

A dynamic background featuring a clear water splash on the left side, transitioning into a circular inset on the right. The inset shows a close-up of water droplets and bubbles in shades of teal and blue, with a dark, textured rock partially visible.

# **INVESTOR PRESENTATION**

**August 2024**

**SPML**  
Engineering Life

**SPML INFRA LIMITED**

This document contains statements about expected future events and financial and operating results of SPML Infra Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the SPML Infra Limited.

# Company Overview



India's Leading Integrated Water Management Company with  
**Key focus on Water Infrastructure Development**



**4+ decades of experience**  
coupled with a **national presence**



Successfully completed **650+ turnkey projects** across India



Expertise in facilitating Turnkey end to end **Water & Wastewater Management Solutions**



An ISO – **9001:2015;14001:2015; 45001-2018** certified company



Drinking Water to  
**50 Million+ people**



Among the **World's Top 50 Private Water Companies** – Global Water Intelligence, London



Focused on margin accretive  
**Water Segment**



**Order Book at**  
**~Rs.1,300 Crore**

**Marquee Clients**



**Delhi Jal Board**



**National Mission for Clean Ganga**



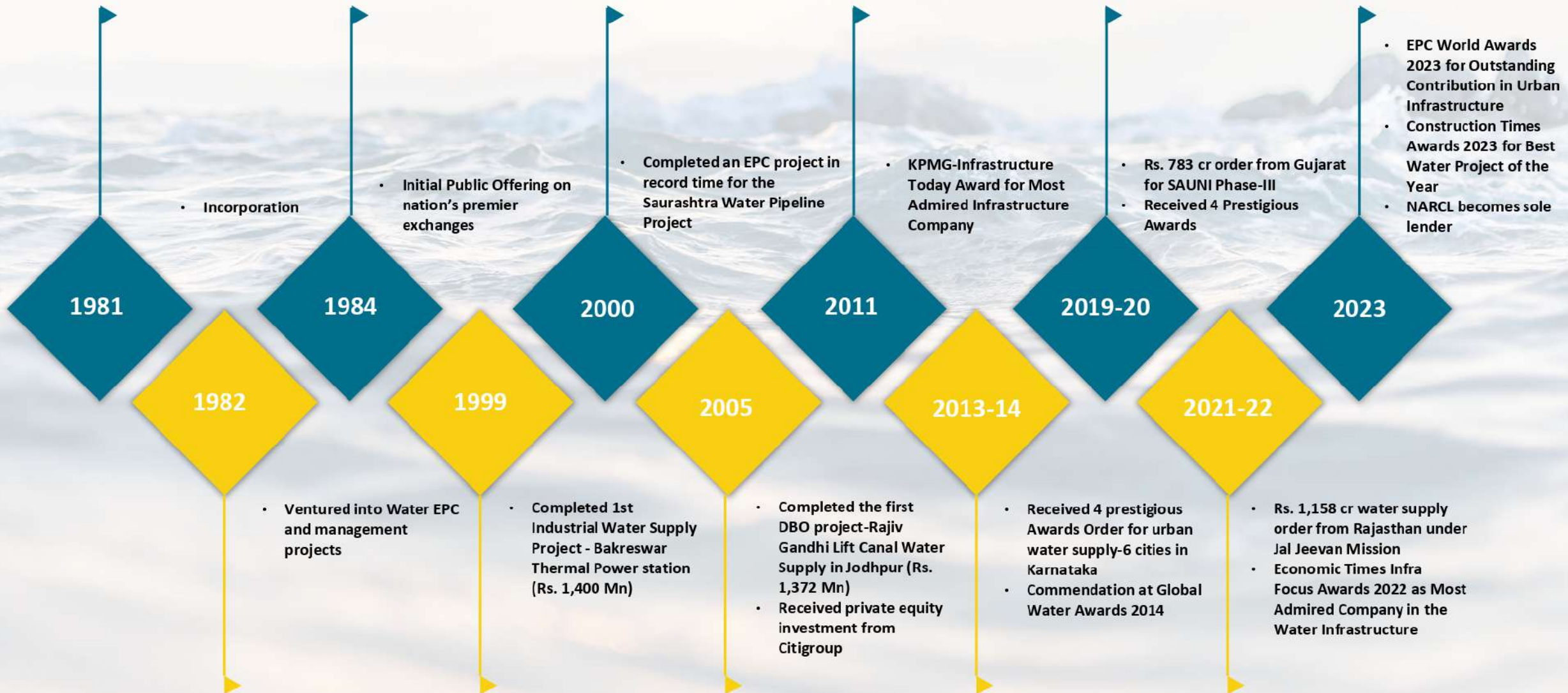
**Jal Jeevan Mission-UP Government**



**PHED-Rajasthan Government**



**Bangalore Water Supply and Sewerage Board**



# Recognitions for Exemplary Project Executions

EPC World Awards 2023 for Outstanding Contribution in Urban Infrastructure (Water Project)

Construction Times Awards 2023 for Best Water Project of the Year  
Most Impactful Water Management Leader 2023 to SPML Infra Vice Chairman

The Economic Times Infra Focus Awards 2022 as Most Admired Company in Water Infrastructure

Indian Achievers Award 2022 for Business Leadership to SPML Infra Chairman



Skoch Awards 2020 – Order of Merit Certificate for Kanpur Sewerage System

ASSOCHAM Energy Excellence Awards 2019 for Rural Electrification

CIA World Construction & Infra Award 2019 as Best Company in Water Management - EPIC Media

Smart Water & Waste World Award 2019 for Decentralized Sewerage System in Mira Bhayander, Maharashtra

ASSOCHAM Water Management Excellence Awards 2019 as Best Water Management Practices

The Economic Times Most Promising Business Leaders of Asia 2018 Award to SPML Infra Chairman, Mr. Subhash Sethi

Award for Outstanding Contribution in Completion of SAUBHAGYA Scheme in Bihar - By Hon'ble Chief Minister of Bihar

Zee Business Dare to Dream Awards 2018 for Company of the year – Infrastructure

Certificate of Appreciation for Outstanding Performance in SAUBHAGYA Scheme in Patna District, Bihar



