

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SPML INFRA LIMITED

Report on the Audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Consolidated Financial Results ("the Statement") of **SPML Infra Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its associates and joint ventures, for the year ended 31st March, 2024, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial results and other financial information of the subsidiaries, associates, joint ventures and joint operations, as referred to in the Other Matters section of our report below, the Statement:

- (i) includes the annual financial results of the entities listed in the Annexure;
- (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group, its associates and joint ventures, for the quarter and year ended on 31st March, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and that obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

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Emphasis of Matter

We draw attention to the following notes to the Statement:

- (i) Note No. 4 to the Statement regarding the Parent Company entering into a Master Restructuring Agreement ('MRA') with NARCL towards restructuring of it's debt and matters incidental thereto, including the accounting aspects thereof.
- (ii) Note No. 5 to the Statement regarding details of Exceptional Items.
- (iii) Note No. 6 to the Statement regarding details of certain items included in "Other Expenses".
- (iv) Note No. 7 to the Statement regarding certain debts availed by the Company forming part of "Other Equity" as at 31st March, 2024, as equity shares/warrants were allotted there against on 23rd May, 2024 by the Company.
- (v) Note No. 11 to the Statement, regarding unavailability of financial statements/ financial information/financial results of 1(one) subsidiaries, 1(one) Associate and 3(three) Joint Venture Companies. According to the information and explanations given to us by the Parent Company's management, such financial statements/financial information/financial results are not material to the Statement.
- (vi) Note No. 13 to the Statement, regarding uncertainties relating to the recoverability of certain trade & other receivables as at 31st March, 2024 and recognition of interest income thereon, arising out of arbitration awards pronounced in favour of the Parent.

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

Responsibilities of Management and Those Charged with Governance for the Statement

This Statement has been prepared on the basis of the related annual Consolidated Financial Statements of the Group, its associates and joint ventures and has been approved by the Parent's Board of Directors. The Parent's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group, including its associates and joint ventures, in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group and its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the directors of the Parent, as aforesaid.

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In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design
 and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and
 appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from
 fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,
 misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
 appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing
 our opinion on whether the Parent has in place adequate internal financial controls with reference to financial
 statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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Obtain sufficient appropriate audit evidence regarding the financial results/financial information/financial statements of the entities within the Group and its associates and joint ventures, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent and such other entities included in the Statement of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29th March, 2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

a. We did not audit the financial statements/financial information / financial results of 5 (five) subsidiaries included in the Statement, whose financial statements / financial information / financial results reflect total assets of INR 3,814.62lakhs as at 31st March, 2024, total revenues of INR 2849.06 lakhs, total net loss after tax of INR 1,415.27 lakhs, total comprehensive loss of INR 1415.27 lakhs and cash outflows (net) of INR 30.99 lakhs for the year ended on that date, as considered in the Statement. These annual financial statements / financial information / financial results have been audited by other auditors, whose audit reports have been furnished to us by the Parent's management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture company, is based solely on the audit report of such other auditors and on the procedures performed by us as stated in the section *Auditor's Responsibilities for the Audit of the Statement* hereinabove.

Our opinion on the Statement is not modified in respect of the above matters, regarding our reliance on the work done by and the reports of the other auditors.

b. We did not audit the financial statements / financial information/ financial results of 1 (one) subsidiary included in the Statement, whose financial statements / financial information / financial results reflect total assets of INR 1413.00 lakhs as at 31st March, 2024, total revenue of INR 1.01 lakhs total net loss after tax of INR1.08 lakhs, total comprehensive loss of INR1.08 lakhs and cash inflow (net) of INR 0.93 lakhsl for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of INR 92.41 lakhs and total comprehensive income of INR 92.41 lakhs for the year ended 31st March, 2023, in respect of 5(five) associates and 2(two) joint ventures, whose financial statements / financial information / financial results have not been audited by us. These annual financial statements/ financial information/financial results are unaudited and have been furnished to us by the Parent's management and our opinion on the 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 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 opinion on the Statement is not modified in respect of this matter.

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c. The Statement includes the consolidated financial results for the quarter ended 31st March, 2024, being the balancing figures between the audited figures in respect of the full financial year and the published, unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to limited review by us.

