

SPML INFRA LIMITED

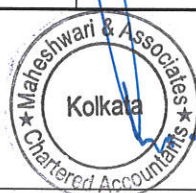
Registered Office: F-27/2, Okhla Industrial Area, Phase- II, New Delhi- 110020
Tel: +91-0124-3944555; Fax- +91-0124-3983201
Website: www.spml.co.in; Email: info@spml.co.in
CIN: L40106DL1981PLCO12228

Statement of Standalone Financial Results for the quarter and year ended 31st March, 2021

(Rs. in Lakhs)

Particulars	3 months ended 31/03/2021	3 months ended 31/12/2020	3 months ended 31/03/2020	Year ended 31/03/2021	Year ended 31/03/2020
	Unaudited (Refer Note 11)	Unaudited	Unaudited (Refer Note 11)	Audited	Audited
1. Revenue					
a. Revenue from Operations	18,897.87	26,419.15	22,680.86	61,539.17	82,424.28
b. Other Income (Refer note 9)	1,072.01	1,199.68	3,086.66	4,319.15	10,118.43
Total Income	19,969.88	27,618.83	25,767.52	65,858.32	92,542.71
2. Expenses					
a. Materials consumed and other construction expenses	15,450.86	23,954.41	15,848.69	48,605.07	63,684.94
b. Employee Benefits Expense	723.85	665.00	1,016.66	2,580.80	4,219.59
c. Finance Costs (Refer note 6)	111.67	(2,736.24)	3,360.24	6,840.53	14,655.45
d. Depreciation and Amortization Expenses	126.31	132.52	227.00	542.98	562.13
e. Other Expenses (Refer note 10)	5,638.99	961.85	5,838.35	7,928.08	9,644.53
Total Expenses	22,051.68	22,977.54	26,290.95	66,497.46	92,766.65
3. Profit / (Loss) before tax from continuing operations (1-2)	(2,081.80)	4,641.29	(523.43)	(639.14)	(223.93)
4. Tax Expense of continuing operations					
a. Current Tax	-	-	96.04	-	259.15
b. Deferred Tax	(418.33)	385.27	(710.84)	(598.18)	(342.66)
	(418.33)	385.27	(614.80)	(598.18)	(83.51)
5. Profit/(Loss) after Tax from continuing operations(3-4)	(1,663.47)	4,256.02	91.37	(40.96)	(140.43)
6. Profit / (Loss) before tax from discontinued operations(Refer Note 4)	(1,859.56)	(6,796.50)	-	(10,676.46)	382.22
7. Tax Expense of discontinued operations					
a. Current Tax	-	-	-	-	-
b. Deferred Tax	-	-	-	-	-
	-	-	-	-	-
8. Profit/(Loss) after Tax from discontinued operations (6-7)	(1,859.56)	(6,796.50)	-	(10,676.46)	382.22
9. Total Profit / (Loss) before tax for the period (3 + 6)	(3941.36)	(2155.21)	(523.43)	(11315.60)	156.29
10. Total Tax Expense for the period (4+7)					
a. Current Tax	-	-	96.04	-	259.15
b. Deferred Tax	(418.33)	385.27	(710.84)	(598.18)	(342.66)
	(418.33)	385.27	(614.80)	(598.18)	(83.51)
11. Total Profit/(Loss) after Tax for the period(9-10)	(3,523.03)	(2,540.48)	91.37	(10,717.42)	241.79
12. Other Comprehensive Income/ (Expense)					
Items not to be reclassified subsequently to Profit or Loss (net of tax)					
- Gain/(Loss) on fair value of defined benefit plans	(1.36)	(17.88)	58.89	26.18	77.05
- Gain/(Loss) on fair value of equity instruments measured at FVOCI	(556.40)	-	380.97	(556.40)	380.97
Total Other Comprehensive Income/(Expense)	(557.75)	(17.88)	439.86	(530.21)	458.01
13. Total Comprehensive Income/(Expense) for the period (5-6)	(4,080.78)	(2,558.36)	531.23	(11,247.63)	699.81
14. Paid-up Equity Share Capital (par value of Rs. 2/- each)	819.45	819.45	819.45	819.45	819.45
15. Other Equity (excluding revaluation reserves)	-	-	-	26,576.22	37,823.86
16. Earnings per Equity share					
(i) Earnings per Equity share for continuing operations (Basic and Diluted) (in Rupees) *(not annualized) (par value ` 2 each)	(4.54)	11.61	0.25	(0.11)	(0.38)
(ii) Earnings per Equity share for discontinued operations (Basic and Diluted) (in Rupees) *(not annualized) (par value ` 2 each)	(5.07)	(18.54)	-	(29.13)	1.04
(iii) Earnings per Equity share for continuing and discontinued operations (Basic and Diluted) (in Rupees) *(not annualized) (par value ` 2 each)	(9.61)	(6.93)	0.25	(29.24)	0.66

