

RPP INFRA PROJECTS

One of India's most profitable rural infrastructure companies



Investor Presentation | May 2018



Company Overview



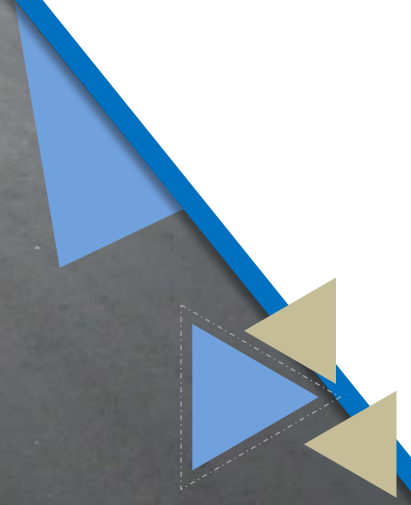
Robust Order book



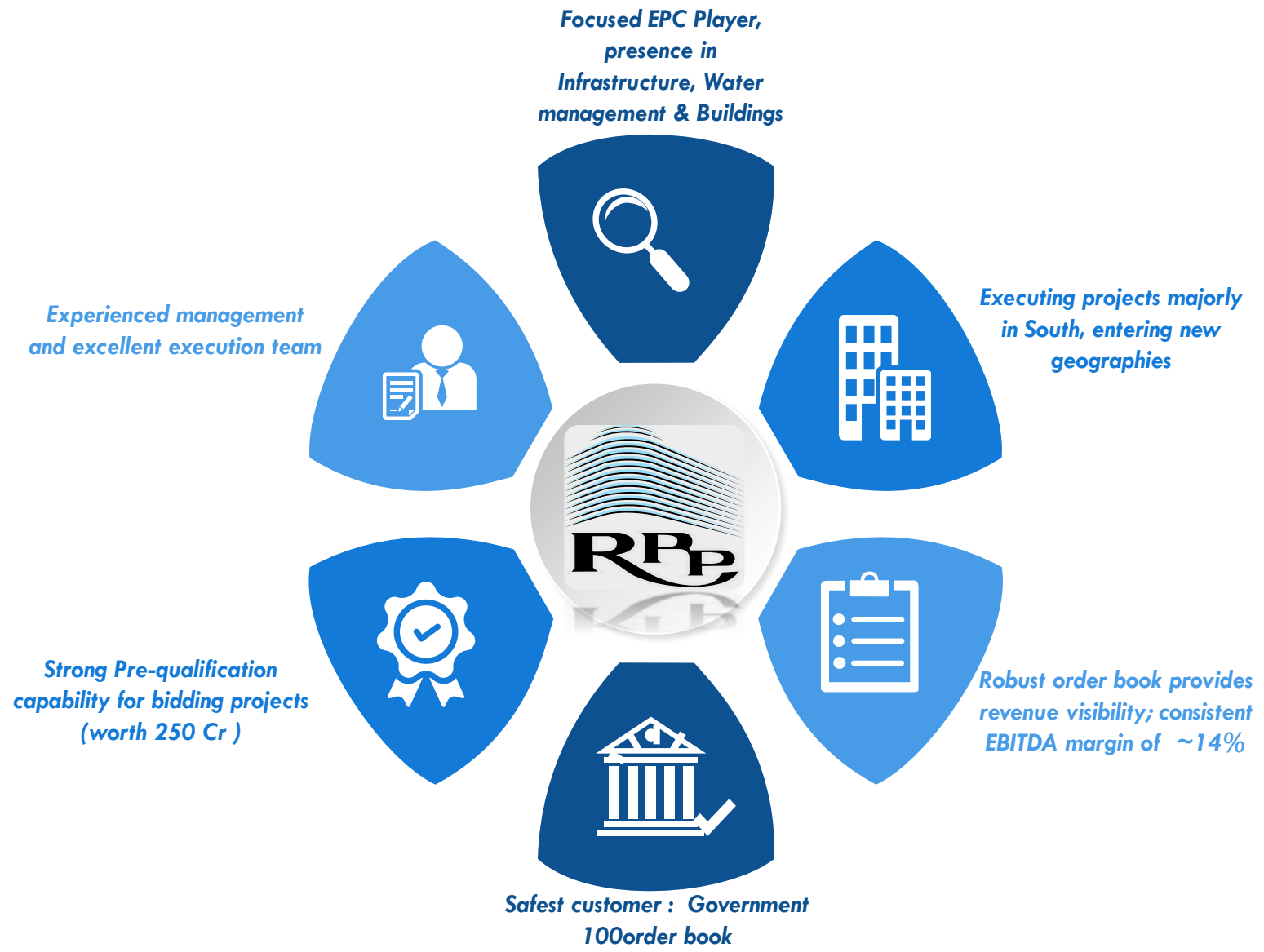
Financial Performance



Company Overview



RPP Infra – Rural Focused EPC Player



Water management	
Order Book	274 crores
Technical Eligibility	200 crores
EBITDA Margins (Approx.)	15-18%