ET Now-Water Leadership Awards 2018 for Excellence in Water & Wastewater Management – World CSR Day

50 Most Impactful Leaders in Water & Water Management Awards 2018 to SPML Infra Chairman – World CSR Day

India's Most Ethical Companies Award 2017 – World CSR Congress

Aqua Foundation Excellence Award 2017 for Valuable Contribution in Infrastructure Development in India



Construction Times Award 2017 for Best Executed Technology used for Water Management Project

CIA World Builders & Infra Awards 2017 for Best Water Management Company of the year – EPIC Media Group

Frost & Sullivan India Awards 2016 as India Water & Waste Water Management Competitive Strategy Innovation & Leadership

Construction Times Awards 2016 for Best Executed Wastewater Project of the Year

Fortune India Next 500 Awards 2016 as 'One of the Giants of Tomorrow' – Fortune Magazine

CBIP Award 2016 for Optimum and Efficient Utilization of Water Resources - CBIP



**Subhash Sethi** *Chairman*

He leads the company towards growth with his visionary approach and business acumen. He led the company to foray into energy business with several EPC and BOOT projects in renewable power generation, power transmission, distribution and supply management, coal mining etc.



**Sushil Sethi Jain** *Vice Chairman*

He is responsible for the growth of water and environment business enabling the Group to foray into several BOOT projects in the water, wastewater and sewer rehabilitation.



**Manoj Digga** *Executive Director Commercial & CFO*

He has more than 32 years of experience in Finance, Accounts, Taxation and Corporate Finance Transactions on Equity, Acquisitions. He is a Chartered Accountant, Company Secretary & Cost Accountant



**P.S. Rana** *Independent Director*

He is the former Chairman of Housing and Urban Development Corporation (HUDCO) & Patron, Institute of Urban Transport and Member Advisory Council of IIT, Delhi. A B. Tech (Civil) from IIT, Delhi and Ph.D. in Transport Engineering and Management from University of Newcastle, UK)



**Pavitra Joshi Singh** *Independent Director*

She is working as a Director – Human Resource at PepsiCo India and Head of Talent Acquisition - Asia, Middle East and North Africa and is recognized as one of corporate India's Fastest Rising Women Leaders. She has completed MBA (Human Resource) from Pune University



**T.S. Shivashankar** *Independent Director*

He is a Financial Service professional with 30+ years experience. He is a Managing Director, Rohatyn Group and was earlier with Citibank leading Private Equity, Capital Markets, Corporate Finance and Treasury. He has completed B.Tech from IIT Madras and MBA from IIM Lucknow



**Arundhuti Dhar** *Independent Director*

She has experience in HR, Banking, Finance, Trade, EPC, Infrastructure and Property Management. She has held key positions in American Express Bank, HDFC Bank and IL&FS Property Management Ltd. She is a St. Xavier's College alumna



**Abhinandan Sethi** *Chief Operating Officer*  
Spearheading Company's initiatives in corporate decisions, financial planning & policies, business development, project execution & management across all verticals and communicating with the Board of Directors. He has a B.Sc. from Boston University and eMBA from London School of Business.



**Sumit Bhattacharya** *CHRO*

He has more than 25 years of experience in human resources, talent management, total rewards, learning and OD, HR process automation etc. He has an MBA in HR, Diploma in talent management from XLRI, and Diploma in Communication Strategy from Toronto University.



**O. Vishveswaraiah** *VP – Projects*

He has more than 35 years of diverse experience in structural engineering and execution – currently leading the KUIDFC and BWSSB Projects. He has M.E. (Civil Engineering) degree.



**Malay Kanti Chakraborti** *Exec VP*

He has more than 32 years of years of experience in the field of management and procurement with Batliboi, Andrew Yule, VTS and has hands on experience in project management. He has a B. Tech (Mechanical) degree.



**Partha Roy** *VP – Legal & Contracts*

He has 20 years of multi-sector experience in management advisory and effective supervision of legal affairs encompassing legal operations, devising strategy, risk mitigation and litigation management. He has a degree of Legum Baccalaureus (Bachelor of Legislative Law).



