement of Cash Flows".

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

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

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

CA Bijay Murmuria
Partner
Membership No - 055788

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Place: Kolkata
Date: 29th June 2021

Manoj Kumar Digga
Chief Financial Officer

Swati Agarwal
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

1. CORPORATE INFORMATION

The Consolidated Financial Statements comprised Financial Statements of SPML Infra Limited (the 'Company') and its Subsidiaries (collectively, the 'Group'), its Associates and Joint Arrangements for the year ended 31 March 2021.

The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on two stock exchanges - The BSE Limited and the National Stock Exchange of India Ltd. in India. The Company is engaged in the business of infrastructure development which inter-alia includes water management, water infrastructure development, waste water treatment, power generation, transmission and distribution, solid waste management, and other civil infrastructures. Information about the Group Structure is given in Note 43.

The Consolidated financial statements were authorized for issue in accordance with a resolution of the directors on June 29, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and compliance with Ind AS

These financial statements for the year ended March 31, 2021 have been prepared in accordance with Indian Accounting Standards ("Ind-AS") consequent to the notification of The Companies (Indian Accounting Standards) Rules, 2015 (the Rules) issued by the MCA. Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

Basis of measurement

These Consolidated Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention, except for certain financial instruments measured at fair value, Freehold Land measured at Fair value and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS (refer accounting policies for financial instruments, Property, plant and Equipment and employee benefits).

Functional and presentation currency

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

2.1 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company, Joint operations and its subsidiaries as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

a. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

b. Exposure, or rights, to variable returns from its involvement with the investee, and

c. The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of any entity, the entity prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the entity.

In term of Ind AS 110- " Consolidated Financial Statements", the financial statements of the Group are consolidated on a line- by- line basis by adding together the book/ fair value of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealized Profit/ Loss included therein. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

The excess/shortfall of the cost to the Company of its investments in Subsidiaries over its proportionate share in the equity of the respective investee companies as at the date of acquisition of stake is recognised in the Financial Statement as Goodwill /Capital Reserve, as the case may be.

Subsidiaries are entities over which the group has control. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Investments in associates and Joint ventures are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI").

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

2.2 Investment in Joint Venture

A joint venture is a type of joint arrangement whereby the entities that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the entities sharing control.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity.

2.3 The Consolidated Financial Statements are based on the audited financial statements of subsidiaries, associates and joint ventures except in the following cases where figures have been incorporated based on unaudited financial statements as certified by the management:

Nature of Entity	Name of Entity
Subsidiaries	SPML Infrastructure Limited
	Madurai Municipal Waste Processing Co. Pvt. Ltd.
	SPML Utilities Limited
Associates	Awa Power Company Pvt. Ltd.
	IQU Power Company Pvt. Ltd.
	Neogal Power Company Pvt. Ltd.
	SPML Energy Limited
	Binwa Power Company Pvt. Ltd.
	Sanmati Infra Developers (P) Ltd.
	Delhi Waste Management Limited
	Bhilwara Jaipur Toll Road Private Limited
	Spml Bhiwandi Water Supply Infra Limited
	Spml Bhiwandi Water Supply Management Limited
	Subhash Kabini Power Corporation Limited
Joint Ventures	Hydro Comp Enterprises (India) Limited
	Gurha Thermal Power Co. Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

2.4 Interests in Joint Operations

When the Group has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Group recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Parent Company and its subsidiaries are combined for consolidation. Interests in joint operations are included in the segments to which they relate.

2.5 Summary of significant accounting policies

a) Property, Plant and Equipment

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

Subsequent expenditure relating to Property, Plant and Equipments capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the Statement of Profit and Loss.

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

On transition to Ind AS, the Group has elected to use the fair value of certain assets on the date of transition and designate the same as deemed cost on the date of transition.

b) Intangible assets and Amortisation

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

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

Depreciation/Amortisation

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

The Group has used the following useful economic lives to provide depreciation on its property, plant & equipments.

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

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

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

c) Intangible assets

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

On transition to Ind AS, The Company has applied Ind AS retrospectively, from the date of their acquisition for Intangible Assets

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

d) Impairment of property plant and equipment and intangible assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external or internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value using pre-tax discount rates and risks specific to the asset.

e) Revenue Recognition

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

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

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

Significant judgments are used in:

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

(I) Revenue from operations

a) Revenue from sale of goods including contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Revenue from sale of traded goods is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods. Performance obligations in respect of contracts for sale of traded goods is considered as satisfied at a point in time when the control of the same is transferred to the customer.

b) Revenue from construction/project related activity is recognised as follows:

Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Unbilled Revenue". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

"Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

c) **Commission income is recognised as and when the terms of the contract are fulfilled.**

(II) Other income

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

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

f) Foreign Currency Translations

In the financial statements of the Group, transactions in foreign currencies are translated into the functional currency at the exchange rates ruling at the date of the transaction. Foreign currency monetary items are translated into the functional currency at exchange rates prevailing on the reporting date. Exchange differences arising on settlement or translations of monetary items are recognized in statement of profit and loss.

g) Government Grants

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Grants received against fixed assets are netted off from the cost of the related asset and the depreciation is provided on the net carrying value of those assets.

h) Inventories

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

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

Unbilled Revenue (WIP) is valued at net realizable value. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

i) Employee benefits

(A) Short-term employee benefits

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

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

(B) Post-employment benefits

The Company operates the following post-employment schemes:

i) Employee benefits in the form of Provident Fund is made to a government administered fund and charged as an expense to the Statement of Profit and Loss, when an employee renders the related service. There are no obligations other than the contributions payable to the fund.

ii) Gratuity is administered through an approved benefit fund. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method done at the end of each financial year.

iii) Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods

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j) Leases

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

The Company as lessee:

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

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

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

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

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

k) Borrowing costs

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

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

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

l) Taxes

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

Current income tax

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

Deferred tax

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

m) Provisions

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

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

n) Contingent liabilities

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

o) Earnings Per Share

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

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

p) Cash Flow Statement

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

q) Financial Instruments

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

Financial Assets:

i) Classification

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

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

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

ii) Initial Recognition

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

iii) Subsequent Measurement of Financial Assets

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

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

iv) Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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

v) Derecognition of financial assets

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or

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

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

Financial Liabilities:

i) Classification

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

- those to be measured subsequently at fair value through profit or loss, and

- those measured at amortised cost using the effective interest method.

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

ii) Initial Recognition

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

iii) Subsequent Measurement of Financial Liabilities

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

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

iv) Derecognition of financial liabilities

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

Offsetting of financial instruments

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

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asset and settle the liability simultaneously.

r) Current versus non-current classification

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

2.6 Significant Accounting judgements, estimates and assumptions:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

The areas involving critical estimates or judgement are:

a) Measurement of defined benefit obligations

b) Estimated useful life of intangible assets, property, plant and equipment

c) Recognition of revenue – Contract Revenue is recognized under Percentage of Completion method. When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contracts are recognized as Revenue and Expenses respectively by reference to the stage of completion of the Contract activity.

d) Provision for expected credit losses

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

Particulars	Freehold land	Leasehold Land	Buildings	Temporary site sheds and shuttering materials	Plant and machinery	Furniture and fixtures	Vehicles	Site office/ equipments	TOTAL
GROSS BLOCK									
As at March 31, 2019	**7,618.54**	**31.57**	**6,521.50**	**2,519.24**	**26,612.29**	**799.23**	**2,246.26**	**2,253.48**	**48,602.10**
Additions	-	-	-	-	83.24	3.29	67.43	46.65	200.61
Adjustment for de-consolidation of subsidiary	(120.74)	(21.99)	(1,687.52)	(123.34)	(10,093.91)	112.40	(240.13)	248.91	(11,926.32)
Deductions	-	-	(328.57)		(118.11)	(3.26)	(238.76)	(34.47)	(723.17)
As at March 31, 2020	**7,497.80**	**9.58**	**4,505.41**	**2,395.90**	**16,483.51**	**911.66**	**1,834.80**	**2,514.58**	**36,153.22**
Additions	-	-	-	18.13	3.80	0.45	1.48	9.47	33.32
Deductions	-	-	-		(89.10)	-	-	-	(89.10)
As at March 31, 2021	**7,497.80**	**9.58**	**4,505.41**	**2,414.03**	**16,398.21**	**912.11**	**1,836.28**	**2,524.05**	**36,097.44**
ACCUMULATED DEPRECIATION									
As at March 31, 2019	**-**	**8.53**	**3,374.93**	**2,305.35**	**14,852.31**	**765.65**	**1,684.43**	**2,240.08**	**25,231.27**
Charge for the year	-	1.05	149.55	0.57	695.08	25.50	76.25	39.16	987.16
Deductions	-	-	(136.16)	-	(79.19)	(3.02)	(213.41)	(33.19)	(464.97)
As at March 31, 2020	**-**	**9.58**	**3,388.32**	**2,305.92**	**15,468.20**	**788.13**	**1,547.27**	**2,246.05**	**25,753.46**
Charge for the year	-	-	25.53	0.57	242.15	18.45	54.07	50.00	390.77
Deductions	-	-	0.00	-	(84.65)	-	-	-	(84.65)
As at March 31, 2021	**-**	**9.58**	**3,413.84**	**2,306.49**	**15,625.70**	**806.58**	**1,601.34**	**2,296.05**	**26,059.58**
NET BLOCK									
As at March 31, 2020	**7,497.80**	**-**	**1,117.09**	**89.98**	**1,015.31**	**123.53**	**287.53**	**268.53**	**10,399.76**
As at March 31, 2021	**7,497.80**	**-**	**1,091.57**	**107.54**	**772.51**	**105.53**	**234.94**	**228.00**	**10,037.86**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 4: CAPITAL WIP

₹ In Lakhs

Particulars	Building under construction	Plant & Machinery Under Erection	Toll Road under Construction	Project Development Expenditure	Subsidy	TOTAL
As at March 31, 2019	**412.96**	**5,339.55**	**-**	**(698.56)**	**(423.82)**	**4,630.14**
Additions	-			6,333.27		6,333.27
Less: Adjustment for CWIP Capitalized during the year	(412.96)	(5,339.55)	-	-	423.82	(5,328.69)
As at March 31, 2020	**-**	**-**	**-**	**5,634.71**	**-**	**5,634.72**
Additions	-			-		-
Less: Adjustment for CWIP Capitalized during the year	-	-	-	-	-	-
As at March 31, 2021	**-**	**-**	**-**	**5,634.71**	**-**	**5,634.72**

NOTE 5: RIGHT OF USE ASSETS

₹ In Lakhs

Particulars	Computer Softwares
GROSS BLOCK	
As at March 31, 2019	**154.49**
Additions	218.74
Deductions	
As at March 31, 2020	**373.23**
Additions	**-**
Deductions	**18.05**
As at March 31, 2021	**355.18**
ACCUMULATED DEPRECIATION	-
As at March 31, 2019	**-**
Charge for the year	120.97
Deductions	
As at March 31, 2020	**120.97**
Charge for the year	166.05
Deductions	
As at March 31, 2021	**287.02**
NET BLOCK	
As at March 31, 2020	**252.26**
As at March 31, 2021	**68.16**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 6: INTANGIBLE ASSETS

₹ In Lakhs

Particulars	Rights under service concession arrangement	Computer Softwares	Goodwill on Consolidation	TOTAL
GROSS BLOCK				
As at March 31, 2019	**0.01**	**415.78**	**4,779.09**	**5,194.88**
Additions	40.89	-	25.11	66.00
Adjustment for De-consolidation of Subsidiary	(31.14)	-	(3,256.79)	(3,287.93)
Deductions	-	-	-	-
As at March 31, 2020	**9.76**	**415.78**	**1,547.41**	**1,972.94**
Additions	-	0.14	3.45	3.59
Deductions	-	-	0.00	-
As at March 31, 2021	**9.76**	**415.92**	**1,550.86**	**1,976.53**
ACCUMULATED AMORTISATION				
As at March 31, 2019	**-**	**395.08**	**-**	**395.08**
Charge for the year	9.76	0.18	-	9.94
Deductions		-	-	-
As at March 31, 2020	**9.76**	**395.26**	**-**	**405.02**
Charge for the year	-	0.09	-	0.09
Deductions	-	-	-	-
As at March 31, 2021	**9.76**	**395.36**	**-**	**405.12**
NET BLOCK				
As at March 31, 2020	**0.00**	**20.51**	**1,547.41**	**1,567.92**
As at March 31, 2021	**0.00**	**20.56**	**1,550.86**	**1,571.42**

