

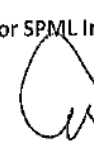
**SPML INFRA LIMITED**  
Registered Office: F-27/2, Okhla Industrial Area, Phase- II, New Delhi- 110020  
**SPML INFRA LIMITED**  
Website: www.spml.co.in; Email: info@spml.co.in  
CIN: L40106DL1981PLCO12228

**Statement of Standalone Financial Results for the Quarter ended June 30, 2023**

Rs. in lakhs

Particulars	Three months ended			Year ended
	30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
	Unaudited	Unaudited (Refer Note 11)	Unaudited	Audited
<b>1. Income</b>				
a. Revenue from Operations	35,029.80	46,265.75	12,767.95	87,779.58
b. Other Income	375.90	475.01	481.69	1,931.21
<b>Total Income</b>	<b>35,405.70</b>	<b>46,740.76</b>	<b>13,249.64</b>	<b>89,710.79</b>
<b>2. Expenses</b>				
a. Materials Consumed and Other Construction Expenses	33,468.49	40,006.36	11,044.17	76,478.37
b. Employee Benefits Expense	626.79	666.77	690.61	2,648.06
c. Finance Costs	246.37	3,634.33	780.99	4,982.83
d. Depreciation and Amortisation Expenses	58.96	79.53	75.92	297.51
e. Other Expenses	927.00	1,199.83	528.11	5,038.03
<b>Total Expenses</b>	<b>35,327.61</b>	<b>45,586.82</b>	<b>13,119.80</b>	<b>89,444.80</b>
<b>3. Profit / (Loss) before tax (1 - 2)</b>	<b>78.09</b>	<b>1,153.94</b>	<b>129.84</b>	<b>265.99</b>
<b>4. Tax Expense</b>				
a. Current Tax	10.90	2.65	52.29	54.94
b. Deferred Tax	-	-	-	-
	<b>10.90</b>	<b>2.65</b>	<b>52.29</b>	<b>54.94</b>
<b>5. Profit/(Loss) after Tax (3 - 4)</b>	<b>67.19</b>	<b>1,151.29</b>	<b>77.55</b>	<b>211.05</b>
<b>6. Other Comprehensive Income/(Expense)</b>				
Items that will not be reclassified to Profit or Loss				
- Gain/(Loss) on fair value of defined benefit plans	(16.11)	(7.47)	18.30	10.31
- Income Tax relating to above	5.03	2.33	(5.71)	(3.22)
<b>Total Other Comprehensive Income/(Expense)</b>	<b>(11.08)</b>	<b>(5.14)</b>	<b>12.59</b>	<b>7.09</b>
<b>7. Total Comprehensive Income/(Expense) for the period (5 + 6)</b>	<b>56.11</b>	<b>1,146.15</b>	<b>90.14</b>	<b>218.14</b>
<b>8. Paid-up Equity Share Capital (par value of Rs. 2/- each)</b>	<b>1,066.00</b>	<b>994.90</b>	<b>940.04</b>	<b>994.90</b>
<b>9. Paid-up Compulsorily Convertible Preference Share Capital (par value of Rs. 100/- each)</b>	<b>-</b>	<b>1,777.47</b>	<b>1,777.47</b>	<b>1,777.47</b>
<b>10. Other Equity (excluding Revaluation Reserves)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,174.13</b>
<b>11. Earnings per Equity share</b>				
Earnings per Equity share (Basic and Diluted) (in Rupees) (quarters not annualized) (par value Rs. 2/- each)	<b>0.14</b>	<b>2.39</b>	<b>0.17</b>	<b>0.44</b>



