

14<sup>th</sup> November, 2023

To,  
**National Stock Exchange**  
Exchange Plaza,  
Plot No. C/1, G Block,  
Bandra (E), Mumbai-400051  
**(NSE Scrip Code: SPMLINFRA)**

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai-400001  
**(BSE Scrip Code: 500402)**

**Sub: Outcome of Board Meeting**

Dear Sirs,

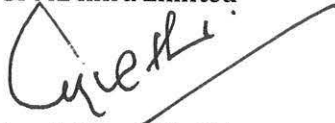
With reference to the captioned subject and in terms of the Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we would like to inform you that Board of Directors of the Company in its Meeting held on 14<sup>th</sup> November, 2023, interalia, has considered and approved :

1. The Unaudited Standalone and Consolidated Financial Results of the Company for the 2<sup>nd</sup> quarter and half Year ended 30<sup>th</sup> September, 2023 along with the Limited Review Report of Statutory Auditors thereon.

Further the Board Meeting Commenced at 12.10 P.M. and concluded at 3.30 P.M.

Kindly take the above on record.

Thanking you,  
For SPML Infra Limited



**Subhash Chand Sethi**  
Chairman  
**(00464390)**

**SPML INFRA LIMITED**

CIN : L40106DL 1981PLC012228

113, Park Street, South Block, 7th Floor, Kolkata 700016

Ph: +91 33 2264 0307 / 0308

E-mail : info@spml.co.in | Website : www.spml.co.in

Regd. Office : F-27/2, Okhla Industrial Area, Phase-II, New Delhi - 110020



Statement of Standalone Unaudited Financial Results for the Three months and Six months ended September 30, 2023

Particulars	Three months ended			Six months ended		Year ended
	30-Sep-23	30-Jun-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Revenue</b>						
a. Revenue from Operations	25,337.99	35,029.80	13,498.82	60,367.79	26,266.77	87,779.58
b. Other Income	58.22	375.90	866.69	434.12	1,348.38	1,931.21
<b>Total Income</b>	<b>25,396.21</b>	<b>35,405.70</b>	<b>14,365.51</b>	<b>60,801.91</b>	<b>27,615.15</b>	<b>89,710.79</b>
<b>2. Expenses</b>						
a. Materials consumed and other construction expenses	23,660.30	33,468.49	11,682.60	57,128.79	22,726.77	76,478.37
b. Employee Benefits Expense	611.93	626.79	697.37	1,238.72	1,387.98	2,648.06
c. Finance Costs	150.06	246.37	185.02	396.43	966.01	4,982.83
d. Depreciation and Amortisation Expenses	54.86	58.96	71.32	113.82	147.24	297.51
e. Other Expenses	851.81	927.00	2,229.44	1,778.81	2,757.55	5,038.03
<b>Total Expenses</b>	<b>25,328.96</b>	<b>35,327.61</b>	<b>14,865.75</b>	<b>60,656.57</b>	<b>27,985.55</b>	<b>89,444.80</b>
<b>3. Profit / (Loss) before tax (1 - 2)</b>	<b>67.25</b>	<b>78.09</b>	<b>(500.24)</b>	<b>145.34</b>	<b>(370.40)</b>	<b>265.99</b>
<b>4. Tax Expense</b>						
a. Current Tax	14.18	10.90	-	25.08	52.29	54.94
b. Deferred Tax	-	-	-	-	-	-
	<b>14.18</b>	<b>10.90</b>	<b>-</b>	<b>25.08</b>	<b>52.29</b>	<b>54.94</b>
<b>5. Profit/(Loss) after Tax (3 - 4)</b>	<b>53.07</b>	<b>67.19</b>	<b>(500.24)</b>	<b>120.26</b>	<b>(422.69)</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	11.81	(16.11)	(15.38)	(4.30)	2.92	10.31
- Income Tax relating to above	(3.68)	5.03	4.80	1.34	(0.91)	(3.22)
<b>Total Other Comprehensive Income/(Expense)</b>	<b>8.13</b>	<b>(11.08)</b>	<b>(10.58)</b>	<b>(2.96)</b>	<b>2.01</b>	<b>7.09</b>
<b>7. Total Comprehensive Income/(Expense) for the period (5 + 6)</b>	<b>61.20</b>	<b>56.11</b>	<b>(510.82)</b>	<b>117.30</b>	<b>(420.68)</b>	<b>218.14</b>
<b>8. Paid-up Equity Share Capital (par value of Rs. 2/- each)</b>	1,066.00	1,066.00	994.90	1,066.00	994.90	994.90
<b>9. Paid-up Compulsorily Convertible Preference Share Capital (par value of Rs. 100/- each)</b>	-	-	1,777.47	-	1,777.47	1,777.47
<b>10. Other Equity (excluding revaluation reserves)</b>						32,174.13
<b>11. Earnings per Equity share</b>						
Earnings per Equity share (Basic and Diluted) (in Rupees) *(not annualized for interim periods) (par value Rs. 2/- each)	<b>0.11 *</b>	<b>0.14 *</b>	<b>(1.01) *</b>	<b>0.25 *</b>	<b>(0.85) *</b>	<b>0.44</b>

