

30<sup>th</sup> May, 2019

To,  
**National Stock Exchange**  
Exchange Plaza,  
Plot No. C/1, G Block,  
Bandra (E), Mumbai-400051  
Fax 022-6641 8124/25

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai-400001  
Fax: 022-2272 3121

**(NSE Scrip Code: SPMLINFRA)**

**(BSE Scrip Code: 500402)**

**Sub: Outcome of the Board Meeting dated 30<sup>th</sup> May, 2019**

Dear Sirs,

With reference to the captioned subject and in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors of the Company in its Meeting held on 30<sup>th</sup> May, 2019, inter alia has considered and approved the following Agenda/ Business items:

- 1) The Audited Consolidated Financial Results of the Company for the financial year ended on 31<sup>st</sup> March, 2019 along with the Audit Report on the same.
- 2) Convening of the 38<sup>th</sup> Annual General Meeting (AGM) of the Company on Tuesday the 24<sup>th</sup> day of September, 2019.
- 3) Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Register of Member and Share Transfer Books of the Company will remain closed from Tuesday, 17<sup>th</sup> day of September, 2019 to Tuesday, 24<sup>th</sup> day of September, 2019 (both days inclusive) for taking record of the Members of the Company for the purpose of 38<sup>th</sup> Annual General Meeting of the Company scheduled to be held on 24<sup>th</sup> day of September, 2019.

A copy of the aforesaid Financial Results along with the Auditors Report thereon and the Statement on Impact of Audit Qualifications in Annexure-I (Consolidated) are enclosed herewith.

You are kindly requested to take the above on record.

Thanking you,

**For SPML Infra Limited**



**Abhay Raj Singh**  
Company Secretary

Enc.: a/a

**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: L40106DL1981PLC012228

**Statement of Consolidated Audited Financial Results for the Year ended 31.03.2019**

(Rs. in Lakhs)

Particulars	Year ended	Year ended
	31/03/2019	31/03/2018
	(Audited)	(Audited)
<b>1. Revenue</b>		
a. Net Sales/ Income from Operations	201,152.08	204,947.99
b. Other Income	6,511.72	6,070.74
<b>Total Income</b>	<b>207,663.80</b>	<b>211,018.73</b>
<b>2. Expenses</b>		
a. Materials Consumed and Direct Expenses	97,681.14	97,937.38
b. Purchase of Traded Goods	71,776.26	65,378.60
c. Employee Benefit Expenses	6,197.44	7,280.92
d. Finance Cost	16,063.53	21,357.13
e. Depreciation and Amortization expenses	1,087.76	1,683.41
f. Other Expenses	8,638.74	12,782.21
<b>Total Expenses</b>	<b>201,444.87</b>	<b>206,419.65</b>
<b>3. Profit Before exceptional Items and Tax (1-2)</b>	<b>6,218.93</b>	<b>4,599.08</b>
<b>4. Exceptional items</b>	-	-
<b>5. Profit/(loss) before share of profit/(loss) of Associates &amp; Joint Ventures &amp; Tax (3-4)</b>	<b>6,218.93</b>	<b>4,599.08</b>
Share of profit / (loss) of Associates and Joint Ventures	302.67	1,363.22
Minorities Share of profit / (loss)	63.66	-213.11
<b>6. Profit /(loss) before Tax</b>	<b>6,457.94</b>	<b>6,175.42</b>
<b>7. Tax Expense</b>		
a. Current tax	2,149.43	1,262.37
b. Deferred Tax	335.17	-127.27
<b>Total Tax Expenses</b>	<b>2,484.60</b>	<b>1,135.10</b>
<b>8. Net Profit after Tax (3-4)</b>	<b>3,973.34</b>	<b>5,040.31</b>
<b>9. Other Comprehensive Income/ (Expenses) (Net of Tax)</b>		
a. Not to be reclassified to statement of Profit or Loss in subsequent periods	-423.56	100.86
b. To be reclassified to statement of Profit or Loss in subsequent periods	-	146.88
<b>10. Total Comprehensive Income for the period</b>	<b>3,549.78</b>	<b>5,288.06</b>
<b>11. Paid-up equity share capital - (of Rs 2/- each)</b>	<b>819.45</b>	<b>819.45</b>
<b>12. Other Equity</b>	<b>41,193.73</b>	<b>45,672.71</b>
<b>13. Earnings per equity share (nominal value of equity share Rs 2 each)</b>		
Basic & Diluted EPS (in Rs)	10.84	13.75