For SPML Infra Limited  
  
**SPML INFRA LIMITED**

Subhash Chand Sethi  
Chairman  
DIN: 00464390

Date: August 14, 2023  
Place: Kolkata

## Notes to the Statement of Standalone Financial Results

1. The above unaudited standalone 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 14<sup>th</sup> August, 2023.
2. The Company has been facing financial crisis since last few financial years due to various reasons as stated in Note no. 4 below, owing to which, with effect from the financial year 2019-20 the Company is in default relating to payment of its dues to the financial creditors (mainly to banks, hereinafter referred to as "Lenders") and accordingly, the borrowing facilities of the Company with the Lenders are irregular as on 30<sup>th</sup> June, 2023. As per information available with the Company, the Lenders are in the process of consummating assignment of Company's debt to an eligible participant (amongst ARCs/Banks/NBFCs/FIs), starting with an e-auction under the swiss challenge method held on June 6, 2023. The Company is awaiting an official notification/communication in this regard from the Lenders and/or the eligible participant who was ultimately successful in the said e-auction. The Company has been given to understand that the aforesaid e-auction is governed by the terms of RBI (Transfer of Loan Exposures) Directions, 2021 and the acquisition by the eligible participant will be by way of an Assignment of debt by the Lenders.  
Presently, the Company continues to disclose the outstanding loans, including interest recognized in the books of accounts, in the financial results as per balances appearing in its Books of Accounts as per agreements with the respective Lenders.

Considering the aforesaid developments and the favourable business environment in the sector in which the Company operates, the Management is confident that the Company shall be able to generate sufficient cash inflows through profitable operations to discharge its financial obligations. Accordingly, the Company's Board of Directors considers it appropriate to prepare these financial results on a going concern basis.

3. Interest on YTM basis amounting to Rs. 1,647.16 lakhs for the quarter ended 30<sup>th</sup> June, 2023 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 (the OCD's, along with loans, are also the subject matter of the Assignment referred to in Note 2 above). The Statutory Auditor's Limited Review Report is modified in respect of this matter by way of a qualification. The Audit Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were similarly modified in respect of this matter. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is Rs.31,237.87 lakhs as at 30<sup>th</sup> June, 2023.
4. The operations of the company have suffered in the last few years mainly due to general economic slowdown as well as various actions and inactions by various Government bodies / authorities, including factors beyond the control of the Company or its management. The major clients / customers of the Company are government bodies wherein the monies of the company are stuck since long and for which the claims of the Company are pending. The situation has been further aggravated with the non-release of sanctioned working capital credit facilities including Bank Guarantee limits, alongwith levy of excess margin & charges by some of the Lenders as against the agreed terms of sanction by them. Due to the mismatch in the cash flows, the Company has not been able to service its debts or meet the payment obligations to the Lenders. Hence, the accounts of the Company with the Banks have been classified as non-performing asset. Consequently, wef 1<sup>st</sup> November, 2019, majority of the Lenders ceased charging interest on loans to the Company, in their books of account, as per RBI's prudential norms. Hence, with effect from 1<sup>st</sup> November, 2019, the company is not recognizing any interest liability on the fund based borrowing facilities from the Lenders in the books of accounts (except for recognizing Rs. 3,419.41 lakhs during the quarter ended 31<sup>st</sup> March, 2023 towards part of



interest charged by banks in the bank statements, from 1<sup>st</sup> November, 2019 onwards). Accordingly, interest expense of Rs.6,603.62 lakhs on the said borrowings have not been recognized for the quarter ended 30<sup>th</sup> June, 2023. Further, since 1<sup>st</sup> November, 2019, the total liability not provided for in respect of such interest on YTM basis is Rs.65,036.57 lakhs as at 30<sup>th</sup> June, 2023. Statutory Auditor's Limited Review Report is modified in respect of the aforesaid non-recognition of interest liability, by way of a qualification. The Audit Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were similarly modified in respect of this matter. Further, on the aforesaid grounds, in respect of certain other borrowings including those from related parties (i.e. borrowing other than from 'Lenders'), the company has not recognized interest expense of Rs.122.93 lakhs for the quarter ended 30<sup>th</sup> June, 2023. Further, the total liability not provided for in respect of such interest on YTM basis is Rs.1,792.59 lakhs as at 30<sup>th</sup> June, 2023. Statutory Auditor's Limited Review Report is modified in respect of the aforesaid non-recognition of interest liability, by way of a qualification. The Audit Report for the year ended 31<sup>st</sup> March, 2023 and the Statutory Auditors' Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were similarly modified in respect of this matter.