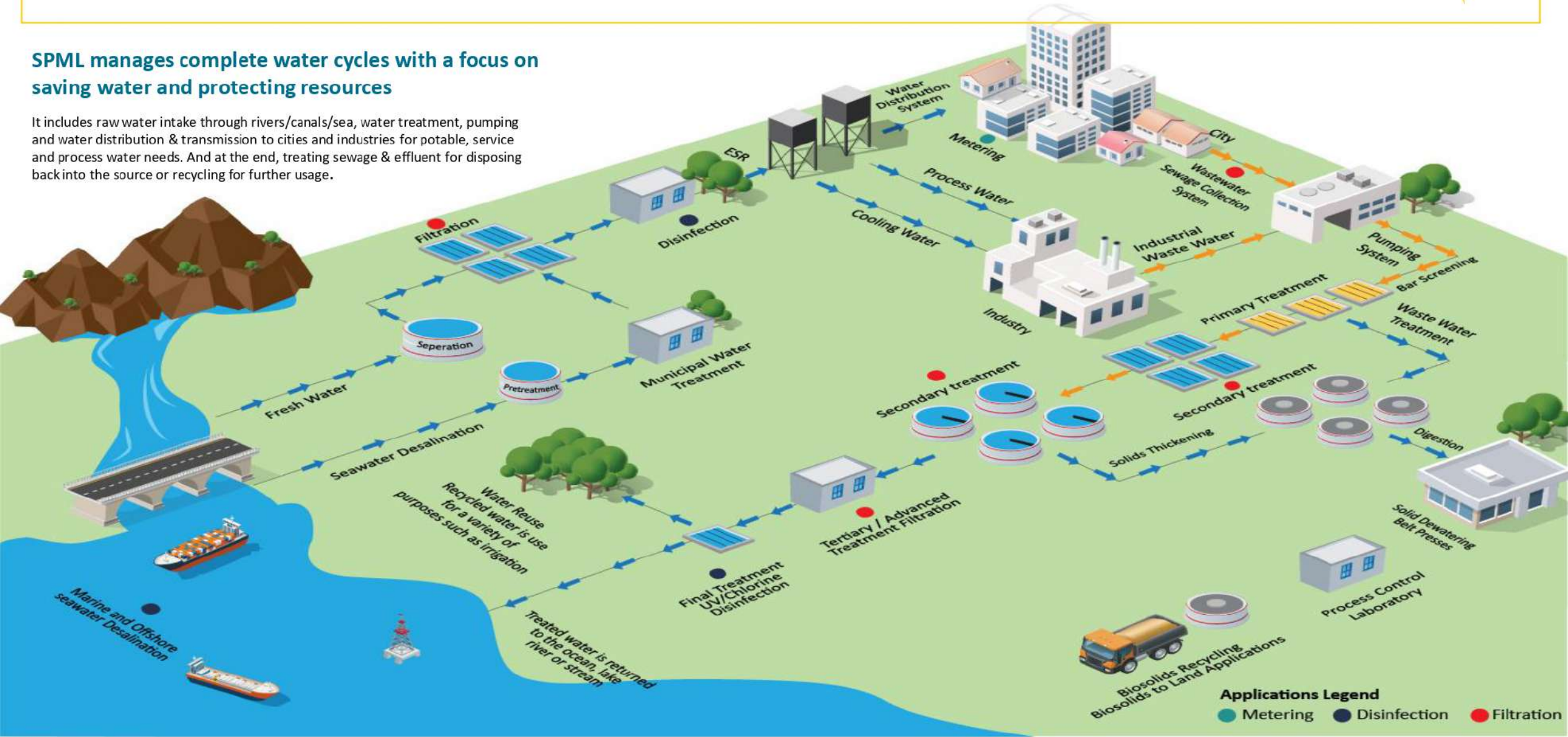
# Business Overview



# Robust Business Model

## SPML manages complete water cycles with a focus on saving water and protecting resources

It includes raw water intake through rivers/canals/sea, water treatment, pumping and water distribution & transmission to cities and industries for potable, service and process water needs. And at the end, treating sewage & effluent for disposing back into the source or recycling for further usage.



# Business Segments

New business expected to drive exponential profitability growth

Existing Order Book



New Business



Joint Venture



With the increase in the new business volumes the margins will improve substantially

Focus remains on margin accretive 'River to Reservoir' segment



River to Reservoir



Reservoir to Tap



Home to River

# Securing India's Water Future through our business solutions

Superior Execution Track Record in Water EPC Sector *(Till Date)*



## Water Supply and Distribution

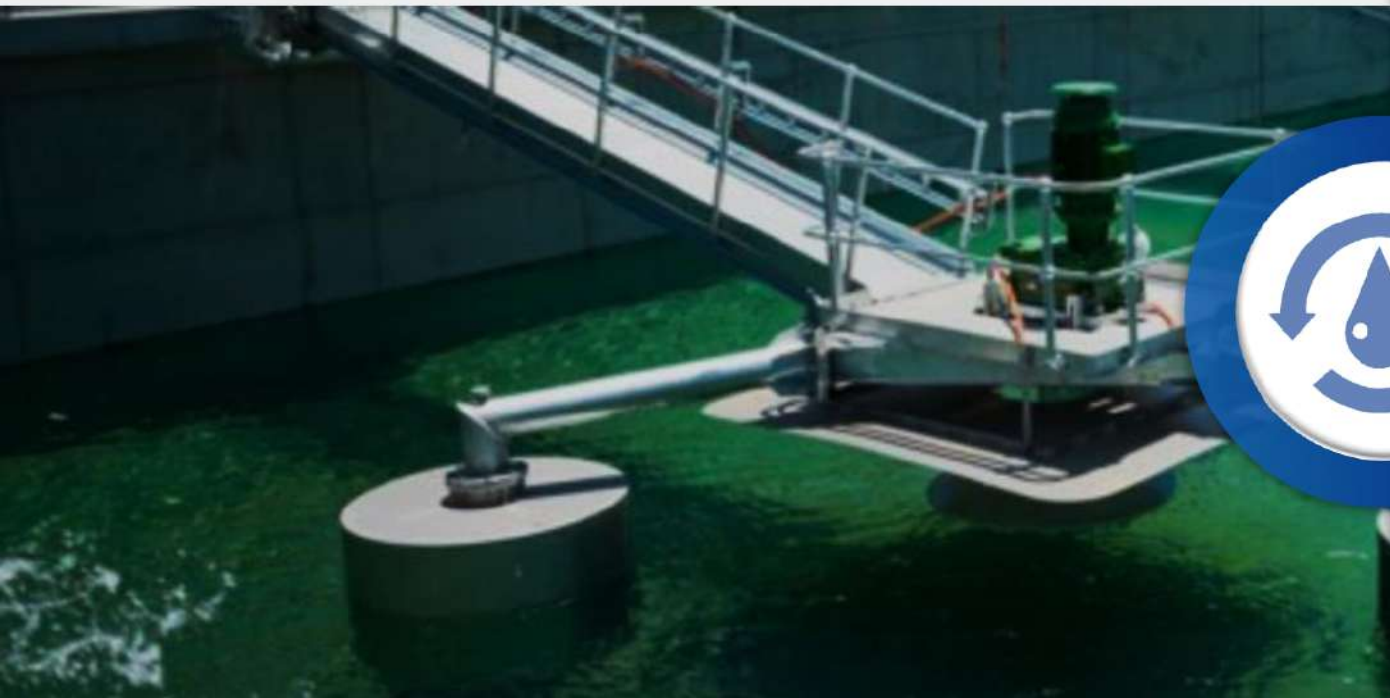
~Rs. 1,150 cr, Isarda Dam, Rajasthan  
Drinking Water Supply and Management projects

10 years in O&M  
Water supply projects

More than 300 km, 1500+ mm diameter Pipeline project

City distribution management experience of up to 1 Mn population

All civil works related to water supply projects- treatment plant, overhead reservoir, underground reservoir, intake etc