For SPML Infra Limited

Date: November 14, 2023  
Place: Kolkata



**Statement of Standalone Unaudited Assets and Liabilities as at September 30, 2023**

Particulars	Rs. In lakhs	
	As at 30th Sep, 2023	As at 31st Mar, 2023
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, Plant and Equipment	8,840.03	8,949.22
(b) Right of Use Assets	2.09	2.78
(c) Intangible Assets	46.56	50.86
(d) Financial Assets		
(i) Investments	13,291.98	9,897.24
(ii) Trade Receivables	26,934.69	26,182.14
(iii) Loans	7,777.64	11,221.04
(iv) Other Financial Assets	3,106.04	3,360.86
(e) Deferred Tax Assets	11,854.54	11,853.20
(f) Other Non-Current Assets	37,870.35	37,109.86
	<b>1,09,723.92</b>	<b>1,08,627.20</b>
<b>Current assets</b>		
(a) Inventories	6,397.22	9,243.53
(b) Financial Assets		
(i) Trade Receivables	1,13,071.29	1,11,076.23
(ii) Cash and Cash Equivalents	1,460.37	1,817.97
(iii) Other Bank Balances	519.65	270.27
(iv) Other Financial Assets	25,411.84	23,453.05
(c) Other Current Assets	8,254.35	8,732.45
	<b>1,55,114.72</b>	<b>1,54,593.50</b>
<b>TOTAL ASSETS</b>	<b>2,64,838.64</b>	<b>2,63,220.70</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	1,066.00	994.90
(b) Compulsorily Convertible Preference Share	-	1,777.47
(c) Other Equity	34,065.46	32,174.13
<b>TOTAL EQUITY</b>	<b>35,131.46</b>	<b>34,946.50</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	59,243.26	59,303.87
(ii) Trade Payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	11,278.52	9,403.53
(iii) Other Financial Liabilities	8,729.43	9,638.13
(b) Provisions	261.59	261.57
	<b>79,512.80</b>	<b>78,607.10</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	1,10,920.74	1,11,070.29
(ii) Lease Liability	1.82	2.44
(iii) Trade Payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	1,324.55	1,103.84
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	31,877.97	31,323.49
(iv) Other Financial Liabilities	4,089.13	3,925.63
(b) Other Current Liabilities	1,846.41	2,114.44
(c) Provisions	133.76	126.97
	<b>1,50,194.38</b>	<b>1,49,667.10</b>
<b>TOTAL LIABILITIES</b>	<b>2,29,707.18</b>	<b>2,28,274.20</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,64,838.64</b>	<b>2,63,220.70</b>

Date: November 14, 2023  
Place: Kolkata



For SPML Infra Limited  
  
Subhash Chand Sethi  
Chairman  
DIN: 00464390





**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 Unaudited Cash Flow Statement for the Six months ended September 30, 2023**

Particulars	Rs. in lakhs	
	For the six months ended 30th Sep, 2023	For the year ended 31st Mar, 2023
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Total Profit / (Loss) before tax	145.34	265.99
Adjustments for:		
Depreciation and Amortisation expenses	113.82	297.51
Interest Expenses	366.16	4,830.08
Commission income	(28.07)	(242.67)
Sundry Balances written off	-	101.03
ECL on loans	54.69	-
Impairment of investment in equity shares of subsidiaries and associates	-	255.70
Impairment of inventory	-	1,042.44
Share-based compensation expenses	67.65	-
ECL charge on Trade Receivable	488.73	788.53
Profit on sale of property plant and equipment	(1.33)	(264.11)
Liabilities no longer required written back	(154.74)	(626.52)
Interest Income	(35.35)	(386.85)
<b>Operating Profit before Working Capital changes</b>	<b>1,016.90</b>	<b>6,061.13</b>
Adjustment for:		
Increase/ (decrease) in trade payables	2,804.92	5,162.68
Increase/ (decrease) in provisions	2.50	(56.37)
Increase/ (decrease) in other current liabilities	(1,015.48)	3,603.36
Decrease/ (increase) in trade receivables	(5,138.19)	(9,951.80)
Decrease/ (increase) in inventories	2,846.31	(1,262.91)
Increase/ (increase) in loans and advances	(393.43)	757.16
Increase/ (increase) in other current assets	320.67	4,601.36
<b>Cash generated/(used) from operations</b>	<b>444.20</b>	<b>8,914.61</b>
Taxes Paid (net of refunds)	720.36	(1,567.78)
<b>Net Cash from Operating Activities</b>	<b>1,164.56</b>	<b>7,346.83</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of PPE including capital work in progress	(3.80)	(62.84)
Proceeds from sale of PPE	5.49	446.57
Fixed Deposits encashed/ (invested)	(978.49)	(3,464.13)
Loans (given) / repayment received	(6.03)	329.90
Interest received	35.35	386.85
<b>Net Cash generated/(used) in Investing Activities</b>	<b>(947.48)</b>	<b>(2,363.65)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net movement in Long Term Borrowings	(60.60)	(161.08)
Net movement in Short Term Borrowings	(149.55)	(2,122.07)
Interest paid	(364.53)	(4,824.58)
<b>Net Cash generated/(used) in Financing Activities</b>	<b>(574.68)</b>	<b>(7,107.73)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(357.60)</b>	<b>(2,124.55)</b>
Cash & Cash Equivalents at the beginning of the year	1,817.97	3,942.52
Cash & Cash Equivalents at the end of the year	<b>1,460.37</b>	<b>1,817.97</b>