Infrastructure	
Order Book	573 crores
Technical Eligibility	Upto 500 cr in JV
EBITDA Margins (Approx.)	12-15%

Buildings	
Order Book	328 crores
Technical Eligibility	80 crore
EBITDA Margins (Approx.)	9-10%

Exceptional Execution Capability



Completed most projects on schedule with no delay at the company's end

Captive equipment availability **Rs. 30Cr**

SBU-based business, resulting in project control

90 Engineers
150 Employees

Aggregate experience of **1500** Person - years



Mr. R.P. Arulsundaram
Chairman and Managing Director

- A Civil Engineer by qualification
- Started RPP in 1988 as a partnership firm
- Practical Experience of more than 23 years in construction industry
- Trustee in the Erode District Builder's Association Engineering Collage

Mrs. A. Nithya
Whole Time Director

- Masters degree in Business Administration (Finance) & Software Applications
- Vast experience in Accounts & Finance, Taxation, Foreign exchange, Legal , Corporate Governance and Human Resource
- Additional Responsibilities - liaison with Bankers & Financial Institutions and Government departments

Mr. R.P. Muralithasan
Director

- Bachelor's degree in Civil Engineering
- Executed several prestigious civil engineering projects for RPP/PL

...Experienced Management

Mr. K. Ravi

Independent Director

- Bachelor of Engineering from National Institute of Technology, Fellow of Institution of Engineers & Certified Maintenance and Reliability Professional
- Over 43 years of experience in engineering industry

Mr. P.R. Sundararajan

Independent Director

- Holds a Bachelor of Engineering in Civil Engineering & Masters degree in Structural Engineering
- Over 36 years of experience in engineering industry

Mr. K. Rangasamy

Independent Director

- Holds a Master Degree in Agricultural Science
- Qualified member of Indian Institute of Bankers
- Over 36 years of experience in Banking Sector

Mr. Vijay Agarwal

Independent Director

- Holds a Fellow of Chartered Accountants of India
- Also involved in NPO's and urban & education
- Several years of experience in Tax Advisory Services

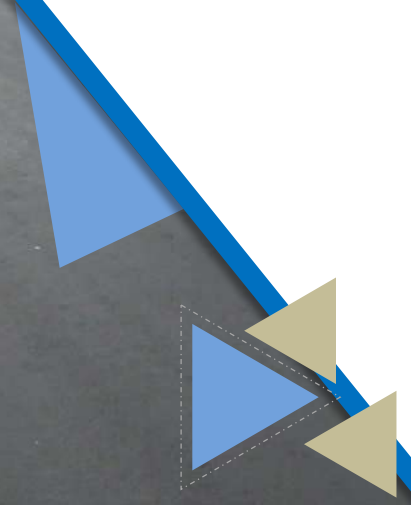


Marquee Projects

Power Projects Civil work	Infrastructure	Industries	Water & Irrigation	Building
<ul style="list-style-type: none"> • Sub Station at KPTCL, Karnataka • Udupi Project, Karnataka • Apgenco Project, Andhra Pradesh • Pykara Project, Tamil Nadu • Chemplast Project, Tamil Nadu 	<ul style="list-style-type: none"> • Atomic Energy- Kalpakkam (Phase I & II) • Strom Water Drains to Chennai Corporation • Truck Parking Yard at Manjampakkam, Chennai • TNRSP Road works, Tamil Nadu • ELCOT- Tirunelveli,Tirchy ,Hosur,Coimbotore • Scientific Warehouses with PEB at Various Places at Coimbatore, Tanjore, Punalkulam,Kudavasal, Nagapatinam 	<ul style="list-style-type: none"> • BHEL- Tirchy , Chennai- TN • MRPL, Mangalore, KA • MSEZ, Mangalore , KA • Neyveli Lignite Corporation, TN • Textile Park, Komarapalayam • Circulating Water System and Fire Protection System for M/s. Neyveli Lignite Corporation 	<ul style="list-style-type: none"> • Construction of Contour Canal for 49.30 Kms at Udumalpet. • CWSS to 312 Habs at Eddapaddy Rural Areas in Salem, Tamil Nadu • Second Vaigai Water Supply Schemes at Madurai • Construction of Surplus Regulator Across Vaipar River, Virudhunagar District, Tamil Nadu • CWSS to 175 Rural habitations in in Dindigul District • Canal lining project at Karnataka Neeravari Nigam limited 	<ul style="list-style-type: none"> • 1000Nos of Houses for IDP's in Sri Lanka • Auditorium at Chennai Corporation. • Ampa Center One in Nelson Manickam Road, Chennai • Anna institute of Management – Chennai. • Paddy Market Complex • Auditorium and Zonal office for Chennai corporation. • Housing for Karnataka Police housing .. • Kendra Vidhyalaya school at Madurai • NIT campus at Trichy .