Dated: 29th June 2021
Place: Kolkata



For SPML Infra Limited
(Signature)
Subhash Chand Sethi
Chairman
DIN: 00464390

SPML INFRA LIMITED

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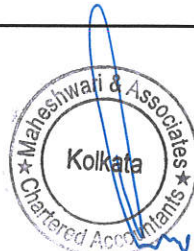
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Standalone Statement of Assets and Liabilities as at 31st March, 2021

Rs. In Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
	Audited	Audited
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	9,649.35	9,999.59
(b) Right of Use Assets	68.16	252.26
(c) Intangible Assets	20.51	20.65
(d) Financial Assets		
- Investments	10,273.65	12,798.86
- Trade Receivables	10,614.71	29,683.34
- Loans	13,487.62	13,200.93
- Other Bank Balances	1,382.52	4,440.34
- Other Financial Assets	304.39	363.84
(e) Deferred Tax Assets	11,405.20	10,566.58
(f) Other Non-Current Assets	30,909.66	29,145.42
	88,115.77	1,10,471.81
Current Assets		
(a) Inventories	7,123.60	6,273.73
(b) Financial Assets		
- Trade Receivables	39,222.51	33,912.90
- Cash and Cash Equivalents	3,797.47	1,927.63
- Other Bank Balances	1,970.74	1,358.97
- Other Financial Assets	99,523.22	1,04,895.44
(c) Other Current Assets	11,244.05	10,522.12
	1,62,881.59	1,58,890.79
TOTAL ASSETS	2,50,997.36	2,69,362.60
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	819.45	819.45
(b) Other Equity	26,576.22	37,823.86
Total Equity	27,395.67	38,643.31
Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities		
- Borrowings	63,055.44	65,098.36
- Trade Payables		
- 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	4,987.02	6,157.35
(b) Provisions	297.19	314.22
	73,581.80	81,044.97
Current Liabilities		
(a) Financial Liabilities		
- Borrowings	1,15,028.86	81,473.17
- Trade Payables		
- 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
- Other Financial Liabilities	6,237.42	17,619.00
(b) Other Current Liabilities	1,690.78	1,938.32
(c) Provisions	168.80	211.71
	1,50,019.90	1,49,674.32
TOTAL LIABILITIES	2,23,601.70	2,30,719.29
TOTAL EQUITY AND LIABILITIES	2,50,997.36	2,69,362.60



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

Subhash Chand Sethi
Chairman

DIN: 00464390



Date: 29th June, 2021

Place: Kolkata

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Audited Standalone Statement of Cash flow for the year ended 31st March, 2021

Rs in Lakhs

Particulars	For the Year Ended	For the Year Ended
	31st March 2021	31st March 2020
	Audited	Audited
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax from continuing operations	(639.14)	(223.93)
Profit / (Loss) before tax from discontinued 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
ECL on loans	722.69	240.55
Impairment of investment in equity shares of subsidiaries and associates	1,716.51	2,193.79
ECL on investment in preference shares	-	368.00
Impairment of investment in equity shares of company fair valued through profit and loss	-	168.96
ECL 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
Adjustment for:		
Increase in trade payables	(23,418.88)	(15,283.88)
Increase/(decrease) in provisions	(590.15)	381.68
Increase in other current liabilities	(13,278.69)	(957.92)
Decrease/ (increase) in trade receivables	15,444.53	(3,977.40)
Decrease/ (increase) in inventories	(849.87)	(809.59)
Increase in loans and advances	(965.58)	257.23
Increase 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
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
D. Exchange differences on translation of foreign subsidiaries	-	-
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