(see accompanying notes to Financial Results)

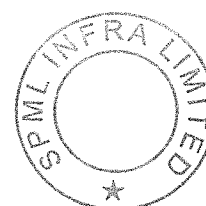
For SPML Infra Limited



Subhash Chand Sethi

Chairman

DIN No.: 00464390



Dated: 30th May 2019

Place: Gurgaon

**SPML INFRA LIMITED**

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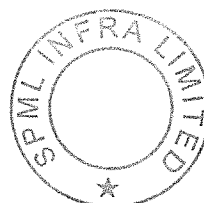
**Consolidated Statement of Assets and Liabilities as at March 31, 2019**

Particulars	(Rs. In Lakhs)	
	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, Plant and Equipment	23,370.83	25,714.65
(b) Capital Work in Progress	4,630.14	4,840.84
(c) Intangible Assets	4,799.79	3,699.77
(d) Investment Property	943.66	883.93
(e) Financial Assets		
- Investments	14,735.37	12,782.10
- Trade Receivables	29,292.97	31,390.67
- Loans	4,815.58	5,710.90
- Other Non- Current Financial Assets	6,345.48	4,112.02
(f) Non Current Tax Assets	5,261.26	6,142.11
(g) Deferred Tax Assets	11,259.90	5,752.09
(h) Other Non-Current Assets	33,803.30	28,262.96
	<b>139,258.28</b>	<b>129,292.04</b>
<b>Current assets</b>		
(a) Inventories	6,662.14	7,735.79
(b) Financial Assets		
- Investments	2,442.32	2,442.32
- Trade Receivables	67,772.58	65,055.23
- Cash and Cash Equivalents	3,685.41	2,480.62
- Other Bank Balances	8,452.27	10,050.94
- Loans	1,573.72	2,464.70
- Other Current Financial Assets	104,695.36	102,078.53
(c) Current Tax Assets	293.73	123.37
(d) Other Current Assets	14,727.81	14,992.90
	<b>210,305.34</b>	<b>207,424.39</b>
<b>TOTAL ASSETS</b>	<b>349,563.62</b>	<b>336,716.43</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity Share Capital	819.45	819.45
(b) Other Equity		
Equity Attributable to Owners of the Parent	41,193.73	45,672.71
Non-Controlling Interests	18,484.45	11,063.53
<b>Total Equity</b>	<b>60,497.63</b>	<b>57,555.69</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities		
- Borrowings	67,619.53	73,479.57
- Trade Payables		
- Total Outstanding Dues of Micro and Small Enterprises	-	-
- Total Outstanding Dues of Creditors other than Micro and Small Enterprises	12,120.41	5,525.04
- Other Non- Current Financial Liabilities	5,248.30	5,152.47
(b) Deferred Ta Liability	-	14.97
(c) Provisions	563.78	710.73
	<b>85,552.02</b>	<b>84,882.78</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
- Borrowings	71,861.66	57,621.51
- Trade Payables		
- Total Outstanding Dues of Micro and Small Enterprises	193.67	-
- Total Outstanding Dues of Creditors other than Micro and Small Enterprises	93,864.69	96,356.08
- Other Current Financial Liabilities	29,431.07	33,822.19
(b) Other Current Liabilities	7,276.68	5,873.07
(c) Provisions	195.35	142.40
(d) Current Tax Liability	690.85	462.71
	<b>203,513.97</b>	<b>194,277.96</b>
<b>TOTAL LIABILITIES</b>	<b>289,065.99</b>	<b>279,160.74</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>349,563.62</b>	<b>336,716.43</b>

