



RKEC Projects Limited

Investor Presentation – H2FY19 & FY19





Company Overview

- RKEC Projects, an over 33 years old leading Construction Company, is primarily engaged in the business of Civil Construction such as construction of Buildings, Highways, Marine Works and bridges
- During the last decade, undertaken and successfully completed many construction projects in India covering states of Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan, Maharashtra, Kerala and Manipur
- In addition, the company has expanded its presence to three more states, Karnataka, Uttar Pradesh and West Bengal with its ongoing projects
- Company has completed 92 projects so far worth over Rs 1,700 Cr and currently working on 11 projects amounting to Rs 1,145 Cr
- Balance of work as on March 31, 2019 is Rs. 783 Cr



Results Highlights – H2FY19 & FY19

Rs Crore	H2FY19	H2FY18	YoY (%)	FY19	FY18	YoY (%)
Revenue from Operations	149.33	116.84	27.81	243.99	239.72	1.79
Total Expenditure	124.08	99.38	24.85	201.87	201.29	0.29
EBITDA	26.14	19.04	37.29	43.58	39.47	10.41
EBIT	24.30	17.25	40.91	40.05	36.40	10.04
PBT after Exceptional Items	21.31	14.66	34.90	34.61	30.43	13.74
PAT	15.16	9.57	58.41	24.13	20.35	18.57
EBITDA Margin	17.50%	16.30%	+121 bps	17.86%	16.47%	+139 bps
PAT Margin	10.15%	8.19%	+196 bps	9.89%	8.49%	+140 bps

Note: The above financials are on Standalone basis



Balance Sheet – FY19

Rs Crore	FY18	FY19
Total Shareholder's funds	74.73	95.98
Share Capital	23.99	23.99
Reserves & Surplus	50.74	71.98
Non-Current Liabilities	1.36	2.13
Long Term borrowings	1.20	1.51
Long term provisions	0.17	0.62
Current Liabilities	73.59	136.50
Short Term Borrowings	13.83	46.64
Trade Payables	41.31	75.07
Other Current Liabilities	15.29	12.35
Short Term Provisions	3.15	2.44
Total Equity and Liabilities	149.69	234.61

Rs Crore	FY18	FY19
Non Current Assets	15.14	30.65
Tangible Assets	14.21	19.55
Intangible Assets	0.04	0.020
Capital WIP	0.00	9.97
Non Current Investments	0.00	0.13
Deferred Tax Assets (Net)	0.88	0.98
Current Assets	134.55	203.95
Inventories	15.10	44.52
Trade Receivables	82.03	82.15
Cash & Bank Balance	18.43	33.05
Short Term Loans & Advances	17.45	42.12
Other Current Assets	1.54	2.11
Total Assets	149.69	234.61

Note: The above financials are on Standalone basis



Operational Highlights – FY19

- Better execution of our projects and operational efficiencies led to Net Profit growth of 18.6% in FY19 to Rs 24.1 crore
- Total of seven projects worth Rs 712 crore were allotted during the year FY19
- Farakka Bridge Project (construction of 4 lane bridge over River Ganga) was the largest contract received during the year. The contract value of the project is Rs 521.2 crore and duration of 36 months
- Company has already achieved the first milestone of the bridge project within 90 days against the target of 180 days
- Projects - Construction of Jetty with loading facility at Visakhapatnam, construction of Multi-user liquid terminal at Cochin Port Trust, construction of ROB (Road over Bridge) at Pondicherry and provision of OTM accommodation at Leimakhong were completed during FY19
- Company has realised an amount of Rs 5.17 crore from United Insurance Company after Protracted Correspondence
- Purvanchal authorities called for an amicable settlement by ordering a committee from PuVVNL (Purvanchal Vidyut Vitaran Nigam Ltd) and RKEC to inspect work done. Receivables are to the tune of Rs 63 crore