5. The company has given unsecured loans to certain subsidiaries, joint ventures and associates for developing various projects. However, due to the current financial difficulties being faced by the Company, as detailed in Notes 2 and 4 hereinabove, it has not been able to continue providing required financial support which they have asked for subsequently for developing the projects. Consequently and coupled with various other reasons specific to each such subsidiary, joint venture and associate and the general economic conditions, their financials have been adversely impacted over a period of time. Based on the assessment of financials etc. of these companies and as per the provisions of Ind AS, the Company has been providing for expected credit losses in respect of the loans given to them alongwith accrued interest. In view of the aforesaid circumstances and considering the probability that the Company will collect the interest to which it is entitled to, the Company has, with effect from 1<sup>st</sup> April, 2021, postponed recognition of income from interest on such unsecured loans given to certain subsidiaries, joint ventures and associates which are impaired fully/partially by way of expected credit losses as per the provisions of Ind AS. The amount of such interest not recognized for the quarter ended 30<sup>th</sup> June, 2023 is Rs.262.81 lakhs. The interest income would be considered as revenue, as per the provisions of Ind AS, in the period in which there is certainty of its collection/it is ultimately collected. Notwithstanding the aforesaid, the Company always retains the right to recover the entire outstanding loan along with interest accrued thereon.
6. Clients of the Company had foreclosed certain projects/contracts which are presently under arbitration/litigation proceedings. The management, based on the facts of the cases, is confident to recover / realise the trade receivables as at 30<sup>th</sup> June, 2023 of Rs.7,372.07 lakhs related to the aforesaid projects/contracts. The Statutory Auditors have expressed their inability to comment upon the recoverability/realisability of the aforesaid amount and their Limited Review Report is modified in respect of this matter by way of a qualification. The Audit Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were similarly modified in respect of this matter.
7. The Company has certain trade and other receivables of Rs. 44,264.81 lakhs as at 30<sup>th</sup> June, 2023 backed by arbitration awards pronounced in its favour over the years. Further, the Company has recognised interest income of Rs. 742.91 lakhs during the quarter ended 30<sup>th</sup> June, 2023 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.



8. Other Income includes Rs. 123.29 lakhs for the quarter ended 30<sup>th</sup> June, 2023 relating to write back of credit balances of certain creditors, deemed by the management to be no longer payable.
9. During the quarter and year ended 31<sup>st</sup> March, 2022, the Company had allotted by way of a preferential allotment, 34,04,930 0% Compulsorily Convertible Preference Shares ('CCPS') having a face value of Rs. 100/- each, at par, aggregating to Rs. 3,404.93 lakhs, to Promoter and Promoter Group, on conversion of their existing unsecured loans to the Company. Each CCPS was convertible into 2 equity shares of face value of Rs. 2/- each at the conversion price of Rs. 50/- including premium of Rs. 48/- per share, in one or more tranches and accordingly, during the year ended 31<sup>st</sup> March, 2023, 16,27,465 CCPS were converted into 32,54,930 equity shares. The remaining 17,77,465 CCPS were converted into 35,54,930 equity shares during the quarter ended 30<sup>th</sup> June, 2023 and Rs 71.10 lakhs and 1706.37 lakhs were credited to equity share capital a/c and securities premium a/c respectively.
10. During the quarter ended 30<sup>th</sup> June, 2023, the Company has approved the Grant of 19,50,698 Stock Options to eligible employees under it's Employee Stock Option Scheme, 2021 and recognized an expense of Rs. 16.91 lacs in this respect, under "Employee Benefits Expense".
11. Figures for the quarters ended 31<sup>st</sup> March, 2023 are the balancing figures between the audited figures for the year ended on that date and the unaudited year-to-date figures for the nine months period ended 31<sup>st</sup> December, 2022.
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 : 14<sup>th</sup> August, 2023



For SPML Infra Limited



Subhash Chand Sethi  
Chairman  
DIN : 00464390



# MAHESHWARI & ASSOCIATES

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## LIMITED REVIEW REPORT TO THE BOARD OF DIRECTORS, SPML INFRA LIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **SPML Infra Limited** ("the Company"), for the quarter ended 30<sup>th</sup> June, 2023 ("the Statement"), being submitted by the Company pursuant to the requirements 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.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the 'Joint Operations' as given in the **Annexure** to this report.