For Maheshwari & Associates

Chartered Accountants

FRN: 311008E

CA. Bijay Murmuria

Partner

Membership No. 055788

UDIN: 24055788BKFELL6441

Place: Kolkata

Date: 30th May, 2024

Bangalore: bangalore@maheshwariassociates.com Chennai: chennai@maheshwariassociates.com

Mumbai:mumbai@maheshwariassociates.com Pune:pune@maheshwariassociates.com



Annexure to the Report on the Audit of the Consolidated Financial Results

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

Subsidiaries

- 1. Allahabad Waste Processing Co. Ltd.
- 2. Madurai Municipal Waste Processing Co. Pvt. Ltd
- 3. Mathura Nagar Waste Processing Co. Ltd.
- 4. SPML Infrastructure Ltd.
- 5. SPML Utilities Ltd.
- 6. Sanmati Infra Developers (P) Ltd.
- 7. Pondicherry Special Economic Zone Company Limited

Associates

- 1. Binwa Power Company Pvt. Ltd.
- 2. SPMLIL-Amrutha Construction Pvt. Ltd.
- 3. SPML Bhiwandi Water Supply Infra Ltd.
- 4. SPML Bhiwandi Water Supply Management Ltd.
- 5. SPML Energy Ltd.

Joint Ventures

- 1. Hydro-Comp Enterprises (India) Ltd.
- 2. Malviya Nagar Water Services Private Limited



SPML INFRA LIMITED

Registered Office: F-27/2, Okhla industrial Area, Phase- if, 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 Consolidated Financial Results for the Quarter and Year ended March 31, 2024

(Rs. In Lakhs)

	T***	(KS. III LAKNS)			
Particulars	31-Mar-24	Quarter ended 31-Dec-23	24 5644 00		ended
		31-Dec-23	31-Mar-23	31-Mar-24	31-Mar-23
	Unaudited (Note No. 13)	Unaudited	Unaudited (Note No. 13)	Audited	Audited
1. Income					
a. Revenue from Operations	46,120.54	25,223.61	46,350.14	1,31,896.68	88,314,31
b. Other income	2,663.98	869,49	814.86	4,304.74	2,753.77
Total Income	48,784.50	26,093.10	47,185.00	1,36,201.42	91,068.08
2, Expenses					
a. Materials Consumed and Other Construction Expenses	00.540.44		(0.00.00		
b. Employee Benefits Expense	20,513,11	23,842,49	40,086,86	1,01,958.11	77,003.30
c, Finance Cost	561,23 5,014,47	627.27	671,27	2,434.27	2,683.03
d. Depreciation and Amortisation Expenses	54.70	274.59 54.00	** 3,654.04 92,75	5691.76	5,025,68
e. Other Expenses Refer Note No.6]	23,290,68	1,108.68	1,180.60	236.78 26.178.95	319.16 5.747.54
Total Expenses	49,434.19	25,907.03	45,685.52		5,747.54
		10,307,03	45,065.02	1,38,499.86	90,778.71
Profit/(Loss) before share of Profit/(Loss) of Associates & Joint Ventures & Tax and Exceptional Items (1-2)	(649.69)	186.07	1479.48	(298.44)	289,37
4. Exceptional Items (Net) [Refer Note No. 5]	193,38			193,38	
5. Share of Profit/(Loss) of Associates and Joint Ventures	73,67	3.70	(29.37)	82.30	3.21
6. Total Profit / (Loss) before tax(3+4+5)	(382.64)	189.77	1450.11	(22.76)	292.57
7. Tax Expense					11.
a, Current Tax	(91.17).	78,G3	199,25	12.54	261.45
b. Daferred Tax [Refer Note No. 9]	64.78	(2.74)	(117.25)	125.32	(2.68)
· · · · · · · · · · · · · · · · · · ·	(26.39)	75.89	82.00	137.86	258.77
8. Profit/(Loss) after Tax	(366,26)	113,88	1368.11	(160,62)	33.80
9. Other Comprehensive Income/(Expense)					
Items that will not be reclassified to Profit or Loss					
- Gain/(Loss) on fair value of defined benefit plans	(35,49)	14.31	(8.23)	(25,47)	9.55
- Income Tex relating to above	11.07	(4.47)	2.57	7.95	(2.98)
Total Other Comprehensive Income/(Expense)	(24.42)	9,84	(5.66)	(17.52)	6,57
[
10. Total Comprehensive Income/(Expense) for the period (8+9)	(380.67)	123,72	1362.45	(178.14)	40,37
Net Profit attributable to:	J	l			
Owners of the company	(887,46)	111:08	1368.16	(69,6,99)	39,08
Non - controlling interest	531.20	2,80	(0.05)	536,37	(5.28)
Other Comprehensive Income/(Expense) attributable to:	j]	,	******	(5.20)
Owners of the company	(24.42)	9,84	(5,66)	(17.52)	6.57
Non-Controlling Interest	•	*	- 1	· · · · · ·	- ·
Total Comprehensive Income/(Expense) attributable to:				i	
Owners of the company Non-Controlling Interest	(911.87)	120.92	1382.50	(714.51 <u>)</u>	45,65
Morrooming interest	531.20	2.80	(0.05)	536.37	(5,28)
11. Paid-up Equity Share Capital (par value of Rs. 2/- each)	1,086.00	1,066.00	994,90	1,066,00	994.90
12. Paid-up Compulsorily Convertible Preference Share Capital (par value of Rs. 100/- each)	u	-	1,777.47	-	1,777.47
13. Other Equity (excluding Revaluation Reserves)	.]	·	-	44,961.89	31,474.56
14. Earnings per Equity Share (not annualized) (par value Rs. 2/- each) (l)Basic					
	(1.81)	0,23	2,84	(1.42)	0.08
(ii)Diluted	(1.76)	0.23	2.84	(1.38)	0.08