For SPML Infra Limited

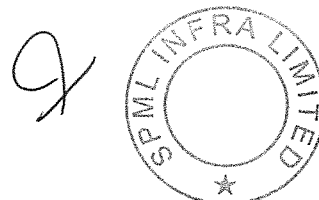
Subhash Chand Sethi  
Chairman  
DIN No.: 00464390

Dated: 30th May 2019  
Place: Gurgaon



**Notes to Consolidated Financial Results:-**

1. The above consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30<sup>th</sup> May, 2019.
2. a) The Group has adopted Ind AS 115 "Revenue from Contracts with Customers" based on modified retrospective approach effective from April 01, 2018 and debited the retained earnings as on 1<sup>st</sup> April, 2018 by Rs. 10,143.52 lakhs, net of tax effect.  
b) The adoption of Ind AS 115 has resulted in a lower profit before tax by Rs. 208.43 lakhs for the year ended 31<sup>st</sup> March, 2019.
3. No provision for interest on account of YTM amounting to Rs. 4,731.86 lakhs (31-03-2018: Rs.1842.68 lakhs) has been made on Optionally Convertible Debentures (OCDs) issued to lenders under SPML S4A Scheme by the Holding Company, as the same is not payable until maturity of such OCD.
4. The Statutory Auditors have expressed their inability to comment upon the recoverability/realisability of certain trade receivables and inventories amounting to Rs.3,402.74 lakhs (31-03-2018 : Rs.3,402.74 lakhs) and Rs.1,040.62 lakhs respectively, in respect of certain contracts with customers, which are under arbitration / dispute. The management, based on the facts of the cases is confident to recover / realize the above amounts.
5. The Statutory auditors have drawn attention to the recovery of trade and other receivables of Rs.26,814.56 lakhs (31-03-2018 : Rs. 25,460.41 lakhs) and recognition of interest income of Rs. 946.01 lakhs during the year ended 31st March 2019 (Rs.1,471.20 lakhs during year ended 31st March 2018) arising out of arbitration awards pronounced in favour of the Holding Company. Against these awards, the customers have preferred appeals in the jurisdictional courts and the legal proceedings are going on. Pending the outcome of the said legal proceedings, the above amounts are being carried forward as receivable as the management believes that the final outcome of the appeals would be in favour of the Holding Company based on the facts of the respective cases and is confident to recover the aforesaid claims in full.
6. i) The accounts of Doon Valley Waste Management Pvt. Ltd., a subsidiary of the Holding Company, have been prepared on going concern basis in spite of the net worth being completely eroded. The Company's ability to meet its obligations in the ordinary course of business is dependent upon its ability to establish profitable operations and financial support from the ultimate Holding Company.  
ii) Sanmati Infra Developers Pvt. Ltd., an associate of the Holding Company, augmented investments for its subsidiary Pondicherry Special Economic Zone Company Limited, which is facing material uncertainties relating to execution of its Project namely establishment of Special Economic Zone (SEZ) in Pondicherry . The other Project namely establishment of 'Pondicherry Satellite Town' by this Company which is inter-related to the SEZ Project is also put on hold. However, the management is contemplating a new project is being evaluated to be commenced in this Company. Hence, the management, in spite of material uncertainties leading to significant doubts, is of the view that the going concern assumption is appropriate.  
iii) SPML Bhiwandi Water Supply Management Limited, an associate of the Holding Company has accumulated losses of Rs 8.48 lakhs as on the Balance Sheet date in comparison to paid up share capital of Rs 5 lakhs as on balance sheet date. Further, the



Company has incurred a net loss/net cash loss during the previous year and in current year also, but satisfactory steps taken for implementation of project by management to mitigate the risk, thereby ensuring the Company's ability to continue as going concern.