## Water & Wastewater Treatment & Management

Up-to 35 MLD  
Common Effluent Treatment Plant

Up-to 240 MLD  
Sewage Treatment Plant

Water treatment plant projects of up to 200 MLD capacity (expected to go up to 500 MLD in the future)

Trenchless sewer rehabilitation projects of 25 km and up to INR 200 crores contract value

Sewerage network projects of length 200 km



Key  
Focus  
Areas

### Build a Robust Order book

*Bid for fewer but larger projects with high margin fully funded and easy to execute*



### Efficient mgmt. of Debtor Days

*Focus on Cash Rich States*



### Robust selection of sub-contractors

*Basis their local presence, financial prowess and work execution ability*



### Risk Averse

*Applying Escrow Mechanism to reduce strain on working capital*



### Improving Profitability

*Bid for high growth and better margin projects*



### Favourable Commercial Terms

*Reviewing detailed project reports (DPR) to minimize disputes over scope of work*



### Cost Optimization

*Execution of projects on sub-contract basis to eliminate bank guarantee, no execution delays, avoid penalties  
Technology driven process' for improving efficiency and reducing costs*



Strong and long term relationships  
with central & state water bodies



Company is properly placed to  
market size with edge in choosing  
selective business



Exceptional execution expertise  
with strong engineering team



Pre qualified player in high  
value projects

Resilient Promoter Background &  
commitment towards the business



Limited competition because of  
few players

Robust business model



Sufficient liquidity with a robust business plan with  
no pressure on the cash flow towards lender's  
obligation including interest



# Water Sector Outlook



# India

has a great opportunity to increase water supply infrastructure to meet growing demand

India faces a large gap between current supply and projected demand

**Demand**  
1,498 Bn M<sup>3</sup>

2030

**Supply**  
744 Bn M<sup>3</sup>

## India water usage composition in 2030



## GROWTH TRIGGERS

Robust Industrial Growth



Disruption in Water Cycle



Unsustainable use of water resources



Rise in urban population and inadequate water supply situation



Increased requirement from irrigation and agriculture sector



Quality and Accessibility of water



# Fueling Water Sector Growth

To be implemented in 2-3 years

## Flagship Programs

### Jal Jeevan Mission (Urban)

Exclusive Budget – Rs.2.87 lakh cr  
2021-2026



### Jal Jeevan Mission (Rural)

Outlay – Rs.3.6 lakh cr  
2019-2024



### Amrut 2.0

Massive Allocation Rs.2.99 lakh cr  
5 Years



### Namami Gange

Flagship Wastewater Treatment Program  
Rs.20,000 cr



Considering the entire execution of the aforesaid schemes in 10 years, there is a visibility of business of approx. Rs. 1 lakh cr every year, most of which the company is qualified

The company is targeting Rs. 2000-4000 cr high margin projects in the aforesaid business annually to sustain its profitability and growth

Currently tenders worth Rs. 10,000 cr are active in the market



### Pradhan Mantri Krishi Sinchayee

Yojana- Har Khet ko Pani  
Rs.93,068.56 cr



### Dam Rehabilitation and Improvement Project

(DRIP) Phase 2 & 3  
Rs.10,211 cr



### Atal Bhujal Yojana

Rs.6000 cr

### National Watershed Project

Rs.2,142 cr

### National River Linking Project

Rs.4,000 cr for 2024-25

# Key Highlights





### Resolution with IDRCL

The consortium of erstwhile lenders have assigned their debt to NARCL. The NARCL through their attorney, IDRCL, have executed MRA on 17 May 2024 and subsequently withdrawn all the pending applications of erstwhile lenders at NCLT and DRT. The NARCL has demonstrated faith in the company by doing the first acquisition and resolution outside NCLT



### Liquidity Creation to drive new Business Growth

To Improve the liquidity and to increase their stake, the promoters have infused Rs. 80 cr in the company by way of preferential allotment at the price of ~Rs. 118 and the allotment has been made on 23 May, 2024.



### Impact of Restructuring

With the detailed review of the company's assets & liabilities, during the resolution process with IDRCL, the company has taken one time impact on the books of accounts along the implementation of restructuring as per IND AS



### Progress in Arbitration Award Collections

Out of the impending realization of Rs. 294 crore from VSV, we have already received Rs. 243 crore in FY24. The remaining Rs. 51 cr will be received shortly.



### Significant Financial Growth in FY24

In FY24, company achieved substantial financial improvements, a turnover of Rs. 1,318 cr, representing a ~50% YoY growth. The company's net worth increased to Rs. 509 cr from Rs. 349 cr in FY23. Current assets stood at Rs. 885 cr, including cash and bank balance of Rs. 227 cr. During FY24, the company's debt was reduced to Rs. 558 cr, considering IND AS adjustments, out of which Rs. 189 cr already repaid and a further reduction of Rs. 40 cr expected from the sale of identified properties.



### Improved Solvency Ratios

With significant improvements in various solvency ratios, including Net Debt/Equity (now at 0.7x), Net Debt/EBITDA (now at 4.2x), and the Quick Ratio (now at 1.45x), our credentials and qualifications for participating in new tenders have substantially strengthened.

# Resolution with NARCL/IDRCL



Significant Debt reduction & withdrawal of all actions of the lenders



Repayment from proceeds of arbitration awards



No default in the lenders' liability



No interest outgo and no repayment pressure on cash flow

## SPML Infra Ltd.

Sustainable Debt

**Rs. 967 cr**

If payment made in 10 Years under base case

**Rs. 700 cr**

If payment made in 8 Years under prepayment mode

Unsustainable Debt

**Rs. 602 cr**

(converted into Zero Coupon NCDs)  
To be extinguished entirely on repayment of sustainable debt without any further payment

Unsustainable Debt

**Rs. 88 Cr**

Allotment of equity value at applicable prevailing market price of Rs. 118 by way of conversion of unsustainable debt.