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Dated: May 30, 2024 Place: Kolkata Eor SPML Infra Limited

Subhash Chand Sethi Chairman DIN No.: 00464390

SPML INFRA LIMITED

Registered Office: F-27/2, Okhia industrial Area, Phase- II, New Deihi- 110020

Tel: +81-01/24-3944556; Fax- +91-01/24-3983201

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

CIN: L40108DL1981PLC012228

Statement of Consolidated Assets and Liabilities as at March 31, 2024

(Rs. in Lakhs)

	,	(Rs. in Lakhs)
Particulare	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	601.58	9,320,81
(b) Capital Work in Progress	-	5,634.72
(c) Right of Use Assets	23,32	42.50
(d) Intangible Assets	3,558,59	3,508,64
(e) Financial Assets .		,
Investments	3,800.00	5,865,09
- Trade Receivables	26,455.04	20,182,14
- Loans	824.19	5,311.80
- Other Financial Assets	2,237,58	3,394.20
(f) Non Current Tax Assets	3,706,82	5,908,5
g) Deferred Tax Assets	10,344.20	10,401.5
(h) Olher Non-Current Assets	34,244.61	33,849.66
	86,795.93	1,09,477.61
Current Assets		' '
(a) Inventories	.3,738.33	9,243.53
(b) Financial Assets		
- Trade Receivables	40,436.10	45,948.71
- Cash and Cash Equivalents	22,807,74	2,008.50
- Other Bank Balances	566.90	270.27
- Loans	1,128.44	1,417.8
- Other Financial Assets	13,263.36	24,344.55
(a) Current Tax Assets	24.02	6.80
(d) Other Current Assets	18,431.00	86,547,80
•	1,00,395.89	1,89,785,83
Assets classified as held for sale	2,989.33	
TOTAL ASSETS	1,89,181,15	2,79,283.37
EQUITY AND LIABILITIES	11000100	
ENOTE WITH MINISTERS		
Equity		
(a) Equity Shere Capital	1,088,00	994,90
b) Compulsory Convertible Preference Share		1,777.47
c) Other Equity [Refer Note No. 7]	44,961.89	31,474.56
Equity Attributable to Owners of the Parent		and and the
	46,027.89	34,246.93
Non-Controlling interests	320,95	663.75
Total Equity	46,348,84	34,900,68
Jabilities		
the contract of the contract o		**
lon-Current Liabilities		
a) Financia! Liabilities		•
Borrowings	30,598,88	63,593.03
- Lease Liability	. 8,08	28,58
-Trade Payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises Total Outstanding Dues of Craditive alternation Micro Enterprises	40.000.54	0.400.00
 Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises Other Financial Liabilities 	16,885,51 26,031,97	9,403,53 9,596,91
b) Provisions	26,031,37	•
y): Toviable		271,95
Turnant Labilitie	73,768.64	82,891,00
Surrent Liabilities		
a) Financial Liabilities		
- Borrowings	24,276.82	1,11,729.94
- Lease Liability	18,42	18.78
- Trade Payables]	
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	1,643.12	1,103.84
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	34,606.27	42,328.13
- Other Financial Liabilities	6,028,46	3,445,47
o) Other Current Liabilities	2,349.38	2,718.32
s) Provistons	141.20	126,97
t) Current Tax Liability	171,20	0.24
,	69,063.67	1,61,471.70
OTAL LIABILITIES	1,42,832,31	2,44,362.70
OTAL EQUITY AND LIABILITIES	1,89,181.15	2,79,263,38
	7,00,101,10	wit almost and