NOTE 7: NON- CURRENT INVESTMENTS

₹ In Lakhs

	Particulars	No. of Shares/ Units/ Debentures As at March 31, 2021	No. of Shares/ Units/ Debentures As at March 31, 2020	Face Value per Share/ Unit/ Debenture ₹	As at March 31, 2021	As at March 31, 2020
(A)	**In Quoted Equity Instruments at FVOCI**					
	Indian Arcylics Limited	100	100	10	-	-
	Best & Crompton Engineering Limited	200	200	10	-	-
	Net Quoted Investments				**-**	**-**
(B)	**In Unquoted Equity Instruments (Fully paid up) at FVOCI**					
	Bharat Hydro Power Corporation Limited	6,05,00,578	6,05,00,578	10	1,030.00	1,838.71
	Arihant Leasing & Holding Limited	24,000	24,000	10	-	-
	Petrochem Industries Limited	500	500	10	-	-
	SPML India Limited	10,000	10,000	10	-	-
	Hindustan Engineering & Industries Limited (Bonus Shares)	4	4	10	-	-
	Jarora Nayagaon Toll Road Company Pvt. Ltd.	2,44,23,700	2,44,23,700	10	-	0.05
	(The said shares are pledged with OBC against loan taken by the Investee Company)					
	Om Metals- SPML Infra Projects Pvt. Ltd.	4,999	4,999	10	0.50	0.50
					1,030.50	**1,839.26**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 7: NON- CURRENT INVESTMENTS (CONTD..)

₹ In Lakhs

	Particulars	No. of Shares/ Units/ Debentures As at March 31, 2021	No. of Shares/ Units/ Debentures As at March 31, 2020	Face Value per Share/ Unit/ Debenture ₹	As at March 31, 2021	As at March 31, 2020
(C)	**In Debt Instruments (Fully Paid up) (at Amortised Cost)**					
	Escorts Tractors Limited	25	25	1	0.01	0.01
	Hindustan Engineering & Industries Limited	110	110	1	-	-
					0.01	**0.01**
(D)	**In Associate Companies (at Deemed Cost)**					
	Sanmati Infra Developers Private Limited	5,00,000	5,00,000	10	50.00	50.00
	Less: Share in losses of the Associate Company				(50.00)	(50.00)
	SPML Bhiwandi Water Supply Infra Ltd.				**0.00**	**0.84**
	SPML Bhiwandi Water Supply Management Ltd.	2,50,000	2,50,000	1	-	2.50
	Less: Share in losses of the Associate Company				-	(0.99)
					-	**1.51**
	Delhi Waste Management Ltd.	7,78,000	7,78,000	10	1,651.82	1,651.82
	Less: Share in losses of the Associate Company				(708.54)	(539.82)
					943.28	**1,112.00**
	Subhash Kabini Power Corporation Limited*	1,31,72,000	1,31,72,000	10	1,289.54	2,063.18
	Add: Share in losses of the Associate Company				(184.02)	287.62
					1,105.52	**2,350.80**
	Neogal Power Company Private Limited	11,36,774	11,36,774	1	0.00	61.95
	Add: Share in losses of the Associate Company				3.11	-
					3.11	**61.95**
	Awa Power Company Private Limited	26,39,605	26,39,605	1	0.01	190.05
	Add: Share in losses of the Associate Company				-	-
					0.01	**190.05**
	IQU Power Company Private Limited	25,80,500	25,80,500	1	-	245.41
	Less: Share in losses of the Associate Company					-
					-	**245.41**
	Binwa Power Company Private Limited	29,48,340	29,48,340	1	-	-
	Add: Share in losses of the Associate Company				-	-
					-	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 7: NON- CURRENT INVESTMENTS (CONTD..)

₹ In Lakhs

Particulars		No. of Shares/ Units/ Debentures As at March 31, 2021	2020	Face Value per Share/ Unit/ Debenture ₹	As at March 31, 2021	As at March 31, 2020
	SPML Energy Limited	9,95,50,000	9,95,50,000	1	466.94	466.94
	Add: Share in losses of the Associate Company				258.04	-
					724.98	466.94
	Bhilwara Jaipur Toll Road Private Limited*	35,20,302	35,20,302	10	3,408.96	3,408.96
	Less: Share in losses of the Associate Company				(722.10)	(722.73)
	(of the above 12,49,336 equity shares are pledged with ICICI Bank and PNB against loans obtained by the said investee company)				2,686.86	2,686.23
	Total				**(5,463.76)**	**(7115.74)**
(E)	**In Joint Ventures (at Deemed Cost)**					
	Gurha Thermal Power Co. Ltd.	25,000	25,000	10	-	2.50
	MVV Water Utility Pvt. Ltd.	3,64,693	3,64,693	10	108.35	39.32
	Add: Share in Profit of the Joint Venture				(25.05)	70.45
					83.30	**109.77**
	Malviya Nagar Water Services Pvt. Ltd.	22,05,000	22,05,000	10	220.50	220.50
	Less: Share in Loss of the Joint Venture				(220.50)	(220.50)
					-	-
	Aurangabad City Water Utility Company Ltd.	19,405	19,405	1	2.00	2.00
	Less: Share in Loss of the Joint Venture				(2.00)	(2.00)
					-	-
	Hydro Comp Enterprises (India) Limited	22,96,265	22,96,265	1	22.96	22.96
	Less: Share in Loss of the Joint Venture				(22.96)	(22.96)
					-	-
					83.30	**112.27**
(F)	**In Debt Instruments (FVTPL)**					
	Sanmati Infra Developers Private Limited	4,50,000	4,50,000	10	-	-
					-	-
(G)	**In Others**					
	SPM Holdings Pte Limited*				392.28	392.28
(H)	**In Others (at FVTPL)**					
	National Saving Certificate				0.52	0.52
	Mutual Fund	50,000	50,000	10	14.38	14.36
					14.90	**14.88**
	Total				**6,984.74**	**9,474.44**

Note:

All the above investments are stated at values net of impairment loss

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 7: NON- CURRENT INVESTMENTS (CONTD..)

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate value of investments		
Quoted (net of Impairment loss)	-	-
Unquoted (net of Imapirment loss)	6,984.74	9,474.44
Market value of quoted investment	-	-
Aggregate amount of impairment in vaue of investments	2,816.92	623.61

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

Particulars	As at March 31, 2021	As at March 31, 2020
SPM Holdings Pte Limited	392.28	392.28
Subhash Kabini Power Corporation Limited	79.28	79.28
Bhilwara Jaipur Toll Road Private Limited	554.06	554.06
Total	**1,025.62**	**1,025.62**

Notes:

7.1 An application for initiation of Corporate Insolvency Resolution Process ('CIRP'), under Section 7 of the Insolvency and Bankruptcy Code, 2016 has been admitted against Luni Power Company Pvt. Ltd. ('Luni'), a subsidiary of the Parent Company, on December 23, 2019 by the Hon'ble NCLT, Chandigarh Bench. Consequently, since the said date, the Parent Company is not exercising control or significant influence over Luni so as to treat it as its subsidiary or associate and is carrying its equity investment in Luni at FVTPL as at March 31, 2021, in its standalone financial statements. However, accounting impact of derecognizing Luni as a subsidiary of the Parent Company has not been provided in these consolidated financial results as the relevant financial statements/financial information of Luni, duly approved by the IRP/RP/relevant authority, are presently not available. The management of the Parent Company has assessed that the impact of the same on profit before tax and the carrying amounts of assets and liabilities in these consolidated financial results is insignificant / not material. The necessary accounting impact as aforesaid would be provided in the consolidated financial statements when the relevant financial statements/financial information of Luni, duly approved by the IRP/RP/relevant authority, are available

7.2 On Pledge of Investments as held by SPML Infra Ltd. in Associate Companies:

Investments of SPML Infra Ltd. i.e. 29,48,340 Equity Shares in Binwa Power Company Private Limited; 2,92,500 Equity Shares in Delhi Waste Management Limited; 2,24,700 Equity Shares in SPML Bhiwandi Water Supply Infra Limited; 2,50,000 Equity Shares in SPML Bhiwandi Water Supply Management Limited has been pledged as on the Balance Sheet date in favour of the SBICAP Trustee/ S4A Lenders for securing the due repayment of the Debts as restructured under the "SPML S4A Scheme" as approved by the Overseeing Committee (governed under RBI) with the super majority of the Lenders Banks.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 8: CURRENT INVESTMENTS

₹ In Lakhs

Particulars	No. of Shares/ Units/ Debentures As at March 31, 2021	2020	Face Value per Share/ Unit/ Debenture ₹	As at March 31, 2021	As at March 31, 2020
Trade (measured at FVTPL)					
Unquoted					
Equity Shares (Fully Paid-up)					
Jarora Nayagaon Toll Road Company Private Limited*	-	2,44,23,200	10	-	2,442.32
Total	**-**	**2,44,23,200**		**-**	**2,442.32**

*SPML infrastructure limited had entered into the sale agreement with Viva Highways Limited for the sale of shares in Jaora - Nayagoan Toll Road Co. Private Limited in the year (11th Nov 2014). However the sale transactions has not been completed as on March 31, 2020 due to the non completion of terms/restristrictions placed by the share holders agreement.

During the year the Viva Highways Limited, Buyer of the investments, provided the further undertaking and confirmed that the entire risk and rewards on these shares belongs to them and any obligation arises in future on the company due to earst while share holder agreement, will be take care by them or fulfilled by them. Accordingly considering that the company is no more beneficial owner of the investment and does not have any control on these investments, derecognised the investments during the year and profit on the sale of these investments have been recognised in statement of profit and loss accordingly.

NOTE 9: TRADE RECEIVABLES (AT AMORTISED COST)

₹ In Lakhs

Particulars	Non-current As at March 31, 2021	Non-current As at March 31, 2020	Current As at March 31, 2021	Current As at March 31, 2020
Trade Receivables	26,011.06	41,236.04	44,299.56	46,214.75
Trade Receivables- Related parties	23.16	-	2,868.31	1,664.36
Trade Receivables - which have significant increase in credit risk	-	-	-	-
Trade Receivables - Credit Impaired	5,800.71	3,447.95	-	-
Less: Allowance for Expected Credit Loss	(19,518.48)	(15,000.65)	(1,105.31)	(1,105.31)
Total	**12,316.46**	**29,683.34**	**46,062.56**	**46,773.80**

Break- up for Security details:

₹ In Lakhs

Particulars	Non-current As at March 31, 2021	Non-current As at March 31, 2020	Current As at March 31, 2021	Current As at March 31, 2020
Trade Receivables				
Secured, Considered good	-	-	-	-
Unsecured, Considered good	26,034.22	41,236.04	47,167.87	47,879.11
Considered doubtful	5,800.71	3,447.95	-	-
	31,834.93	**44,683.99**	**47,167.87**	**47,879.11**
Allowance for Expected Credit Loss				
on unsecured, considered good	(13,717.76)	(11,552.70)	-	-
on considered doubtful	(5,800.71)	(3,447.95)	-	-
	(19,518.48)	**(15,000.65)**	**-**	**-**
Total	**12,316.46**	**29,683.34**	**47,167.87**	**47,879.11**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 10: LOANS (AT AMORTISED COST)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Advance for Share Application Money to others	45.00	45.00	-	-
Security Deposits	960.32	899.01	467.68	488.59
Loans to related parties (Refer Note 38)	7,827.75	8,181.68	26.39	26.38
Loans to others	614.12	614.12	-	-
Total	**9,447.19**	**9,739.81**	**494.07**	**514.97**