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

Subhash Chand Sethi

Subhash Chand Sethi
Chairman
DIN No. 00464390



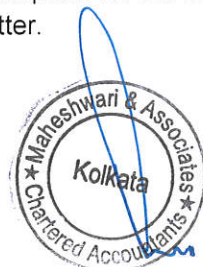
Place: Kolkata
Date :29th June,2021

Notes to the Statement of Standalone Financial Results

1. The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 29th June, 2021. The statutory auditors of the company have audited the said results for the year ended 31st March, 2021.
2. 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 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 31st March, 2021 and has concluded that no material adjustments are required currently at this stage, except for matters as mentioned in Note nos. 4 and 10 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.
3. 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 31st March, 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. , 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 Company. The 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. Accordingly, the Company's Board of Directors considers it appropriate to prepare these financial results on a going concern basis.
4. 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 12th February, 2021, accorded it's consent towards closure of the Trading Segment of the Company w.e.f the financial year ended 31st March, 2021. Consequentially, during the quarter ended 31st March, 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.



5. Interest on YTM basis amounting to Rs. 1,413.20 lakhs and Rs. 5,560.59 lakhs for the quarter and year ended 31st March, 2021 respectively has not been provided on Optionally Convertible Debentures (OCDs) issued to Lenders under S4A scheme, as the same is not payable until maturity of such OCDs. However, the current resolution plan which is under consideration entails revision in the terms of these OCDs. The Statutory Auditors report is modified in respect of this matter by way of a qualification. The Audit Report for the year ended 31st March, 2020 and the Limited Review Reports for the first three quarters of FY 2020-21 were similarly modified in respect of this matter.
6. 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, wef 1st November, 2019, majority of the Lenders ceased charging interest on loans to the Company, in their books of account, as per RBI's prudential norms, although the Company continued to provide for the interest liability in its books of account upto 30th September, 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 31st March, 2021. Accordingly, based on the expectation of imminent approval and implementation of the resolution plan, during the quarter ended 31st December, 2020, the Company has written back Rs. 10,093.03 lakhs representing liability towards interest expense on its borrowings from Lenders, for the period from 1st November, 2019 to 30th September, 2020. Further, interest expense of Rs.3,785.69 lakhs and Rs. 4,806.88 on the said borrowings have not been recognized for the quarters ended 31st December, 2020 and 31st March, 2021 respectively. 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. 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 31st December, 2020 was similarly modified in respect of this matter.
7. Clients of the Company had foreclosed certain projects/contracts which are presently under arbitration/litigation proceedings. The management, based on the facts of the cases, is confident to recover / realise the trade receivables and inventories as at 31st March, 2021 of Rs. 8,017.29 lakhs and Rs. 1,120.38 lakhs respectively, related to the aforesaid projects/contracts. The Statutory Auditors have expressed their inability to comment upon the recoverability/realisability of the aforesaid amounts and their audit report is modified in respect of this matter by way of a qualification. The Audit Report for the year ended 31st March, 2020 and the Limited Review Reports for the first three quarters of FY 2020-21 were similarly modified in respect of this matter.