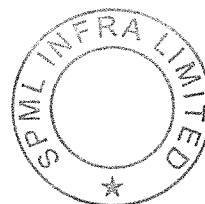
iv) SPML Bhiwandi Water Supply Infra Limited, an associate of the Holding Company has accumulated losses of Rs. 13.94 lakhs as on date in comparison to paid up share capital of Rs. 5 lakhs. Further, the Company has incurred a net loss/net cash loss during the previous year and in current year but satisfactory steps taken for implementation of project by management to mitigate the effect, thereby ensuring the Company's ability to continue as going concern.

v) Hydro-Comp Enterprises (India) Private Limited, a joint venture of the Holding Company has accumulated losses of Rs. 122.37 lakhs as on date in comparison to paid up share capital of Rs. 45.93 lakhs. Further, the Company has incurred a net loss/net cash loss during the previous year and in current year but satisfactory steps taken for implementation of project by management to mitigate the effect, thereby ensuring the Company's ability to continue as going concern.


7. The Holding Company made all the efforts to obtain the requisite financial statement/financial information of 1 (one) Joint Venture (JV) entity, namely Gurha Thermal Power Co. Ltd. for the year ended 31<sup>st</sup> March, 2019. However in the absence of the required financial statements / financial information of the aforesaid JV, the consolidated financial results of the Holding Company for the year ended 31<sup>st</sup> March, 2019 have been prepared without considering the financial impact of the financial statement/financial information of the said JV. Considering the amount of investments made in the aforesaid joint venture by the Holding Company, the financial statement/financial information of the said JV are not material to the Group.
8. Certain balances of Trade Receivables, Loans, Un-secured Borrowings and Trade Payables are subject to confirmations and subsequent reconciliations.
9. a) Previous period's figures have been regrouped /rearranged wherever considered necessary.  
b) Figures pertaining to subsidiaries, associates and joint ventures have been reclassified wherever considered necessary to bring them in line with the Holding Company's financial statements.

Dated: 30th May 2019

Place: Gurgaon



For SPML Infra Limited

  
Subhash Chand Sethi

Chairman

DIN No.: 00464390

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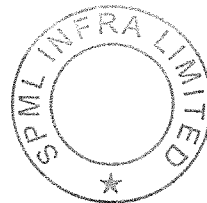
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**Consolidated Segment Results**

(Rs. In Lakhs)

SL.	PARTICULARS	Year Ended	
		March 31, 2019	March 31, 2018
		Audited	Audited
<b>1</b>	<b>Segment Revenue (Gross)</b>		
	a) Construction	130,113.41	112,908.27
	b) Hydro Power Generation	2,816.04	2,050.72
	c) Waste Management	704.01	3,032.77
	d) Trading	73,021.03	68,450.58
	e) Others	1,009.31	18,505.65
	<b>Net Sales/ Income from Operations</b>	<b>207,663.80</b>	<b>204,947.99</b>
<b>2</b>	<b>Segment Profit / (Loss) Before Finance Cost and Tax</b>		
	a) Construction	17,326.97	23,166.05
	b) Hydro Power Generation	1,373.33	543.79
	c) Waste Management	(323.00)	(295.68)
	d) Trading	1,530.77	2,605.64
	e) Others	(671.34)	(516.51)
	<b>Total</b>	<b>19,236.73</b>	<b>25,503.29</b>
	<b>Less / (Add)</b>		
	i. Finance Expenses - Net	13,017.80	19,327.87
	<b>Total Profit/(loss) before share of Profit/(loss) of Associates and Joint Ventures and Tax</b>	<b>6,218.93</b>	<b>6,175.42</b>
<b>3</b>	<b>Segment Assets</b>		
	a) Construction	210,257.88	207,540.99
	b) Hydro Power Generation	21,157.21	20,808.85
	c) Waste Management	400.68	5,954.74
	d) Trading	36,376.52	29,684.83
	e) Others	17,729.60	18,388.65
	f) Unallocated	63,641.73	54,338.37
	<b>Total Segment Assets</b>	<b>349,563.62</b>	<b>336,716.43</b>
<b>4</b>	<b>Segment Liabilities</b>		
	a) Construction	59,371.08	49,169.42
	b) Hydro Power Generation	1,295.00	1,424.27
	c) Waste Management	750.18	1,404.16
	d) Trading	46,728.22	44,219.65
	e) Others	7,204.05	13,378.27
	f) Unallocated	173,717.46	169,564.97
	<b>Total Segment Liabilities</b>	<b>289,065.99</b>	<b>279,160.74</b>

