



# RPP Infra Projects Ltd

Wednesday, 17<sup>th</sup> August, 2016

Corporate Relationship Department  
**BSE Limited**  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J.Towers,  
Dalal Street, Fort,  
Mumbai - 400001.  
**Scrip Code: 533284**

The Manager, Listing Department  
**National Stock Exchange of India Ltd**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot no. C/1, Block G,  
Bandra Kurla Complex, Bandra (East),  
Mumbai - 400051.  
**Scrip Code: RPPINFRA**

## Sub: Investor Presentation

Dear Sir/Madam,

With reference to the above captioned subject, we hereby enclose the Investor Presentation for the month of August 2016.

Kindly note the above Information in your records.

Thanking you,

Yours Truly,

**For R.P.P Infra Projects Limited**

  
**A Nithya**  
**Whole Time Director**



## **RPP Infra Projects**

One of India's  
most profitable rural  
infrastructure players



**Investor Presentation**  
August 2016

Construction + Infrastructure building

There is just one big idea behind what  
RPP Infra intends to communicate

Fastest growing spaces

+

Fastest growing states

+

Safest customer

=

**Most profitable**



## RPP Infra's Space

- Fastest growing spaces: Irrigation and water supply, Civil construction works, National Highways, Rural roads and other Infrastructure works
- Fastest growing states: Telangana, Andhra Pradesh, Karnataka and Madhya Pradesh
- Safest customer: The Government
- Most profitable: 16% margin, 2015-2016



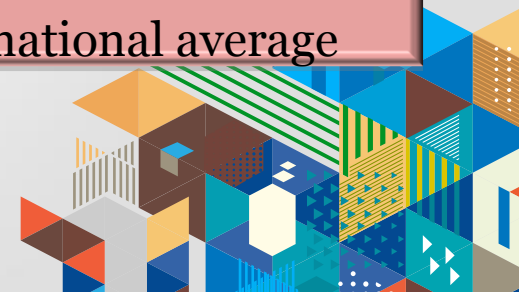
# CATERING TO SOME OF THE LARGEST STATES IN INDIA

**Telangana** Twelfth largest state of India  
GSDP grew average 9.2% in 2015-2016

**Andhra Pradesh** Eight largest state of India  
GSDP grew average 10.5% in 2015-16

**Karnataka** Ninth largest state of India  
GSDP grew average 15.2% in 2015-16  
Per capita GSDP nearly 29% higher than the national average

**Madhya Pradesh** Second largest state of India  
GSDP grew average 21.15% 2015-16  
Per capita GSDP nearly 20.1% higher than national average



# THIS STRATEGIC FOCUS HAS WORKED IN THE PAST

Resulting in  
sectoral  
outperformance

Resulting in  
attractive growth

Resulting in a safe  
Balance Sheet even  
in the most  
challenging times



# NEW PLAN FOR EMERGING INDIA

- Atal mission for rejuvenation and urban transformation(AMRUT)
- Madhya Pradesh Local Area Development Scheme
- Integrated Rural Development Program
- Jawaharlal Nehru National Urban Renewal Mission (JnNURM)
- Indira Awaas Yojana
- NTR Special Housing for HudHud Cyclone victims
- Rural Development & Panchayat Raj
- Smart Cities Mission
- District Rural Development Agency (DRDA)



# OUR FINANCIAL GROWTH OVER THE YEARS

From a turnover of Rs. **144.55** crore in 2009-10 to Rs. **314.69** crore in 2015-16

From an operating profit of Rs. **14.74** crore in 2009-10 to Rs. **45.45** crore in 2015-16

From a cash profit of Rs. **10.72** crore in 2009-10 to Rs. **31.32** crore in 2015-16

From a net profit of Rs. **7.27** crore in 2009-10 to Rs. **19.19** crore in 2015-16

