


WATER


POWER


INFRASTRUCTURE


SMART CITY


TECHNOLOGY


SANITATION

WE
BUILD
FOR A
BETTER
INDIA

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To view the report online log on to

www.spml.co.in 

SPML Infra Limited is reaching new highs in infrastructure development as one of the leading infrastructure companies. But, what we take pride in the most is the fact that our focus is not just business growth, but building a sustainable business. Having positively impacted millions of lives through invariably fostering access to basic infrastructure necessities such as water, power, and sanitation, we at SPML continue to touch more lives with a renewed resolve:

By continuing to innovate and develop sustainable infrastructure

By renewing our unflinching commitment towards quality

By taking on challenges head-on like always and offer innovative solutions

By incessantly continuing to preserve and distribute our most precious resource – Water

By bringing in more technological advancements in project execution and management with an aim to make it the mainstream power source of the country.

Because at the heart of it all, we wish to make human lives comfortable. We aim to build for a better India, that is not just advanced but also sustainable.



VALUES

- Customer orientation
- Wealth creation
- Employee empowerment
- Systems and processes
- Teamwork and cooperation
- Pro-activeness and innovation



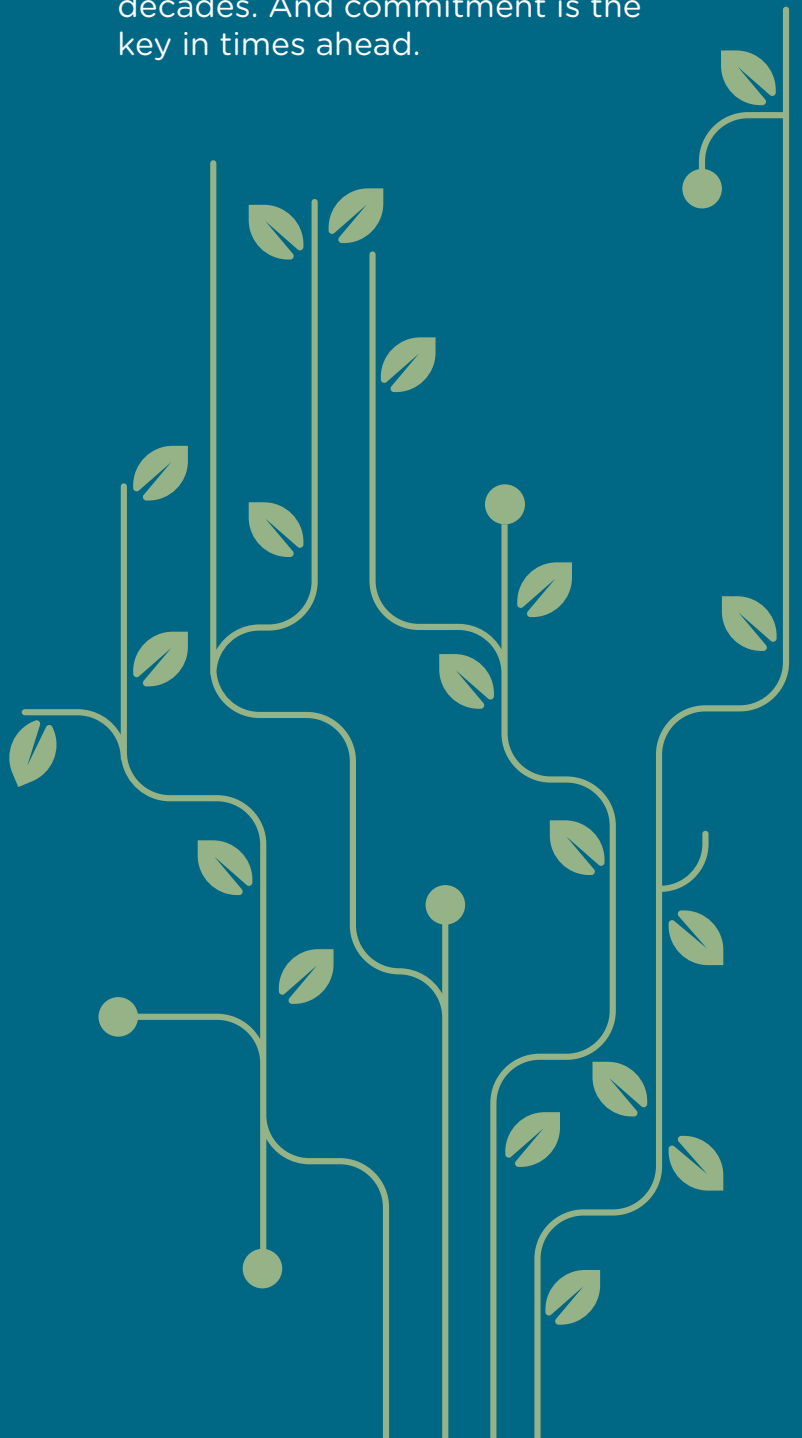
STRENGTHS

- Execution efficiency
- In-house engineering and design capabilities
- Sector focused
- National presence
- More than 600 projects completed
- Visionary Board and experienced Management Team
- Strong Financial profile
- Rich base of owned construction equipment and fixed assets
- Effective policies and adherence to QHSE
- Long-term support of business associates



PHILOSOPHY

To us at SPML, success is a measure of promises kept. It is the single most cherished dream in every project that we have decided to undertake. Commitment to the cause is what has driven us in the last four decades. And commitment is the key in times ahead.



≡ ABOUT SPML



Being at the forefront of infrastructure development in India, SPML Infra Ltd, has touched lives of millions of people and created significant value for the country, by placing emphasis on sustainable development of smart cities and promoting access to essential services in the water, power and sanitation sector.