### Basis for Qualified Conclusion

5. As stated in:
  - (i) Note no. 3 to the Statement, interest on YTM basis amounting to Rs. 1,647.16 lakhs for the quarter ended 30<sup>th</sup> June, 2023 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 recognised, the finance costs, profit before tax, profit after tax and total comprehensive income would have been impacted to the extent of the aforesaid amount for the quarter ended 30<sup>th</sup> June, 2023. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is Rs.31,237.82 lakhs as at 30<sup>th</sup> June, 2023. The Auditor's Report for the year ended 31st March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were also qualified in respect of this matter.
  - (ii) Note no. 4 to the statement, interest expense of Rs. 6,603.62 lakhs and Rs.122.93 lakhs on the Company's borrowings from certain financial creditors (banks) and certain financial creditors (other than banks) respectively, has not been recognized for the quarter ended 30<sup>th</sup> June, 2023. This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid interest expenses been recognized, the finance costs, profit before tax, profit after tax and total comprehensive income would have been impacted to the extent of the aforesaid amounts for the quarter ended 30<sup>th</sup> June, 2023. Further, since 1<sup>st</sup> November, 2019, the total liability not provided for in respect of such interest on YTM basis is Rs.65,036.57 lakhs and Rs. 1,792.59 lakhs as at 30<sup>th</sup> June, 2023 from certain financial creditors (banks) and certain financial creditors (other than banks) respectively. The Auditor's Report for the year ended 31st March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were also qualified in respect of this matter.



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(iii) Note no. 6 to the Statement, regarding the Company's trade receivables (net of ECL) as at 30<sup>th</sup> June, 2023 of Rs. 7,372.07 lakhs, relating to certain projects where the claims are presently under arbitration/ litigation proceedings. Pending the ultimate outcome of these matters (fate of which is presently unascertainable), we are unable to comment on the recoverability thereof. The Auditor's Report for the year ended 31st March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were also qualified in respect of this matter.

6. Based on our review conducted as above, except for the effects / possible effects of the matters as stated in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 34 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.

## Emphasis of Matters

7. We draw attention to:

- (i) Note no. 2 to the Statement which indicates that the Company has defaulted in payment of dues to certain financial creditors and its borrowal facilities with banks are irregular as at 30<sup>th</sup> June, 2023. Based on the mitigating factors as mentioned in the aforesaid Note no. 2, the Company's Board of Directors is of the view that going concern basis of accounting is appropriate for preparation of the accompanying Statement.
- (ii) Note no. 5 to the Statement, regarding postponement of recognition of income from interest on unsecured loans given to certain subsidiaries, joint ventures and associates which are impaired fully/partially by way of expected credit losses.
- (iii) Note no. 7 to the Statement, regarding uncertainties relating to the recoverability of certain trade & other receivables as at 30<sup>th</sup> June, 2023 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Company.
- (iv) Note No. 8 to the Statement, regarding write back of Rs. 123.29 lakhs in respect of credit balances of certain creditors, deemed by the management to be no longer payable..

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

## Other Matters

8. (i) We did not review the financial statements / financial information of 1 (one) joint operation included in the accompanying Statement, whose financial statements / financial information reflect total revenue of Rs. 7,907.62 lakhs and total net profit of Rs. 6.36 lakhs and total comprehensive income of Rs.6.36 lakhs for the year ended on that date, as considered in the accompanying Statement. These financial statements / financial information have been reviewed by other auditor whose report has 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 this joint operation, is based solely on the review report of such other auditor and on the procedures performed by us as stated in para 3 to this report.



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- (ii) We did not review the financial statements / financial information / financial results of 5(five) joint operations included in the accompanying Statement, whose financial statements / financial information /financial results reflect total revenue of Rs.3,021.55 lakhs, total net profit of Rs.0.99 lakhs and total comprehensive income of Rs.0.99 lakhs for the quarter ended 30<sup>th</sup> June, 2023, as considered in the accompanying Statement. These financial statements / financial information/financial results are un-reviewed/unaudited and have been furnished to us by the Company's management and our conclusion 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 management certified financial statements/financial information/financial results. According to the information and explanations given to us by the Company's management, these financial statements/financial information /financial results are not material to the Statement.

Our report on the Statement is not modified in respect of this matter.

- (iii) Owing to non-availability of interim financial statements/financial information/financial results of 6 (six) 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 interim financial statements/financial information/financial results are not material to the Statement.

Our report on the Statement is not modified in respect of this matter.

