

SPML infra gets ₹191-cr interim arbitration relief



The subsidiary of **SPML Infra** Limited, Bhilwara Jaipur Toll Road Pvt. Ltd, has received ₹191 crore Interim Relief under the arbitration proceedings against the State of Rajasthan.

The 212 km Bhilwara-Jaipur Toll Road was developed by the subsidiary company, but from 1st April 2018, the government of Rajasthan had exempted private vehicles from paying toll in the state highway that stretches from Jaipur to Bhilwara. This has badly affected the financial health of the company. Bhilwara Jaipur Toll Road has, in turn, terminated the concession agreement on grounds of material default by the State government through a notice, which led to the appointment of an arbitrator by the Hon'ble High Court of Rajasthan to resolve the issue.

The subsidiary had sought an interim relief under Section 17 of Arbitration Act to give award in a way that the bank debt on the state highway is taken over or settled by the State government and the toll road is taken back by the State for onward operation and maintenance. The arbitrator, after due hearings, issued an interim order of award directing the State to deposit ₹191 crore in the bank's escrow account and take possession of the toll road.

The regular arbitration proceedings of this project under Section 34 of the Arbitration Act are going on and the claim of termination payment of ₹578 crore is in the process of hearings, said Chairman, **SPML Infra**, Subhash Sethi. He informed that the arbitrator issued the order on the merits as the company has been maintaining that the action taken against the project was incorrect and violated provisions of the agreement. The management of the company is happy that its legitimate claims have been upheld in the arbitration.