Break-up:

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Loans considered good - Secured	-	-	-	-
Loans considered good - Unsecured	10,263.52	9,925.03	494.07	514.97
Loans which have significant increase in credit risk	-	-	-	-
Loans credit Impaired	-	-	-	-
	10,263.52	**9,925.03**	**494.07**	**514.97**
Less:- Allowance for Expected Credit Loss	816.33	185.22	-	-
Total	**9,447.19**	**9,739.81**	**494.07**	**514.97**

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

NOTE 11: OTHER FINANCIAL ASSETS (AT AMORTISED COST)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Deposits with original maturity of more than 12 months (Refer note 15)	1,395.83	4,453.18	-	-
Unbilled Revenue			75,667.07	79,199.36
Interest Accrued on Fixed deposit/ Loan	305.66	365.11	1,411.81	1,387.46
Receivable against Sale of Investments	-	-	-	200.00
Retention from Customers	-	-	22,463.94	24,907.45
Total	**1,701.49**	**4,818.29**	**99,542.82**	**1,05,694.27**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

12: TAX ASSETS AND TAX LIABILITIES

12.1: TAX ASSETS

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Advance income-tax (net of provision for taxation)	4,833.87	5,462.76	432.58	499.44
Total	**4,833.87**	**5,462.76**	**432.58**	**499.44**

12.2: TAX LIABILITIES

₹ In Lakhs

Particulars	Current	
	As at March 31, 2021	As at March 31, 2020
Provision for income-tax (net of advance tax)	0.24	(0.24)
Total	**0.24**	**(0.24)**

NOTE 13: OTHER ASSETS

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Capital advances	3,324.31	3,560.94	-	-
Advances recoverable in cash or kind	-	-	5,930.88	5,548.13
Mat Credit Entitlement	-	-	9.90	9.90
Prepaid expenses	-	-	79.85	364.79
Balances with statutory / government authorities	-	-	11,848.21	12,998.29
Subsidies Recievable	-	272.68	-	-
Interest accrued on arbitration awards	26,044.30	23,399.92	-	-
Other non current assets	2,608.76	1,770.46	19.31	19.31
Total	**31,977.37**	**29,004.00**	**17,888.15**	**18,940.42**

NOTE 14: INVENTORIES

(VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

₹ In Lakhs

Particulars	Current	
	As at March 31, 2021	As at March 31, 2020
Material at sites	6,941.53	6,105.63
Work in progress	83.04	83.04
Stores and spares	99.03	85.06
Total	**7,123.60**	**6,273.73**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 15: CASH AND BANK BALANCES (AT AMORTISED COST)

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents				
Balances with banks:				
On current accounts	-	-	3,468.33	2,009.97
Deposits with original maturity of less than three months	-	-	478.19	-
Cash on hand	-	-	18.96	18.01
(A)	**-**	**-**	**3,965.48**	**2,027.98**
Other bank balances				
Balances with banks:				
"Deposits with original maturity for more than 3 months but less than 12 months *"	1,395.83	4,453.18	-	1,358.97
Deposits with original maturity for more than 12 months *	-	-	1,970.74	-
(B)	**1,395.83**	**4,453.18**	**1,970.74**	**1,358.97**
Amount disclosed under non-current assets (Refer Note No. 11)	(1,395.83)	(4,453.18)	-	-
Total (A+B)	**-**	**-**	**5,936.22**	**3,386.95**

* Receipts lying with banks as security against Letters of Credits, Guarantees and Demand Loan Facilities issued by them and with clients.

NOTE 16: SHARE CAPITAL

₹ In Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Authorized capital				
Equity shares par value ₹ 2 each	20,00,00,000	4,000.00	20,00,00,000	4,000.00
Preference shares par value ₹ 100 each	10,00,000	1,000.00	10,00,000	1,000.00
	20,10,00,000	**5,000.00**	**20,10,00,000**	**5,000.00**
Issued, subscribed and paid-up capital				
Equity shares par value ₹ 2 each	3,66,50,276	733.01	3,66,50,276	733.01
Add: Forfeited shares (amount originally paid up)	-	86.44	-	86.44
	3,66,50,276	**819.45**	**3,66,50,276**	**819.45**

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

Equity Shares

₹ In Lakhs

Particulars	2020-21		2019-20	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
At the beginning of the year	3,66,50,276	733.01	3,66,50,276	733.01
Calls in arrears	-	-	-	-
Outstanding at the end of the year	**3,66,50,276**	**733.01**	**3,66,50,276**	**733.01**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 16: SHARE CAPITAL (CONTD..)

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled one vote per share. 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

₹ In Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Client Rosehill Limited	54,93,876	14.99	54,93,876	14.99
Zoom Industrial Services Limited	25,00,000	6.82	25,00,000	6.82
SPML India Limited	21,19,055	5.78	21,19,055	5.78
Canara Bank	20,14,450	5.50	17,51,336	4.78

d. In pursuance of the implementation of "SPML S4A Scheme", the Promoters of the Company had diluted their shareholding in the Company to the extent of "Principle of Proportionate loss sharing by Lenders (S4A Lenders)" in favour of the Lender Banks to entitle them to hold 21.44% stake in the Company. On Pledge of Shares held by Promoters of SPML Infra Ltd. As on balance sheet dated 31.03.2021 Lenders are holding 12.20% shareholding in the Company

e. In terms of the "SPML S4A Scheme" as approved by the Overseeing Committee (governed under RBI) the entire debt of the Company as bifurcated into Part A Debt and Part B Debt together with all interest thereon shall be secured by pledge of entire unencumbered Shares of the Company (SPML) as held by existing Promoters in favour of SBICAP Trustee Ltd. (the Debenture Trustee) for the benefit of the S4A Lenders. The Promoters & the Promoter Group as on 31.03.2021 are collectively the legal and beneficial owners of 29.88% Shares of the Company. Accordingly, the Promoters of the Company had as on 31.03.2021 pledged 29.88% of the Shares as held by them in favour of the Debenture Trustee

NOTE 17: OTHER EQUITY

₹ In Lakhs

Particulars		As at March 31, 2021	As at March 31, 2020
A.	Capital reserve	952.89	952.89
B.	Capital reserve on consolidation	757.70	757.70
C.	Securities premium account	15,669.78	15,663.78
D.	General reserve	5,929.05	5,929.05
E.	Other Comprehensive Income	(239.64)	269.58
F.	Retained Earnings (movements given below)	2,315.95	14,033.16
Total		**25,385.73**	**37,612.15**

Movement in Retained Earnings

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	14,033.16	13,300.46
Add: Profit for the year	(11,720.71)	659.13
Add: De-Console Profit/(Loss)	3.50	73.57
Closing Balance	**2,315.95**	**14,033.16**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 18: BORROWINGS

₹ In Lakhs

Particulars	Non-current	
	As at March 31, 2021	As at March 31, 2020
Secured		
Term loans		
from banks (Refer note 18.1)	1,512.75	2,493.68
from financial institutions (Refer note 18.2)	-	-
0.01% Optionally Convertible Debentures		
issued to banks (Refer note 18.7)	52,858.17	52,858.17
issued to financial institutions (Refer note 18.7 (d))	1,677.00	1,677.00
Deferred payment credits		
from others (Refer note 18.3)	47.35	59.48
Unsecured		
Term loans		
from related parties (Refer note 18.6)	7,952.33	9,275.09
from Body Corporate (Refer note 18.5)	985.89	985.89
Total	**65,033.49**	**67,349.31**
Current maturities of Long term Borrowings	2,993.22	3361.72
Less: Amount clubbed under "Other Current Financial Liabilities" (Refer Note 22)	(2,993.22)	(3,361.72)
Total	**65,033.49**	**67,349.31**

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

Nature of securities	Outstanding (₹ in Lakhs)		Nos. of installments outstanding as on March 31, 2021 (remaining)		Rate of interest
	As at March 31, 2021	As at March 31, 2020	Quarterly	Monthly	
The loan is secured by first Pari- Passu and exclusive charge by way of Equitable mortgage of the entire project assets (both movable and immovable) of Luni Power Company Private Limited, both present and future, first Pari- passu and exclusive charge by way of hypothecation of the entire Project movable assets of the Company, both Present and future, equitable mortgage of land measuring 1.01 hectares, assignment of all project revenue and receivables exclusively to the Bank, assignment of development rights over 4.06 hectares of forest/ government land, deposit of ₹ 40 Lakhs, 36.23% of shares of Luni Power Company Private Limited held by Subhash Kabini Power Corporation Limited, corporate guarantee by Subhash Kabini Corporation Private Limited and personal guarantee by the promotor director of the Luni Power Company Private Limited.	1,119.87	1,119.87	-	-	BPLR + 4.75 %

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 18: BORROWINGS (CONTD..)

Nature of securities	Outstanding (₹ in Lakhs)		Nos. of installments outstanding as on March 31,2021 (remaining)		Rate of interest
	As at March 31, 2021	As at March 31, 2020	Quarterly	Monthly	
The said loan is secured by first Hypothecation charge over all the fixed Assets purchased out of bank finance present and future, assignment of all contract/licenses in connection with project, negative lien on the shares of the company and charge on carbon credit receivable. Second charge on the other fixed assets and collateral security of Madurai Municipal Waste Processing Company Private Limited given for Term Loan (first charge for the Term Loan). Personal guarantee of Mr. Sushil Kumar Sethi and Rishabh Sethi. Corporate guarantee of Ultimate Holding Company and SPML Utilities Limited.Total overdue Loan amount as on March 31, 2021 is ₹ NIL Lakhs (including Interest).	-	1,280.00	-	-	BPLR + 6.50 %
Term loan of ₹ 7.36 Lakhs carries (₹ 8.37 Lakhs) interest @ 11.75 % p.a. (YBL +1.50% p.a.) and is repayable in 5 quarterly instalments of ₹ 7.75 Lakhs each along with interest thereon starting from February 2019 and ending by February 2020. The said loan is secured by way of 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 Chairman of the Company and pledge of shares of the Company by the promoters/ associates. Corporate Loan of ₹ 2,898.08 Lakhs (₹ 3,003.69 Lakhs) from Consortium Member-Banks carries interest ranging from @ 12.65% p.a. and are repayable in uneven quarterly instalments along with interest thereon by FY 2022-2023. The said loans are secured on pari-passu basis by (i) Extension on all the current and non-current assets of the Company (both present and future) (ii) Exclusive mortgage on two Immovable Properties situated at Sarita Vihar, New Delhi owned by relatives of the Promoters (iii) Negative lien on one property at New Delhi owned by one of the associates (iv) Pledged shares of the Company held by Promoters/Associates. In addition, these loans are also secured by Personal Guarantee of relatives of promoter and others to the extent of the value of the their mortgaged properties as well as Personal Guarantees of the Promoters of the Company.	2,905.44	3,309.13	47.00	-	-
The said loan is secured against Motor Vehicle of SPML Infrastructure Limited	30.47	44.41	-	-	-
The said loan taken by Bhagalpur Electricity Distribution Company Private Limited are taken at 14.5% rate of interest and repayable after a period of 10 years.	18.67	101.99	-	-	-
	4,074.45	**5,855.40**	**47.00**	**-**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 18: BORROWINGS (CONTD..)

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

Term Loan of ₹ 335.41 Lakhs (P.Y. ₹ 270.81 Lakhs) from a Financial Institution carries interest @ 13.55% p.a. (IBR +2.80% p.a.) and is repayable in twelve equated quarterly instalments by April 2021. The said loan is secured against an exclusive charge on (i) the Immovable Property situated at Faridabad owned by one of group entities (ii) Immovable Property of the Company situated in Gangapur, Sawai Madhopur in Rajasthan (iii) Pledge of shares of the Company held by Promoters/Group entities giving coverage of 1x of Loan amount. Further, the Loan is also backed by Personal Guarantee of Main Promoters, Corporate Guarantee & PDCs given by one of group entities. (Name of the entity is SPML Industries Limited)

18.3 Deferred payment credits from financial companies is secured against hypothecation of vehicle purchased against such loans which are repayable in 48 equated monthly installments carrying compounding interest rate of 10.81% p.a.