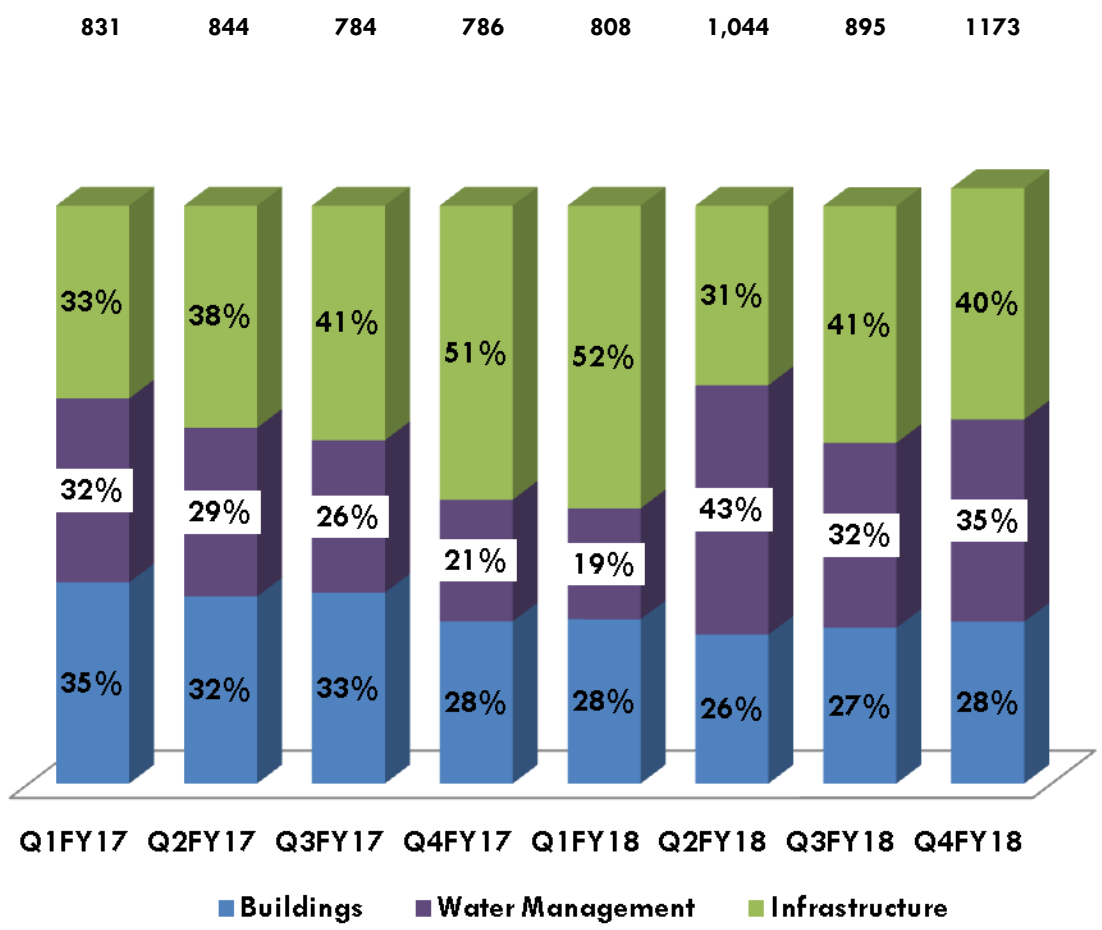


Robust Orderbook

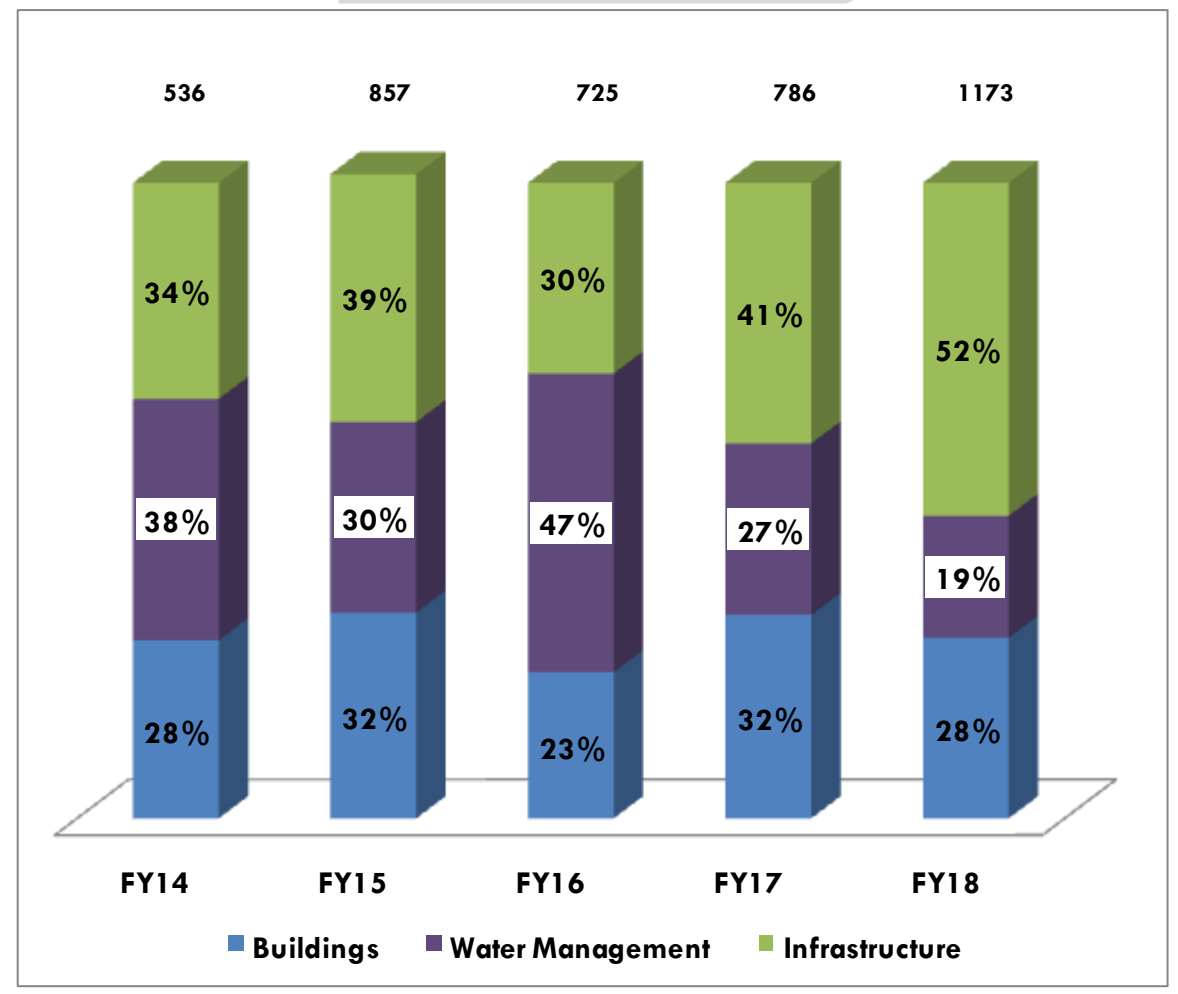


Diversified Orderbook – Good Revenue Visibility

Quarterly Order Book Trend



Annual Order Book Trend



Widening Horizons – Ready for next growth phase



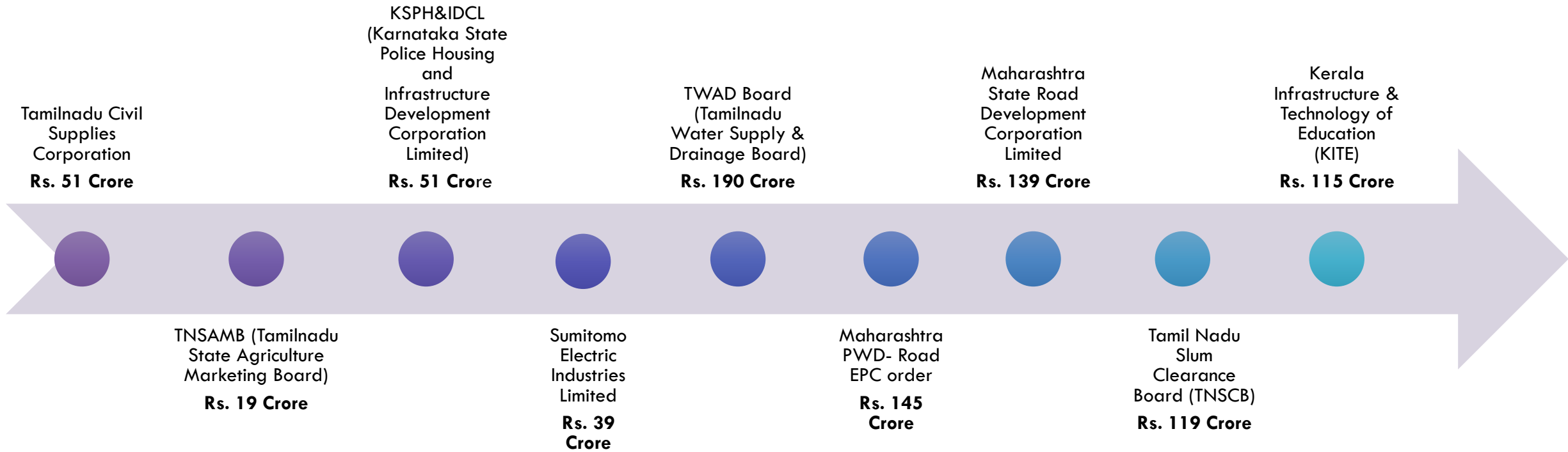
Region	FY14		FY15		FY16		FY17		FY18	
	Rs. Crores	% Share	Rs. Crores	% Share	Rs. Crores	% Share	Rs. Crores	% Share	Rs. Crores	% Share
Tamil Nadu	395	74%	711	83%	588	81%	340	43%	462	40%
Karnataka	63	12%	54	6%	75	10%	187	24%	155	13%
Andhra Pradesh	-	-	30	3%	43	6%	31	4%	30	2.6%
Maharashtra	32	6%	21	2%	-	-	-	-	282	24%
Uttar Pradesh	46	9%	40	5%	19	3%	-	-	-	-
Telangana	-	-	-	-	-	-	-	-	25	2.1%
Madhya Pradesh	-	-	-	-	-	-	60	8%	34	2.9%
Kerala	-	-	-	-	-	-	60	-	30	2.6%
Overseas	-	-	-	-	-	-	167	24%	155	13.2%
Total Order Book	536		857		725		786		1173	