Dated: May 30, 2024 Place: Kolkata

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Subhash Chand Sethi Chairman Din No.: 80464390

SPML INFRA LIMITED Registered Office: F-27/2, Okhia Industrial Area, Phase- II, New Delhi- 110020 Tel: +91-0124-3944555; Pax-+91-0124-3983201 Website: www.spmi.co.in; Email: info@spmi.co.in

CIN: L401060L1981PLC012228

Statement of Consolidated Cash Flow statement for the Year ended March 31, 2024

(Rs. in Lak				
Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023		
	·			
A, CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before share of Profit / (Loss) of Associates & Joint Ventures & Tax	(106.05)	289.37		
Adjustments for:				
Depreciation and Amortisation expenses	236,78	319.16		
Interest Expenses	5,687.70	6,022.59		
Expected Credit Loss on Loans to Joint Ventures and Associates	887.29	-		
Impairment of equity investments in certain associates	4,485,28	400.44		
Trade Recievables written off	6,881,51	102,11		
PPE written off	5,743.07	· .		
Inventories written off	1,044.01 9,940.01	2,466,85		
ECL on Doubtful Advances	600,54	2,400,00		
ECL on Trade Receivable (net of reversals)	131.70			
Share-based compensation expenses Liabilities no longer required written back	(4,393,10)	(806,48)		
Unbilled Revenue written off	69,934,61	(000.10)		
Interest income	(227.21)	(389.21)		
impairment of PPE classified as held for sale	5,341.08			
Gain on extinguishment of Sustainable and Unsustainable Debt	(75,029.93)	-		
Operating Profit before Working Capital changes	31,038.28	7,004,39		
Adjustment for:		*		
Increase/(decrease) In Trade Payables	4,056,14	4,324.38		
Increase/(decrease) In Provisions	505,90	(66,09)		
Increase/(decrease) In Other Current Liabilities	20,176,50	(444.77)		
(Increase)/decrease in Trade Receivables	(1,852.67)	(9,910.71)		
(Increase)/decrease in Inventories	4,461.19	(220,46)		
(Increase)/decrease in Loans and Advances	1,564.92	1,120.53		
(Increase)/decrease in Other Current Assets	(2,862.65)	1,792.31		
Cash generated/(used) from operations	67,287.61	3,599.58		
Taxes Pald (net of refunds)	2,161.77	(1,595.99)		
Net Cash from Operating Activities	59,449.38	2,003.59		
B. CASH FLOWS FROM INVESTING ACTIVITIES	·			
Purchase of PPE including capital work in progress	(6,677.42)	(50.46)		
Proceeds from sale of PPE	3,290,88	1,059.79		
Fixed Deposits encashed / (Invested)	946.46	(631.57)		
Sale / (purchase) of Non-Current Investments:	(2,400.19)	826.92		
Loans (given) / repayment received	3,889.35	3,177.23		
Interest received	287.44	410.02		
Net Cash generated/(used) in Investing Activities	(663.48)	4,591.93		
C. CASH FLOWS FROM FINANCING ACTIVITIES				
Movement in Minority Interest	(1,132.99)	3,721.27		
Net movement in Long Term Borrowings	(20,820.69)	11.18		
Movement in Issued Capital	- 1	(1,507.51)		
Net movement in Short Term Borrowings	(11,786,79)	(5,832.97)		
Interest paid	(7,233.52)	(5,049.66)		
Net Cash generated/(used) in Financing Activities	(40,973.99)	(8,657.69)		
D. NET MOVEMENT IN ASSETS CLASSIFIED AS HELD FOR SALE	2,989.33	_		
Net Increase/(Decrease) in Cash & Cash Equivalents	20,801.24	(2,062.17)		
Cash & Cash Equivalents at the beginning of the year	2,006.50	4,068.67		
Cash & Cash Equivalents at the end of the year	22,807.74	2,006.50		
		L		