For Maheshwari & Associates  
Chartered Accountants  
FRN: 311008E



CA. Bijay Murnuria  
Partner  
Membership No. : 055788

UDIN : 23055788BGYJRD3582

Place: Kolkata

Date: 14<sup>th</sup> August, 2023

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Annexure to the Limited Review Report on the Standalone Financial Results

List of 'Joint Operations' whose financial results are included in the Statement

1. JWIL- SPML (JV)
2. Simplex- Subhash JV
3. SPML-Shree Hari JV
4. SPML-JWIL JV
5. BCPL SPML JV
6. PNC-SPML JV-Moradabad



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**SPML INFRA LIMITED**

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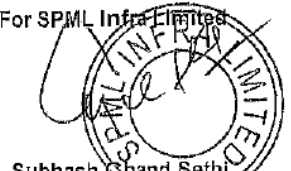
**Statement of Consolidated Financial Results for the Quarter ended June 30, 2023**

Rs. in Lakhs

Particulars	Three months ended			Year ended
	30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
	Unaudited	Unaudited (Refer Note 12 )	Unaudited	Audited
<b>1. Income</b>				
a. Revenue from Operations	35,162.10	46,350.14	12,913.05	88,314.31
b. Other Income	467.81	614.86	509.02	2,753.77
<b>Total Income</b>	<b>35,629.91</b>	<b>47,165.00</b>	<b>13,422.07</b>	<b>91,068.08</b>
<b>2. Expenses</b>				
a. Materials Consumed and Other Construction Expenses	33,685.18	40,086.86	10,947.98	77,003.30
b. Employee Benefits Expense	629.84	671.27	699.78	2,883.03
c. Finance Cost	260.38	3,654.04	1,024.54	5,025.88
d. Depreciation and Amortisation Expenses	66.09	92.76	76.74	319.16
e. Other Expenses	943.93	1,180.60	607.21	5,747.54
<b>Total Expenses</b>	<b>35,575.20</b>	<b>45,685.52</b>	<b>13,358.25</b>	<b>90,778.71</b>
<b>3. Profit/(Loss) before share of Profit/(Loss) of Associates &amp; Joint Ventures &amp; Tax (1-2)</b>	<b>54.71</b>	<b>1479.48</b>	<b>63.82</b>	<b>289.37</b>
<b>4. Share of Profit/(Loss) of Associates and Joint Ventures</b>	<b>0.00</b>	<b>(29.37)</b>	<b>29.56</b>	<b>3.21</b>
<b>5. Total Profit / (Loss) before tax( 3+4)</b>	<b>54.71</b>	<b>1450.11</b>	<b>93.38</b>	<b>292.58</b>
<b>6. Tax Expense</b>				
a. Current Tax	10.90	199.25	52.29	281.46
b. Deferred Tax	(0.75)	(117.26)	(0.55)	(2.68)
	<b>10.15</b>	<b>82.00</b>	<b>51.74</b>	<b>258.77</b>
<b>7. Profit/(Loss) after Tax</b>	<b>44.56</b>	<b>1368.11</b>	<b>41.64</b>	<b>33.81</b>
<b>8. Other Comprehensive Income/(Expense)</b>				
Items that will not be reclassified to Profit or Loss				
- Gain/(Loss) on fair value of defined benefit plans	(16.11)	(8.23)	18.30	9.55
- Income Tax relating to above	5.03	2.57	(5.71)	(2.98)
<b>Total Other Comprehensive Income/(Expense)</b>	<b>(11.08)</b>	<b>(5.66)</b>	<b>12.59</b>	<b>6.57</b>
<b>9. Total Comprehensive Income/(Expense) for the period (7+8)</b>	<b>33.48</b>	<b>1362.45</b>	<b>54.23</b>	<b>40.38</b>
<b>Net Profit attributable to:</b>				
Owners of the company	44.98	1368.16	42.17	39.09
Non - controlling interest	(0.42)	(0.05)	(0.53)	(5.28)
<b>Other Comprehensive Income/(Expense) attributable to:</b>				
Owners of the company	(11.08)	(5.66)	12.59	6.57
Non-Controlling Interest	-	-	-	-
<b>Total Comprehensive Income/(Expense) attributable to:</b>				
Owners of the company	33.90	1362.50	54.76	45.66
Non-Controlling Interest	(0.42)	(0.05)	(0.53)	(5.28)
<b>10. Paid-up Equity Share Capital (par value of Rs. 2/- each)</b>	<b>1,036.00</b>	<b>994.90</b>	<b>940.04</b>	<b>994.90</b>
<b>11. Paid-up Compulsorily Convertible Preference Share Capital (par value of Rs. 100/- each)</b>	<b>-</b>	<b>1,777.47</b>	<b>1,777.47</b>	<b>1,777.47</b>
<b>12. Other Equity (excluding Revaluation Reserves)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,474.56</b>
<b>13. Earnings per Equity Share</b>				
Earnings per Equity share (Basic and Diluted ) (in Rupees) (quarters not annualized) (par value Rs. 2/- each)	<b>0.09</b>	<b>2.84</b>	<b>0.09</b>	<b>0.08</b>