SPML Infra has almost four decades of multidisciplinary experience in executing pre-eminent infrastructure for water treatment and transmission, waste water handling, treatment and recycling, solid waste management, power transmission and distribution and civil infrastructure development. Besides the areas of construction and commissioning, SPML has also integrated its strength in depth engineering, process technology, project management, and resource management. This helps SPML to execute projects that set new benchmarks in terms of modern construction and time management.



Vision

Creating with passion and innovation, world class infrastructure to make human life comfortable



Mission

Profitable growth through superior project management, innovation, and commitment to quality

**SPML Infra in a nutshell*****600+**

Projects executed and completed

Among

Top 50

Private Water Companies in the World

10000+Kms

Cross country pipeline laid

50 million+

Population served with drinking water in India

800000+

Households connected to electricity

20+

States served in India

627

Cities tracked and monitored for effective solid waste management in urban local bodies

20000+

Villages connected to electricity

ISO 9001:2015

Certified public listed company

₹5000 crore

Order Book value

**Figures for FY19 and as on March 31, 2019*

BUSINESS MODEL

Our Value creation process

In line with SPML's commitment to superior quality, we have employed original, unconventional and creative approach in the face of challenges to achieve sustainable growth. In doing so, we have consistently offered innovative solutions that have impressed a range of our customers. We have also successfully developed brand recall, achieved cost competitiveness, strengthened human resource capabilities, and empowered the communities through our corporate ethos.

Capitals

Financial Capital



Input

- **₹ 819.45 lakhs**
Equity share capital
- **₹ 66,280.09 lakhs**
Long-term borrowing

Value Creation Process

- Manage Cash flow and treasury operations
- Improve operational efficiency through internal control systems

Value Created

- Increased revenue & profitability
- Growth in EPS

Human Capital



- **~30** Training and development programs conducted
- **~800** Employees

- Equip employees with adequate skills to carry out operations
- Congenial working atmosphere
- Establish a culturally diverse workforce
- Equal employment and career opportunities
- Effectively manage employee performance
- Implement health & safety measures

- Successfully on-boarding talents during the year
- Engaged team members
- Grooming of talented leaders
- Increased productivity
- Skilled workforce to maintain sustainable, profitable growth