1. Statement of Cash Flows has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

2. Figures for the previous periods have been regrouped / reclassified to confirm to the classification of the current periods.

Dated: May 30, 2024 Place: Kolkata



For SPML Infra Limited

Subhash Chand Sethi Chairman o.: 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.
- The above 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 30th May, 2024. The statutory auditors of the Parent Company have audited the said results for the year ended 31st March, 2024.
- 3. The Ministry of Finance has introduced a Settlement Scheme being Vivad se Vishwas II, a voluntary settlement scheme to resolve long outstanding contractual disputes with the Government or its agencies ('VSV scheme') vide Office Memo dated 29-05-2023. The Parent Company has various Arbitration Awards in hand, out of which Arbitration Awards having value of INR 46400.00 lakhs including accrued interest till 30-09-2023 were found eligible by the Parent company under VSV scheme. As per the terms of the VSV scheme, the settlement value of these awards was INR 29400.00 lakhs (approx.) including accrued interest till 30-09-2023. The Parent Company has already received a sum of INR 24494.92 lakhs, till 29-05-2024 and the balance amount would be received in due course of time. An income of INR 20,874.63 lakhs has been included under "Revenue from Operations" for the year ended 31st March, 2024 towards receipts from VSV scheme.
- 4. The erstwhile lenders of the Parent Company have assigne the entire outstanding principal debt of INR 1,65,700.00 lakhs in favor of NARCL vide Deed of Assignment dated 29th August, 2023, by virtue of which NARCL has become the sole Lender of the Parent Company. NARCL has appointed India Debt Resolution Co. Ltd. ("IDRCL") as an exclusive service agent for providing debt management and various resolution services.

IDRCL has issued a Sanction Letter dated 14-03-2024 based on the sustainability of the loan and executed the Master Restructuring Agreement ("MRA") for the same on 17-05-2024. The effective date for the restructuring has been designated as 29th August, 2023 i.e. the date of the Assignment by the erstwhile lenders. As per the terms of the MRA, the total outstanding debt as on 31-01-2024, comprising of principal outstanding debt of INR 1,65,700.00 lakhs and unpaid interest of INR 94,751.65 lakhs, totalling to INR 2,60,451.65 lakhs, has been bifurcated as sustainable debt of INR 96,700.00 lakhs and unsustainable debt of INR 1,63,751.65 lakhs, the unsustainable debt being further bifurcated into INR 69,000.00 lacs towards principal and INR 94,751.65 lacs towards unpaid interest. The unpaid interest of INR 94,751.65 lacs which remains unprovided in these accounts is eligible to be written off, on fulfilment of prescribed conditionalities of the MRA in this regard.