For SPML Infra Limited



Subhash Chand Sethi  
Chairman

DIN No.: 00464390

Dated: 14th August, 2023

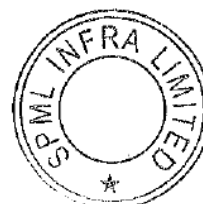
Place: Kolkata

## Notes to Statement of Consolidated Financial Results

1. SPML Infra Ltd. (the 'Parent Company') and its subsidiaries are together referred to as 'the Group' in the following notes.
2. The above unaudited consolidated results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Parent Company at their respective meetings held on 14<sup>th</sup> August, 2023.
3. The Parent Company has been facing financial crisis since last few financial years due to various reasons as stated in Note no. 5 herein below, owing to which, with effect from the financial year 2019-20 the Company is in default relating to payment of its dues to the financial creditors (mainly to banks, hereinafter referred to as "Lenders") and accordingly, the borrowing facilities of the Parent Company with the Lenders are irregular as on 30<sup>th</sup> June, 2023. As per information available with the Parent Company, the Lenders are in the process of consummating assignment of Parent Company's debt to an eligible participant (amongst ARCs/Banks/NBFCs/FIs), starting with an e-auction under the swiss challenge method held on June 6, 2023. The Parent Company is awaiting an official notification/communication in this regard from the Lenders and/or the eligible participant who was ultimately successful in the said e-auction. The Parent Company has been given to understand that the aforesaid e-auction is governed by the terms of RBI (Transfer of Loan Exposures) Directions, 2021 and the acquisition by the eligible participant will be by way of an Assignment of debt by the Lenders. Presently, the Parent Company continues to disclose the outstanding loans, including interest recognized in the books of accounts, in the financial results as per balances appearing in it's Books of Accounts as per agreements with the respective Lenders.

Considering the aforesaid developments and the favourable business environment in the sector in which the Parent Company operates, the Management is confident that the Parent Company shall be able to generate sufficient cash inflows through profitable operations to discharge its financial obligations. Accordingly, the Parent Company's Board of Directors considers it appropriate to prepare these financial results on a going concern basis.

4. Interest on YTM basis amounting to Rs. 1,647.16 lakhs for the quarter ended 30<sup>th</sup> June, 2023 has not been 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 ( the OCD's, alongwith loans, are also the subject matter of the Assignment referred to in Note 3 above). The Statutory Auditor's Limited Review Report is modified in respect of this matter by way of a qualification. The Audit Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were similarly modified in respect of this matter. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is Rs.31,237.82 lakhs as at 30<sup>th</sup> June, 2023.



5. 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 non-performing asset. Consequently, w.e.f 1<sup>st</sup> November, 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. Hence, with effect from 1<sup>st</sup> November, 2019, the Parent Company is not recognizing any interest liability on the fxund based borrowing facilities from the Lenders in the books of accounts (except for recognizing Rs. 3,419.41 lacs during the quarter ended 31<sup>st</sup> March, 2023 towards part of interest charged by banks in the bank statements, from 1<sup>st</sup> November, 2019 onwards). Accordingly, interest expense of Rs. 6,603.62 lakhs on the said borrowings have not been recognized for the quarter ended 30<sup>th</sup> June, 2023. Further, since 1<sup>st</sup> November, 2019, the total liability not provided for in respect of such interest on YTM basis is Rs.65,036.57 lakhs as at 30<sup>th</sup> June, 2023. Statutory Auditor's Limited Review Report is modified in respect of the aforesaid non-recognition of interest liability, by way of a qualification. The Audit Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were similarly modified in respect of this matter. Further, on the aforesaid grounds, in respect of certain other borrowings (i.e. borrowing other than from 'Lenders'), the Parent Company has not recognized interest expense of Rs.122.93 lakhs for the quarter ended 30<sup>th</sup> June, 2023. Further, the total liability not provided for in respect of such interest on YTM basis is Rs.1,792.59 lakhs as at 30<sup>th</sup> June, 2023. Statutory Auditors' Limited Review Report is modified in respect of the aforesaid non-recognition of interest liability, by way of a qualification. The Audit Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were similarly modified in respect of this matter.
6. 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 as at 30<sup>th</sup> June, 2023 of Rs.7,372.07 lakhs related to the aforesaid projects / contracts. The Statutory Auditors have expressed their inability to comment upon the recoverability/realisability of the aforesaid amount and their Limited Review Report is modified in respect of this matter by way of a qualification. The Audit Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were similarly modified in respect of this matter.
7. The Parent Company made all the efforts to obtain the requisite financial statements / financial information / financial results of 1(one) subsidiary, 2(two) Associates and 4(four) Joint Venture Companies, for the quarter ended 30<sup>th</sup> June, 2023. However, in their absence, the consolidated financial results for the said period have been prepared without considering the financial impact of such financial statements / financial information/ financial results. 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 ended 30<sup>th</sup> June, 2023.



