

## SPML Infra secures ₹712-cr Arbitration Awards



SPML Infra Limited has secured several Arbitration Awards of a cumulated amount of ₹712 Crore for the projects from different clients in India.

It is well established that due to good corporate governance and proper claim management with digitally stored records and documents, the company is highly capable of converting most of the project claims into awards. From the historical track record and based on the various studies conducted on the subject by the Company and different stakeholders, including lenders, SPML Infra expects higher realization of its claims, however, the Lenders have conservatively considered the realization of ₹1,076 Crore from Claims & Awards over a period of time in the on-going debt resolution plan, in-principally agreed by them. It gives reasonable clarity to the lenders for recovering their sustainable & unsustainable debts significantly much before the time being considered in the Resolution Plan.

Out of the aforesaid ₹712 Crore, there is clarity on ₹287 Crore which has been partly received by the Company at its bank account and also deposited with the court. The Company also expects further deposit of sizeable amounts as per the directions of the Courts. The aforesaid ₹287 Crore and such further amounts as deposited at Courts and realized by the Company will be used for the reduction of debts of the lenders.

Subhash Sethi, Chairman, SPML Infra Ltd. commented, "The arbitration awards are encouraging and we are really pleased that our project claims have been upheld in the arbitration process. The arbitrators have issued the orders on merits. Sometimes, the delays in land acquisitions, drawing approvals and unforeseen changes in contractual conditions with other pressing issues make it difficult for the construction companies to execute the projects. We are very hopeful that our contract claims will be substantiated in future as well and with the proactive approach of our government, I anticipate that the arbitration process in our country will be streamlined with the amendment of the Arbitration and Conciliation Act, and there should be a set limit of time to complete the exercise and grant the genuine claims to the contractors. The revised timelines as stipulated in the amendment of the Act gives clear visibility to Company to realise the amount of claim through arbitration. It shall also help to settle the dues of the lenders much before the time estimated in the resolution plan and will help improve the realization value to the Lenders. However, the Company always prefers to settle the matter with mutual discussion with its clients."

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