**Rs. 1,657 cr**

Total Outstanding Debt under resolution plan

Interest component is included in the total outflow of repayments, hence no further payment of Interest

The company has already repaid Rs. 219 cr from the proceeds of VSV and making payment of Rs. 40 cr from the sale of identified assets

The repayment from the cash flow is Rs. 16 cr in 10 years option or Rs. 12 cr in 8 years option, of which Rs. 4 cr has already been paid

The repayments are linked with realization from arbitration awards, claims and from specified assets

**Poised to strengthen balance sheet and financials**



Preferential Allotment

## Infusion of funds by the Promoters

Successfully raised funds through preferential allotment



The proposed Preferential allotment of **Rs. 353 crore** (including conversion of debt of the lenders and the promoters), involves a **Rs. 190 crore** contribution from the promoters. This reflects their strong focus and confidence in the business. The AGM for the approval of the preferential allotment is scheduled on 20<sup>th</sup> Sept 2024



Funds raised would be majorly utilized to take advantage of **growing opportunities in the water sector, bidding for large new projects** for which the company has superior pre-qualification requisite that will **strengthen the order book**



Apart from the current infusion as stated above, promoters have already infused more than **Rs. 160 crore** to improve liquidity in the last 3 years



With the proposed infusion of **Rs. 300 crore** and existing visibility of **Rs. 170 crore**, the company is expected to have a total cash liquidity of **Rs. 470 crore** for business operations.

# Planned Liquidity Boost to Drive Business Growth

## Challenges addressed



Delay in realization of Arbitration Amounts



Delay in Debtor Realization

**SPML  
Infra Ltd.**

Rs.

**30 cr**

Promoter Capital Infusion

Rs.

**15 cr**

Sale of non-core assets

Rs.

**75 cr**

balance proceeds under Settlement in VSV Scheme

Rs.

**50 cr**

Share warrants to Promoters

Rs.

**300 cr**

Preferential Allotment via Equity and Warrants

Total planned Liquidity  
**Rs. 470 cr.**

**Poised to increase Order Book and Revenue**

# Awards & Claims



Particulars	Amount (Rs.cr)
<i>(Awards – with accrued interest up to 31<sup>st</sup> March, 2024)</i>	
PSU – Remaining Awards eligible under Vivad Se Vishwas II Scheme	51.0
PGCIL	43.8
State Government	509.6
<b>Total Awards</b>	<b>604.4</b>

- *The actual receipt of Arbitration Awards will be the cumulative of Interest till the date of actual receipt against the amount reflected in the table.*
- *Out of the state Government awards, arbitration award of Rs. 181 cr from Arunachal Pradesh Govt. undertaking is at the final stages at the Hon'ble Supreme Court.*





**Total Claims already filed till date**



**Rs.4,090.5 Cr**

Particulars	Amount (Rs. Cr)
Claims filed till date-PSU	332.0
Claims filed till date-Non PSU	3,758.5
<b>Total Claims already filed till date</b>	<b>4,090.5</b>

- The Aforesaid amount will further increase with additional filing of claims which are under process and the company's focus will be to realize the amount to reduce the NARCL dues.
- The Claim amount will be increased by Pendentlite Interest from the date of filing claims till the date of Award Order which will increase the claims amount substantially as stated in the above table.

# Environmental, Social, & Governance



# ESG

## Business Responsibility and Sustainability Report (BRSR)



### BRSR Report to form a part of the FY24 Annual Report

#### BRSR Report

- The publication of Business Responsibility and Sustainability Report (BRSR), taking a significant step towards sustainability

#### Self Initiated

- Initiative taken despite not falling under regulatory compliances

#### ESG Highlights

- Focus on the non financial performance across ESG framework
- Establishing long term goals towards ESG guidelines

**ESG focus areas identified by management**

Water management | Resource efficiency and waste management | Health & safety | People and team | Training, education and development | Corporate Governance and Business Ethics | Innovation and Digitalization

**Financial implications of the risk or opportunity of the identified material issue:**



**Environment**

**Water management**

- Attract socially responsible investors
- Secure steady revenue from long-term contracts
- Boost project sustainability credentials

**Positive financial implication**

**Resource efficiency and waste management**

- Save costs by reducing material usage
- Lower waste disposal fees
- Enhance reputation through compliance with current and upcoming waste legislation

**Positive financial implication**



**Social**

**People and team**

- Increase productivity
- Reduce absenteeism
- Become an employer of choice
- Improve decision-making with diverse perspectives

**Positive financial implication**

**Training, education, and development**

- Provide competitive edge,
- Improved quality of work,
- Attract and retain talent

**Positive financial implication**

**Health and safety**

- Reduced costs from fewer accidents and related insurance claims,
- Enhanced employee morale and retention

**Positive financial implication**



**Governance**

**Corporate Governance and Business Ethics**

- Improved brand perception among clients,
- Less monetary and non-monetary fines/penalties

**Positive financial implication**

**Innovation and digitalization**

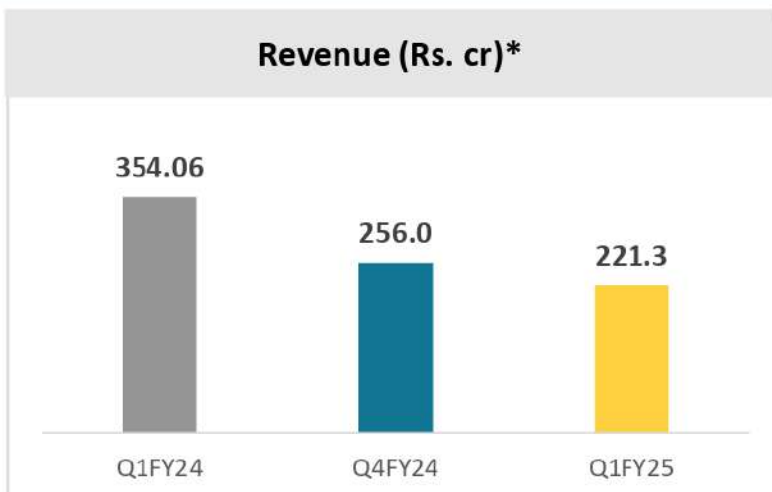
- Increased productivity,
- Reduced operational costs,
- Expedite project execution
- Optimized decision-making process

