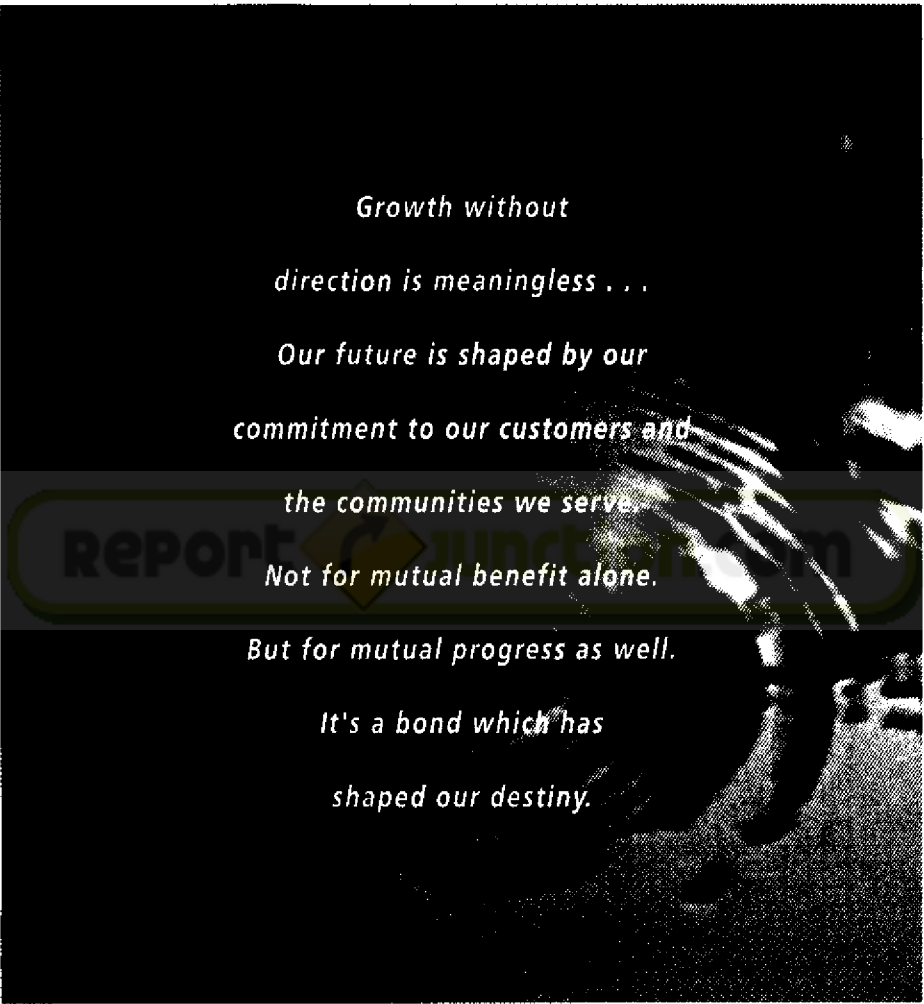


H₂O a growing

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ANNUAL REPORT 1999-2000

 Subhash
Projects and
Marketing
Limited

MAN IN PARTNERSHIP WITH NATURE



*Growth without
direction is meaningless . . .
Our future is shaped by our
commitment to our customers and
the communities we serve.
Not for mutual benefit alone.
But for mutual progress as well.
It's a bond which has
shaped our destiny.*



Board of Directors

Anil K. Sethi	Chairman
J. S. Varshneya	
R. L. Gaggar	
Subhash C. Sethi	Vice Chairman and Managing Director
Sushil K. Sethi	Managing Director
D. Roy	Executive Director

Executives

B. B. Chakraborty	Vice President
B. N. Choudhary	Vice President (Finance) & Secretary
A. C. Goyal	Vice President (Engineering)
M. N. Pore	Vice President (Projects)
S. C. Vijay	Vice President (Projects)
B. B. Mukherjee	General Manager (Projects)
S. M. Basu	General Manager (Projects)
V. K. Talwar	General Manager (Projects)
D. Choudhury	General Manager (Marketing)
A. C. Bakliwal	General Manager (Finance & Accounts)
R. K. Banerjee	Chief Engineer (Civil)
A. N. Bhattacharya	Chief Engineer (Mechanical)

Registered Office

F-27/2 Okhla Industrial Area, Phase II, New Delhi - 110 020

Head Office

3rd Floor, South Block, 113 Park Street, Calcutta 700 016

Branch Offices

- 8/2 Ulsoor Road, Bangalore 560 042
- Fancy Bazar, Guwahati 781 001.
- Flat 104, Unique House, 1117/5A Ganeshkhind Road, Shivaji Nagar, Pune 411 016
- A502, Mansi Complex, Premchand Nagar Road, Vastrapur, Ahmedabad 380 015

