

SPML PRESS RELEASE

For Immediate Release

SPML Infra Debt to reduce substantially with Cabinet decision on Arbitration Awards

Gurgaon, September 6, 2016

The Union Cabinet decision that requires Government agencies to pay 75% of arbitral awards will result in SPML's debt being reduced significantly. SPML has arbitration awards of over Rs. 250 crores and with the last week's cabinet decision; the company should get 75 per cent of this amount subsequently.

Further, claims worth around Rs. 500 crore are in advance arbitration stage. The cabinet decision will further help SPML to secure these awards within the duration of 12 months. SPML has a standalone debt of Rs. 540 crore

Mr. Subhash Chand Sethi, Chairman, SPML Infra Ltd. Commented, "We are pleased with the Cabinet's decision regarding payment of arbitration awards to infrastructure companies. With this directive SPML will immediately be able to reduce its debt substantially. Implementation of this directive will enable SPML and such other contractors to execute projects more effectively. This decision of the government will mitigate the encumbrances faced by executing agencies and foster the desired infrastructure growth in India. The directive will enable state/central agencies to promote the much needed infrastructure growth in various states.

About SPML:

SPML Infra Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on two stock exchanges in India. The Company is engaged in the business of infrastructure development which inter-alia includes water management, water infrastructure development, waste water treatment, power generation, transmission and distribution, solid waste management, and other civil infrastructures.

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