Date: November 14, 2023  
Place: Kolkata



For SPML Infra Limited  
  
Subhash Chand Sethi  
Chairman  
DIN: 00464390



## 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> November, 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 it's borrowing facilities with the lenders were irregular. Accordingly, vide Deed of Assignment dated 29<sup>th</sup> August, 2023, the consortium of lenders have assigned/transferred the outstanding debt granted to the company in favour of National Asset Reconstruction Company Limited ("NARCL"). NARCL has appointed India Debt Reconstruction Co. Ltd. ("IDRCL") as an exclusive service agent for providing debt management and various resolution services and the Company is in discussion with IDRCL for overall resolution of debt towards the revival of the Company. Further, under a voluntary settlement scheme notified by the Government under Vivad se Vishwas II (Contractual Disputes), the Company expects to resolve certain long-standing contractual disputes involving government agencies, so as to bring a finality to the ongoing arbitration proceedings and thereby improve the liquidity of the Company.

Pending such resolution, 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 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 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.1,699.06 lakhs and Rs.3,346.22 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively have not been provided on Optionally Convertible Debentures ('OCDs') issued to Lenders under S4A scheme ( the OCD's, along with loans, are the subject matter of the Assignment and the discussions with IDRCL towards resolution of overall debt, 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 and six months ended 30<sup>th</sup> September, 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.32,230.44 lakhs as at 30<sup>th</sup> September, 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.5,852.85 lakhs and Rs. 12,456.47 lakhs on the said borrowings have not been recognized for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. Further, since 1st November, 2019, the total liability not provided for in respect of such interest on YTM basis is Rs.70,889.42 lakhs as at 30th September, 2023. Subsequently, as detailed in Note 2 above, the consortium of lenders have assigned the outstanding debt in favour of NARCL and the Company is in discussion with IDRCL for overall resolution of debt (including unpaid interest). 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 and six months ended 30<sup>th</sup> September, 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.123.07 lakhs and Rs.246.00 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. 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 and six months ended 30<sup>th</sup> September, 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 along with 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 and six months ended 30<sup>th</sup> September, 2023 is Rs.170.84 lakhs and Rs. 433.64 lakhs respectively. The interest income would be considered as revenue, as per the provisions of Ind AS, in the period in which there is certainty of it's collection/it is ultimately collected. Notwithstanding the aforesaid, the Company always 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> September, 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 and six months ended 30<sup>th</sup> September, 2022 were similarly modified in respect of this matter.
7. The Company has certain trade and other receivables of Rs. 45,027.83 lakhs as at 30<sup>th</sup> September, 2023 backed by arbitration awards pronounced in its favour over the years. Further, the Company has recognised interest income of Rs. 763.02 lakhs and Rs.1,505.93 lakhs during the quarter and six months ended 30<sup>th</sup> September, 2023 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.
8. Other Income includes Rs. 31.45 lakhs and Rs.154.74 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively relating to write back of credit balances of certain creditors, deemed by the management to be no longer payable.
9. During the quarter ended 30<sup>th</sup> June, 2023, the Company approved the Grant of 19,50,698 Stock Options to eligible employees under it's Employee Stock Option Scheme, 2021. Expense of Rs.50.74. lakhs and Rs.67.65 lakhs in this respect, for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively, has been recognised under "Employee Benefits Expense".
10. 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> November, 2023

For SPML Infra Limited  
  
Subhash Chand Sethi  
Chairman  
DIN : 00464390

A circular stamp with the text "SPML INFRA LIMITED" around the top edge and a star at the bottom.