Bankers

Canara Bank
State Bank of India
State Bank of Travancore
State Bank of Hyderabad
Bank of Baroda
Andhra Bank

Auditors

Sunil Kumar Gupta & Co Chartered Accountants
B2 Magnum House - 1
Karampura Commercial Complex, New Delhi 110 015

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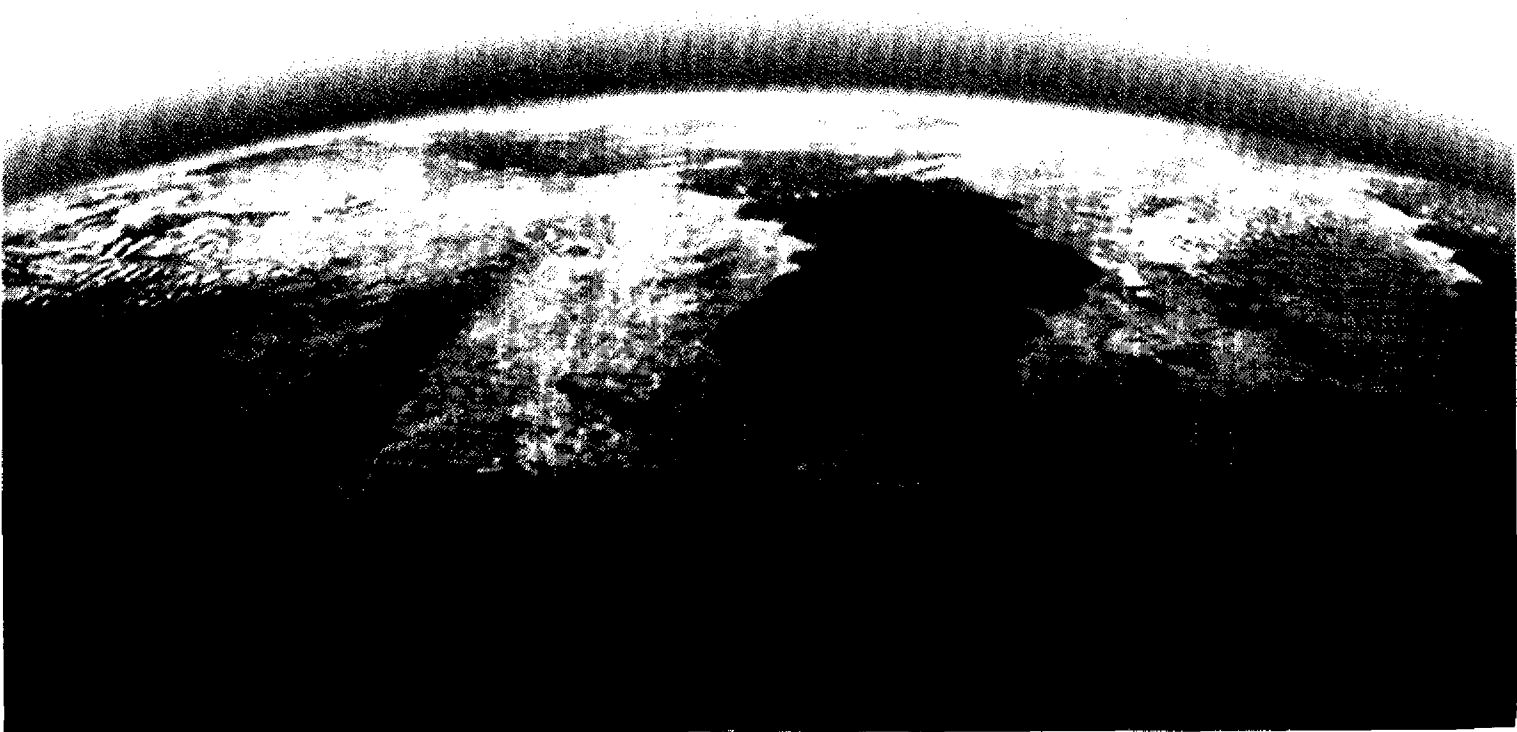


a growing bond

A bond that began nearly two decades ago. A bond that has grown stronger over the years, touching the lives of people across many a city, town and village. Starting off with a small number of clients, we took on the most challenging assignments and proved our worth. By delivering on time every time, at a cost our competitors couldn't match.

Today we are a premier name in engineering and construction, with expertise that covers almost every facet of water management. Our clients include Water Supply & Sewerage Boards, Public Health Engineering Departments, leading power plants and huge irrigation projects. But one thing remains constant: our allegiance to all those little communities for whom we built water supply and sewage treatment plants. Whether it is roads, bridges, the power sector, or water supply and civic works, people have come to rely on us for a host of water-related needs.