8. The Parent Company has certain trade and other receivables of Rs. 44,264.81 lakhs as at 30<sup>th</sup> June, 2023 backed by arbitration awards pronounced in its favour over the years. Further, the Parent Company has recognised interest income of Rs. 742.91 lakhs during the quarter ended 30<sup>th</sup> June, 2023 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. 123.29 lacs for the quarter ended 30<sup>th</sup> June, 2023, 2023 relating to write back of credit balances of certain creditors of the Parent Company, deemed by the management to be no longer payable.
10. During the quarter and year ended 31<sup>st</sup> March, 2022, the Parent Company had allotted by way of a preferential allotment, 34,04,930 0% Compulsorily Convertible Preference Shares ('CCPS') having a face value of Rs. 100/- each, at par, aggregating to Rs. 3,404.93 lacs, to Promoter and Promoter Group, on conversion of their existing unsecured loans to the Parent Company. Each CCPS was convertible into 2 equity shares of face value of Rs. 2/- each at the conversion price of Rs. 50/- including premium of Rs. 48/- per share, in one or more tranches and accordingly, during the year ended 31<sup>st</sup> March, 2023, 16,27,465 CCPS were converted into 32,54,930 equity shares. The remaining 17,77,465 CCPS were converted into 35,54,930 equity shares during the quarter ended 30<sup>th</sup> June, 2023 and Rs 71.10 lacs and Rs 1,706.37 lacs were credited to equity share capital a/c and securities premium a/c respectively.
11. During the quarter ended 30<sup>th</sup> June, 2023, the Parent Company has approved the Grant of 19,50,698 Stock Options to eligible employees under its Employee Stock Option Scheme, 2021 and recognized an expense of Rs. 16.91 lacs in this respect, under "Employee Benefits Expense".
12. Figures for the quarters ended 31<sup>st</sup> March, 2023 are the balancing figures between the audited figures for the year ended on that date and the unaudited year-to-date figures for the nine months period ended 31<sup>st</sup> December, 2022.
13. Previous period's figures have been regrouped /rearranged wherever considered necessary, to make them comparable with those of the current period.



Date : Kolkata  
Date : 14<sup>th</sup> August, 2023

For SPML Infra Limited



**Subhash Chand Sethi**  
Chairman  
DIN : 00464390



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## LIMITED REVIEW REPORT TO THE BOARD OF DIRECTORS, SPML INFRA LIMITED

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **SPML Infra Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the quarter ended 30<sup>th</sup> June, 2023 ("the Statement"), being submitted by the Parent pursuant to the requirements 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.
2. This Statement, which is the responsibility of the Parent's Management (the 'Management') and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the entities as given in the **Annexure** to this report.

### Basis for Qualified Conclusion

5. As stated in :
  - a) Note 4 to the Statement, interest on YTM basis amounting to Rs. 1,647.16 lakhs for the quarter ended 30<sup>th</sup> June, 2023 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 recognised, the finance costs, profit before tax, profit after tax and total comprehensive income would have been impacted to the extent of the aforesaid amount for the quarter ended 30<sup>th</sup> June, 2023. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is Rs.31237.82 lakhs as at 30<sup>th</sup> June, 2023. The Auditor's Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were also qualified in respect of this matter.