# MAHESHWARI & ASSOCIATES

Chartered Accountants

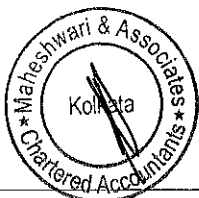
8B Middleton Street, 6A Geetanjali  
Kolkata 700071, India  
T. +91 33 2229 8936 / 6758  
E. kolkata@maheshwariassociates.com  
www.maheshwariassociates.com

## 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 and six months ended 30<sup>th</sup> September, 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. 1,699.06 lakhs and Rs. 3,346.22 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 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 recognised, 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 and six months ended 30<sup>th</sup> September, 2023 respectively. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is Rs. 32,230.44 lakhs as at 30<sup>th</sup> September, 2023. The Auditor's Report for the year ended 31st March, 2023 and the Limited Review Report for the quarter and six months ended 30<sup>th</sup> September, 2022 were also qualified in respect of this matter.



Bangalore: "Park Plaza" First Floor, No.1, Park Road (Off. Infantry Road), Tasker Town, Bangalore - 560051  
T. +91 80 4124 2545 F. +91 80 4124 2547 E. bangalore@maheshwariassociates.com

Mumbai: 304F, B Wing, Sumit Samarth Arcade, Taty Tope CHSL, Aarey Road, Goregaon (West), Mumbai - 400104  
T. +91 9152105868 E. mumbai@maheshwariassociates.com

Chennai: Old No. 28, New No. 11, Rukmani Street, West Mambalam, Chennai - 600033  
T. +91 44 4281 2598 E. chennai@maheshwariassociates.com





# MAHESHWARI & ASSOCIATES

Chartered Accountants

8B Middleton Street, 6A Geetanjali

Kolkata 700071, India

T. +91 33 2229 8936 / 6758

E. kolkata@maheshwariassociates.com

www.maheshwariassociates.com

- (ii) Note no. 4 to the Statement, interest expense of Rs.5,852.85 lakhs and Rs. 12,456.47 lakhs on the Company's borrowings from certain financial creditors (banks/ARCs), has not been recognized for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. Further, interest expense of Rs.123.07 lakhs and Rs.246.00 lakhs on the Company's borrowings from certain financial creditors (other than banks/ARCs) has also not been recognized for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid interest 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 amounts for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. Further, since 1<sup>st</sup> November 2019, the total liability not provided for in respect of such interest on YTM basis is Rs.70,889.42 and Rs.1,915.66 lakhs as at 30<sup>th</sup> September, 2023 regarding certain financial creditors (banks/ARCs) and certain financial creditors (other than banks/ARCs) respectively. The Auditor's Report for the year ended 31st March,2023 and the Limited Review Report for the quarter and six months ended 30<sup>th</sup> September, 2022 were also qualified in respect of this matter.
- (iii) Note no. 6 to the Statement, regarding the Company's trade receivables (net of ECL) as at 30<sup>th</sup> September, 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 and six months ended 30<sup>th</sup> September, 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's borrowing facilities with the lenders were irregular and the consortium of lenders assigned the debt in favour of an Asset Reconstruction Company during the quarter ended 30<sup>th</sup> September, 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> September, 2023 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Company.



Bangalore: "Park Plaza" First Floor, No.1, Park Road (Off. Infantry Road), Tasker Town, Bangalore - 560051

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Mumbai: 304F, B Wing, Sumit Samarth Arcade, Taty Tope CHSL, Aarey Road, Goregaon (West), Mumbai - 400104

T. +91 9152105868 E. mumbai@maheshwariassociates.com

Chennai: Old No. 28, New No. 11, Rukmani Street, West Mambalam, Chennai - 600033

T. +91 44 4281 2598 E. chennai@maheshwariassociates.com



# MAHESHWARI & ASSOCIATES

Chartered Accountants

8B Middleton Street, 6A Geetanjali

Kolkata 700071, India

T. +91 33 2229 8936 / 6758

E. kolkata@maheshwariassociates.com

www.maheshwariassociates.com

(iv) Note no. 8 to the Statement regarding write back 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 / financial results of 4(four) joint operations included in the accompanying Statement, whose financial statements / financial information / financial results reflect total revenue of Rs.5,969.88 lakhs and Rs. 13,877.00 lakhs, total net profit of Rs.7.99 lakhs and Rs.14.35 lakhs and total comprehensive income of Rs.7.99 lakhs and Rs. 14.35 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively, as considered in the accompanying Statement. These financial statements / financial information/financial results have been reviewed by other auditors whose reports 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 the review reports of such other auditors and on the procedures performed by us as stated in para 3 to this report.
- (ii) We did not review the financial statements / financial information / financial results of 4(four) joint operations included in the accompanying Statement, whose financial statements / financial information / financial results reflect total revenue of Rs.633.05 lakhs and Rs.3,654.60 lakhs, total net profit of Rs.0.07 lakhs and Rs.1.06 lakhs and total comprehensive income of Rs.0.07 lakhs and Rs.1.06 lakhs for the quarter and six months ended 30<sup>th</sup> September, 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.
- (iii) Owing to non-availability of interim financial statements/financial information/financial results of 4(four) 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 these matters.