**Entered into Maharashtra;
targeting new geographies
for future growth**

Order Inflow – Renewed Focus on Road Sector



Order Inflow of Rs. 900 Crore (FY18)



Strong Order Pipeline

TANTRANSCO worth of **Rs. 46 Crore**

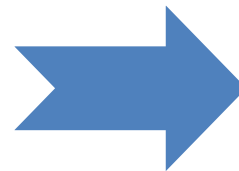
Tamilnadu Water Supply and Drainage Board worth of **Rs. 67 Crore**

Ceylon Electricity Board Sri Lanka/Siemens worth of **Rs. 19 Crore**

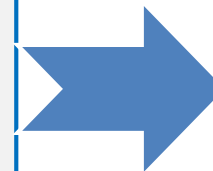
Bihar Rajya Jal Parishad worth of **Rs.117 Crore**

Ministry of Road Transport & Highways- in various states— **Rs. 717 Crores**

IOCL at Arasampatti, Tamilnadu –**Rs. 70 Crores**



**Robust orders in pipeline
worth Rs.1036 Crore**



**Lowest bidder worth
Rs. 55Crore**

Infrastructure – Road New Sunrise segment

01

- Rs 1.2 tn (USD 18.7bn) allocated for road sector under Union Budget 2018-19
- Rs 710 bn (US\$ 10.97 bn) allocated for development of National Highways

02

- In next 2-3 years, Rs 3.9 tn for state-level expressways & ring roads, as well as for urban infra & metros
- Target for awarding contracts worth 20,000 km for FY19, construction target at 47 km/day

03

- For FY19, MoRTH plans an investment of Rs 2 tn
- 91 projects worth Rs 1.47 tn to be bid out over next 3-4 months

04

- GOI aims to construct ~83,677 km of roads, includes Bharatmala Pariyojana, over next five years
- 17 Expressways and 7 ring roads are to be bid out under Bharatmala program over next 12-15 months

05

- Under PMGSY GOI will spend ~Rs 1trn (US\$ 15.3 bn) during FY18-FY20
- Under Union Budget 2018-19, GOI allocated Rs 190bn (US\$ 2.9bn) for PMGSY

06

- Under EPC mode, 133 projects covering 4,830km worth Rs 892 bn to be awarded
- Construction targets for 2018-19 set at 16,420 km, of which 9,700 km to be constructed by MoRTH

Water Management – High Margin segment

01

- World Bank sanctioned loan of Rs 27 bn for Maharashtra, improving water harvesting structures
- Special package worth Rs. 136 bn approved for 83 surface minor irrigation projects; of which 66 in Vidarbha & 17 in the Marathwada region

02

- Total 140.13 mn hectares of cultivable area; 49% is net irrigated area while 51% is un-irrigated
- GOI allocated budget of Rs. 10 bn under PMKSY in Union Budget of 2018-19

03

- In Orissa, NABARD sanctioned Rs 15 bn for construction of 14 mega-lift irrigation projects
- Rs 0.2 bn sanctioned, for construction of 612 community-based lift irrigation projects

04

- GOI and Tamil Nadu signed an agreement with World Bank of USD 318 mn loan for modernization of irrigation projects
- Construction of 4,800 irrigation tanks & 477 check dams across 66 sub-basins to be rehabilitated and modernized

05

- Maharashtra to bring across 10 lac hectares of land under micro irrigation in the next 3-5 years under sugarcane cultivation
- Made compulsory for the sugarcane farmers to adopt drip irrigation in Maharashtra

06

- Under Long Term Irrigation Fund (LTIF) until December 31, allocated Rs 400 bn
- By December 2019, 99 projects to be completed, bringing 7.9 mn hectares of land under assured irrigation

Buildings – Renewed Focus Area Affordable Housing

01

- In Union Budget 2017-18, GOI to build 10mn houses for the urban poor by 2019
- Allocated USD 3.5bn (Rs 0.23 tn) for PMAY 'Housing for All by 2022'

02

- Affordable housing finance sector to attract Rs 130 tn of investments over by FY22
- Government targets 3.7mn houses in urban areas over FY19, till date total 3.7mn houses sanctioned

03

- Investment of USD 200bn to achieve GOI's target of 30% GER* for the education sector by 2020
- Private players is expected to be ploughed Rs 5.8 tn into the education sector over FY16 to FY20