Intellectual Capital



- Visionary top management
- **39 years** of Industry experience among top management

- Execution of projects by leveraging our expertise and experience
- Efficient risk monitoring policy in place
- Integrated management information system (IMIS) in place for smart utility management

- Positive Brand recall
- Innovation-driven culture
- Efficient operations with relevant policies and procedure

Capitals**Input****Value Creation Process****Value Created**

Social & Relationship Capital



- Several Community development projects
- Substantial Investment in community development activity (CSR)
- Large number of trusted suppliers

- Build & nurture trust within various teams
- Develop a strong relationship with suppliers
- Consistently create value for shareholders
- Positive & consistent engagement with key stakeholders

- Increased industry participation and engagement
- **BBB-** Credit Rating
- Millions of Lives impacted

Engineering and Technology Capital



- Core team of well qualified engineers
- Technology and innovation experts

- Developed in-house software enabling utilities to take real-time decisions, connecting shareholders with flexible reporting and customized views.
- 33 / 11 kV feeder development & re-conducting works done
- Technologically Advanced 220 kV GIS substation and 500 MVA Autotransformer installed

- Over **10000 km** of pipelines laid up to **3000 mm** diameter, across cities and towns in India.
- Project executed in over **20 states** in India
- **20000+** villages electrified

Natural Capital

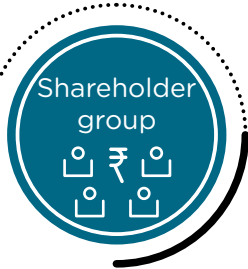


- Water
- Energy
- Fuel

- Focus on optimal resource utilization to develop projects that create stakeholder value
- The strong policy framework to govern EHS practices
- Undertook Tree Plantation for Environment Conservation at project sites across the country
- Spread messages pertaining to the importance of Water, Energy and Environment Conservation via regular mass media campaigns

- **1000+** Tress planted
- **38 MW** Renewable energy generated
- Ethical waste management
- Paper Conservation techniques adopted

STAKEHOLDER ENGAGEMENT



Shareholders

provide financial capital for organic business growth

Our commitment

It is our primary responsibility towards shareholders to deliver an acceptable return on their investment. We are committed to initiate timely and transparent communication to investors.

Focus Areas

- Financial Return
- Debt-equity ratio
- Cash flows
- Operational excellence
- Margins

How we engage

- Investors presentations
- Annual report
- Website
- Press release
- Mailers



Government and Regulators

provide a regulatory framework for fair and transparent business environment

Our commitment

Large-scale infrastructure projects require government commitment and a strong partnership with the private sector. SPML is committed to regular engagement with the Government in order to ensure a strong relationship.

Focus Areas

- Tax payment
- Compliance with relevant acts and regulations
- Municipal and local compliance
- National contributions
- Social investments

How we engage

- Tax returns
- Communication with decision makers
- Regular meetings with relevant authorities
- Monitoring regulatory changes



Employees

drive performance and offer valuable knowledge for the success of the business

Our commitment

Employees form the key support system that helps to achieve operational performance and objectives. We appreciate the importance of our people and their key role in achieving the goals through strategy implementation.

Focus Areas

- Create opportunities for internal advancement
- Healthy and safe working environment
- Fair and equitable treatment
- Effective Communication

How we engage

- Training and development programs
- Website
- Incentive programs
- Town hall meetings
- Implementation of Lakshya (target and achievement)





Customers

the foundation of any business' success and principal source of revenue

Our commitment

We are reliant on our existing customers and potential customers to sustain revenue generation and growth.

Focus Areas

- Project Execution
- Network availability
- High- quality service and solutions

How we engage

- Strong brands and value offering
- Providing unique experiences through innovation, flawless execution and continuous improvement



Suppliers

provides raw materials and services and are an important source of information, advice and trade credit

Our commitment

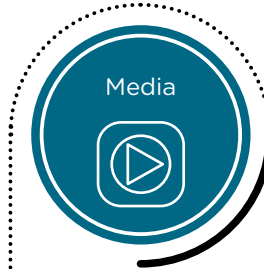
We work towards creating a long-standing relationship with our suppliers and with an aim to conduct business in an ethical, responsible and transparent manner.