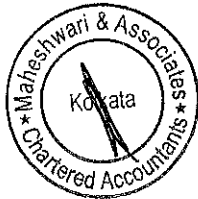
For Maheshwari & Associates  
Chartered Accountants  
FRN: 311008E

CA. Bijay Murmulia  
Partner  
Membership No. : 055788

UDIN : 23055788BGYJSF7624

Place: Kolkata

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



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E. [kolkata@maheshwariassociates.com](mailto:kolkata@maheshwariassociates.com)  
[www.maheshwariassociates.com](http://www.maheshwariassociates.com)

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

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

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



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**SPML INFRA LIMITED**

Registered Office: F-27/2, Okhla Industrial Area, Phase- II, New Delhi- 110020

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Website: www.spml.co.in; Email: info@spml.co.in

CIN: L40106DL1981PLCO12228

Statement of Consolidated Unaudited Financial Results for the three months and six months ended September 30, 2023

Rs. in Lakhs

Particulars	Three months ended			Six months ended		Year ended
	30-Sep-23	30-Jun-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Income</b>						
a. Revenue from Operations	25,390.42	35,162.10	13,723.42	60,552.52	26,636.47	88,314.31
b. Other Income	303.47	467.81	1,163.98	771.28	1,673.00	2,753.77
<b>Total Income</b>	<b>25,693.89</b>	<b>35,629.91</b>	<b>14,887.40</b>	<b>61,323.80</b>	<b>28,309.47</b>	<b>91,068.08</b>
<b>2. Expenses</b>						
a. Materials Consumed and Other Construction Expenses	23,917.33	33,685.18	11,904.39	57,602.51	23,093.67	77,003.30
b. Employee Benefits Expense	616.13	629.64	706.60	1,245.76	1,406.38	2,683.03
c. Finance Cost	152.32	250.36	189.63	402.69	972.87	5,025.68
d. Depreciation and Amortisation Expenses	61.98	66.09	74.11	128.07	152.85	319.16
e. Other Expenses	835.66	943.93	2,874.14	1,779.59	3,481.35	5,747.54
<b>Total Expenses</b>	<b>25,583.42</b>	<b>35,575.20</b>	<b>15,748.87</b>	<b>61,158.62</b>	<b>29,107.12</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>110.47</b>	<b>54.71</b>	<b>(861.47)</b>	<b>165.18</b>	<b>(797.65)</b>	<b>289.37</b>
<b>4. Share of Profit/(Loss) of Associates and Joint Ventures</b>	<b>4.93</b>	<b>0.00</b>	<b>(5.93)</b>	<b>4.93</b>	<b>23.63</b>	<b>3.21</b>
<b>5. Total Profit / (Loss) before tax( 3+4)</b>	<b>115.40</b>	<b>54.71</b>	<b>(867.40)</b>	<b>170.11</b>	<b>(774.02)</b>	<b>292.58</b>
<b>6. Tax Expense</b>						
a. Current Tax	14.18	10.90	-	25.08	52.29	261.45
b. Deferred Tax	64.04	(0.75)	(0.55)	63.28	(1.09)	(2.68)
	<b>78.22</b>	<b>10.15</b>	<b>(0.55)</b>	<b>88.36</b>	<b>51.20</b>	<b>258.77</b>
<b>7. Profit/(Loss) after Tax</b>	<b>37.18</b>	<b>44.56</b>	<b>(866.85)</b>	<b>81.75</b>	<b>(825.22)</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	11.82	(16.11)	(15.38)	(4.30)	2.92	9.55
- Income Tax relating to above	(3.69)	5.03	4.80	1.34	(0.91)	(2.98)
<b>Total Other Comprehensive Income/(Expense)</b>	<b>8.13</b>	<b>(11.08)</b>	<b>(10.58)</b>	<b>(2.96)</b>	<b>2.01</b>	<b>6.57</b>
<b>9. Total Comprehensive Income/(Expense) for the period (7+8)</b>	<b>45.31</b>	<b>33.48</b>	<b>(877.43)</b>	<b>78.79</b>	<b>(823.21)</b>	<b>40.38</b>
<b>Net Profit attributable to:</b>						
Owners of the company	34.40	44.98	(809.68)	79.39	(767.52)	39.09
Non - controlling Interest	2.78	(0.42)	(57.17)	2.36	(57.70)	(5.28)
<b>Other Comprehensive Income/(Expense) attributable to:</b>						
Owners of the company	8.13	(11.08)	(10.58)	(2.96)	2.01	6.57
Non-Controlling Interest	-	-	-	-	-	-
<b>Total Comprehensive Income/(Expense) attributable to:</b>						
Owners of the company	42.53	33.90	(820.26)	76.43	(765.51)	45.66
Non-Controlling Interest	2.78	(0.42)	(57.17)	2.36	(57.70)	(5.28)
<b>10. Paid-up Equity Share Capital (par value of Rs. 2/- each)</b>	<b>1,066.00</b>	<b>1,066.00</b>	<b>994.90</b>	<b>1,066.00</b>	<b>994.90</b>	<b>994.90</b>
<b>11. Paid-up Compulsorily Convertible Preference Share Capital (par value of Rs. 100/- each)</b>	<b>-</b>	<b>-</b>	<b>1,777.47</b>	<b>-</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>-</b>	<b>-</b>	<b>31,474.56</b>
<b>13. Earnings per Equity Share</b>						
Earnings per Equity share (Basic and Diluted) (in Rupees)						
*(not annualized for interim periods) (par value Rs. 2/- each)	<b>0.07 *</b>	<b>0.09 *</b>	<b>(1.64) *</b>	<b>0.16 *</b>	<b>(1.55) *</b>	<b>0.08</b>