Our aim is to become one of the premier engineering construction companies in India in the next five years. Over 400 employees spread over three offices and over 25 worksites are geared towards achieving this. The journey we embarked upon 19 years ago has taken us further than we ever imagined. But the spirit that we started off with remains unchanged.





Meeting needs, taming nature

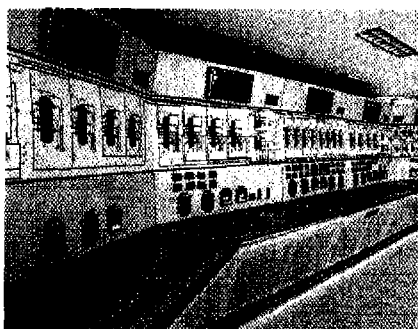
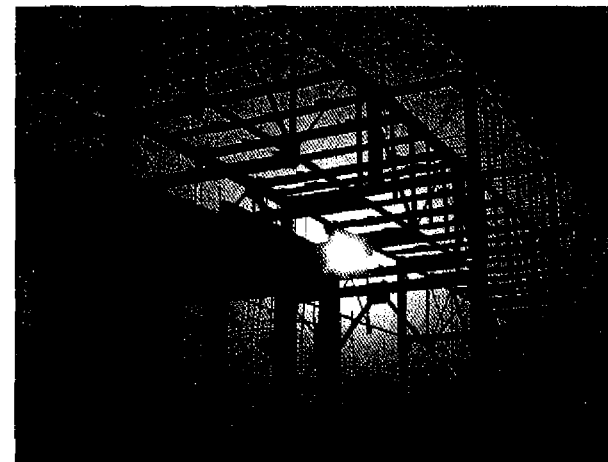
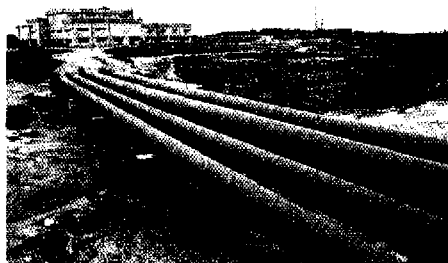
The country has made significant advances in recent times. But the infrastructure has failed to keep pace. Yet, efforts are on to rectify this, and the Bakreshwar Thermal Power Station is one of the biggest ones. And on the border of Karnataka and Kerala we are constructing a 2 x 10 MW dam based hydel power project located on the river Kabini, a tributary of the Cauvery. This technically challenging Rs 70 crore project includes the construction of a deep excavated powerhouse at the toe of the dam.

The Prakasha Barrage project in Maharashtra that we've been asked to execute is a massive Rs 86 crore irrigation project. Under the aegis of the Tapi Irrigation Development Corporation, we are installing an integrated lift irrigation system to draw rainwater from the Tapi river and store it at several reservoirs

between the river and the Burai dam. It envisages laying of pipelines, intake works, a jackwell, a four-stage pumping station and a three-stage rising main. Another prestigious project we are undertaking along the Tapi river is the Kurha Vadoda lift irrigation scheme, which will be completed at a cost of over Rs 71 crores. Elsewhere in Maharashtra we are implementing the Bhagada lift irrigation scheme, near Nasik,

Making Maharashtra greener through five irrigation projects - Prakasha Barrage, Kurha Vadoda, Bhagada, Thembu and Jihe Khatarpur.

awarded by Godavari Marathwada Irrigation Development Corporation. The work here involves construction of a canal based pumping station on the river. The Maharashtra Krishna Valley Development Corporation has also awarded us two projects. One in Thembu worth Rs 22 crores which is under advance stage of execution and another in Jihe Katharpur worth Rs 75 crores. We have also been awarded a prestigious project by the Irrigation Department of the Government of Karnataka to install a lift irrigation system in Nanjapura.





Drinking water for everyone

Saurashtra in Gujarat, traditionally one of the most arid regions of the country, will now thanks to us, be supplied with as much as 290 million litres of water a day. In neighbouring Maharashtra under the aegis of the Maharashtra Jeevan Pradhikaran we are handling several projects in the districts of Langhapur, Hole, Lasalgaon, Sirbhavi, Vijaydurg, and Latori to assuage the drinking water needs of over 100 villages. In West Bengal too a scheme to supply 42 villages with drinking water through the Lakshmanpur plant has been awarded to us by the Public Health Engineering Department of the State. It consists of raw water intake, a water treatment plant and a clear water pumping arrangement.