For SPML Infra Limited



*Subhash Chand Sethi*

Subhash Chand Sethi  
Chairman

DIN No.: 00464390

Dated: 30th May 2019

Place: Gurgaon



# MAHESHWARI & ASSOCIATES

Chartered Accountants

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E. kolkata@maheshwariassociates.com  
www.maheshwariassociates.com

## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF SPML INFRA LIMITED

1. We have audited the accompanying Statement of 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 share of the net profit after tax and total comprehensive income of its associates and joint ventures for the year ended 31st March, 2019, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/ 62/ 2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards (Ind AS) 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. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Parent's internal financial control with reference to the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion.





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- 4.i) We did not audit the financial statements / financial information of 6 (six) subsidiaries included in the consolidated financial results, whose financial statements / financial information reflect total assets of Rs. 19,404.73 lakhs as at 31st March, 2019, total revenues of Rs.1,043.86 lakhs total net profit after tax of Rs.277.19 lakhs and total comprehensive income of Rs.277.19 lakhs for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net profit after tax of Rs. 291.90 lakhs and total comprehensive income of Rs.291.90 lakhs for the year ended 31st March, 2019, as considered in the consolidated financial results, in respect of 5 (five) associates and 3 (three) joint ventures, whose financial statements/ financial information have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements / financial information and consequently, we are unable to comment on adjustments that may have been required to the consolidated financial statements, had such financial statements been audited. The Auditor's Report on the consolidated financial statements for the year ended 31st March, 2018 was also qualified in respect of this matter, in relation to certain subsidiaries, associates and joint venture entities;
- ii) As stated in Note No.3 to the consolidated financial statements regarding non-provision of interest on account of YTM amounting to Rs. 4,731.86 lakhs (31st March ,2018 : Rs. 1,842.68 lakhs) on Optionally Convertible Debentures (OCDs) issued to lenders under S4A scheme by the Parent Company. Had such interest provision been made, the finance cost would have been increased by Rs. 4,731.86 lakhs and profit as well as shareholders fund for the year ended 31st March, 2019 would have been reduced by Rs. 4,731.86 lakhs. The Auditor's Report on the consolidated financial statements for the year ended 31st March, 2018 was also qualified in respect of the above matter.







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- iii) As stated in Note No.4 to the consolidated financial statements regarding the Parent's trade receivables and inventories as at 31st March, 2019 of Rs. 3,402.74 lakhs (31st March, 2018 : Rs. 3,402.74 lakhs) and Rs.1,040.62 lakhs respectively relating to projects foreclosed by Clients in earlier years and where the claims are presently under arbitration/ litigation proceedings . Pending the ultimate outcome of these matters, which is presently unascertainable, we are unable to comment on the recoverability of the aforesaid trade receivables and inventories. The Auditor's Report on the consolidated financial statements for the year ended 31st March, 2018 was also qualified in respect of trade receivables.
5. In our opinion and to the best of our information and according to the explanations given to us, and except for the possible effects of paragraph 4 above and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, the Statement:
- a) includes the results of the entities as given in the **Annexure** to this report;
- b) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- c) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Group for the year ended 31st March, 2019.
- 6.i) We did not audit the financial statements / financial information of 9(nine) subsidiaries included in the consolidated financial results, whose financial statements / financial information reflect total assets of Rs. 51,594.77 lakhs as at 31st March, 2019, total revenues of Rs.49,216.22 lakhs, total net loss after tax of Rs.141.42 lakhs and total comprehensive loss of Rs.153.34 lakhs for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net profit after tax of Rs. 10.78 lakhs and total comprehensive income of Rs.10.78 lakhs for the year ended 31st March, 2019, as considered in the consolidated financial results, in respect of 2(two) associates and 2(two) joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, 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 the reports of the other auditors.