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- b) Note no. 5 to the statement, interest expense of Rs. 6,603.62 lakhs and Rs.122.93 lakhs on the Parent's borrowings from certain financial creditors (banks) and certain financial creditors (other than banks) respectively, has not been recognized for the quarter ended 30<sup>th</sup> June, 2023. This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid interest expenses been recognized, the finance costs, profit before tax, profit after tax and total comprehensive income would have been impacted to the extent of the aforesaid amounts for the quarter ended 30<sup>th</sup> June, 2023. Further, since 1<sup>st</sup> November, 2019, the total liability not provided for in respect of such interest on YTM basis is Rs.65,036.57 lakhs and Rs.1,792 lakhs as at 30<sup>th</sup> June, 2023 from certain financial creditors (banks) and certain financial creditors (other than banks) respectively. The Auditor's Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were also qualified in respect of this matter.
- c) Note 6 to the Statement, regarding the Parent's trade receivables (net of ECL) as at 30<sup>th</sup> June, 2023 of Rs. 7,372.07 lakhs, relating to certain projects where the claims are presently under arbitration/ litigation proceedings. Pending the ultimate outcome of these matters (fate of which is presently unascertainable), we are unable to comment on the recoverability thereof. The Auditor's Report for the year ended 31<sup>st</sup> March, 2023 and the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 were also qualified in respect of this matter.
6. Based on our review conducted as above, except for the effects / possible effects of the matters as stated in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 34 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.

## Emphasis of Matters

7. We draw attention to:
- a) Note 3 to the Statement, which indicates that the Parent has defaulted in payment of dues to certain financial creditors and its borrowal facilities with banks are irregular as at 30<sup>th</sup> June, 2023. Based on the mitigating factors as mentioned in the aforesaid Note 3, the Parent's Board of Directors is of the view that going concern basis of accounting is appropriate for preparation of the accompanying Statement.
- b) Note 7 to the Statement, regarding unavailability of financial statements/ financial information/financial results of 1(one) subsidiary, 4 (four) joint ventures and 2(two) associate companies for the quarter ended 30<sup>th</sup> June, 2023. According to the information and explanations given to us by the management, such unavailable financial statements/financial information/financial results are not material to the Statement.
- c) Note 8 to the Statement, regarding uncertainties relating to the recoverability of certain trade & other receivables as at 30<sup>th</sup> June, 2023 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Parent.
- d) Note No. 9 to the Statement, regarding write back of Rs. 123.29 lakhs in respect of credit balances of certain creditors of the Parent, deemed by the management to be no longer payable

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



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## Other Matters

8. We did not review the financial statements / financial information/ financial results of 7(seven) subsidiaries for the quarter ended 30th June, 2023, included in the Statement, whose financial statements / financial information/financial results reflect total revenues of Rs.236.32 lakhs, total net loss after tax of Rs.27.15 lakhs and total comprehensive loss of Rs.27.15 lakhs, for the quarter ended 30th June, 2023. The Statement also includes the Group's share of nil net profit after tax and nil total comprehensive income for the quarter ended 30th June, 2023 in respect of 4(four) associates and 1 (one) joint ventures, whose financial statements / financial information/financial results have not been reviewed by us. These financial statements / financial information / financial results are unreviewed / unaudited and have been furnished to us by the Management and our conclusion on the Statement, 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 unreviewed / 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 Statement.

Our report on the Statement is not modified in respect of this matter.

For Maheshwari & Associates  
Chartered Accountants  
FRN : 311008E



CA. Bijay Murmuria  
Partner  
Membership No. 055788

UDIN : 23055788BGYJRE5824

Place : Kolkata  
Date : 14<sup>th</sup> August, 2023



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## Annexure to the Limited Review Report on the Consolidated Financial Results

### List of entities whose financial results are included in the Statement

#### Subsidiaries

1. Allahabad Waste Processing Co. Ltd.
2. Pondicherry SEZ Co. Ltd.
3. Mathura Nagar Waste Processing Co. Ltd.
4. SPML Infrastructure Ltd.
5. SPML Utilities Ltd.
6. Sanmati Infra Developers Private Limited
7. Madurai Municipal Waste Processing Co. Pvt. Ltd.

#### Associates

1. Binwa Power Company Pvt. Ltd.
2. SPML Bhiwandi Water Supply infra Ltd.
3. SPML Bhiwandi Water Supply Management Ltd.
4. SPMLIL – Amrutha Construction Pvt. Ltd.

#### Joint Ventures

1. Hydro-Comp Enterprises (India) Ltd.



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