**Positive financial implication**

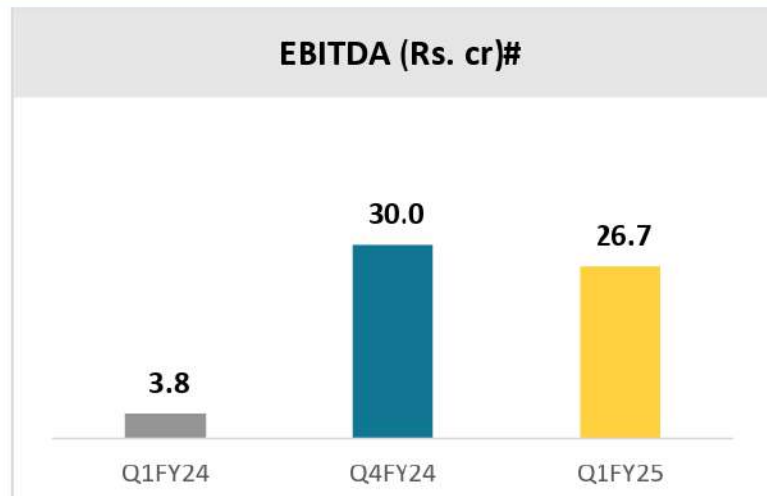
# Financial & Operational Highlights



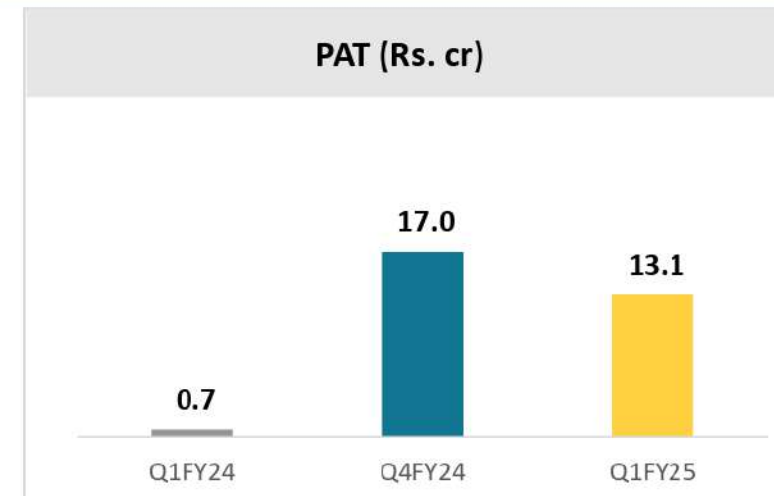
## Revenue (Rs. cr)\*



## EBITDA (Rs. cr)#

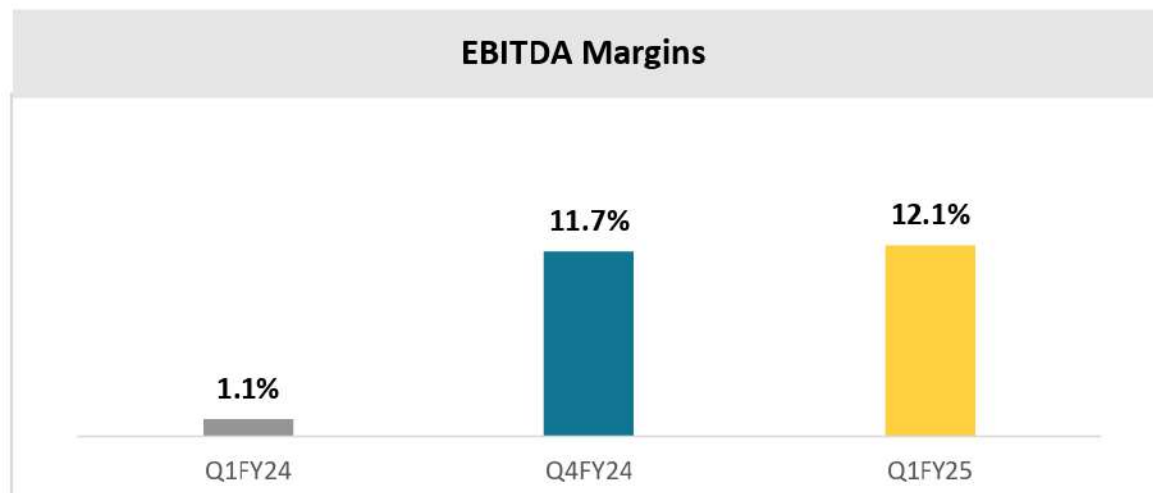


## PAT (Rs. cr)

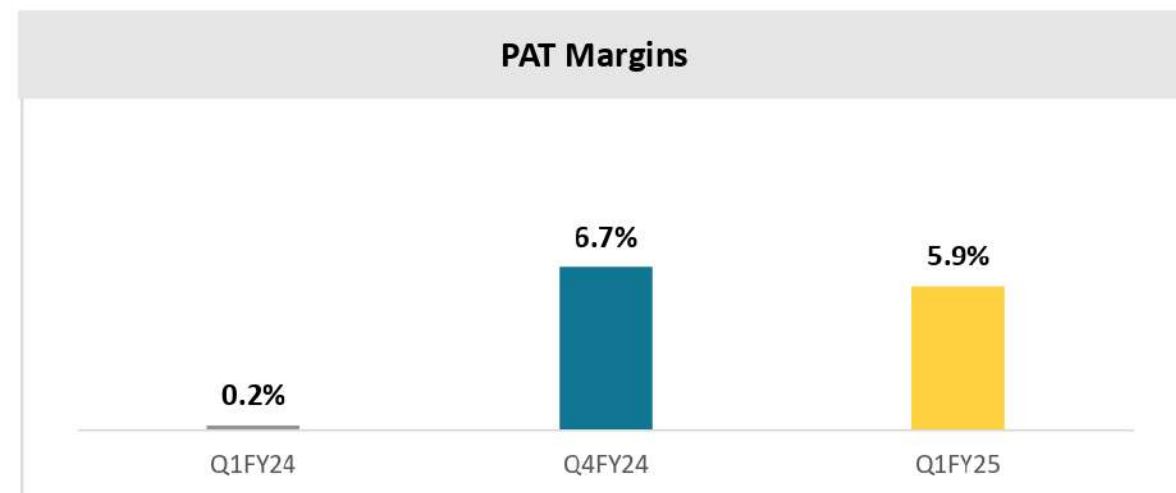


Revenue for Q1 was impacted on account of slowdown of operations due to the elections

