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ASSOCHAM WATER MANAGEMENT EXCELLENCE AWARDS 2019 TO SPML INFRA LTD.



SPML Infra Limited has been conferred with the ASSOCHAM Water Management Excellence Awards 2019 as “Best Water Management Practices” for outstanding contributions in the development of sustainable water infrastructure in India. The award was presented by Mr. Gajendra Singh Shekhawat, Union Minister for Jal Shakti (Water Resources)



of India during the “National Conference & Awards on Innovative Water Solutions” held in New Delhi on 28 June 2019. The award was received by Mr. Sushil Sethi Jain, Managing Director of the Company.

Please visit www.spml.co.in for more information or to download a pdf version of the newsletter.

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Conference on Legal Dimension of Infrastructure Development

Confederation of Indian Industry (CII) organized this conference on 11th May, 2019 in Kolkata under the leadership of Mr. Subhash Sethi, SPML Infra Chairman who is also the Chairman of Infrastructure Sub-committee of CII Eastern Region. Apart from legal luminaries, senior government officials and industry leaders presented the legal aspect of construction claims & arbitration.

Hon'ble Justice Soumen Sen, Judge, Calcutta High Court said, "The concept of making mediation mandatory before proceeding to litigations has become an important alternative tool for settling disputes for infrastructure projects". He advised the industry and all concerned stakeholders to explore the possibility of mediation to lessen the number of litigations presented to the court. Mediation and arbitration has not only brought down the court intervention in solving infrastructure disputes to a minimum, but the legislature has also ensured that the schedule of arbitration, the impartiality of the arbitrator and a timeframe of one year along with a "model fee structure" is adhered to.

Hon'ble Justice N C Sil, Former Judge, Calcutta High Court & Former Acting Chairperson WBHRC said that there are practical hindrances in terms of execution of contracts as the government becomes an "undue influencer" and takes a dominant role vis-a-vis the contractor. This is supported by the fact that the industry has to sign a no-claim certificate which usually signifies domination by the government. He also stressed upon



(L-R) Mr. Manish Gupta, Justice N C Sil, Mr. Subhash Sethi, Justice Soumen Sen, Mr. Rakesh Bhutoria, Justice Amitava Lala, Ms. Gargi Mitra

the lump-sum fees to arbitrator for ensuring that the arbitration timeframe is adhered to and he called for a standardization of all contracts of infrastructure to ensure lesser disruptions.

Hon'ble Justice Amitava Lala, Former Acting Chief Justice, Allahabad High Court said that in infrastructure projects, the emphasis during the tender is usually on the "lowering of prices" and not enough attention is paid to execution of the contract which leads to legal disputes and eventual litigations. He also stressed that mediation and arbitration should be looked into for disposal of disputes before any legal interventions come to the fore. The "time bound solution of litigation is the need of the hour" if the infrastructure plans of the country are to move smoothly.

Alternate dispute resolution mechanisms should be explored before going into long drawn litigations for stalled infrastructure projects and put emphasis on the words and designing of the contract and the capabilities of execution.

While delivering welcome address, Mr. Subhash Sethi, conference chairman said that "the Infrastructure in India is in a developing stage with a high potential to take the economy to a much higher orbit. A number of regulatory bodies have been created to ensure smooth implementation of infrastructure projects in Public-Private-Partnership model. Hence, the legal framework and processes enabling this have become immensely significant.

Mr. Rakesh Bhutoria, Co-Chairman, Infrastructure Subcommittee CII ER & CEO, Srei Infrastructure Finance Ltd. said that India's judiciary and legal system can play a major role in giving a new lease of life to India's infrastructure assets. Mr. Manish Gupta, Partner, Beekay Engineering Corporation said that there is a need of equity in contracts with the government and condition of the contract should ideally not be lopsided.

The conference also saw the government officials, legal consultants, lawyers and other infrastructure space stakeholders deliberate on the roadmap for stalled projects and on the issues pertaining to judiciary, arbitration, validity and sanctity of contracts and dispute resolution mechanisms.

SPML Infra Announces 15% Increase in Net Profit in FY 19



SPML Infra Limited (SPML Infra; NSE: SPMLINFRA; BSE: 500402), declared the financial results for year ended March 31, 2019 and has posted a healthy growth of over 15.08% in Profit After Tax (PAT). The Company's Board has approved the Standalone Audited Financial Results for the year and declared that the Company has recorded gross revenue of INR 14,932.56 million. The Net Profit for the year rises to INR 496.18 million as against INR 431.16 million in the corresponding last year.