For SPML Infra Limited



Subhash Chand Sethi  
Chairman

DIN No.: 00464390

Date: November 14, 2023

Place: Kolkata

SPML INFRA LIMITED

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CIN: L40106DL1981PLCO12228

Statement of Consolidated Unaudited Assets and Liabilities as at September 30, 2023

Rs. In Lakhs

Particulars	As at 30th Sep, 2023	As at 31st Mar, 2023
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
(a) Property, Plant and Equipment	9,205.67	9,320.81
(b) Capital Work in Progress	5,634.72	5,634.72
(c) Right of Use Assets	33.64	42.58
(d) Intangible Assets	3,563.57	3,508.64
(e) Financial Assets		
- Investments	9,947.11	5,865.09
- Trade Receivables	26,934.68	26,182.14
- Loans	1,216.36	5,311.60
- Other Financial Assets	3,139.39	3,394.20
(f) Non Current Tax Assets	5,161.10	5,906.54
(g) Deferred Tax Assets	10,399.63	10,461.57
(h) Other Non-Current Assets	35,355.59	33,849.66
	<b>1,10,591.46</b>	<b>1,09,477.55</b>
<b>Current Assets</b>		
(a) Inventories	6,397.22	9,243.53
(b) Financial Assets		
- Trade Receivables	1,21,900.92	1,19,804.06
- Cash and Cash Equivalents	1,624.38	2,006.50
- Other Bank Balances	519.65	270.27
- Loans	1,262.04	1,417.67
- Other Financial Assets	26,303.32	24,344.55
(c) Current Tax Assets	4.49	6.80
(d) Other Current Assets	12,120.26	12,692.45
	<b>1,70,132.28</b>	<b>1,69,785.83</b>
<b>TOTAL ASSETS</b>	<b>2,80,723.74</b>	<b>2,79,263.38</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share Capital	1,066.00	994.90
(b) Compulsory Convertible Preference Share	-	1,777.47
(c) Other Equity	32,870.41	31,474.56
<b>Equity Attributable to Owners of the Parent</b>	<b>33,936.41</b>	<b>34,246.93</b>
Non-Controlling Interests	710.08	653.75
<b>Total Equity</b>	<b>34,646.49</b>	<b>34,900.68</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities		
- Borrowings	63,529.36	63,593.03
- Lease Liability	21.98	25.58
- Trade Payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	11,278.52	9,403.53
- Other Financial Liabilities	8,688.20	9,596.91
(b) Provisions	271.97	271.95
	<b>83,790.03</b>	<b>82,891.00</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
- Borrowings	1,11,981.22	1,11,729.94
- Lease Liability	14.78	18.78
- Trade Payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	1,324.55	881.29
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	42,869.37	42,550.69
- Other Financial Liabilities	3,617.34	3,445.47
(b) Other Current Liabilities	2,309.94	2,718.32
(c) Provisions	133.76	126.97
(d) Current Tax Liability	36.26	0.24
	<b>1,62,287.22</b>	<b>1,61,471.70</b>
<b>TOTAL LIABILITIES</b>	<b>2,46,077.25</b>	<b>2,44,362.70</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,80,723.74</b>	<b>2,79,263.38</b>

For SPML Infra Limited

Date: November 14, 2023  
Place: Kolkata



Subhash Chand Sethi  
Chairman  
DIN No.: 00464390



Statement of Consolidated Unaudited Cash Flow Statement for the Six months ended September 30, 2023