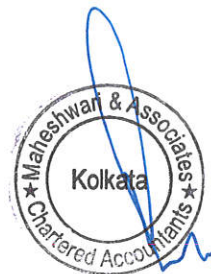


8. The Company has certain trade and other receivables of Rs. 39,839.82 lakhs as at 31st March, 2021 backed by arbitration awards pronounced in its favour over the years. Further, the Company has recognised interest income of Rs. 669.89 lakhs and Rs 2,644.38 lakhs during the quarter and year ended 31st March, 2021 respectively 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.
9. Other Income includes Rs. 315.27 lakhs and Rs. 2,118.18 lakhs for the quarter and year ended 31st March,2021 respectively relating to write back of certain credit balances of operational creditors, barred by the laws of limitation and not yet claimed by them.
10. Other Expenses includes the following:-
- a) Rs. 2439.20 lakhs for the quarter and year ended 31st March,2021 relating to impairment of certain equity investments and expected credit losses on certain loans advanced by the Company.
 - b) Rs.1175.81 lakhs for the quarter and year ended 31st March,2021 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.
11. Figures for the quarters ended 31st March, 2021 and 31st March, 2020 are the balancing figures between the audited figures for the year ended on that date and the published, unaudited year-to-date figures upto the end of 3rd quarter of the respective financial year.
12. Previous period's figures have been regrouped /rearranged wherever considered necessary, to make them comparable with those of the current period.

Date : Kolkata
Date : 29th June, 2021

For **SPML Infra Limited**


Subhash Chand Sethi
Chairman
DIN : 00464390





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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SPML INFRA LIMITED

Report on the Audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying Standalone Financial Results ("the Statement") of **SPML Infra Limited** ("the Company"), for the year ended 31st March, 2021, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time ("Listing Regulations").

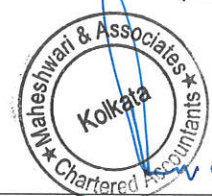
In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors as referred to in the *Other Matters* section of our report below, the Statement:

- (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the effects / possible effects of the matters described in the *Basis for Qualified Opinion* section of our report below; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the standalone net loss and other comprehensive expense and other financial information of the Company for the year ended on 31st March, 2021 except for the effects / possible effects of the matters described in the *Basis for Qualified Opinion* section of our report below.

Basis for Qualified Opinion

As stated in:

- a. Note 5 to the Statement, interest on YTM basis amounting to Rs. 1,413.20 lakhs and Rs. 5,560.59 lakhs for the quarter and year ended 31st March, 2021 respectively 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 amounts, for the quarter and year ended 31st March, 2021 respectively. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is Rs. 17,287.29 lakhs as at 31st March, 2021. The Auditor's Report for the year ended 31st March, 2020 and the Limited Review Reports for the quarters ended 30th June, 30th September and 31st December, 2020 were also qualified in respect of this matter.



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- b. Note 6 to the Statement, Rs.10,093.03 lakhs representing liability towards interest expense on the Company's borrowings from financial creditors, for the period from 1st November, 2019 to 30th September, 2020, has been written back during the quarter ended 31st December, 2020. Further, interest expense of Rs.3,785.69 lakhs and Rs.4806.88 lakhs on the said borrowings have not been recognized for the quarters ended 31st December, 2020 and 31st March, 2021 respectively. This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid 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 quarter and year ended 31st March, 2021 would have been higher by Rs.4,806.88 lakhs. and Rs. 18,685.60 lakhs respectively. The Limited Review Report for the quarter ended 31st December, 2020 was also qualified in respect of this matter.
- c. Note 7 to the Statement, regarding the Company's trade receivables (net of ECL) and inventories as at 31st March, 2021 of Rs. 8,017.29 lakhs and Rs.1,120.38 lakhs respectively, relating to certain projects foreclosed by clients and where the claims are presently under arbitration/ litigation proceedings. Pending the ultimate outcome of these matters (fate of which is presently unascertainable), we are unable to comment on the recoverability thereof. The Auditor's Report for the year ended 31st March, 2020 and the Limited Review Reports for the quarters ended 30th June, 30th September and 31st December, 2020 were also qualified in respect of this matter.

We conducted our audit in accordance with the Standards on Auditing 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 Statement* 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 together with the ethical requirements that are relevant to our audit of the 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 Statement:

- (i) Note 2 to the Statement, 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 accompanying Statement as at the balance sheet date, the extent of which is significantly dependent on future developments.
- (ii) Note 3 to the Statement which indicates that the Company has defaulted in payment of dues to financial creditors, it is facing working capital constraints and its borrowal facilities are irregular with certain financial creditors as at 31st March, 2021. Based on ongoing discussion with such creditors for formulation of a resolution plan and other mitigating factors as mentioned in the aforesaid Note 3, the Company's Board of Directors is of the view that going concern basis of accounting is appropriate for preparation of the accompanying Statement
- (iii) Note 4 to the Statement, regarding closure of Trading Segment by the Company.