18.4 As at the year ended March 31, 2021, the Holding Company has defaulted in repayment of dues upto 90 days amounting to ₹ 14,906.67.36 Lakhs (P.Y ₹ 17,647.36 Lakhs) and dues exceeding 90 days amounting to ₹ 58,939.70 Lakhs (P.Y ₹ 6,521.40) in respect of Banks. The Company has also defaulted in repayment of dues upto 90 days amounting to ₹ 137.59 Lakhs (P.Y ₹ 139 Lakhs) and dues exceeding 90 days accounting to ₹ 392.30 (P.Y. ₹ NIL) in resptect of financial institution.

18.5 Loan from Body Corporate:

₹ 985.89 Lakhs (P.Y ₹ 985.89 Lakhs) Loans from body corporates are repayable within a maximum period of 10 years.

18.6 Loan from Related Parties:

₹ 7,952.33 Lakhs (P.Y: ₹ 9,275.09 Lakhs) is repayable after one year and carries interest rate @ 8.60% p.a. to 18%

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

The Ultimate Holding Company had allotted Unlisted, Unrated, Redeemable, Optionally Convertible Debentures (OCDs) of the ₹ 1000/- each under eight series to the Lender Banks in proportion to their participation in the S4A restructuring scheme against conversion of part of their dues. The said eight series of OCDs are secured by way of:

a. OCDs issued under Series A, B, C & H are secured by way of first ranking charge in favour of the Security Trustee (appointed for the benefit of the Secured Parties/debenture holders on pari-passu basis) on (i) Hypothecation of Stocks and Book Debts of the Ultimate Holding Company, both present and future and all other current assets and non-current receivable (ii) Hypothecation of Plant and Machinery, Furniture & Fixtures and office equipment (iii) Lien on Fixed Deposit having issue value of ₹ 38 Lakhs in favour of Lead Banks.

b. OCDs issued under Series D are secured by way of exclusive charge in favour of Yes Bank Ltd. on Pledge of shares of the Ultimate Holding Company held by Promoters/ Associates as well as subservient charge on moveable fixed assets and all current assets of the Company, both present and future. Further, these OCDs are also backed by Personal Guarantee of one Promoter of the Company.

c. OCDs issued under Series E are secured by way of first ranking charge in favour of the Security Trustee (appointed for the benefit of the Secured Parties/debenture holders on pari-passu basis) (i) on all the current assets of the Ultimate Holding Company (both present and future) (ii) Exclusive charge on two Immovable Properties situated at Sarita Vihar, New Delhi, (iii) Pledge of Shares of the Company held by Promoters/Associates (iv) Negative lien on one property at New Delhi owned by one of the Associates. In addition, these OCDs are also secured by Personal Guarantee of two property owners to the extent of the value of the properties as well as Personal Guarantee of Promoters.

d. OCDs issued under Series F are secured by way of exclusive charge in favour of IFCI Limited on (i) the Immovable properties owned by one of group entities situated in Faridabad. (ii) Immovable properties owned by the company situated in Sawai Madhopur, Rajasthan (iii) Pledge of shares of the Company held by Promoters/Group entities giving coverage of 1x of loan amount. Further, the loan is also backed by Personal Guarantee of Main Promoters, Corporate Guarantee and PDSs given by one of group entities of the Company.

e. OCDs issued under Series G are secured by way of exclusive charge in favour of ICICI Bank Ltd. on the Immovable Property of the Ultimate Holding company situated in Gurugram.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 18: BORROWINGS (CONTD..)

f. OCD carry Coupon Rate of 0.01% p.a. to be paid in the first instance from November 01, 2017 to March 31, 2018 and thereafter at the end of each financial quarter commencing from last coupon payment date and ending on the next coupon payment date. OCDs carrying Yield-to-Maturity (YTM) of 8.15% p.a. are redeemable after a moratorium period of five years from the date of issue starting from quarter ending December, 2022 and ending on quarter ending September, 2027.

18.8 Restructuring of entire Debts as availed from the Banks/Financial Institutions under Scheme for Sustainable Structuring of Stressed Assets ("SPML S4A Scheme"):

The Ultimate Holding Company's debt has been restructured under the Scheme for Sustainable Structuring of Stressed Assets ("SPML S4A Scheme") as approved by the Overseeing Committee (constituted under the aegis of the RBI) on October 06, 2017.Pursuant to the approval of the Company's business re-orginasation plan by S4A, a frame work agreement had also been executed on November 01, 2017 among the Company and lenders. In terms of the S4A the Company's debt potfolio was reorganised/reallocated. Consequentially, 54,53,517 Optionally Convertible Debentures (OCDs) of ₹ 1,000 each (carrying coupon rate @0.01 % p.a. with an YTM @8.15% p.a.) were issued in favour of the lender Banks based on their subscription to the OCDs.The security details are given here under.

18.9 Note for Right of Re-compensation:

The Ultimate Holding Company acknowledges that the S4A Lenders reserves a right of recompense ("RoR") for Concessional Interest Rates.The recompense payable by the company after the final redemption date depends on various factors such as improved performance of the Company, Cash Inflow & other conditions.

NOTE 19: TRADE PAYABLES

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Trade Payables:				
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,242.15	9,475.04	38,572.94	62,969.29
Total outstanding dues of micro enterprises and small enterprises (Refer Note 36)	-	-	58.22	92.03
Total	**5,242.15**	**9,475.04**	**38,631.16**	**63,061.32**

NOTE 20: PROVISION

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits				
Gratuity (refer note 35)	307.70	329.70	121.35	164.27
Compensated absences	-	-	47.45	47.45
Total	**307.70**	**329.70**	**168.80**	**211.72**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 21: BORROWINGS

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
From banks		
Secured		
Cash Credit and working capital facilities (refer note 21.1)	1,05,802.15	73,309.25
Unsecured		
From Related Parties and Bodies Corporates (refer note 21.2, 21.3)	10,455.11	8,775.42
Total	**1,16,257.26**	**82,084.67**

21.1. Cash credit and working capital facilities 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 One member bank as a pari passu charge with other consortium banks. 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 @ 11.70% to 16.25% p.a.

21.2. Loan from related parties is repayable on demand and carry interest @ 0% to 14.5%.

21.3. Loans from bodies corporate carries interest @ 12% p.a to 18% p.a.

NOTE 22: OTHER FINANCIAL LIABILITIES

₹ In Lakhs

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term borrowings (Refer Note 18)	-	-	2,993.22	3,361.72
Advance from Customers	4,518.40	5,479.41	6,282.27	18,449.82
Lease Liability	-	88.63	74.48	174.47
Financial Guarantee Obligation	427.40	548.09	-	-
Interest Accrued on mobilzation advance	-	-	1,319.26	1,652.06
Interest accrued and due on borrowings	-	-	456.92	1,429.43
Interest accrued and not due on borrowings	-	-	76.86	113.52
Total	**4,945.80**	**6,116.13**	**11,203.01**	**25,181.02**

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

NOTE 23: OTHER CURRENT LIABILITIES

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Dues payable	1,440.84	1,729.31
Other Liabilities	1,084.06	4,294.23
Total	**2,524.90**	**6,023.54**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 24: DEFERRED TAX ASSETS / (LIABILITIES)

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities		
Fair Valuation of Land	1.19	1.19
Arising out of temporary difference in property, plant and equipment	57.28	57.28
Impact of Fair valuation of Investments	384.81	384.81
Provision as per Expected Credit Loss Model	883.62	883.62
Arising due to Other temporary differences	326.27	287.88
Gross Deferred tax liabilities	**1,653.17**	**1,614.78**
Deferred tax assets		
Arising out of temporary difference in property, plant and equipment	3,937.53	3,937.53
Impact of Fair valuation of Investments	736.15	278.60
Adjustment for Modified Retrospective Impact of Ind AS 115 as on 01.04.2018	5,368.35	5,368.35
Provision as per Expected Credit Loss Model	1,207.59	961.20
Arising due to Other temporary differences	398.57	353.77
	11,648.15	**10,899.45**
Gross Deferred tax assets	**9,995.02**	**9,284.67**

Income tax expense in the Statement of profit and loss

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax charge	5.83	646.76
Adjustments in respect of current income tax of previous year	0.12	41.06
MAT Credit utilisation	-	-
Deferred tax	-	-
Total	**5.95**	**687.82**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	(12,173.44)	2,112.36
At India's statutory income tax rate of 34.608% (31 March 2020: 34.608%)	(4,212.98)	731.04
Effect of Profit chargeable at different rate and disallowances under IT Act	3,923.07	(368.02)
Effect of tax on Elimination due to consolidation	51.52	51.53
Effect of Other income not chargeable to Income tax	196.36	196.36
Effect of share of Associates and Minority interest	106.38	94.37
Others	(58.52)	(58.52)
Income tax expense reported in the statement of profit and loss	**5.83**	**646.76**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 25: REVENUE FROM OPERATIONS

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Operating Revenue		
- Construction/EPC Contracts	64,256.42	84,878.21
- Sale of Traded Goods	-	78,510.82
- Sale of Power	-	2,068.07
- Operation and Maintenance	1,384.54	1,801.05
- Municipal Services	-	34.13
Other operating revenue		
- Interest Income as per Arbitration Awards	2,644.38	2,522.09
- Miscellaneous	-	833.36
Total	**68,285.34**	**1,70,647.73**

25.1 Detail of Trading Sales

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
- Steel Products	-	14,765.98
- Coal	-	63,744.84
Total	**-**	**78,510.82**

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

25.3 Contract balances

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables	58,379.02	76,457.14
Contract assets	98,131.01	1,04,106.81
Contract liabilities	10,800.67	23,929.23

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

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

Decrease in the trade receivables, contract assets and contract liabilities as at March 31, 2021 from April 01, 2020 is on account of changes in operations of the Company. Impairment loss recognized on trade receivables have been disclosed in note 6. No Impairment loss has been recognised on contract assets since the management is of the opinion that the contract assets are fully recoverables.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 25: REVENUE FROM OPERATIONS (CONTD..)

Changes in contract assets are as follows:

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**1,04,106.81**	**1,02,503.68**
Add: Revenue recognised during the year	25,639.92	24,488.88
Less: Amount received against contracts and invoicing of unbilled revenue during the year	(31,615.72)	(22,885.75)
Less: Adjustment for Modified Retrospective Impact of Ind AS 115 as on 01.04.2018	-	-
Balance at the end of the year	**98,131.01**	**1,04,106.81**

Changes in contract liabilities are as follows:

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**23,929.23**	**26,137.41**
Add: Amount Received against contract work commenced during the year	8,352.60	4,027.75
Less: Revenue recognised during the year out of opening balance	(21,481.16)	(6,235.93)
Balance at the end of the year	**10,800.67**	**23,929.23**

NOTE 26: OTHER INCOME

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income on		
Loans given	553.65	357.02
Bank deposits	238.83	785.54
Income tax refund	179.60	308.21
Others	120.69	216.58
Other Non Operating Income		
Sundry balances/liabilities no longer required written back (Refer Note 44)	4,400.42	5,311.76
Expected Credit Loss Reversals on Trade Receivables	-	2,118.42
Miscellaneous Income	884.22	1,768.71
Total	**6,377.41**	**10,866.24**

NOTE 27: MATERIALS CONSUMED AND OTHER CONSTRUCTION EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Construction materials and stores and spare consumed		
Inventory at the beginning of the year	6,190.69	5,738.36
Add: Purchases	17,601.88	39,835.40
	23,792.57	45,573.76
Less: Inventory at the end of the year	7,040.56	6,550.27
	16,752.01	**39,023.49**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 27: MATERIALS CONSUMED AND OTHER CONSTRUCTION EXPENSES (CONTD..)