As per the said MRA, the Parent Company has to issue fully paid up equity shares to NARCL, aggregating to not less than 12.5 % of total paid up equity share capital of the Parent Company, at a price determined as per the applicable law by way of conversion of principal outstanding debt portion of unsustainable debt and accordingly, an amount of INR 8,892.32 lakhs has been reduced from the principal amount of unsustainable debt of INR 69,000.00 lacs towards the allotment of 75,00,272 no. of equity shares which have been allotted by the Parent Company in the Board Meeting held on 23-05-2024 at a price of INR 118.56 per equity share and balance amount of INR 60,107.68 lakhs has been converted into Non Convertible Zero Coupon Debentures ("NCD") at face value of INR 1000 per NCD and issued to NARCL. The aforesaid NCD shall be extinguished in its entirety upon payment of entire sustainable debt as per the terms of the MRA, without any further payment. As per the MRA, it is also required that adequate additional shares are to be issued to NARCL at a price determined as per extant applicable laws, as and when required, to ensure that the shareholding of NARCL is not diluted below 12.5% of the paid up equity share capital of the Parent Company at any point of time.

As per the said MRA, NARCL has proposed the repayment tenure of sustainable debt by either making a payment of INR 96,700.00 lakhs within a period of 10 years from the effective date ("first option") or INR 70,000.00 lakhs within a period of 8 years from the effective date ("second option"). The Parent Company need not pay any interest on the aforesaid amount during the aforesaid tenure. The Parent Company has opted for the second option and has accordingly given effect to the restructuring in the books of accounts. Majority of the repayments towards INR 70,000.00 lacs has been considered from the existing arbitration awards and ongoing arbitration claims by the Parent Company.

The Group is mainly engaged in the water infrastructure sector. The said sector has growing business opportunities due to various project schemes being announced by the government on regular basis and allocation of significant funds to be deployed in the said schemes namely, Jal Jeevan Mission (Rural), Jal Jeevan Mission (Urban), Amrut 2.0, Namami Gange Programme, Pradhan Mantri Krishi Sinchayee Yojana, National River Linking Project etc.

The Parent Company has already repaid INR 22,397.30 till 02-04-2024 to NARCL mainly from the proceeds of VSV Scheme. A sizeable portion of the sustainable debt has already been repaid and balance repayments have been identified via sale of immovable properties, realization from awards and claims, improvement in the liquidity of the Parent Company from infusion of funds of INR 4,500.00 lakhs as required in the MRA, availability of balance funds with the Parent Company from proceeds of VSV after repayment to the lenders and additional infusion of INR 5,000.00 lakhs via subscription to share warrants by the promoters of the Parent Company. The Parent Company expects improvement in the business operations where there exist growth opportunities. Considering the said facts, the management is confident that the Parent Company will be able to repay INR 70,000 lakhs within 8 years from the effective date. This will result in extinguishment of unsustainable debt to the tune of INR 60,107.68 lakhs, without requiring any payment. The Parent company has retained NCD worth of INR 3,972.27 lakhs for redemption into equity shares, if required, to maintain NARCL'S holding of 12.5% of the paid up equity share capital at any point of time, till the payment of the sustainable debt as required in MRA and balance of INR 56,135.41 lakhs is considered as gain under Exceptional items





The Parent Company has recorded a gain of INR 26,700.00 lakhs which arises on account of difference between repayment of INR 96,700.00 lakhs under first option and INR 70,000.00 lakhs under second option as "deferred income" as at 31 March 2024 and will recognize the same in the Statement of Profit and Loss over the period of repayment. The sustainable debt of INR 70,000.00 lakhs has been recognized in the books of accounts at fair value of INR 51,105.43 lakhs leading to a fair valuation gain of) gain of INR 18,894.57 lakhs.

The total gain on sustainable and unsustainable debt amounting to INR 75029.98 lakhs has been recorded as an exceptional item in the Statement of Profit and Loss.