04

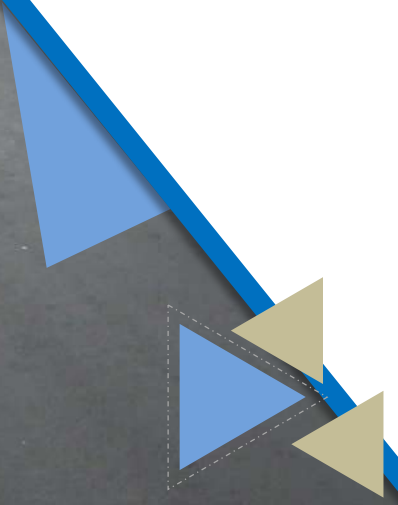
- India expected to add another 1.15 lac to 1.25 lac of hospital beds
- Around 66 mn sq ft of hospital supply is planned across India, with 7 major cities accounting for 20-22% of total supply

05

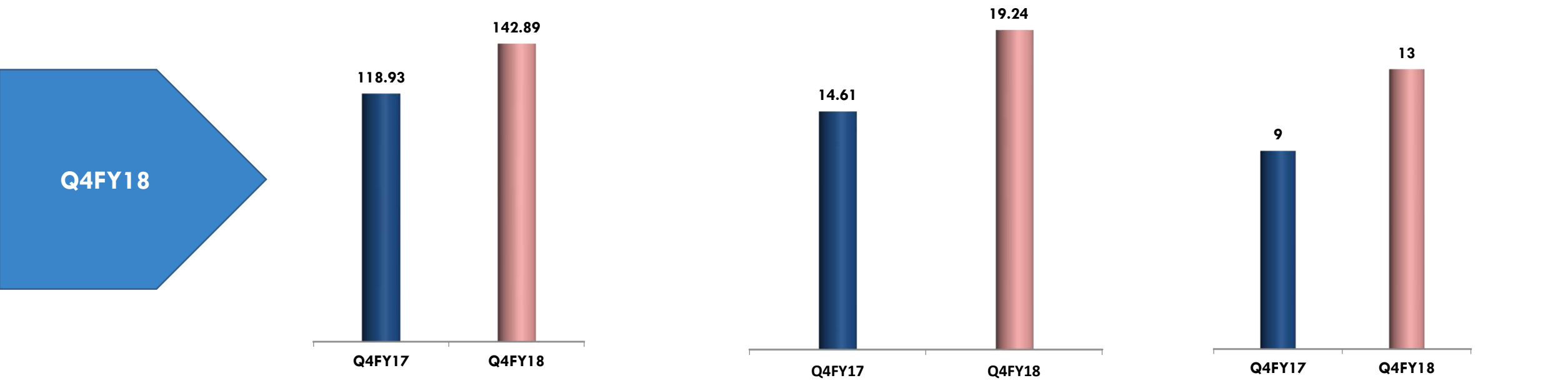
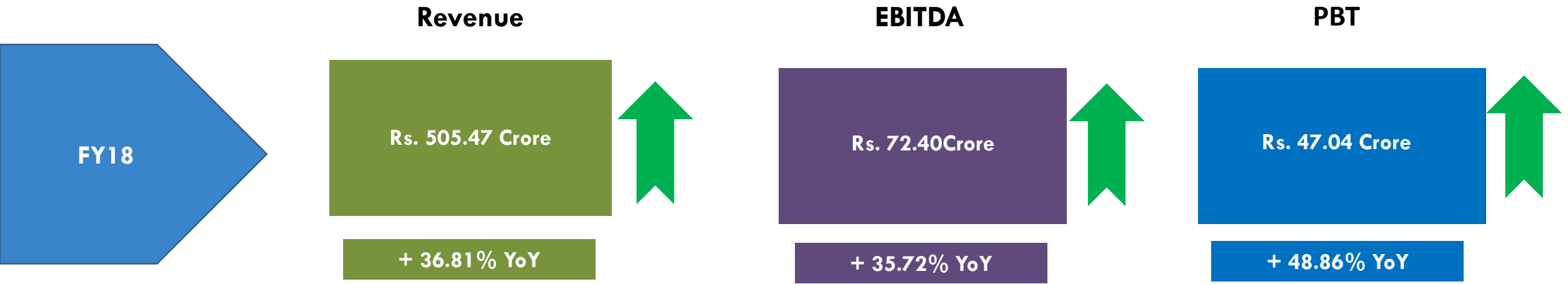
- **Smart Cities:** 99 cities selected with investment of Rs. 2 tn where in, projects worth Rs. 23 bn completed and Rs. 205 bn are under progress
- **AMRUT:** 494 projects worth Rs.194 bn awarded for water supply & 272 projects worth Rs.124 bn for sewerage work