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Construction Expenses		
Subcontractor charges	36,932.19	29,148.87
Drawing and designing charges	0.89	23.81
Equipment hire and running charges	378.38	213.52
Others	1,260.48	2,323.64
	38,579.34	**31,709.84**
Total	**55,331.35**	**70,733.33**

NOTE 28: EMPLOYEE BENEFITS EXPENSE

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages and Bonus	2,405.97	4,757.45
Contribution to Provident and Others Funds	74.65	294.49
Gratuity expense	75.28	96.84
Staff Welfare Expenses	66.35	207.49
Total	**2,622.25**	**5,356.27**

NOTE 29: FINANCE COSTS

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest	6,673.75	15,637.43
Finance Cost on Lease	21.36	25.95
Other borrowing costs	0.02	29.03
Total	**6,695.13**	**15,692.41**

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on Tangible Assets	389.76	987.16
Depreciation on ROU Assets	166.05	120.97
Amortisation of Intangible Assets	0.09	9.94
Total	**555.90**	**1,118.07**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 31: OTHER EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent (Refer Note 34)	171.64	334.65
Rates and taxes	52.02	159.68
Repairs and maintenance:		
Building	16.48	92.27
Plant and machinery	30.89	88.92
Others	25.61	36.23
Insurance	333.84	325.60
Advertisement expenses	0.24	6.23
Professional charges and consultancy fees	1,115.69	2,137.47
Vehicle running charges	93.40	232.98
Travelling and conveyance	58.71	418.37
Communication expenses	25.27	62.59
Power and fuel	77.19	233.04
Charity and donations	0.31	7.11
Auditor's remuneration	42.42	77.24
Business promotion	-	142.75
Loss on sale of fixed assets (net)	-	2.00
Bad debts / sundry balances written off	564.29	2,428.58
Expected Credit Loss on Loans to a joint venture and to associates	526.34	185.22
Impairment of equity investments in certain associates	1,384.52	185.04
Expected Credit Loss on Trade Receivables	4,517.83	1,105.89
Expected Credit Loss on Doutful Advances	1,175.81	-
Miscellaneous expenses	354.10	2,252.57
Total	**10,566.60**	**10,514.43**

NOTE 32: BASIS FOR CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE IS AS UNDER:

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit attributable to equity holders of the parent for basic earnings	(11,720.71)	659.13
Weighted average number of equity shares for basic EPS	3,66,50,276	3,66,50,276
Nominal value of equity per share (₹)	2	2
Earnings per Share - Basic & Diluted (₹)	**(31.98)**	**1.80**

NOTE 33: COMMITMENTS AND CONTINGENCIES

a. Commitments

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on Capital Account(net of capital advance of ₹ 125.32 Lakhs (31 March 2020: ₹ 111.67 Lakhs)	125.32	111.67

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 33: COMMITMENTS AND CONTINGENCIES (CONTD..)

b. Contingent liabilities

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the Group not acknowledged as debt		
(a) Demand for license fees raised by Mines and Minerals Department, Government of Bihar	83.41	83.41
(b) Legal suits filed against the Company by third parties towards claims disputed by the Company relating to supply of goods and services	102.00	102.00
(c) Legal suits filed against the Company by ex- employees towards claims disputed by the Company relating to non payment of their dues	4.36	4.36
	189.77	**189.77**
Claims towards liquidated damages not acknowledged as debts by the Group	14,462.92	14,111.78
(Against the above, debts of the like amount are withheld by the customer. However, the Group expects no liability to accrue on account of these claims.)		
Outstanding Bank guarantees and letters of credit	-	-
Disputed demands		
(a) Excise/ Service Tax	23.13	23.13
(b) Sales Tax / VAT	3,932.29	2,707.91
Total	**18,608.11**	**17,032.59**

c. Guarantees Given

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Corporate Financial Guarantees given to banks for financial assistance extended to various Companies within the Group	27,586.52	29,932.34
Performance Guarantees given on behalf of various Companies within the Group:	216.00	1,964.26
Total	**27,802.52**	**31,896.60**

NOTE 34: LEASES

Company as a Lessee

Disclosure in accordance to Ind AS 116 is as below:

Lease Assets and Lease Liabilities

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Assets		
Right of Use Assets (Refer Note 5)	68.16	252.26
Liabilities		-
Lease Liabilities (Refer note 22)		
- Current	-	88.63
- Non Current	74.48	174.47

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 34: LEASES (CONTD..)

Expenses Debited to Statement of Profit & Loss Account

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation and Amortisation	166.05	120.97
Finance Cost	21.36	25.95
Short Term Lease Payments	171.59	334.65

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

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	**252.25**	**154.49**
Addition/(Deduction) during the year	(18.05)	218.73
Depreciation Expense	(166.05)	(120.97)
Closing Balance	**68.15**	**252.25**

Carrying amounts of lease liabilities and the movements during the year:

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	**263.10**	**154.49**
Addition/(Deduction) during the year	(19.94)	218.73
Interest expense during the year	21.36	25.95
Payments	190.04	136.07
Closing Balances	**74.48**	**263.10**
- Current	74.48	174.47
- Non Current	-	88.63

The effective interest rate for lease liabilities is 12.65%, with maturity between April 2019 & September 2022

₹ In Lakhs

Maturity analysis of lease liabilities are as follows:	As at March 31, 2021	As at March 31, 2020
1 Year	74.48	**174.47**
2 to 5 Years	-	358.81

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 35: EMPLOYEE BENEFIT OBLIGATION

(a) Defined Benefit Plan

The following tables summaries the components of net benefit expenses recognized in the Consolidated Statement of Profit & Loss and OCI amounts recognized in the balance sheet:

₹ In Lakhs

Particulars	Gratuity Unfunded	
	As at March 31, 2021	As at March 31, 2020
Changes in the present value of defined benefit obligation		
Present value of defined benefit obligation as at year beginning	493.97	736.98
Current Service Cost	36.55	21.95
Interest Cost	33.85	44.42
Adjustment for deconsol of subsidiaries	(10.36)	(195.48)
Benefits Paid	(92.38)	0.00
Remeasurements (gains)/losses		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	4.88	21.10
Actuarial (gains)/losses arising from changes in experience adjustments	(47.82)	(135.00)
Present value of defined benefit obligation as at year end	**418.68**	**493.97**

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Plan Assets at the beignning of the year	-	-
Expected return on Plan assets	-	-
Contribution by Employer	-	-
Actual benefits paid	-	-
Actuarial Gains/ (losses)	-	-
Plan Assets at the end of the year	**-**	**-**

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Amounts Recognised in the Balance Sheet		
Present value of defined benefit obligation at the year end	418.68	493.97
Fair Value of the Plan Assets at the year end		
Liability/(Asset) Recognised in the Balance Sheet	**418.68**	**493.97**

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Expense recognised in the Statement of Profit and Loss:		
Current Service Cost	36.55	21.95
Net Interest Cost/(Income)	33.85	44.42
Net Cost Recognised in the Statement of Profit and Loss	**70.39**	**66.37**
Expense recognised in the Other Comprehensive Income:		
Remeasurements (gains)/losses	(42.94)	(99.20)
Net Cost Recognised in Other Comprehensive Income	**(42.94)**	**(99.20)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 35: EMPLOYEE BENEFIT OBLIGATION (CONTD..)

(i) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below

Significant Actuarial Assumptions	As at March 31, 2021	As at March 31, 2020
Discount rate	6.90%	7.70%
Mortality Rate	100%	100%
Withdrawal Rate	Varying between 8% per annum and 1% per annum depending on duration and age of employees	Varying between 8% per annum and 1% per annum depending on duration and age of employees
Salary Growth Rate (%)	5-10%	5-10%
Experience Adjustments on Plan Liabilities	Not Available	Not Available

(ii) A quantitative sensitivity analysis for significant assumption is as shown below

₹ In Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
Assumptions	Discount rate		Discount rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	393.20	448.13	464.98	525.80

₹ In Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
Assumptions	Withdrawal rate		Withdrawal rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	421.23	416.03	495.99	490.48

₹ In Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
Assumptions	Future Salary		Future Salary	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	444.28	396.42	521.85	468.20

(iii) Risk Exposure

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

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

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 35: EMPLOYEE BENEFIT OBLIGATION (CONTD..)

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

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

(iv) Maturity profile of the defined benefit obligation

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Weighted Average duration of the defined benefit obligation	6.54	6.54
Expected benefit payments for the year ending (₹ in Lakhs)		
Not Later than 1 year	-	0.74
Later than 1 year and not later than 5 years	0.01	3.69
More than 5 years	0.40	23.98

(b) Contribution to defined Contribution Plans recognised as expense are as under

₹ In Lakhs

Particulars	2020-21	2019-20
Contribution to Provident and other funds	74.65	294.49

NOTE 36: BASED ON THE INFORMATION/DOCUMENTS AVAILABLE WITH THE GROUP, INFORMATION AS PER THE REQUIREMENT OF SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE AS UNDER:

₹ In Lakhs

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	As at March 31, 2021	As at March 31, 2020
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
- Principal	31.80	61.62
- Interest	26.42	30.41
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
- Principal	-	-
- Interest	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Amount of interest accrued for the year and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act,2006	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 37: SEGMENT REPORTING

₹ In Lakhs

Sl No.	Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Segment revenue (gross)**			
	a)	Construction	68,097.72	89,201.35
	b)	Hydro Power Generation	-	2,100.23
	c)	Waste Management	-	34.14
	d)	Trading	-	78,510.82
	e)	Others	187.62	801.19
	Revenue from operations		**68,285.34**	**1,70,647.73**
2	**Depreciation / amortization**			
	a)	Construction	542.98	509.45
	b)	Hydro Power Generation	-	523.91
	c)	Waste Management	0.21	6.53
	d)	Trading	-	9.76
	e)	Others	12.71	68.42
	Total		**555.90**	**1,118.07**
3	**Segment results (Profit / (Loss) before tax and interest)**			
	a)	Construction	6,168.39	14,299.38
	b)	Hydro Power Generation	-	1,844.05
	c)	Waste Management	(843.38)	566.99
	d)	Trading	(10,676.46)	1,320.58
	e)	Others	261.64	109.23
	Total		**(5,089.81)**	**18,140.23**
	i.	Finance Costs	(6,695.13)	(15,692.41)
	ii.	Unallocable expenditure net off unallocable income	-	-
	Total Profit/(Loss) before share of Profit/(Loss) of Associates and Joint Ventures and Tax		**(11,784.94)**	**2,447.82**
4	**Segment Assets**			
	a)	Construction	2,45,189.93	2,53,925.76
	b)	Hydro Power Generation	7,008.82	19,788.22
	c)	Waste Management	6,080.03	9,051.45
	d)	Trading	-	13,852.57
	e)	Others	13,769.52	3,229.87
	f)	Unallocated	-	-
	Total Segment Assets		**2,72,048.30**	**2,99,847.87**
5	**Segment Liabilities**			
	a)	Construction	2,23,028.27	2,18,929.33
	b)	Hydro Power Generation	3,429.37	19,168.12
	c)	Waste Management	2,332.03	4,386.70
	d)	Trading	-	15,066.86
	e)	Others	15,524.84	2,281.68
	f)	Unallocated	-	-
	Total Segment Liabilities		**2,44,314.51**	**2,59,832.69**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 37: SEGMENT REPORTING (CONTD..)

6	**Capital expenditure**	**36.91**	**6,599.88**

Reconciliation of amounts reflected in the financial statements

(a) Non-current operating Assets:

₹ In Lakhs

Sl No.	Particulars	As at March 31, 2021	As at March 31, 2020
a)	India	49,289.53	46,858.66
b)	Outside India	-	-
	Total	**49,289.53**	**46,858.66**

NOTE 38: DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO IND AS 24

(a) List of Related Parties

I.	**Associates Companies**	Sanamti Infra Developers Private Limited
		Bhilwara Jaipur Toll Road Private Limited
		SPML Bhiwandi Water Supply Infra Limited
		SPML Bhiwandi Water Supply Management Limited
		Awa Power Company Private Limited
		Binwa Power Corporation Private Ltd.
		Delhi Waste Management Ltd.
		IQU Power Company Private Ltd.
		Neogal Power Company Private Ltd.
		Subhash Kabini Power Corporation Limited
		SPML Energy Limited
II.	**Joint Ventures**	Malviya Nagar Water Services Pvt. Ltd.
		Hydro Comp Enterprises (India) Limited
		Aurangabad City Water Utility Co. Limited
		MVV Water Utility Private Limited
		Gurha Thermal Power Co. Ltd.