Focus Areas

- Fair tender process
- Fair payment terms
- Vendor delivery and performance
- Compliance to supplier code of conduct

How we engage

- Procurement process and payments
- Interaction in ordinary course of business
- Contractual negotiations
- Regular engagement



Media

helps to connect with customers, increase brand awareness and provides a boost to leads and sales

Our commitment

The media is an important conduit for information about our Company, assisting in brand management, reputation management, and shareholder information.

Focus Areas

- Frequent contact with journalists
- Media monitoring and analysis
- Keeping media informed of significant developments
- Respond promptly, accurately and comprehensively to media enquiries.

How we engage

- Media interviews
- Media releases
- Ensuring timeous news dissemination while respecting the necessary confidentiality during closed periods.



Community

create loyalty based on common interests and personal passions and provides growth opportunities

Our commitment

Ensuring the support of local communities for the Company's assets to ensure constructive long-term relationships for the mutual benefit of the communities and the Company.

Focus Areas

- Safety
- Uplifting the community
- Good corporate citizenship
- Sustainable business practices

How we engage

- CSR Initiatives
- Marketing and promotional activities
- A major contributor to the economies of the market we operate in

CHAIRMAN'S MESSAGE



SPML achieved a robust performance during the year. Supported by a strong cash flow of ₹ 1,493 crore during the year, we increased our net profit by 15% to ₹ 49.6 crore.



Dear Shareholders,

A year has passed, and another exciting year awaits us. FY 2019 has indeed been an eventful year as our business segments performed remarkably well. This is reflected in our strong financial figures that we recorded during the year and I am delighted of the progress we have made so far. Today, we are clearly focused on our chosen markets, winning new business on terms and conditions, which balance both risk and reward. We continued to build our capabilities – people, services and projects – to serve our clients and create the value for our stakeholders.

On a growth trajectory

During the year, we have seen some economic and political changes in the landscape of the country. The economy grew at a GDP of 6.8%. The country emerged as the fastest growing major economy in the world on the back of digitization, globalization, favorable demographics, and policy reforms. India has the potential to perform better and the Government's focused initiative towards infrastructure development will certainly help in the growth of the EPC industry. The Indian EPC sector has developed substantially in the last few years from dealing with a handful of projects to a multitude of small, large, and complex projects and subcontracts. EPC industry has witnessed consistent changes with increasing project size, scale, and investment. Further, the Government's support has also contributed significantly to the growth of the sector. Successful implementation of schemes such as Smart Cities Mission, Housing for All, AMRUT, Roads, Railways and Renewable Energy generation etc. have brought about significant improvements in the sector.

Besides these sectors, the water sector has also made significant progress over the years and has become enormous business segment with growing opportunities. The business is growing in line with the rapidly changing urban face of India and thereby increasing demand for quality water supply and better sanitation services. As regard to the power sector, there has been considerable advancement in the country on account of Government schemes such as SAUBHAGYA, UDAY, UJALA, IPDS, etc. We intend to make a significant contribution on our part by successfully implementing infrastructure projects in these sectors and take our economy forward in terms of advancement.

Financial performance

SPML achieved substantially strong performance during the year. Supported by revenue of ₹1493.25 crore during the year, we increased our net profit by 15.08% to ₹49.61 crore. As a result, strengthened our balance sheet and further increasing earnings visibility, with the earning per share increased by over 15% on year-on-year basis to ₹13.54 in FY 2019.

Our strong balance sheet, combined with a deep presence in our core sectors and engineering expertise, leaves us well positioned to take advantage of potential opportunities. We maintain a disciplined approach to capital allocation with our focus on value creation and sustainable shareholder reward. Our business remains focused on risk management, generating cash-backed profits and being adaptable to allow management to quickly adjust to changing market conditions. We are now focused on embracing the opportunities that come ahead.