Our new projects include a Rs 31 crore water supply project in Ghaziabad which entails design, laying, construction and trial run of raw water and clear water. We have also been asked to strengthen the water distribution system in Mylapore, Chennai, a Rs 16 crore project, which includes supplying, laying and jointing and commissioning of various types of DI and MS pipes. The project has been awarded to us by the Chennai Metropolitan Water Supply and Sewerage Board. We are also presently involved in laying of 1422 mm OD MS rising water main along with ancillary works in certain arsenic-affected areas of Budge Budge in the South 24 Parganas district in West Bengal. Another project being handled by us at T K Halli for Bangalore Water Supply and Sewerage Board involves fabricating and laying of 2000 MM dia raw water gravity mains.



SPML HAS A REPUTATION FOR TAKING UP CHALLENGES AND MEETING THEM. A FEW RECENT EXAMPLES...

- For the water supply scheme at Paradip we faced the problem of a very high water table. We were required to lay extensive stretches of pipeline right next to the seashore. We overcame that, by employing a multiplicity of pumping stations and sewage treatment systems.
- The Karnataka Urban Water Supply and Drainage Board has awarded us a prestigious contract worth Rs 27 crores for supplying drinking water to Dravangiri. In addition to the usual requirements, we've been asked to take the responsibility for a trial run and maintenance for one year following completion of the project.

We are currently working on the 10 MLD tertiary treatment plant at Yelahanka for the Bangalore Water Supply and Sewerage Board where we have partnered with OTV of France, whose specialised knowledge of waste water management gives us an edge. In Mysore we have lent our expertise to the Karnataka Urban Water Supply and Drainage Board for a 60 MLD Sewage Treatment Project. In Okhla, Delhi, a state-of-the-art 16 MGD sewerage plant has now been completed at over Rs 16 crores. Funded by JBIC, Japan we have started the Chennai Sewerage Renovation and Functional Improvements for the Chennai Metropolitan Water Supply & Sewerage Board. This project alone is worth Rs 100 crores.

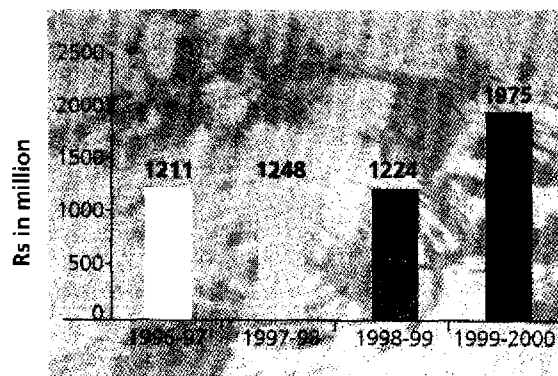
**Bringing clean water
through our sewerage
projects in Tamil Nadu,
Karnataka and Delhi.**



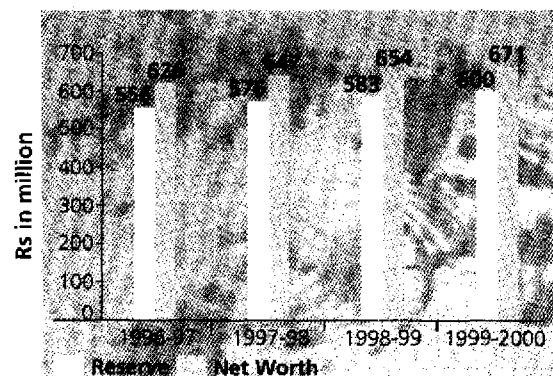
Innovating at every turn

We're forever striving, improving, improvising and innovating - constantly assessing and reassessing every situation to derive the best possible returns from solutions. It may mean a little extra effort but it also means better value. And this shows in our balance sheet. Let's take a closer look at the outcome of our positive outlook -

- All our branches are online, making communication much simpler. Besides, we are also in the process of developing specialised software for water management.
- As part of our diversification effort we've been awarded a contract to construct four lanes on an 8-km stretch of National Highway 37 in Guwahati in Assam. This bypass will require extensive excavation and embankment - filling, drainage works, bridges and culverts, as well as the installation of junctions and traffic signs.
- Indian Oil Corporation Ltd. has placed an order on the Company for the first LSTK Project in the Eastern Region for construction of five state-of-the-art Retail Jubilee outlets.
- We've been asked to quote for a very large integrated water supply scheme in the desert in Oman. It is a signal honour.
- We are promoting the Design Build Approach in our work. This involves single-point responsibility and results in a time saving of 20% to 30% - with equivalent savings in costs.
- Our income has grown to Rs 200 crores in 1999-2000.



Turnover



Reserves & Net Worth

The country looks forward to be on a high-growth path after years of sluggishness. Vast opportunities exist today in the infrastructure sector - and SPML is poised to make the most of it.