## EBITDA Margins



## PAT Margins



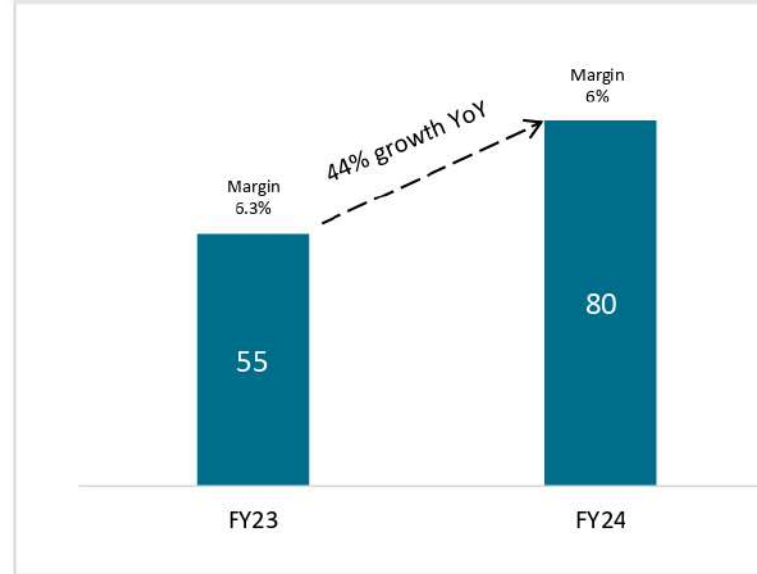
\*After excluding the one time receipt of VSV scheme of Rs.208 cr in Q4FY24

#After excluding the one time net margin from VSV scheme of Rs.208 cr and exceptional items of Rs.174 cr in Q4FY24

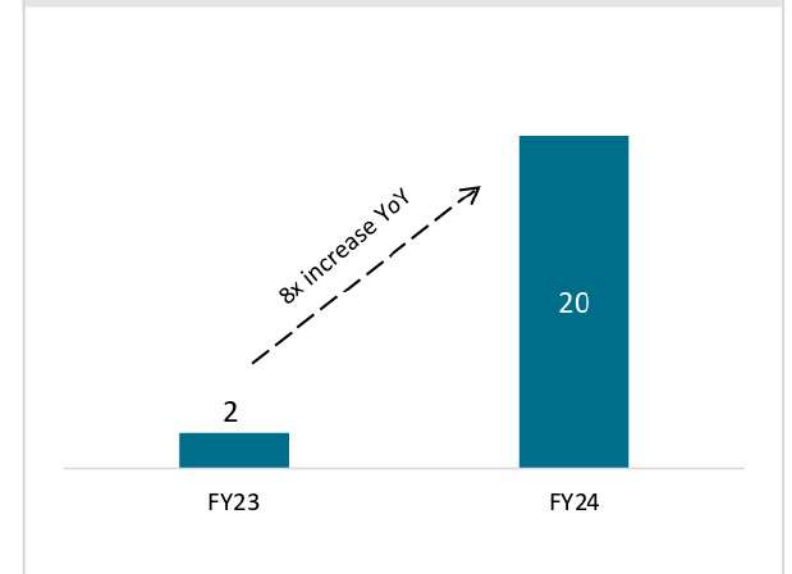
## Revenues (Rs. cr)



## EBITDA (Rs. cr)

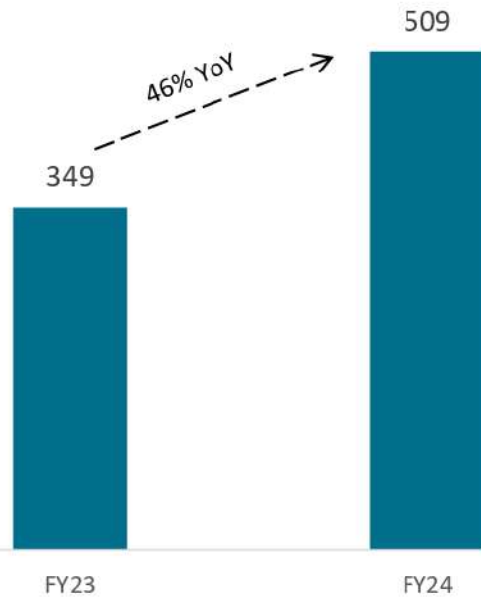
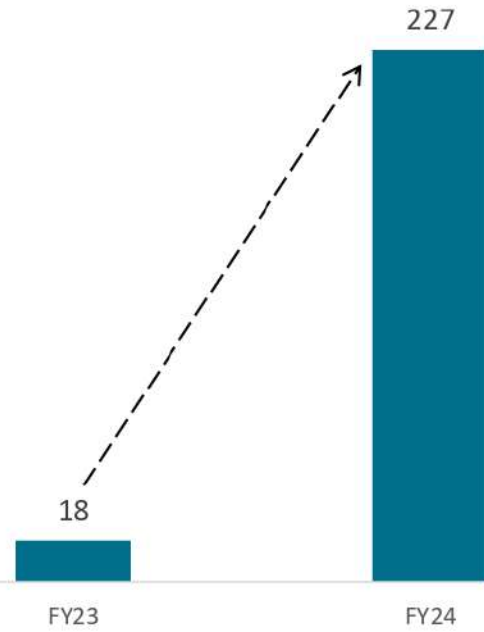
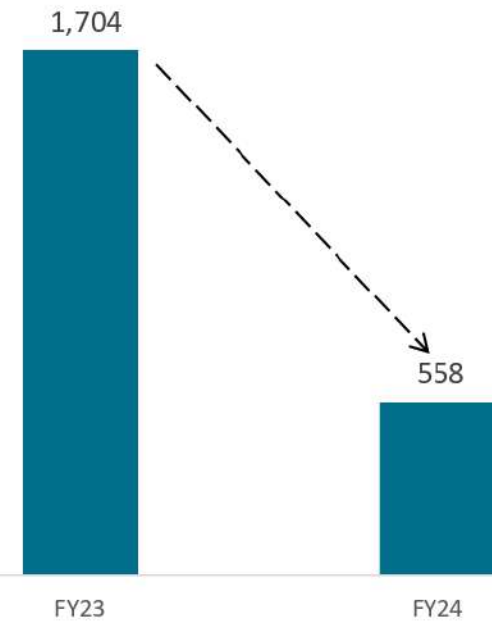