- 5. Exceptional Items for the quarter and year ended March 31, 2024 comprises of the following in the books of account of the Parent Company (i) gain on recognition of sustainable and unsustainable debt for INR 18,894.57 lakhs and 56,135.41 lakhs respectively, aggregating to INR 75,029.98 lakhs (ii) write back of credit balances of certain creditors amounting to INR 955.11 lakhs(iii) write back of liability towards a loan of INR 636.35 lakhs, deemed by the Parent Company to be no longer payable (iv) write-off of contract assets in the form of unbilled revenue amounting to 69,934.62 lakhs (v), impairment loss on PPE assets classified as 'held for sale' amounting to INR 5,341.09 lakhs (vi), write-off of inventory and fixed assets amounting to INR 1,152.36 lakhs and (vii) reversal of ECL provision of INR 14,007.43 lakhs on certain Trade Receivables and simultaneous write-off of an equivalent amount of the said Trade Receivables. The net impact of the exceptional items as aforesaid is a credit to the Statement of Profit and Loss amounting to INR 193.38 lakhs.
- 6. Other Expenses for the quarter and year ended March 31, 2024 includes the following in the books of account of the Parent Company (i) write-off of investments of INR 4,465.29 lakhs (ii) write-off of loans of INR 941.97 lakhs (iii) write-off of trade receivables of INR 6679.40 lakhs and (iv) ECL on trade receivables of INR 6021.47 lakhs,
- 7. Other Equity as at 31st March, 2024 includes INR 13,879.82 lakhs towards the following, in the books of account of the Parent Company (i) a portion of unsustainable debt of NARCL amounting to INR. 8,892.32 lakhs, against which 75,00,272 equity shares of face value of INR 2/-each have been allotted on 23rd May, 2024 by the Parent Company on a preferential basis at a price of INR 118.56 including premium of INR 116.56 per share, by conversion of the said unsustainable debt (ii) loans of INR 1500.00 lakhs received by the Parent Company from certain Promoter/Promoter Group entities and certain unsecured creditors under Non-Promoter category, against which 12,65,182 equity shares of face value of INR 2/-each have been allotted on 23rd May, 2024 by the Parent Company on a preferential basis at a price of INR 118.56 including premium of INR 116.56 per share, by conversion of the said loans existing as on 31-03-2024, and (iii) loans of INR 3487.50 lakhs received by the Parent Company from certain unsecured creditors under Non-Promoter category, against which 29,41,548 Warrants have been allotted on 23rd May, 2024 by the Parent Company on a preferential basis at a price of INR 118.56 per Warrant, by conversion of the said loans existing as on 31-03-2024. Each Warrant shall be converted into





one equity share of the Parent Company at INR 118.56 including premium of INR 116.56 per share, within 18 months from the date of allotment as per the SEBI (ICDR) Regulations, 2018.

- 8. During the quarter and year ended 31st March, 2024, 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 INR 100/- each, at par, aggregating to INR, 3,404.93 lakhs, 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 INR2/- each at the conversion price of 50/~ including premium of INR 48/- per share, in one or more tranches and accordingly, during the year ended 31st 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" June, 2023 and INR 71.10 lakhs and 1,706.37 lakhs were credited to equity share capital a/c and securities premium a/c respectively.
- 9 Deferred Tax includes MAT Credit Entitlement of INR 4,496.95 lakhs recognised during the quarter and year ended 31st March, 2024 by the Parent Company, in respect of certain earlier years when it had paid income tax under MAT but the corresponding MAT Credit was not recognized in those years, based on prudence.
- 10. During the quarter ended 30th 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 INR 13.32 lakhs and INR 131.71 lakhs in this respect, for the quarter and year ended 31st March, 2024 respectively, has been recognized under "Employee Benefits Expense".
- 11. The Parent Company made all the efforts to obtain the requisite financial statements / financial information / financial results of 1(one) Subsidiary, 1(one) Associate and 3(three) Joint Venture Companies, for the quarter and year ended 31st March, 2024. However, in their absence, the consolidated financial results for the quarter and year ended 31st March, 2024 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 year ended 31st March, 2024.
- 12. The Parent Company has certain trade and other receivables of INR 46,594.67 lakhs as at 31st March, 2024 backed by arbitration awards pronounced in its favour over the years. Further, the Parent Company has recognised interest income of INR 788.68 lakhs and INR 3,072.78 lakhs during the quarter and year ended 31st March, 2024 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.





- 13. Figures for the quarters ended 31st March, 2024 and 31st March, 2023 are the balancing figures between the audited figures for the year ended on that date and the published, unaudited year-to-date figures upto the end of 3rd quarter of the respective financial year.
- 14. Previous period's figures have been regrouped /rearranged wherever considered necessary, to make them comparable with those of the current period.

For SPML Infra Limited

Subhash Chand Sethi

Chairman DIN : 00464390

FRA

Place: Kolkata

Date: 30th May, 2024