III.	**Key Management Personnel (KMP)**	
	Names of related parties	**Nature of relationship**
	Mr. Subhash Chand Sethi	Chairman
	Mr. Sushil Kumar Sethi (Managing Director upto 05.04.2021, Director w.e.f 06.04.2021)	Director
	Mr. Dinesh Kumar Goyal	Independent Director
	Mr. Prem Singh Rana	Independent Director
	Mr. Pavitra Joshi Singh	Independent Director
	Mr. Abhinandan Sethi	Chief Operating Officer
	Mr. Manoj Kumar Digga (Appointed w.e.f. 15.09.2020)	Chief Financial Officer
	Ms. Swati Agarwal (Appointed w.e.f. 17.11.2020)	Company Secretary
	Mr. Laxmi Narayan Mandhana (Resigned w.e.f 15.09.2020 as CFO and 16.11.2020 as CS)	Chief Financial Officer and Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 38: DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO IND AS 24 (CONTD..)

IV.	**Relatives of Key Management Personnel**	
	Names of related parties	**Nature of relationship**
	Mr. Anil Kumar Sethi	Brother of Chaiman & Managing Director
	Mr. Harshavardhan Sethi	Son of Chairman
	Mrs. Maina Devi Sethi	Mother of Chairman and Managing Director
	Mrs. Noopur Jain	Daughter of Managing Director
	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
	Dr. Ankit Jain	Son-in-law of Managing Director
	Mrs. Priyanshi Sethi	Daughter in law of Chairman
	Mrs. Aanchal Sethi	Daughter in law of Managing Director

V.	**Entities over which Key Management Personnel & their relatives have significant influence**	Arihant Leasing & Holding Company Limited
		Add Energy Management Co. Private Limited
		Bharat Hydro Power Corporation Limited
		International Construction Limited
		Latur Water Supply Managment Company Limited
		Niral Enterprises Private Limited
		Om Metal-SPML Infra Project Private Limited
		Pondicherry Sez Company Private Limited
		PT Sanmati Natural Resources
		PT Bina Insan Sukses Mandiri
		PT Vardhaman Mining Services
		PT Vardhaman Logistics
		Rabaan (S) Pte Limited
		SJA Developers Private Limited
		SPM Holding Pte. Limited
		Sanmati Corporate Investments Private Limited
		VidyaEdutech Private Limited
		SPM Engineers Limited
		SPML India Limited
		Sethi Infratech Private Limted
		Subhash Systems Private Limited
		SPML Industries Limited
		Zoom Industrial Services Limited
		20th Century Engineering Limited
		Peacock Pearl Business Solution Private Limited
		Rishabh Homes Private Limited
		Acropolis Properties Private Limited
		Amrutha Constructions Private Limited
		JWIL Infra Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 38: RELATED PARTY TRANSACTIONS

(b) Aggregated Related party disclosures as at and for the year ended March 31, 2021

₹ In Lakhs

Company Name	Year	Transactions during the year											Balance Outstanding at the Year end at March, 31		
		Sale of Goods & Services	Purchase of Goods & Services	Interest Paid	Donation Paid	Interest Received	Loan/ Advance Taken	Loan/ Advance Given/ Repaid/ Share Application Money	Sale/ transfer of Investments	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary/Sitting Fees	Debit Balance	Credit Balance	Guarantee Given
Associates Companies															
Sanmati Infra Developers Private Limited	2020-21	-	-	-	-	-	-	0.04	-	-	-	-	87.14	-	-
	2019-20	-	-	-	-	-	(87.40)	(0.58)	-	-	-	-	-	-	-
SPML Bhiwandi Water Supply Infra Limited	2020-21	-	-	-	-	-	-	0.65	-	-	-	-	1,043.76	93.78	-
	2019-20	-	-	-	-	(73.16)	-	(0.22)	-	-	-	-	(1,043.11)	(93.80)	-
SPML Bhiwandi Water Supply Management Limited	2020-21	-	-	-	-	-	-	0.65	-	-	-	-	72.07	-	-
	2019-20	-	-	-	-	(3.33)	-	(0.21)	-	-	-	-	(71.41)	-	-
Awa Power Company Private Limited	2020-21	-	-	-	-	165.86	-	-	-	-	-	-	2,204.35	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(2,051.94)	-	-
Binwa Power Corporation Private Ltd.	2020-21	-	-	-	-	8.18	-	-	-	-	-	-	99.90	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(92.38)	-	-
Delhi Waste Management Ltd.	2020-21	-	-	403.20	-	-	82.28	7.93	-	-	-	-	-	3,618.97	-
	2019-20	-	-	(194.22)	-	(5.23)	(30.55)	(24.83)	(84.50)	-	-	-	-	(3,175.46)	-
IQU Power Company Private Ltd.	2020-21	-	-	-	-	95.13	-	-	-	-	-	-	1,164.39	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(1,076.97)	-	-
Neogal Power Company Private Ltd.	2020-21	-	-	-	-	76.95	-	-	-	-	-	-	1,021.67	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(950.96)	-	-
SPML Energy Limited	2020-21	-	-	-	-	24.07	-	0.26	-	-	-	-	293.96	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(271.58)	-	-
Subhash Kabini Power Corporation Limited	2020-21	-	-	10.78	-	17.02	-	0.03	-	-	-	-	207.73	106.92	47.31
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(192.06)	(96.14)	(1,249.99)
Bhilwara Jaipur Toll Road Private Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	19,002.02
	2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	(18,502.08)
Joint Ventures															
Malviya Nagar Water Services Private Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	450.16	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(450.16)	-	-
Gurha Thermal Power Company Limited	2020-21	-	-	-	-	114.78	-	0.01	-	-	-	-	1,401.22	-	-
	2019-20	-	-	-	-	(116.44)	-	-	-	-	-	-	(1,295.73)	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 38: RELATED PARTY TRANSACTIONS (CONTD..)

₹ In Lakhs

Company Name	Year	Transactions during the year											Balance Outstanding at the Year end at March, 31		
		Sale of Goods & Services	Purchase of Goods & Services	Interest Paid	Donation Paid	Interest Received	Loan/ Advance Taken	Loan/ Advance Given/ Repaid/ Share Application Money	Sale/ transfer of Investments	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary/Sitting Fees	Debit Balance	Credit Balance	Guarantee Given
MVV Water Utility Private Limited	2020-21	-	-	-	-	-	28.95	0.40	-	-	-	-	526.95	-	216.00
	2019-20	(38.31)	-	-	-	(0.57)	(54.82)	(157.30)	-	-	-	-	(557.34)	-	(281.00)
Aurangabad City Water Utility Company Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	227.40	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(227.40)	-	-
Hydro Comp Enterprises (India) Limited	2020-21	-	-	-	-	-	-	0.40	-	-	-	-	1.04	-	-
	2019-20	-	-	-	-	-	-	(0.11)	-	-	-	-	(0.62)	-	-
Key Management Personnel (KMP)															
Mr. Subhash Chand Sethi	2020-21	-	-	-	-	-	-	-	-	-	-	82.78	-	0.52	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(121.60)	-	-	-
Mr. Sushil Kumar Sethi	2020-21	-	-	-	-	-	-	-	-	-	-	82.78	-	168.35	-
	2019-20	-	-	(15.63)	-	-	-	-	-	-	-	(121.60)	-	(169.26)	-
Mr. Abhinandan Sethi	2020-21	-	-	-	-	-	-	-	-	-	-	62.08	-	12.66	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(90.00)	-	-	-
Mr. Supriyo Kumar Chaudhari	2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(1.20)	-	-	-
Mr. Dinesh Kumar Goyal	2020-21	-	-	-	-	-	-	-	-	-	-	3.20	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(3.00)	-	-	-
Mr. Prem Singh Rana	2020-21	-	-	-	-	-	-	-	-	-	-	3.20	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(3.40)	-	-	-
Mr. Pavitra Joshi Singh	2020-21	-	-	-	-	-	-	-	-	-	-	1.60	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(2.10)	-	-	-
Mr. Sarthak Behuria	2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(1.90)	-	-	-
Mr. Laxmi Narayan Mandhana	2020-21	-	-	-	-	-	-	-	-	-	-	18.68	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(35.93)	-	-	-
Mr. Manoj Kumar Digga	2020-21	-	-	-	-	-	-	-	-	-	-	58.88	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. Swati Agarwal	2020-21	-	-	-	-	-	-	-	-	-	-	2.90	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Sujit Kumar Jhunjhunwala	2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(8.69)	-	-	-
Mr. Abhay Raj Singh	2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	(5.79)	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 38: RELATED PARTY TRANSACTIONS (CONTD..)

₹ In Lakhs

Company Name	Year	Transactions during the year											Balance Outstanding at the Year end at March, 31		
		Sale of Goods & Services	Purchase of Goods & Services	Interest Paid	Donation Paid	Interest Received	Loan/ Advance Taken	Loan/ Advance Given/ Repaid/ Share Application Money	Sale/ transfer of Investments	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary/Sitting Fees	Debit Balance	Credit Balance	Guarantee Given
Relatives of Key Management Personnel															
Mrs. Preeti Devi Sethi	2020-21	-	-	-	-	-	-	-	-	-	-	-	-	26.33	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	-	(26.33)	-
Entities over which Key Management Personnel & their relatives have significant influence															
Add Energy Management Co. Private Limited	2020-21	-	-	6.39	-	-	401.02	11.95	-	-	-	-	133.96	402.78	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(133.96)	(7.32)	-
Arihant Leasing & Holding Company Limited	2020-21	-	-	-	-	-	-	-	-	-	6.00	-	-	55.92	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	-	(50.37)	-
Bharat Hydro Power Corporation Limited	2020-21	-	-	-	-	15.50	-	-	-	-	-	-	189.26	-	-
	2019-20	-	-	-	-	(15.69)	-	(1.18)	-	-	-	-	(175.01)	-	-
International Construction Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	1,046.20	-	-
	2019-20	-	-	(0.46)	-	-	(9.00)	(9.42)	-	-	-	-	(1,046.20)	-	-
Niral Enterprises Private Limited	2020-21	-	-	-	-	-	-	114.25	-	-	-	-	-	1,298.30	-
	2019-20	-	-	(126.94)	-	-	-	(0.16)	-	-	-	-	-	(1,412.55)	-
Peacock Pearl Business Solution Private Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	0.13	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(0.13)	-	-
Pondicherry Sez Company Private Limited	2020-21	-	-	-	-	-	-	110.80	-	-	-	-	-	794.71	-
	2019-20	-	-	(100.40)	-	-	-	(9.16)	-	-	-	-	-	(905.51)	-
Sanmati Power Company Private Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	251.25	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(251.25)	-	-
Sethi Infratech Private Limted	2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2019-20	-	-	(0.01)	-	-	-	(0.07)	-	-	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 38: RELATED PARTY TRANSACTIONS (CONTD..)