## PAT (Rs. cr)



## Factors driving Profitability

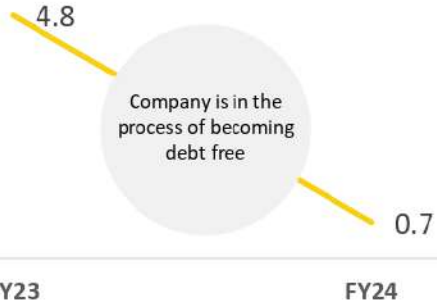
- Access to **numerous business opportunities** ensures a continuous flow of projects.
- In the future, revenue is expected to rise driven by an **expanding order book**.
- **Long-term partnerships with central and state water bodies**, which are fully funded, facilitate the acquisition of lucrative contracts, bolstering revenue.
- **A high prequalification status** allows the company to undertake superior quality projects, leading to increased revenue streams.
- In **future profitability will further improve** as there is **no interest outgo** and **no cash flow of the company is used for debt repayment**. As per the requirement of IND AS, Rs. 189 cr, gain on the discounted value of the sustainable debt, will be accounted for proportionately in the next 8 years to restate the debt at Rs. 700 cr. However, the same will be compensated with the proportionate deferred income which will be accounted every year to take the advantage of Rs. 267 cr, the differential of both the options of repayment to NARCL.

**Net Worth (Rs. cr)****Cash Position (Rs. cr)****Debt (Rs. cr)\***

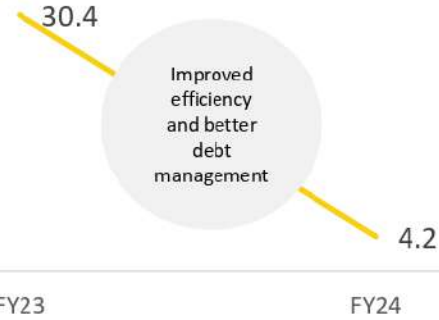
\*Aforesaid Debt figure is after accounting for IND AS Requirements



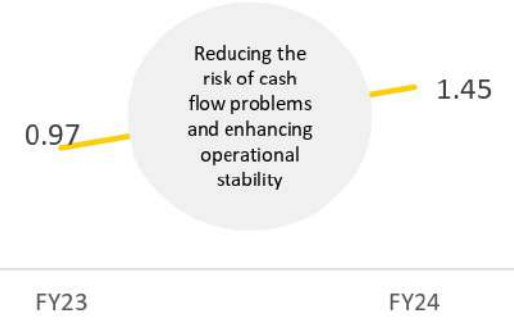
### Net Debt to Equity (x)



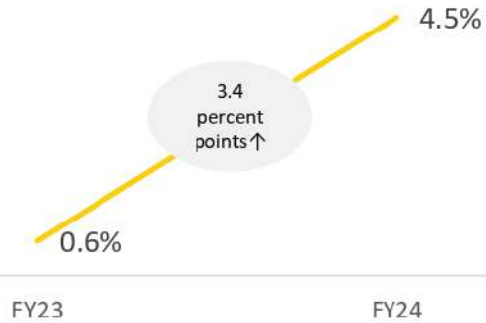
### Net Debt to EBITDA (x)



### Quick Ratio (x)

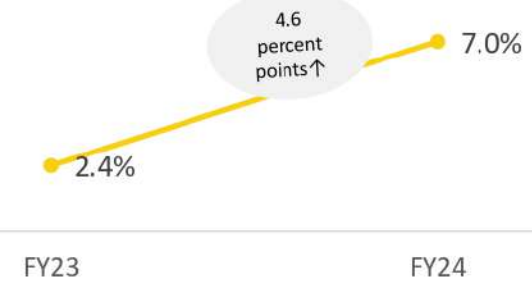


### Return on Equity (%)



Efficient management and effective use of shareholders' funds

### Return on Capital Employed (%)



Projects executed  
**In India**



**3000 MM Dia MS Pipeline, Sauni Yojana, Gujarat**



**125 MLD Water Treatment Plant, Rajasthan**



**Bisalpur Jaipur Water Supply Pipeline**



**410 MLD Pumping Station for Treated Effluent Disposal, Yamuna Vihar, New Delhi**



**160 MLD Water Treatment Plant, Rajasthan**



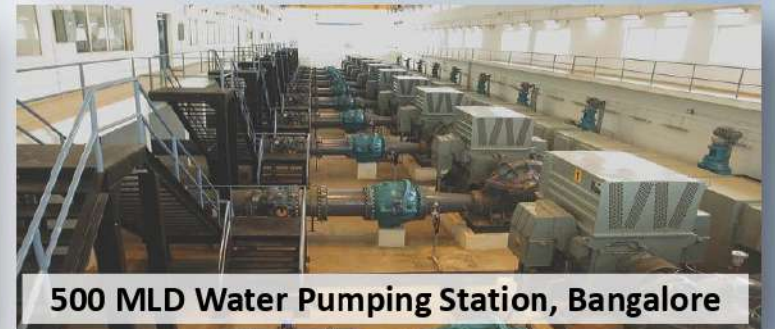
**200 MLD Surajpura Water Treatment Plant**



**240 MLD Sewage Treatment Plant, Gujarat**



**300 Mn Ltr Raw Water Reservoir, Pokhran**



**500 MLD Water Pumping Station, Bangalore**

*Thank you*

## SPML INFRA LIMITED

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