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- (iv) Note 8 to the Statement, regarding uncertainties relating to the recoverability of certain trade & other receivables as at 31st March, 2021 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Company.
- (v) Note 9 to the Statement, regarding write back of Rs. 315.27 lakhs and Rs. 2,118.18 lakhs in respect of certain credit balances, during the quarter and year ended 31st March, 2020 respectively.
- (vi) Note 10 to the Statement, regarding material items in "Other Expenses" pertaining to impairment on equity investments/expected credit loss on loans given by the Company/provisions against advances to vendors.

Our report on the Statement is not modified in respect of these matters.

Responsibilities of Management and Those Charged with Governance for the Statement

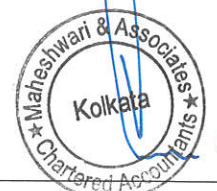
This Statement has been prepared on the basis of the related annual Standalone Financial Statements of the Company and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.



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MAHESHWARI & ASSOCIATES

Chartered Accountants

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

- Identify and assess the risks of material misstatement of the Statement, 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 Company has in place adequate internal financial controls with reference to financial statements 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Statement 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 Statement, including the disclosures, and whether the Statement represents 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.

Other Matters

- a. We did not audit the financial statements / financial information of 3 (three) joint operations included in the accompanying Statement, whose financial statements / financial information reflect total assets of Rs. 117.29 lakhs as at 31st March, 2021, total revenues of Rs. Nil and total net profit after tax of Rs. 1.28 lakhs for the year ended on that date, as considered in the accompanying Statement. 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 Statement, 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 Statement* hereinabove.





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- b. We did not audit the financial statements / financial information of 4 (four) joint operations included in the accompanying Statement, whose financial statements / financial information reflect total assets of Rs. 4,982.76 lakhs as at 31st March, 2021, total revenues of Rs. 4,151.86 lakhs and total net loss after tax of Rs. 70.12 lakhs for the year ended on that date, as considered in the accompanying Statement. These financial statements / financial information are unaudited and have been furnished to us by the Company's management and our opinion on the Statement, 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 Statement.
- c. Owing to non-availability of financial statements/financial information/financial results of 2 (two) joint operations, the same were not included in the Statement. 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.
- d. The Statement includes the standalone financial results for the quarter ended 31st March, 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to limited review by us.

Our opinion is not modified in respect of these matters.

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

CA. Bijay Murmuria
Partner
Membership No. : 055788

UDIN: 21055788AAAAAY5407

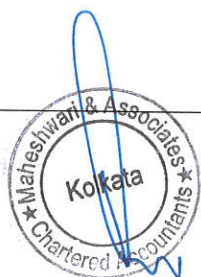
Place: Kolkata
Date: 29th June, 2021



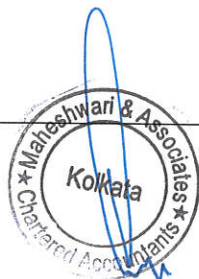
ANNEXURE – 1

**Statement on Impact of Audit Modification (for audit report with modified opinion) submitted along-
with Annual Audited Financial Results – (Standalone)**