₹ In Lakhs

Company Name	Year	Transactions during the year											Balance Outstanding at the Year end at March, 31		
		Sale of Goods & Services	Purchase of Goods & Services	Interest Paid	Donation Paid	Interest Received	Loan/ Advance Taken	Loan/ Advance Given/ Repaid/ Share Application Money	Sale/ transfer of Investments	Purchase of Investments	Rent Paid/ Accrued	Managerial Remuneration/ Salary/Sitting Fees	Debit Balance	Credit Balance	Guarantee Given
SPM Engineers Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2019-20	-	-	(3.23)	-	-	-	(35.94)	-	-	-	-	-	-	-
SPML India Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	-	822.03	-
	2019-20	-	-	(72.94)	-	-	(158.65)	(136.99)	-	-	-	-	-	(822.03)	-
SPML Industries Limited	2020-21	-	-	85.14	-	-	-	1,366.37	-	-	-	-	-	-	-
	2019-20	-	-	(134.01)	-	-	-	(209.43)	-	-	-	-	-	(1,288.31)	-
Subhash Systems Private Limited	2020-21	-	-	23.68	-	-	-	380.00	-	-	-	-	-	-	-
	2019-20	-	-	(33.60)	-	-	(1.50)	(30.05)	-	-	-	-	-	(358.29)	-
Zoom Industrial Services Limited	2020-21	-	-	-	-	-	1,746.37	-	-	-	-	-	-	1,766.77	-
	2019-20	-	-	(1.85)	-	-	(200.00)	(201.59)	-	-	-	-	-	(20.39)	-
20th Century Engineering Limited	2020-21	-	-	-	-	0.02	-	-	-	-	-	-	0.22	-	-
	2019-20	-	-	-	-	(0.02)	-	(0.01)	-	-	-	-	(0.20)	-	-
JWIL Infra Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	5.73	-	-
	2019-20	(66.30)	-	-	-	-	-	-	-	-	-	-	(392.20)	-	-
Amrutha Constructions Private Limited	2020-21	-	6,590.66	-	-	16.12	-	-	-	-	-	-	3,066.42	-	-
	2019-20	-	(6,931.81)	-	-	(15.21)	-	-	-	-	-	-	(146.58)	-	-
Acropolis Properties Private Limited	2020-21	-	-	-	-	-	-	-	-	-	-	-	1.08	-	-
	2019-20	-	-	-	-	-	-	-	-	-	-	-	(1.08)	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 38: RELATED PARTY TRANSACTIONS (CONTD..)

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

₹ In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
- Short-term employee benefits	288.02	367.13
- Post employment benefits	28.08	28.08
Total	**316.10**	**395.21**

Note:

Terms and conditions of transactions with related parties:

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

NOTE 39.1: CATEGORIZATION OF FINANCIAL INSTRUMENTS

₹ In Lakhs

Particulars			Carrying value/ Fair value	
			As at March 31, 2021	As at March 31, 2020
(i)	**Financial Assets**			
	a)	**Measured at FVOCI**		
		- Investments in Equity Instruments	1,030.50	1,839.26
	b)	**Measured at FVTPL**		
		- Investments in Equity and Debt Instruments	14.90	2,457.20
	c)	**Measured at Amortised Cost***		
		- Investments in Joint Ventures and Associates	5,939.35	7,620.31
		- Loans	9,941.26	10,254.78
		- Trade Receivables	58,379.02	76,457.14
		- Other Financial Assets	1,01,244.31	1,10,512.56
		- Cash and Cash Equivalents	3,965.48	2,027.98
		- Other Bank Balances	1,970.74	1,358.97
(ii)	**Financial Liabilities**			
	a)	**Measured at Amortised Cost***		
		- Borrowings (Secured and Unsecured)	1,81,290.75	1,49,433.98
		- Trade Payables	43,873.31	72,536.35
		- Other Financial Liabilities	16,148.81	31,297.15

*Carrying Value of assets / liabilities carried at amortized cost are reasonable approximation of its fair values.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 39.2 FAIR VALUE HIERARCHY

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

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

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

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

a) Financial assets and liabilities measured at fair value at March 31, 2021

₹ In Lakhs

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
Investments in Equity and Debt Instruments	-	-	14.90	**14.90**
Investment at FVOCI				
Investment in Equity Instruments	-	-	1,030.50	**1,030.50**

Financial assets and liabilities measured at fair value at March 31, 2020

₹ In Lakhs

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
Investments in Equity and Debt Instruments	-	-	2,457.20	**2,457.20**
Investment at FVOCI				
Investment in Equity Instruments	-	-	1,839.26	**1,839.26**

(b) Financial instruments at ammortized cost

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

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

NOTE 40: FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 40: FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTD..)

A. Credit Risk

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

The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost.

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

a) Credit Risk Management

1. Credit Risk Rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A. Low Credit Risk

B. Moderate Credit risk

C. High credit risk

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

Asset Group	Description	Provision for Expected Credit Loss*
Low Credit Risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate Credit Risk	Trade receivables, loans and other financial assets	12 month expected credit loss/life time expected credit loss
High Credit Risk	Trade receivables, loans and other financial assets	Life time expected credit loss

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

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

₹ In Lakhs

Credit Rating	Particulars	As at March 31, 2021	As at March 31, 2020
Low Credit Risk	Cash and cash equivalents, other bank balances, investments, loans and other financial assets	91,701.34	1,00,908.83
High Credit Risk	Loans and Trade Receivables	90,784.21	1,11,619.37

b) Credit Risk Exposure

Provision for Expected Credit Loss

The Group provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 40: FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTD..)

March 31, 2021

₹ In Lakhs

Particulars	Estimated Gross Carrying amount at default	Expected Credit Loss	Carrying amount net of Impairment Provision
Investments	6,984.75	-	6,984.75
Trade Receivables	77,897.49	19,518.48	58,379.02
Loans	9,941.26	-	9,941.26
Cash and cash Equivalents	3,965.48	-	3,965.48
Other Bank Balances	1,970.74	-	1,970.74
Other Financial Assets	1,01,244.31	-	1,01,244.31

March 31, 2020

₹ In Lakhs

Particulars	Estimated Gross Carrying amount at default	Expected Credit Loss	Carrying amount net of Impairment Provision
Investments	11,916.77	-	11,916.77
Trade Receivables	91,457.79	15,000.65	76,457.14
Loans	10,254.78	-	10,254.78
Cash and cash Equivalents	2,027.98	-	2,027.98
Other Bank Balances	1,358.97	-	1,358.97
Other Financial Assets	1,10,512.56	-	1,10,512.56

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

₹ In Lakhs

Reconciliation of Loss Allowance	Trade Receivables
As on March 31, 2019	**18,002.80**
Allowance for Expected Credit Loss	(3,002.15)
As on March 31, 2020	**15,000.65**
Allowance for Expected Credit Loss	4,817.82
As on March 31, 2021	**19,518.48**

B. Liquidity Risk

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

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

Maturities of Financial Liabilities

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

March 31, 2021

₹ In Lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	1,16,257.26	1,560.10	63,473.39	**1,81,290.75**
Trade Payable	38,631.16	5,242.15	-	**43,873.31**
Other Financial Liabilities	11,203.01	4,945.80	-	**16,148.81**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 40: FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTD..)

March 31, 2020

₹ In Lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	82,084.67	2,553.16	64,796.15	**1,49,433.98**
Trade Payable	63,061.32	9,475.04	(0.01)	**72,536.35**
Other Financial Liabilities	25,181.02	6,116.13	-	**31,297.15**

C. Market Risk

a. Interest Rate Risk

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

Interest Rate Risk Exposure

₹ In Lakhs

Particulars	March 31, 2021	March 31, 2020
Variable Rate Borrowing	1,07,362.25	75,862.41
Fixed Rate Borrowing	73,928.50	73,571.57

Interest rate sensitivity

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

₹ In Lakhs

Particulars	March 31, 2021	March 31, 2020
Interest Sensitivity*		
Interest Rates increase by 100 basis points	(575.55)	(575.55)
Interest Rates decrease by 100 basis points	575.55	575.55

*Holding all other variables constant

**Refer Note 54.

b. Price Risk

The Group's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity Analysis

₹ In Lakhs

Particulars	March 31, 2021	March 31, 2020
Price Sensitivity*		
Price increase by 5%- FVOCI	27.82	23.81
Price decrease by 5%- FVOCI	(27.82)	(23.81)

*Holding all other variables constant

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2021

NOTE 41: CAPITAL MANAGEMENT:

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Group's overall strategy remains unchanged from previous year.The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Group's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Group monitors capital on the basis of the net debt to equity ratio. The Group is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Group:

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	1,84,740.89	1,54,225.13
Trade payables	43,873.31	72,536.35
Less: cash and cash equivalents	3,965.48	2,027.98
Net debt (i)	**2,24,648.73**	**2,24,733.50**
Total capital	26,205.18	39,172.42
Capital and net debt (ii)	**2,50,853.90**	**2,63,905.92**
Gearing ratio (i)÷(ii)	90%	85%

NOTE 42: RECONCILIATION OF FAIR VALUE OF INVESTMENT PROPERTY:

₹ In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Fair value of opening balance of investment property	-	943.65
Addition during the year	-	-
Fair value adjustment during the year	-	-
Deconsol of Subsidiary Adjustment	-	(943.65)
Fair value of transfer in / out	-	-
Fair value of closing balance of investment property	-	-

NOTE 43: GROUP INFORMATION:

₹ In Lakhs

Name	Country of incorporation and operation	As at March 31, 2021 % of Holding	As at March 31, 2020 % of Holding
SUBSIDIARIES			
Allahabad Waste Processing Company Limited	India	95.02	95.02
Bhagalpur Electricity Distribution Co. Pvt. Ltd.	India	99.99	99.99
Doon Valley Waste Management Private Ltd.	India	87.49	87.49
Madurai Municipal Waste Processing Company Private Limited	India	92.33	92.33
Mathura Nagar Waste Processing Limited	India	90.25	90.25
SPML Infrastructure Limited	India	99.99	99.99
SPMLIL-Amrutha Constructions Private Limited	India	50.99	50.99
SPML Utilities Limited	India	100.00	100.00
ASSOCIATES			

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 43: GROUP INFORMATION (CONTD..)

₹ In Lakhs

Name	Country of incorporation and operation	As at March 31, 2021 % of Holding	As at March 31, 2020 % of Holding
ASSOCIATES			
Awa Power Company Private Limited	India	7.20	17.62
Binwa Power Company Private Limited	India	49.27	50.29
Bhilwara Jaipur Toll Road Private Limited	India	51.00	51.00
Delhi Waste Management Limited	India	49.39	49.39
IQU Power Company Private Limited	India	7.00	19.05
Neogal Power Company Private Limited	India	2.97	19.41
SPML Energy Limited	India	27.31	48.02
Sanmati Infra Developers (p) Ltd.	India	25.00	25.00
Subhash Kabini Power Corporation Limited	India	30.11	30.11
SPML Bhiwandi Water Supply Infra Limited	India	44.94	44.94
SPML Bhiwandi Water Supply Management Limited	India	49.94	50.00
JOINT VENTURES			
Aurangabad City Water Utility Co. Ltd.	India	40.01	40.01
Gurha Thermal Power	India	50.00	50.00
Hydro Comp Enterprises India Private Limited	India	50.00	50.00
Malviya Nagar Water Services Private Limited	India	26.00	26.00
MVV Water Utility Private Limited	India	48.08	48.08

NOTE 44: Sundry balances/liabilities written back aggregating ₹ 4,400.42 Lakhs (₹ 5,311.76 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.

NOTE 45: Interest on YTM basis amounting to ₹ 5,560.59 Lakhs (₹ 5,143.45 Lakhs as on March 31, 2020) for the year ended March 31, 2021 was not provided on Optionally Convertible Debentures (OCDs) issued to lenders under S4A scheme by the Parent Company, as the same is not payable until maturity of such OCDs.

NOTE 46: Clients of the Parent Company had foreclosed certain projects/contracts which are presently under arbitration/litigation proceedings. The management, based on the facts of the cases, is confident to recover / realise the trade receivables and inventories as at March 31, 2021 of ₹8,017.29 Lakhs (₹ 6,142.27 Lakhs as on March 31, 2020) and ₹1,120.38 Lakhs (₹1,040.62 Lakhs as on March 31, 2020) respectively, related to the aforesaid projects / contracts.

NOTE 47: The Parent Company has certain trade and other receivables of ₹ 39,839.82 Lakhs as at March 31, 2021 (₹37,195.44 Lakhs as on March 31, 2020) backed by arbitration awards pronounced in its favour over the years. Further, the Parent Company has recognised interest income of ₹ 2,644.38 Lakhs during the year ended March 31, 2021 (₹2,522.09 Lakhs during the year ended March 31, 2020) on such arbitration awards. Against these awards, the customers have preferred appeals in the jurisdictional courts and the legal proceedings are going on. Pending the outcome of the said legal proceedings, the above amounts are being treated as fully realisable as based on the facts of the respective case, the management is confident that the final outcome of the legal proceedings would be in its favour.