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Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance from the work done and the reports of the other auditors.

- ii) We draw attention to Note No. 5 to the consolidated financial statements, regarding uncertainties relating to the recoverability of trade & other receivables of Rs.26,814.56 lakhs as at 31st March, 2019 (31st March, 2018 : Rs. 25,460.41 lakhs) and interest income of Rs. 946.01 Lakhs on arbitration awards during the year ended 31st March, 2019 (for the year ended 31st March, 2018 : Rs. 1,471.20 lakhs). All these amounts relate to the appeals filed by clients pending in various courts in relation to the arbitration awards passed in favor of the Parent Company and recognized in the current and earlier years. Pending the ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in the accompanying consolidated financial statements.

Our opinion is not modified in respect of this matter.

- iii) As stated in Note No. 7 to the consolidated financial statements, owing to unavailability of financial statements and/or financial information of 1 (one) joint venture entity, namely, Gurha Thermal Power Co. Ltd., the Group's share of net profit after tax and total comprehensive income therein have not been included in the consolidated financial results. Considering the amount of investments made in the aforesaid joint venture entity by the parent company, in our opinion and according to the information and explanations given to us by the management, the financial statement/financial information of the said joint venture are not material to the Group.

Our opinion is not modified in respect of this matter.

7. i) We draw attention to Note No. 6(i) to the consolidated financial statements on the following emphasis of matter included in the statutory audit report on the financial statements of Doon Valley Waste Management Pvt. Ltd., a subsidiary of the Parent Company, issued by an independent firm of Chartered Accountants, vide their audit report which are relevant to our opinion on the consolidated financial results of the Group, and reproduced by us as under :-

“We draw attention to note 9 to the Ind AS financial statements, the Company's net worth is fully eroded indicating the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. Considering the matters set out in the said note, this Ind AS financial statement is prepared on a going concern basis .

Our opinion is not qualified in respect of this matter”.





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- ii) We draw attention to Note No. 6 (ii) to the consolidated financial statements on the following emphasis of matter included in the statutory audit report on the financial statements of Sanmati Infra Developers Pvt. Ltd, an associate of the Parent Company, issued by us, vide our audit report which are relevant to our opinion on the consolidated financial results of the Group, and reproduced by us as under :-

"The Company incurred a net loss of Rs. 5,98,813/- during the year ended 31st March 2019 and the accumulated losses incurred by the company is Rs. 23,74,96,083/- as on that date. As stated in Note 3, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the management is contemplating a new project being evaluated to be commenced in this company. Hence, the management, in spite of material uncertainties leading to significant doubts, is of the view that the going concern assumption is appropriate.

Our opinion is not qualified in respect of this matter".

- iii) We draw attention to Note No. 6 (iii) to the consolidated financial statements on the following emphasis of matter included in the statutory audit report on the financial statements of SPML Bhiwandi Water Supply Management Limited, an associate of the Parent Company, issued by an independent firm of Chartered Accountants, vide their audit report which are relevant to our opinion on the consolidated financial results of the Group, and reproduced by us as under :-

"Attention is drawn to Note 25 in the financial statement which indicates that the Company has accumulated losses more than share capital, as on balance sheet date. However financial statements have been prepared on a going concern basis for the reasons stated in the note.

Our opinion is not modified in respect of this matter".

- iv) We draw attention to Note No. 6 (iv) to the consolidated financial statements on the following emphasis of matter included in the statutory audit report on the financial statements of SPML Bhiwandi Water Supply Infra Limited ,an associate of the Parent Company, issued by an independent firm of Chartered Accountants, vide their audit report which are relevant to our opinion on the consolidated financial results of the Group, and reproduced by us as under :-

"Attention is drawn to Note 20 in the financial statement which indicates that the Company has accumulated losses more than share capital, as on balance sheet date. However financial statements have been prepared on a going concern basis for the reasons stated in the note .

Our opinion is not modified in respect of this matter".