Details of Ongoing Contracts- Unexecuted Order-Book at Rs 783 Crore

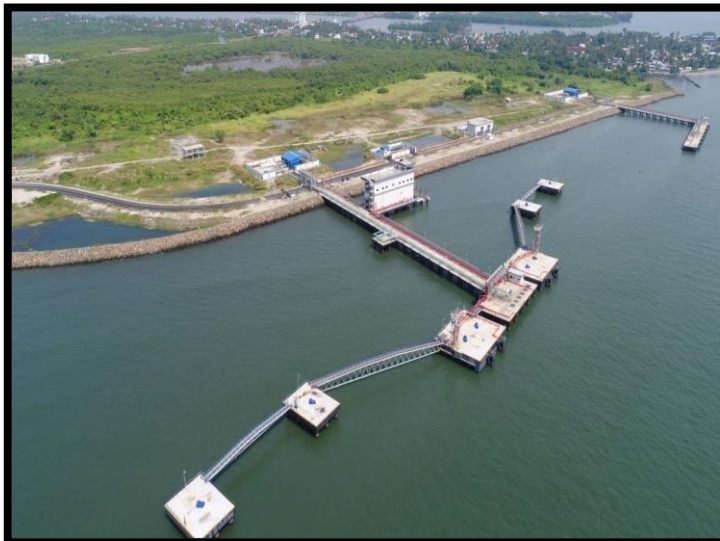
	Description of the work	Location	Value of Contract (Rs Cr)	Date of commencement of work	Value of work remaining (Rs Cr)	Duration (months)	Scheduled date of completion
1	Augmentation of Shore Supply at N-4 to N-26 Jetties, Dry Docks, Slipways and Degaussing Bay including associated works at ND(V)	Visakhapatnam	19.89	Nov-15	4.18	24	Sep-19
2	Construction of Jetty with Loading Facility	Visakhapatnam	149.73	Aug-15	15.73	30	Jun-19
3	Rural Electrification works of Pratapgarh Dist. In UP Rajiv Gandhi Vidhut Yojna	Varanasi	120.36	Jul-15	35.43	24	Mar-20
4	Construction Of Coastal Berth at JNPT Port	Mumbai	143.33	Apr-17	88.26	24	May-20
5	Construction of Indoor Sports Arena in MVP Colony abutting to A.S.Raja College Grounds under Smart City	Visakhapatnam	19.90	Aug-18	19.90	12	Aug-19
6	Construction of new 4 Lane Bridge over River Ganga	Farakka	521.20	Dec-18	452.96	36	Dec-21
7	Re-Construction Of New Building And Store Accommodation For Water Front Facility And Slipway	Visakhapatnam	7.20	Oct-18	7.19	18	Apr-20
8	Construction of jetty to semi submersible pontoon	Visakhapatnam	46.96	Nov-18	43.19	20	Jul-20
9	Construction of Berth and Approach Trestle for development of Barge/Vessel loading facility	Honnvar	95.94	Feb-19	95.94	12	Feb-20
10	Rejuvenation of Vinayak Sagar lake (phase-02)	Tirupati	8.40	Feb-19	8.40	6	Aug-19
11	Design, execution, operation and maintenance of sports arena at Indira Maidan and Sri Srinivasa Sports complex	Tirupati	12.23	Mar-19	12.23	4	Jul-19
Total			1145.14		783.41		

Projects completed in FY19

Construction of Multi-User Liquid Terminal at Cochin Port

Value of Work : Rs 217.32 crore

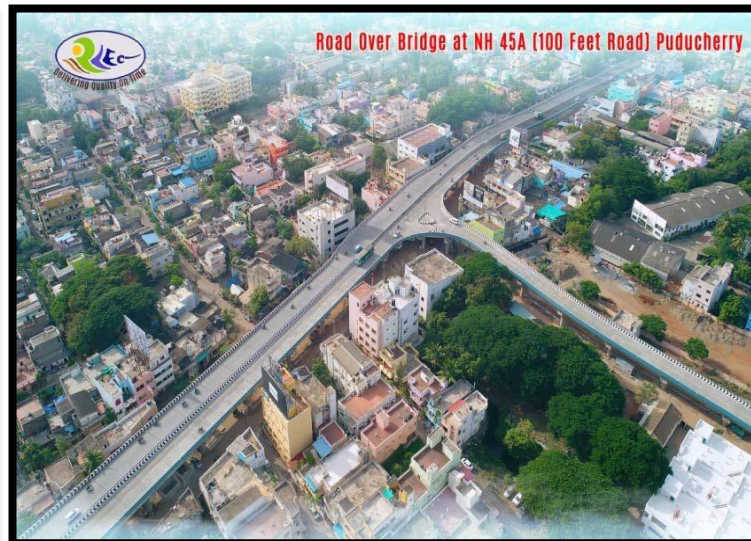
Completed in : Sept 2018



Construction of Road over Bridge at NH-45A in Puducherry

Value of Work : 34.96 crore

Completed in : May 2018



Provision of OTM accommodation No.1 at Leimakhong

Vale of work: Rs 19.73 crore

Completed in : Dec 2018



Ongoing Projects

Augmentation of Shore Supply at N-4 to N-26 Jetties, Dry Docks, Slipways and Degaussing Bay including associated works at ND(V), Visakhapatnam

Value of work remaining : Rs 4.2 crore



Construction of Jetty with Loading Facility, Visakhapatnam

Value of work remaining : Rs 15.7 crore



Rural Electrification works of Pratapgarh Dist. In UP Rajiv Gandhi Vidyut Yojna, Varanasi

Value of work remaining : Rs 35.4 crore



Ongoing Projects

Construction Of Coastal Berth at JNPT Port, Mumbai

Value of work remaining : Rs 88.3 crore



Construction of Indoor Sports Arena in MVP Colony abutting to A.S.Raja College Grounds under Smart City, Visakhapatnam