Rs. In Lakhs

Particulars	For the six months ended 30th Sep, 2023	For the year ended 31st Mar, 2023
	Unaudited	Audited
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before share of Profit / (Loss) of Associates & Joint Ventures & Tax	165.18	289.37
Adjustments for:		
Depreciation and Amortisation expenses	128.07	319.16
Interest Expenses	400.66	5,022.59
Sundry Balances written off	-	-
Bad debts written off	54.69	102.11
Provision for doubtful debts	488.73	2,466.85
Share-based compensation expenses	67.65	-
Liabilities no longer required written back	(429.95)	(806.48)
Interest Income	(36.67)	(389.21)
<b>Operating Profit before Working Capital changes</b>	<b>838.36</b>	<b>7,004.39</b>
Adjustment for:		
Increase/(decrease) in trade payables	3,066.89	4,324.38
Increase/(decrease) in provisions	6.22	(66.09)
Increase/(decrease) in other current liabilities	(1,154.19)	(444.77)
(Increase)/decrease in trade receivables	(5,322.75)	(9,910.71)
(Increase)/decrease in inventories	2,846.31	(220.46)
(Increase)/decrease in loans and advances	(393.46)	1,120.53
(Increase)/decrease in other current assets	(1,091.09)	1,792.31
<b>Cash generated/(used) from operations</b>	<b>(1,203.71)</b>	<b>3,599.58</b>
Taxes Paid (net of refunds)	757.29	(1,595.99)
<b>Net Cash from Operating Activities</b>	<b>(446.42)</b>	<b>2,003.59</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of PPE including capital work in progress	(3.86)	(50.46)
Proceeds from sale of PPE	(55.09)	1,059.79
Fixed Deposits encashed / (invested)	474.47	(631.57)
Sale / (purchase) of non-current investments:	(4,082.02)	626.92
Loans (given) / repayment received	4,250.87	3,177.23
Interest received	89.64	410.02
<b>Net Cash generated/(used) in Investing Activities</b>	<b>674.01</b>	<b>4,591.93</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Movement in Minority Interest	1,308.29	3,721.27
Net movement in Long Term Borrowings	(63.67)	11.18
Movement in Issued Capital	(1,706.37)	(1,507.51)
Net movement in Short Term Borrowings	251.29	(5,832.97)
Interest paid	(399.25)	(5,049.66)
<b>Net Cash generated/(used) in Financing Activities</b>	<b>(609.71)</b>	<b>(8,657.69)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(382.12)</b>	<b>(2,062.17)</b>
Cash & Cash Equivalents at the beginning of the year	2,006.50	4,068.67
Cash & Cash Equivalents at the end of the year	1,624.38	2,006.50

For SPML Infra Limited

Date: November 14, 2023  
Place: Kolkata



  
**Subhash Chand Sethi**  
Chairman  
DIN No.: 00464390



## **Notes to the 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> November, 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 below, owing to which its borrowing facilities with the lenders were irregular. Accordingly, vide Deed of Assignment dated 29<sup>th</sup> August, 2023, the consortium of lenders have assigned/transferred the outstanding debt granted to the Parent Company in favour of National Asset Reconstruction Company Limited ("NARCL"). NARCL has appointed India Debt Reconstruction Co. Ltd. ("IDRCL") as an exclusive service agent for providing debt management and various resolution services and the Parent Company is in discussion with IDRCL for overall resolution of debt towards the revival of the Company. Further, under a voluntary settlement scheme notified by the Government under Vivad se Vishwas II (Contractual Disputes), the Parent Company expects to resolve certain long-standing contractual disputes involving government agencies, so as to bring a finality to the ongoing arbitration proceedings and thereby improve the liquidity of the Parent Company.

Pending such resolution, 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 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 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.1,699.06 lakhs and Rs. 3,346.22 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively have not been provided on Optionally Convertible Debentures ('OCDs') issued to Lenders under S4A scheme by the Parent Company (the OCD's, along with loans, are the subject matter of the Assignment and the discussions with IDRCL towards resolution of overall debt, 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 and six months ended 30<sup>th</sup> September, 2022 were similarly modified in respect of this matter.
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, wef 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 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. 5,852.85 lakhs and Rs. 12,456.47 lakhs on the said borrowings have not been recognized for the quarter and six month ended 30<sup>th</sup> September, 2023 respectively. Subsequently, as detailed in Note 3 above, the consortium of lenders have assigned the outstanding debt in favour of NARCL and the Parent Company is in discussion with IDRCL for overall resolution of debt (including unpaid interest). 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 and six months ended 30<sup>th</sup> September, 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 Parent Company has not recognized interest expense of Rs.123.07 lakhs and Rs. 246.00 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. 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 and six months ended 30<sup>th</sup> September, 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> September, 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 and six months ended 30<sup>th</sup> September, 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 2(two) Subsidiaries, 2(two) Associates and 4(four) Joint Venture Companies, for the quarter and six months ended 30<sup>th</sup> September, 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 and six months ended 30<sup>th</sup> September, 2023.