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- v) We draw attention to Note No. 6 (v) to the consolidated financial statements on the following emphasis of matter included in the statutory audit report on the financial statements of Hydro-Comp Enterprises (India) Private Limited ,a joint venture of the Parent Company, issued by an independent firm of Chartered Accountants, vide their audit report which are relevant to our opinion on the consolidated financial results of the Group, and reproduced by us as under :-

"Attention is drawn to Note 22 in the financial statement which indicates that the Company has accumulated losses more than share capital, as on balance sheet date. However financial statements have been prepared on a going concern basis for the reasons stated in the note .

Our opinion is not modified in respect of this matter".

8. Further, the consolidated financial results include financial statements / financial information of 7 (seven) joint operations whose financial statements / financial information reflect total assets of Rs.3,982.62 lakhs as at 31st March, 2019 and total revenues of Rs 971.75 lakhs for the year ended on that date as considered in the consolidated financial results. These financial statements / financial information are un-audited and have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these joint operations are based solely on such un-audited financial statements/financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements/financial information are not material to the Group.

Our opinion is not modified in respect of this matter.

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

**CA. Bijay Murmuria**  
**Partner**  
**Membership No. 055788**



Place : Gurgaon  
Date : 30<sup>th</sup> May, 2019



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## Annexure to the Auditors Report:

### List of Subsidiaries :

1. ADD Energy Management Co. Pvt. Ltd.
2. Add Technologies Limited
3. Allahabad Waste Processing Co. Ltd.
4. Awa Power Company Private Limited
5. Bhagalpur Electricity Distribution Co. Pvt. Ltd.
6. Binwa Power Corporation Pvt. Ltd.
7. Delhi Waste Management Limited
8. Doon Valley Waste Management Private Ltd.
9. IQU Power Company Pvt. Ltd.
10. Luni Power Company Pvt. Ltd.
11. Madurai Municipal Waste Processing Co. Pvt. Ltd.
12. Mathura Nagar Waste Processing Co. Ltd.
13. Mizoram Infrastructure Development Company Limited
14. Neogal Power Company Pvt. Ltd.
15. PT Sanmati Natural Resources
16. SJA Developers Private Limited
17. SPM Holding Pte. Ltd.
18. SPML Energy Limited
19. SPML Infra Developers Limited
20. SPML Infrastructure Limited
21. SPML Utilities Limited
22. Subhash Kabini Power Corporation Ltd.
23. Subhash Urja Private Limited
24. SPMLIL-Amrutha Constructions Pvt. Ltd.
25. Delhi Waste Management Najafgarh Pvt Ltd.

### List of Associates :

1. Bhilwara Jaipur Toll Road Private Limited
2. PT Bina Insan Sukses Mandiri
3. PT Vardhaman Logistics
4. PT Vardhaman Mining Services
5. Rabaan (S) Pte Limited
6. Sanmati Infra Developers (P) Ltd.
7. SPML Bhiwandi Water Supply Infra Ltd.
8. SPML Bhiwandi Water Supply Management Ltd.





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List of Joint Ventures :

1. Aurangabad City Water Utility Co. Ltd.
2. Hydro-Comp Enterprises (India) Pvt. Ltd.
3. Malviya Nagar Water Services Pvt. Ltd.
4. MVV Water Utility Pvt. Ltd.