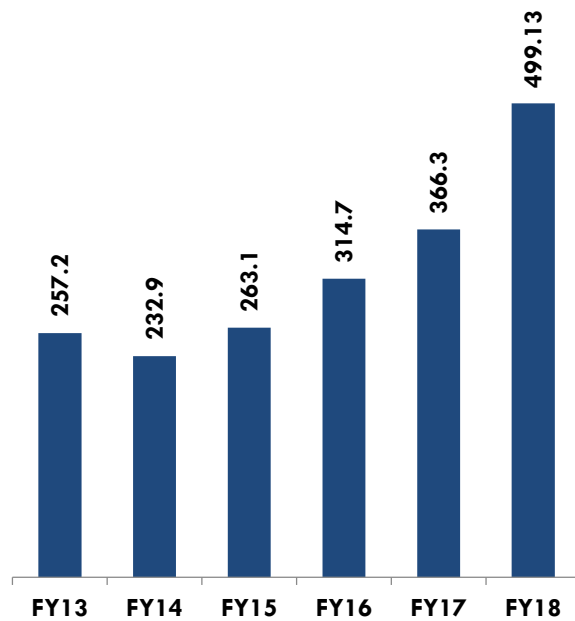
Robust Financial Performance



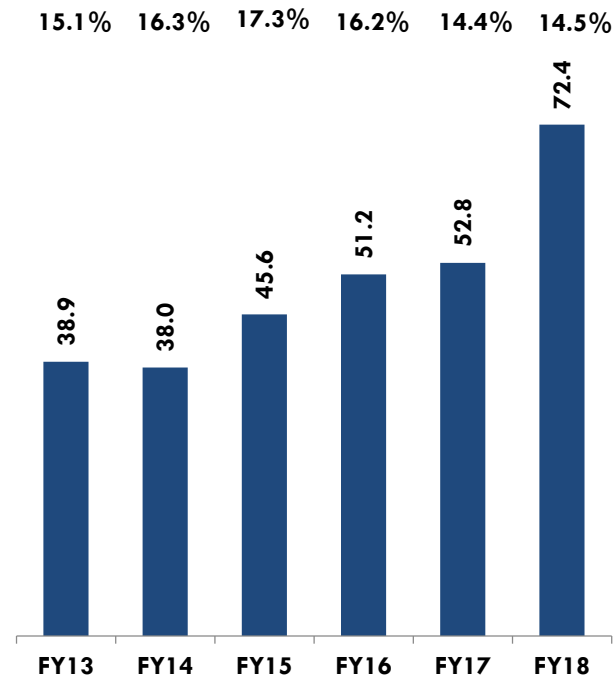
Robust Financial Performance – FY18 & Q4FY18



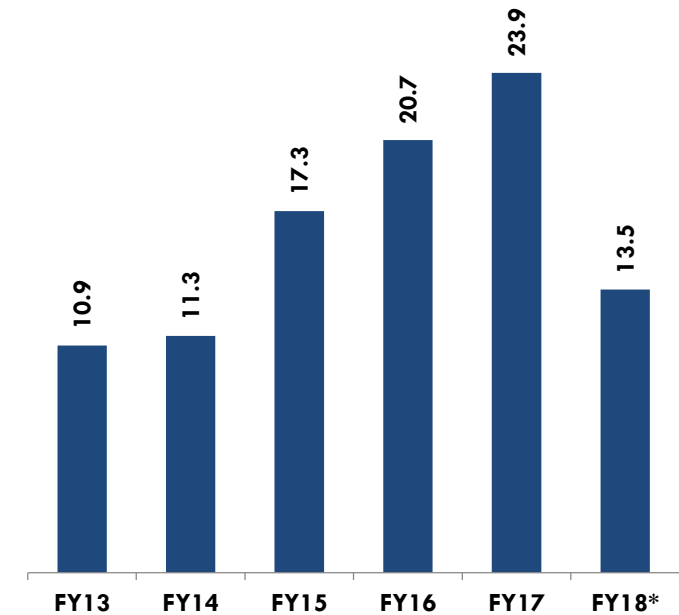
Revenue (Rs. Cr)



EBITDA (Rs. Cr) EBITDA Margin (%)

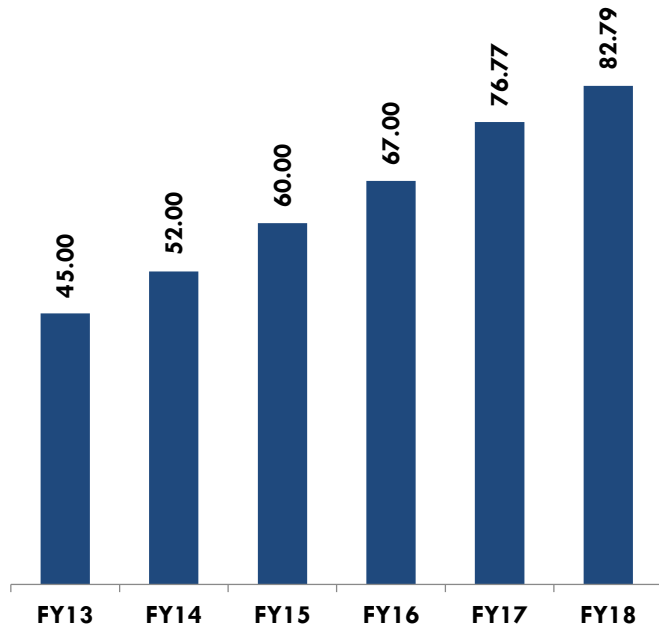


PAT (Rs. Cr)