NOTE 48: The Parent Company made all the efforts to obtain the requisite financial statements / financial information / financial results of 2 (Two) Subsidiaries 2 (Two) Joint Venture Company for the quarter and year ended March 31, 2021. However, in their absence, the consolidated financial results for the quarter and year ended March 31, 2021 have been prepared without considering the financial impact of the financial statements / financial information/financial results of the said joint venture. Further, the management has assessed that such financial statements/financial information/financial results are not material to the overall consolidated financial results for the quarter and year ended March 31, 2021

NOTE 49: Trade receivables aggregating ₹9,754.31 Lakhs (March 31, 2020 ₹10,195.01 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 50: In accordance with the provisions of Section 135 of the Companies Act 2013, the Ultimate Holding Company was to spend a sum of ₹ 88.80 Lakhs towards the CSR activities during the year ended March 31, 2021. During the year, the Company has spent Nil for the aforesaid activities.

NOTE 51: The Parent Company has been facing financial crisis since last few financial years and with effect from the previous financial year, the Parent has defaulted in payment of its dues to the financial creditors (mainly to banks/financial institutions, hereinafter referred to as "Lenders") and accordingly, the borrowing facilities of the Parent Company with the Lenders are irregular as on March 31, 2021. The Parent Company is in the process of formulating a resolution plan with Lenders, which is at an advanced stage of discussions after protracted negotiations and completion of various processes. The proposed resolution plan has been forwarded for the Independent Credit Evaluation (ICE) of External Credit Rating Agencies for obtaining RP4 rating, which is necessary and essential for the approval of the resolution plan. Considering the above progress in implementation of a sustainable resolution plan together with positive future growth outlook, the management is confident of improving the overall financials of the Parent Company. The Parent's financials are further likely to improve with expected realization of various contingent assets in the form of arbitration awards and claims which have been considered as part of the resolution plan. Accordingly, the Parent Company's Board of Directors considers it appropriate to prepare these financial results on a going concern basis.

NOTE 52: The outbreak of COVID-19 pandemic has disrupted regular business operations of the Group due to the lock down restrictions and other emergency measures imposed by the Central and State Governments from time to time, because of interruption in the project activities, supply chain disruption, human resource availability constraints etc. The business operations have recommenced on a lower scale post relaxation of lockdowns as compared to pre-pandemic levels. The management of the Parent Company has evaluated the possible impact of known events, upto the date of approval of these consolidated financial statements, arising from COVID-19 pandemic on the carrying value of the assets and liabilities as at March 31, 2021 and has concluded that no material adjustments are required currently at this stage. However, there exists some uncertainty in relation to the future impact of COVID-19 pandemic on the Group and, accordingly, the actual impact in the future may be different from those presently estimated. The Parent Company will continue to monitor any material change to the future economic conditions and consequential impact on the financial results.

NOTE 53: Operations of the Parent Company's Trading segment had virtually ceased since January, 2020 onwards, primarily because it decided to focus on its core activities i.e infrastructure development. The management was continuously assessing the realisability of the non-moving debtors/ advances to creditors of the segment due to the impact of COVID-19. Accordingly, the Board of Directors of the Parent Company, at it's meeting held on February 12, 2021, accorded it's consent towards closure of the Trading Segment of the Company w.e.f the financial year ended March 31, 2021. Consequentially, during the quarter ended March 31, 2021, in respect of the Trading segment, the Parent Company has written off all the balances appearing in the books of account (non-moving debtors and creditors).

NOTE 54: The operations of the Group have suffered in the last few years mainly due to general economic slowdown as well as various actions and inactions by various Government bodies / authorities, including factors beyond the control of the Group or its management. The major clients / customers of the Group are government bodies wherein the monies of the Group are stuck since long and for which the claims of the Group are pending. The situation has been further aggravated with the non-release of sanctioned working capital credit facilities including Bank Guarantee limits, alongwith levy of excess margin & charges by some of the Lenders as against the agreed terms of sanction by them. Due to the mismatch in the cash flows, the Parent Company has not been able to service its debts or meet the payment obligations to the Lenders. Hence, the accounts of the Parent Company with the Banks have been classified as irregular and sub – standard. Consequently, w.e.f November 01, 2019, majority of the Lenders ceased charging interest on loans to the Parent Company, in their books of account, as per RBI's prudential norms, although the Parent continued to provide for the interest liability in its books of account upto September 30, 2020, on accrual basis. In the on-going resolution with the Lenders, the Parent Company has proposed issuance of a separate instrument towards the unpaid interest upto the cut-off date which is under active consideration and hence the company is not recognizing any interest liability on the fund based borrowing facilities in the books of accounts as on March 31, 2021. Accordingly, based on the expectation of imminent approval and implementation of the resolution plan, during the quarter ended December 31, 2020, the Parent Company had written back ₹ 10,093.03 Lakhs representing liability towards interest expense on its borrowings from Lenders, for the period from November 01, 2019 to September 30, 2020. Further, interest expense of ₹ 3,785.69 Lakhs and ₹ 4806.88 on the said borrowings have not been recognized for the quarters ended December 31, 2020 and March 31, 2021 respectively. Effect of the resolution plan would be provided in the financial statements of the Parent Company as and when the plan is finally approved and implemented by the lenders. Statutory Auditors report is modified in respect of the aforesaid writeback and non-recognition of interest liability, by way of a qualification. The Limited Review Report for the quarter and nine months ended December 31, 2020 was similarly modified in respect of this matter.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 55: Other Expenses includes ₹ 1175.81 Lakhs for the quarter and year ended March 31, 2021 relating to provision made by the Parent Company towards certain vendor advances on a conservative basis, as these are old balances and the management feels that the realisability of the same has further been impacted during to the ongoing COVID-19 situation.

NOTE 56: Previous years figures have been regrouped/rearranged wherever considered necessary to confirm to the figures presented in the current year.

NOTE 57: ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATION FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT 2013:

Name	Net Assets, ie, Total Assets minus Total Liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs
Parent								
SPML Infra Ltd.	104.54%	27,395.67	91.44%	(10,717.42)	104.12%	(530.21)	91.97%	(11,247.63)
Subsidiaries								
Allahabad Waste Processing Company Limited	3.71%	972.88	4.10%	(480.78)	-	-	3.93%	(480.78)
Bhagalpur Electricity Distribution Co. Pvt. Ltd.	(11.78%)	(3,086.04)	1.68%	(196.53)	-	-	1.61%	(196.53)
Doon Valley Waste Management Private Ltd.	(0.72%)	(188.31)	0.08%	(8.85)	-	-	0.07%	(8.85)
Madurai Municipal Waste Processing Company Private Limited	2.47%	647.87	5.10%	(598.01)	-	-	4.89%	(598.01)
Mathura Nagar Waste Processing Limited	1.43%	373.90	(0.30%)	35.20	-	-	(0.29%)	35.20
SPML Infrastructure Limited	7.28%	1,906.91	(0.98%)	115.05	(0.72%)	3.66	(0.97%)	118.70
SPMLIL AMRUTHA CONSTRUCTIONS Pvt. LTD.	0.25%	66.73	(0.05%)	6.19	-	-	(0.05%)	6.19
SPML Utilities Limited	2.70%	708.29	0.01%	(0.87)	-	-	0.01%	(0.87)
Joint Ventures								
Aurangabad City Water Utility Co. Ltd.	-	-	-	-	-	-	-	-
Gurha Thermal Power	-	-	-	-	-	-	-	-
Hydro Comp Enterprises India Private Limited	-	-	-	-	-	-	-	-
Malviya Nagar Water Services Private Limited	-	-	-	-	-	-	-	-
MVV Water Utility Private Limited	-	-	0.21%	(25.05)	-	-	0.20%	(25.05)
Associate								
Awa Power Company Private Limited	-	-	0.24%	(28.00)	-	0.00	0.23%	(27.99)
Binwa Power Company Private Limited	-	-	-	-	-	-	-	-
Bhilwara Jaipur Toll Road Private Limited	-	-	(0.01%)	0.63	-	-	(0.01%)	0.63

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2021

NOTE 57: 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: (COTND..)

Name	Net Assets, ie, Total Assets minus Total Liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs	As % of consolidated profit or loss	₹ In Lakhs
Delhi Waste Management Limited	-	-	1.44%	(168.72)	-	-	1.38%	(168.72)
IQU Power Company Private Limited	-	-	0.09%	(10.82)	-	(0.02)	0.09%	(10.84)
Neogal Power Company Private Limited	-	-	(0.03%)	3.12	-	(0.01)	(0.03%)	3.11
SPML Energy Limited	-		(2.20%)	257.71	(0.07%)	0.33	(2.11%)	258.04
Subhash Kabini Power Corporation Limited	-		4.02%	(471.17)	0.09%	(0.48)	3.86%	(471.65)
Sanmati Infra Developers (p) Ltd.	-		-	-	-	-	-	-
SPML Bhiwandi Water Supply Infra Limited	-		0.01%	(0.84)	-	-	0.01%	(0.84)
SPML Bhiwandi Water Supply Management Limited	-		-	0.16	-	-	-	0.16
Intra-group eliminations	(14.88%)	(3,899.55)	(4.85%)	568.61	(3.44%)	17.51	(4.79%)	586.12
Total	**100%**	**26,205.18**	**100%**	**(11,720.71)**	**100%**	**(509.22)**	**100%**	**(12,229.93)**

Signatories to Note nos. 1 to 57

As per our report of even date

For Maheshwari & Associates
Chartered Accountants
ICAI Firm Registration No. 311008E

CA Bijay Murmuria
Partner
Membership No - 055788

Place: Kolkata
Date: 29th June 2021

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

Subhash Chand Sethi
Chairman
DIN: 00464390

Sushil Kr. Sethi
Director
DIN: 00062927

Swati Agarwal
Company Secretary

Manoj Kumar Digga
Chief Financial Officer

CORPORATE INFORMATION

Board of Directors

Mr. Subhash Chand Sethi
Chairman & Whole Time Director

Mr. Sushil Kumar Sethi
Vice Chairman & Non-Executive Director

Mr. Prem Singh Rana
Independent Director

Mr. Charan Singh
Independent Director

Mr. Tirudaimarudhur Srivastan Sivashankar
Independent Director

Mrs. Pavitra Joshi Singh
Independent Director

Key Managerial Personnel:

Mr. Manoj Kumar Digga
Chief Financial Officer

Mrs. Swati Agarwal
Company Secretary

Registered Office:

F-27/2, Okhla Industrial Area,
Phase-II, New Delhi-110020
Tel: +91-11-26387091
CIN: L40106DL1981PLC012228

Head Office:

22, Camac Street, Block-A,
3rd Floor, Kolkata-700016
Tel: +91-33-40091200

Regional Office:

Bangalore B wing (South Block),
5th floor, Cristu Complex,
No-41/7, Lavelle Road,
Bangalore-560001
Tel: +91-80-48524898

Bankers/ Financial Institutions

State Bank of India
Canara Bank
ICICI Bank Ltd.
Punjab National Bank
Bank of Baroda
Union Bank of India
Yes Bank Ltd.
IFCI Limited

Auditors

Maheshwari & Associates
Chartered Accountants (FRN No.311008E)
Geetanjali Apartments,
Flat No. 6A, 8B, Middleton Street,
Kolkata-700071

Registrar & Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.,
23, R. N. Mukherjee Road,
5th Floor, Kolkata- 700001

NOTES

SPML Infra Limited

Registered Office: F-27/2, Okhla Industrial Area,
Phase II, New Delhi - 110020
Tel.: +91-11-26387091

Head Office: 22, Camac Street, Block A
3rd Floor, Kolkata - 700016
Tel.: +91-33-40091200
info@spml.co.in, www.spml.co.in

Offices in Ahmedabad, Bengaluru, Chennai, Mumbai

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MODERN:modernsyscorp@gmail.com