Highlights of the Financial Year 2018-19:

- ▶ Total Standalone Income for FY 19 at INR 14,932.56 million against INR 14,117.11 million in FY 18
- ▶ FY 19 Standalone PAT up at INR 496.18 million against INR 431.16 million in FY 18
- ▶ Earnings Per Share in FY 19 is INR 13.54 as against INR 11.76 in FY 18

Mr. Subhash Sethi, Chairman, SPML Infra commented, "The revenue growth and profit increase is an indicator of our expertise in project execution and winning new orders. These figures broadly indicate that the Company has been able to navigate through the challenges relatively more effectively than many other players in the construction industry. This has largely been due to the strong fundamentals of the Company and the foresight of the management in putting into place a business strategy based on its core competencies. As we take our steps into the new financial year, we have ambitious growth plans. I am confident that our business philosophy is strong and solid and the growth prospect in our segment is remarkably high. The kind of infrastructure development project we execute combined with the strength and agility of our team, will lead our way into the future."

MEDIA BUZZ

Construction & Architecture, May-June 2019

Construction Times, June 2019



COVER STORY

WATER INFRASTRUCTURE IN INDIA: NEED FOR URGENT OVERHAUL

As India strives ahead on a growth path and faces massive increase in urban as well as rural population. The quest for safe and clean drinking water would be paramount. The article tries to explore the challenges and options available.

COVER STORY

According to a report from World Bank, India's water infrastructure is in a state of disrepair. The country's water supply system is estimated to be worth \$150 billion, but only about 10 per cent of it is functional. The report also states that India's water infrastructure is in a state of disrepair, with only about 10 per cent of it functional. The report also states that India's water infrastructure is in a state of disrepair, with only about 10 per cent of it functional.

Views of Mr. Subhash Sethi, Chairman of SPML Infra Ltd. is published in Construction Times, June 2019 issue in the cover article titled as "Water Infrastructure in India: Need for Urgent Overhaul".

READ MORE>>

EPC World, May 2019

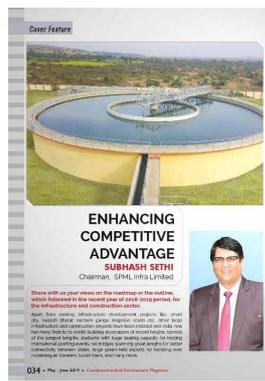


FUTURE CITIES

Essential elements have been provided for the resources reserve and putting a lot of stress on the city infrastructure planning for the need for expanding the need to build Smart Cities. A mission that has been under way since 2015. Has the mission managed to find its path and finding? Will the mission be able to succeed? Gurima Pant explores.

The views of SPML Infra Chairman, Mr. Subhash Sethi on smart city development have been published in the lead article "Future Cities" in EPC World, May 2019 issue.

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ENHANCING COMPETITIVE ADVANTAGE

SUBHASH SETHI
Chairman, SPML Infra Limited

Share with us your views on the challenges in the sector, which followed in the recent year of 2018-19 period, for the infrastructure and construction sector.

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The interview of Mr. Subhash Sethi, Chairman of SPML Infra Ltd. on infrastructure and construction sector in India under the headline, "Enhancing Competitive Advantage" is published in Construction And Architecture magazine in its May/June 2019 issue.

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Smart Water & Waste World, May 2019



WORLD EARTH DAY SPECIAL

The Water Conundrum

By Subhash Sethi

Water is the most essential resource for life on Earth. It is also the most precious. The world's water resources are being depleted at an alarming rate. The world's water resources are being depleted at an alarming rate. The world's water resources are being depleted at an alarming rate.

Smart Water & Waste World, May 2019 published an article of SPML Infra Chairman, Mr. Subhash Sethi under the headline as "The Water Conundrum" on the occasion of World Earth Day.

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PROJECT UPDATE

April-June 2019

Saurashtra-Narmada Avtaran Irrigation (SAUNI) Yojana, Phase II, Gujarat

Client: UND Irrigation Division, Jamnagar, Gujarat



SPML Infra is executing India's largest irrigation and drinking water supply project in Gujarat that envisage to irrigate 1.8 million hectare of land in Saurashtra, Kutch and North Gujarat benefiting millions of farmers and supplying drinking water facilities to 39 million people across 132 towns and 11,456 villages. Major

work of the project is completed which has the scope of laying of 36.6 Kms MS Pipeline of 3000 mm diameter of 17.5 mm thickness with external 3LPE coating, construction of pumping station with installation of 5 pumps each having capacity of 12760 M3/hr with head of pump at 49 mtr, 66 kV substation, SCADA system with 10 years of Operation & Maintenance.