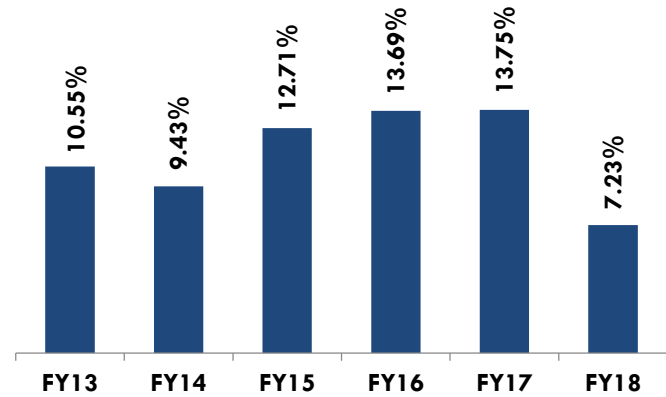


* Adjusted PAT excluding Tax expense of Rs. 17.96 crores to resolve pending IT disputes from FY10 to FY16

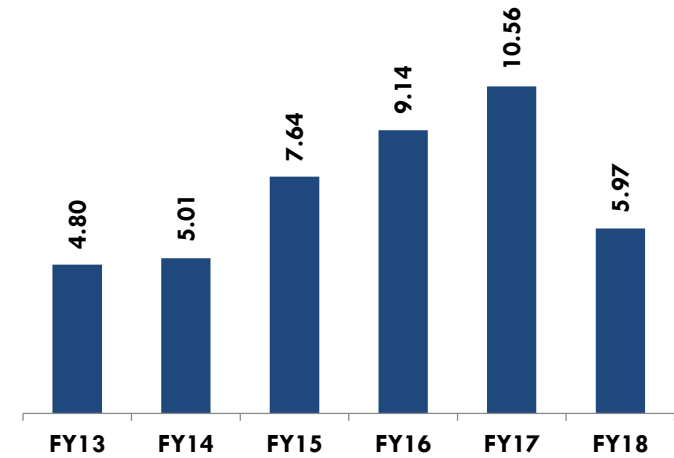
Book Value Per Share (Rs.)



RONW (%)



EPS (Rs)



* Adjusted PAT excluding Tax expense of Rs. 17.96 crores to resolve pending IT disputes from FY10 to FY16

Profitability Highlights – FY18 & Q4FY18

Rs. Crore	Q4FY18	Q4FY17	YoY	FY18	FY17	YoY
Revenue from Operations	142	118	20%	499	366	36%
Other Income	1	1		6	4	
Total Income	143	119	20%	505	370	36%
Raw Material & Fuel Costs	116	95		398	293	36%
Employee Cost	2.50	2		9	6	50%
Other Cost	5	6.40		26	16	44%
EBITDA	20	14.62	36.80%	72	53.35	34.96%
EBITDA margin (%)	14%	12.43%		15%	15%	
Depreciation	2	1		6	5	
Interest	5	4	25%	19	17	11.76%
Profit Before Tax	13	9	44%	47	31.60	48.73%
Tax	4	1		33	7.69	312%
Exceptional Item	0	0		0	0	
Profit After Tax	9	8.12	10.83%	14	23.91	
PAT Margin (%)	6%	6.91%		2.71%	6.53%	

Balance Sheet Highlights – FY18

Rs. Crore	FY18	FY17	Rs. Crore	FY18	FY17
Shareholder's Funds	188	175	Non-current assets	35	35
Share capital	23	23	Property Plant & Equipment	30	28
Other Equity	165	152	CWIP		4
Non-current liabilities	13	19.42	Other Intangible Assets		-
Borrowings	12	16.84	Financial Assets		-
Other Financial Liabilities		2.03	Investment	1	-
Long-Term Provisions	1	0.55	Long-term Loans & Advances	-	1
Current liabilities	305	263.69	Deferred Tax Assets	2	1
Borrowings	63	57.00	Other Non-Current Assets	2	1
Trade Payables	97	139.00	Current assets	471	423
Other Current Financial liabilities	94	43.71	Inventories	18	4
Other Current Liabilities	41	14.90	Financial Assets		-
Short-term provisions	1	0.08	Investments	-	-
Current Tax Liabilities (Net)	9	9	Trade receivables	106	223
Total Equities & Liabilities	506	458	Cash & Cash equivalents	79	40
			Short-term loans & Advances	40	24
			Other	146	85
			Other Current Assets	82	47
			Current Tax Assets	-	-
			Total Assets	506	458