Value of work remaining : Rs 19.9 crore



Construction of new 4 Lane Bridge over River Ganga, Farakka

Value of work remaining : Rs 452.9 crore



Ongoing Projects

Re-Construction Of New Building And Store Accommodation For Water Front Facility And Slipway, Visakhapatnam

Value of work remaining : Rs 7.2 crore



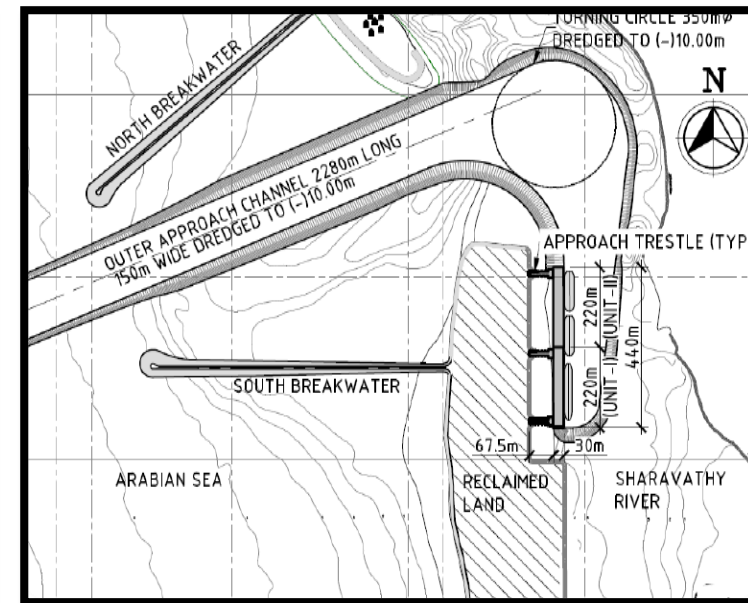
Construction of jetty to semi submersible pontoon, Visakhapatnam

Value of work remaining : Rs 43.2 crore



Construction of Berth and Approach Trestle for development of Barge/Vessel loading facility, Honnavar

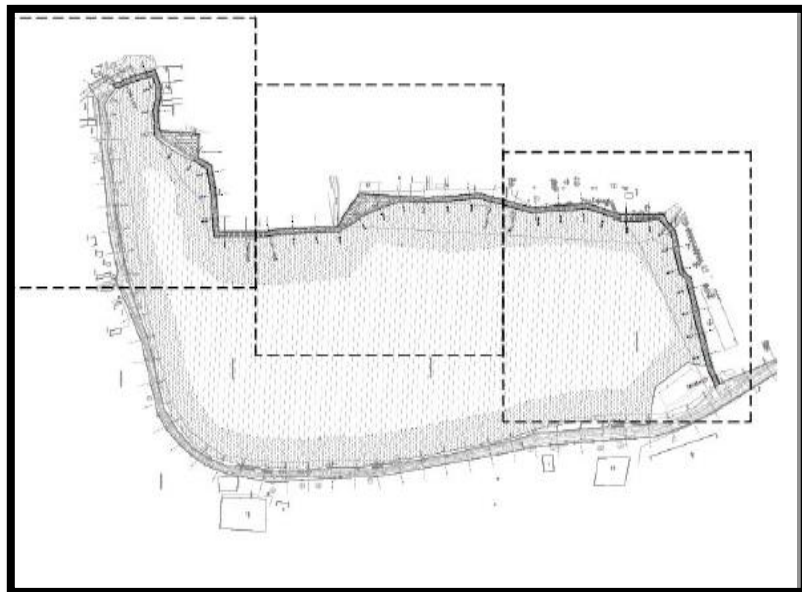
Value of work remaining : Rs 95.9 crore



Ongoing Projects

Rejuvenation of Vinayak Sagar lake (phase-02), Tirupati

Value of work remaining : Rs 8.4 crore



Design, execution, operation and maintenance of sports arena at Indira Maidan and Sri Srinivasa Sports complex, Tirupati

Value of work remaining : Rs 12.2 crore



Outlook

- ❑ **Strong revenue visibility with current unexecuted order-book of Rs 783 crore, which is over 3x of FY19 revenues**
- ❑ **With Stable Government at Centre, good amount of investment is expected on augmenting infrastructure in the country.**
- ❑ **Good tender flows expected from all the key segments like Ports, Roads, Buildings and Electrification in the coming period**
- ❑ **Company has been exploring bids for projects and expected to add good amount of fresh orders in FY20**
- ❑ **Focus on improving execution and operational efficiencies would help in further improvement in margins**
- ❑ **With balance sheet remains healthy (Debt/equity at 0.5x in FY19), the company is well placed to better execute its projects and further look for opportunities in this space leading to increase in profitability**



Thank You

For Further Information, Please contact:

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