12.5 MLD Common Effluent Treatment Plant, Bahadurgarh, Haryana

Client: Haryana State Industrial & Infrastructure Development Corporation Limited (HSIIDC)

SPML Infra is executing an important industrial wastewater treatment project in Haryana. The construction



work of 12.5 MLD Common Effluent Treatment Plant (CETP) based on tertiary treatment method is nearing completion. The CETP has been constructed to provide



used water treatment facility to commercial and industrial units based in the Industrial Estate of Bahadurgarh.

Extension of 400/220 kV Durgapur Sub-station

Client: Power Grid Corporation of India Limited

SPML Infra is executing an important power transmission & distribution augmentation project under the Eastern Region Strengthening



Scheme in several districts of West Bengal and Odisha. Under the current project, the company has installed 220 kV sub-station at Durgapur, West Bengal along with other power and civil infrastructure. The Durgapur



sub-station project will help the client in providing better quality electricity supply to the designated areas of Durgapur and suburbs.

Rural Electricity Infrastructure Development, Murshidabad, West Bengal

**Client: West Bengal State Electricity
Distribution Co. Ltd.**

SPML Infra is executing an important power augmentation project under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) for Rural Electricity Infrastructure Development for Agriculture Feeder Segregation works in Murshidabad district of West Bengal. The project involves execution of 55 number of feeders emanating from existing/ongoing 20 substations having total length of 1830



circuit kilometer of 11 kV feeder work including erection of 98 kilometers of aerial bunch cabling and laying of 15 kilometers of underground cable and installation of 546 numbers of distribution transformers (DTR). The project will help farmers and residents of Murshidabad district with dedicated power supply for household and agriculture.

BUDGET 2019 - 20 REFORM, PERFORM, TRANSFORM

April-June 2019

Key Highlights

- ▶ Vision for \$5 trillion economy driven by investment
- ▶ Strengthening connectivity Infrastructure thru water grid, gas grid, I-grid, power grid and regional airports
- ▶ To invest 100 lakh crore in infrastructure development in the next five years
- ▶ Proposed to set up an expert committee to study the current situation relating to long term finance and past experience with development finance institutions to recommend the structure and required flow of funds through development finance institutions
- ▶ Measures for boosting infrastructure financing: Credit Guarantee Enhancement Corporation to be set up, action plan to deepen long term bonds market, permit transfer of FII/FPI investment in debt securities issued by IDF-NBFCs to domestic investors
- ▶ Ministry of Housing and Urban Affairs has been allocated INR 480 billion for 2019-2020 against INR 429.65 billion last year. Allocations to three major urban infrastructure development programs – INR 64.50 billion for Smart Cities Mission; INR 73 billion for Atal Mission for Rejuvenation and Urban Transformation (AMRUT); and INR 26.50 billion to Swachh Bharat Mission (Urban)
- ▶ Swachh Bharat Mission to undertake sustainable solid waste management in every village
- ▶ The Jal Shakti Ministry which is executing the government's mission to provide clean and piped drinking water to every household in the country, has been allocated INR 282.61 billion in the budget 2019-20 to ensure Har Ghar Jal (piped water supply) to



all rural households by 2024 under the Jal Jeevan Mission

- ▶ Jal Marg Vikas project develop inland waterways to shift a significant portion of inland cargo movement from road and rail
- ▶ Budgetary allocation for the Ministry of Power stands at INR 158.74 billion for 2019-20 an increase of 1.60 per cent over INR 156.25 billion (revised estimate) allocated during the previous budget of 2018-19
- ▶ A package for the power sector along with tariff and structural reforms for the sector
- ▶ By 2022, every single rural family will be connected with electricity and clean cooking facility
- ▶ Comprehensive restructuring of National Highway programme to ensure that the National Highway Grid of desirable length and capacity is created using financeable model
- ▶ PMGSY-III is envisaged to upgrade 1,25,000 kms of road length over the next five years, with an estimated cost of INR 80,250 crore
- ▶ Bharatmala phase 2 to be launched. State road networks will be developed