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**ANNEXURE - 1**

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 (See Regulation 33 of the SEBI (LODR) Regulations, 2015)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total Income	2,07,663.80	2,07,663.80
	2.	Total Expenditure	2,01,444.87	2,06,176.73
	3.	Net Profit/(Loss)	6,457.94	1,726.08
	4.	Earnings Per Share	10.84	2.44
	5.	Total Assets	3,49,563.62	3,49,563.62
	6.	Total Liabilities	2,89,065.99	2,93,797.85
	7.	Net Worth	60,497.63	55,765.77
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately) :			
	a.	Details of Audit Qualification :	<p>Auditor's qualification on the consolidated financial results :- We state that :</p> <p>a) We did not audit the financial statements of certain subsidiaries, associates and joint ventures as detailed in para 4(i) of our Auditor's Report on Consolidated Financial Statements.</p> <p>The financial statements of these subsidiaries, associates and joint ventures are not audited and consequently, we are unable to comment on adjustments that may have been required to the consolidated financial results, had such financial statements been audited. The Auditor's Report on the consolidated financial statements for the year ended 31<sup>st</sup> March, 2018 was also qualified in respect of this matter, in relation to certain subsidiaries and joint ventures.</p> <p>b) As stated in Note no. 3 to the consolidated financial statements regarding non-provision of interest on account of YTM amounting to Rs.4,731.86 lakhs on Optionally Convertible Debentures (OCDs) issued to lenders under S4A scheme by the Parent Company. Had such interest provisions been made, the finance cost would have been increased by Rs 4,731.86 lakhs and profit as well as shareholders fund for the year ended 31<sup>st</sup> March 2019 would have been reduced by Rs.4,731.86 lakhs. The Auditor's Report on the consolidated financial statements for the year ended 31<sup>st</sup> March, 2018 was also qualified in respect of this matter.</p> <p>c) As stated in Note no. 4 to the consolidated financial statements regarding the Parent Company's trade receivables and inventories, as at 31<sup>st</sup> March, 2019 of Rs. 3,402.74 lakhs (31<sup>st</sup> March, 2018 : Rs. 3,402.74</p>	



		lakhs) and Rs.1,040.62 lakhs respectively relating to projects foreclosed by Clients in earlier years and where the claims are presently under arbitration/litigation proceedings. Pending the ultimate outcome of these matters, which is presently unascertainable, we are unable to comment on the recoverability of the aforesaid trade receivables and inventories. The Auditor's Report on the consolidated financial statements for the year ended 31 <sup>st</sup> March, 2018 was also qualified in respect of trade receivables.
b.	Type of Audit Qualification : (Qualified Opinion / Disclaimer of Opinion / Adverse Opinion)	Qualified Opinion.
c.	Frequency of qualification : (Whether appeared first time / repetitive / since how long continuing)	Qualification (a) : Repetitive Qualification (b) : Appeared second time Qualification (c) : Repetitive
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	No provision for interest on account of YTM amounting to Rs. 4,731.86 lakhs has been made on Optionally Convertible Debentures (OCDs) issued to lenders under SPML S4A Scheme by the Holding Company, as the management believes that the same is not payable until maturity of such OCD.
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i)	Management's estimation on the impact of audit qualification:	<p>a) The auditor's in their audit report, have commented upon the preparation of Consolidated Financial Statements in respect of certain subsidiaries, Joint Ventures and Associates based on management certified unaudited financial statements.</p> <p>The financial statements of such entities are under audit finalization and will be completed in due course. The management does not expect any material adjustment in these accounts pursuant to audit.</p> <p>b) The Statutory Auditors have expressed their inability to comment upon the recoverability/realisability of certain trade receivables and inventories as at 31<sup>st</sup> March, 2019 amounting to Rs. 3,402.74 lakhs (31<sup>st</sup> March 2018: Rs. 3,402.74 lakhs) and Rs. 1,040.62 lakhs respectively in respect of certain contracts with customers, which are under arbitration.</p> <p>The management, based on the facts of the cases and past precedence is confident to recover / realize the above amounts.</p>
(ii)	If management is unable to estimate the impact, reasons for the same:	Not applicable.
(iii)	Auditors' Comments on (i) or (ii) above:	Included in details of Auditor's qualifications.





<p>III.</p>	<p><b>Signatories:</b></p> <p>For Maheshwari &amp; Associates Chartered Accountants (FRN : 311008E)</p>   <p>CA. Bijay Murmuria Partner Membership No. 055788</p>	<p>For SPML Infra Ltd.</p>  <p>Managing Director</p>  <p>Chairperson Audit Committee</p>  <p>Chief Financial Officer</p>
<p>Place : Gurgaon Date : 30<sup>th</sup> May, 2019</p>		