8. The Parent Company has certain trade and other receivables of Rs. 45,027.83 lakhs as at 30<sup>th</sup> September, 2023 backed by arbitration awards pronounced in its favour over the years. Further, the Parent Company has recognised interest income of Rs. 763.02 lakhs and Rs. 1,505.93 during the quarter and six months ended 30<sup>th</sup> September, 2023 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. 31.45 lakhs and Rs.154.74 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively 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 ended 30<sup>th</sup> June, 2023, the Parent Company approved the Grant of 19,50,698 Stock Options to eligible employees under it's Employee Stock Option Scheme, 2021. Expense of Rs. 50.74 lakhs and Rs. 67.65 lakhs in this respect, for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively, has been recognised under "Employee Benefits Expense".
11. 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> November, 2023



For **SPML Infra Limited**



*Subhash Chand Sethi*  
**Subhash Chand Sethi**  
**Chairman**  
**DIN : 00464390**





# MAHESHWARI & ASSOCIATES

Chartered Accountants

8B Middleton Street, 6A Geetanjali  
Kolkata 700071, India  
T. +91 33 2229 8936 / 6758  
E. kolkata@maheshwariassociates.com  
www.maheshwariassociates.com

## 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 and six months ended 30<sup>th</sup> September, 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. The 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:

- (i) Note no. 4 to the Statement, interest on YTM basis amounting to Rs.1,699.06 lakhs and Rs. 3,346.22 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively 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 amounts, for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. Further, since the issue of OCDs, the total liability not provided for in respect of such interest on YTM basis is Rs.32,230.44 lakhs as at 30<sup>th</sup> September, 2023. The Auditor's Report for the year ended 31st March, 2023 and the Limited Review Report for the quarter and six months ended 30<sup>th</sup> September, 2022 were also qualified in respect of this matter.



Bangalore: "Park Plaza" First Floor, No.1, Park Road (Off. Infantry Road), Tasker Town, Bangalore - 560051  
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www.maheshwariassociates.com

- (ii) Note no. 5 to the Statement, interest expense of Rs. 5,852.85 lakhs and Rs.12,456.47 lakhs on the Parent's borrowings from certain financial creditors (banks/ARCs) has not been recognized for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. Further, interest expense of Rs. 123.07 lakhs and Rs. 246.00 lakhs on the Parent's borrowings from certain financial creditors (other than banks/ARCs) has also not been recognized for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. This is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments. Had the aforesaid interest 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 amounts for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. Further, since 1<sup>st</sup> November 2019, the total liability not provided for in respect of such interest on YTM basis is Rs.70,889.42 lakhs and Rs.1,915.66 lakhs as at 30<sup>th</sup> September, 2023 regarding certain financial creditors (banks/ARCs) and certain financial creditors (other than banks/ARCs) respectively. The Auditor's Report for the year ended 31st March, 2023 and the Limited Review Report for the quarter and six months ended 30<sup>th</sup> September, 2022 were also qualified in respect of this matter.
- (iii) Note no. 6 to the Statement, regarding the Parent's trade receivables (net of ECL) as at 30<sup>th</sup> September, 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 and six months ended 30<sup>th</sup> September, 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. 3 to the Statement which indicates that the Parent's borrowing facilities with the lenders were irregular and the consortium of lenders assigned the debt in favour of an Asset Reconstruction Company during the quarter ended 30<sup>th</sup> September, 2023. Based on the other mitigating factors as mentioned in the aforesaid Note no. 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.
- (ii) Note no. 7 to the Statement, regarding unavailability of financial statements/financial information/financial results of 2(two) subsidiaries, 4(four) joint ventures and 2(two) associate companies for the quarter and six months ended 30<sup>th</sup> September, 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.



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- (iii) Note no. 8 to the Statement, regarding uncertainties relating to the recoverability of certain trade & other receivables as at 30<sup>th</sup> September, 2023 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Parent.
- (iv) Note no. 9 to the Statement regarding write back of credit balances of certain creditors of the Parent Company, 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. We did not review the financial statements / financial information / financial results of 6(six) subsidiaries for the quarter and six months ended 30<sup>th</sup> September, 2023 included in the statement, whose financial statements / financial information / financial results reflect total revenues of Rs.309.67 lakhs and Rs. 545.99 lakhs, total net loss after tax of Rs.60.75 lakhs and Rs 87.90 lakhs and total comprehensive expense of Rs.60.75 lakhs and Rs 87.90 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively. The Statement also includes the Group's share of net profit after tax of Rs 4.93 lakhs and net profit after tax of Rs 4.93 lakhs and total comprehensive expense of Rs 4.93 lakhs and total comprehensive income of Rs 4.93 lakhs for the quarter and six months ended 30<sup>th</sup> September, 2023 respectively 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 un-reviewed/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 are 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 : 23055788BGYJSG1230

Place: Kolkata  
Date: 14<sup>th</sup> November, 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. Madurai Municipal Waste Processing Company Pvt. Ltd.
3. Mathura Nagar Waste Processing Co. Pvt. Ltd.
4. SPML Utilities Limited
5. SPML Infrastructure Limited
6. Pondicherry Sez Co. Ltd.

#### Associates

1. SPML Energy Limited
2. Binwa Power Company Private Limited
3. Spml Bhiwandi Water Supply Management Ltd.
4. Spml Bhiwandi Water Supply Infra Ltd.

#### Joint Ventures

1. Hydro Comp Enterprises (India) Limited.



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