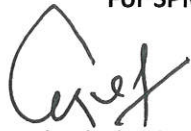


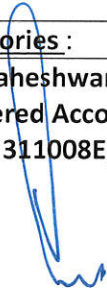


Statement on Impact of Audit Modification for the Financial Year ended March 31, 2021 (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2015)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In lakhs)
	1.	Turnover / Total Income	65,858.32	55,765.29
	2.	Total Expenditure	66,497.46	76,447.79
	3.	Net Profit/(Loss)	(639.14)	(20,682.50)
	4.	Earnings Per Share	(29.24)	(83.93)
	5.	Total Assets	2,50,997.36	2,50,997.36
	6.	Total Liabilities	2,23,601.70	2,44,062.20
	7.	Net Worth	27,395.67	27,121.23
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II. Audit Qualification (each audit qualification separately) :				
	a.	Details of Audit Qualification :	Auditor's qualification on the standalone financial results - As stated in : a) Note 5 to the standalone financial results, interest on YTM basis amounting to Rs. 1,413.20 lakhs and Rs. 5,560.59 lakhs for the quarter and year ended 31 st March, 2021 respectively 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 amounts, for the quarter and year ended 31 st March, 2021 respectively. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is Rs 17287.29 lakhs as at 31 st March, 2021. The Auditor's Report for the year ended 31 st March, 2020 and the Limited Review Reports for the quarters ended 30 th June, 30 th September and 31 st December, 2020 were also qualified in respect of this matter. b) Note 6 to the standalone financial results regarding interest expense on the Company's borrowings from financial creditors Rs. 10,093.03 lakhs lakhs, for the period from 1 st November, 2019 to 30 th September, 2020, has been written back during the quarter ended 31 st December, 2020. Further, interest expense of	



		<p>Rs.3,785.69 lakhs and Rs. 4806.88 on the said borrowings have not been recognized for the quarters ended 31st December, 2020 and 31st March, 2021 respectively. This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid 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 quarter and year ended 31st March, 2021 would have been higher by Rs. 4806.88 and Rs. 18685.60 respectively. The Limited Review Report for the quarter ended 31st December, 2020 was also qualified in respect of this matter.</p> <p>c) Note 7 to the standalone financial results, regarding the Company's trade receivables (net of ECL) and inventories as at 31st March, 2021 of Rs. 8,017.29 lakhs and Rs.1,120.38 lakhs respectively, relating to certain projects foreclosed by clients in earlier years and where the claims are presently under arbitration/litigation proceedings. Pending the ultimate outcome of these matters (fate of which is presently unascertainable), we are unable to comment on the recoverability thereof. The Auditor's Report for the year ended 31st March, 2020 and the Limited Review Reports for the quarters ended 30th June, 30th September and 31st December, 2020 were also qualified in respect of this matter.</p>
b.	Type of Audit Modification : (Qualified Opinion / Disclaimer of Opinion / Adverse Opinion)	Qualified Opinion.
c.	Frequency of qualification : (Whether appeared first time / repetitive / since how long continuing)	Qualification (a) : Repetitive Qualification (b) : Appeared first time Qualification (c) : Repetitive
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	<p>a) No provision for interest on account of YTM amounting to Rs. 5,560.59 lakhs has been made during the year 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.</p> <p>b) Interest expense on company's borrowings from financial creditors amounting to Rs. 10,093.03 lakhs has been written back during the year. Further, interest expense of Rs.3,785.69 lakhs and Rs. 4806.88 on the said borrowings have not been recognized for the quarters ended 31st December, 2020 and 31st March, 2021 respectively because of the ongoing resolution with the Lenders regarding their dues with the Company, 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</p>



			<p>interest liability on the fund based borrowing facilities in the books of accounts as on 31st March, 2021.</p> <p>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.</p>
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:		
	(i)	Management's estimation on the impact of audit qualification:	<p>The Statutory Auditors have expressed their inability to comment upon the recoverability/realisability of certain trade receivables (net of ECL) and inventories amounting to Rs. 8017.29 lakhs and Rs.1,120.38 lakhs respectively as at 31st March, 2021 in respect of certain contracts with customers, which are under arbitration.</p> <p>The management, based on the facts of the cases and past precedence is confident to recover / realize the above amounts.</p>
	(ii)	If management is unable to estimate the impact, reasons for the same:	Not applicable.
	(iii)	Auditors' Comments on (i) or (ii) above:	Included in details of Auditor's qualification stated above.

III.	Signatories :	<p>For SPML Infra Ltd.</p> <p> Chairman and Whole-time Director</p> <p> Chairperson Audit Committee</p> <p> Chief Financial Officer</p>
	<p>For Maheshwari & Associates Chartered Accountants (FRN : 311008E)</p> <p></p> <p>CA. Bijay Murmuria Partner Membership No. 055788</p> <p>Place : Kolkata Date : 29th June, 2021</p> <p></p> <p></p>	