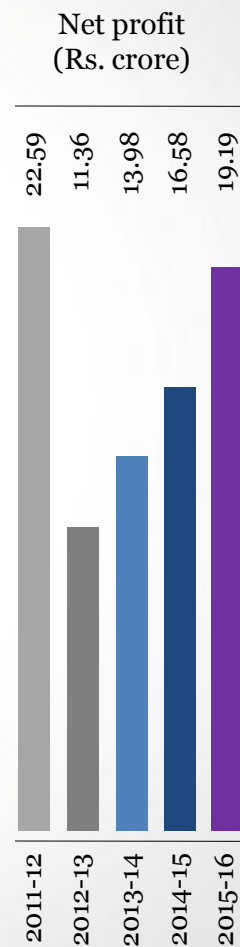
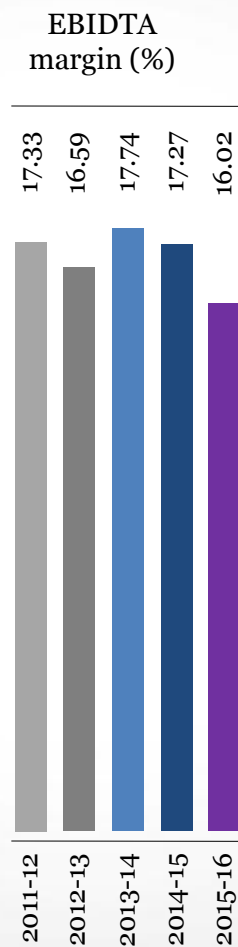
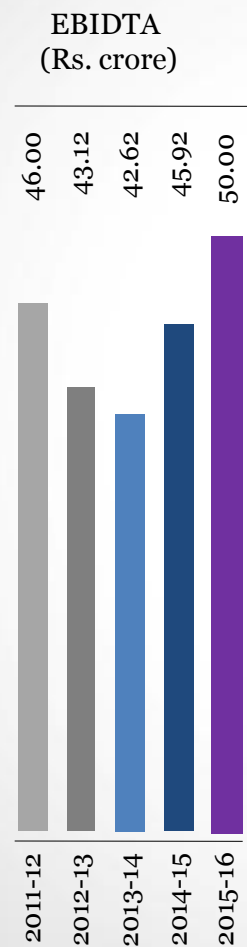
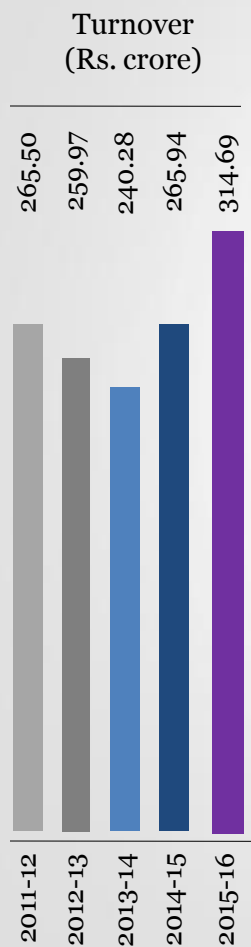
From earnings per share (EPS) of Rs. **5.27** in 2009-10 to Rs. **8.49** in 2015-16

From book value per share of Rs. **14.88** in 2009-10 to Rs. **82.70** in 2015-16



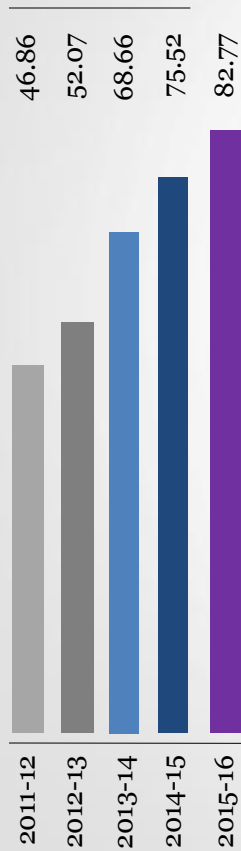


# Our financial journey *contd...*

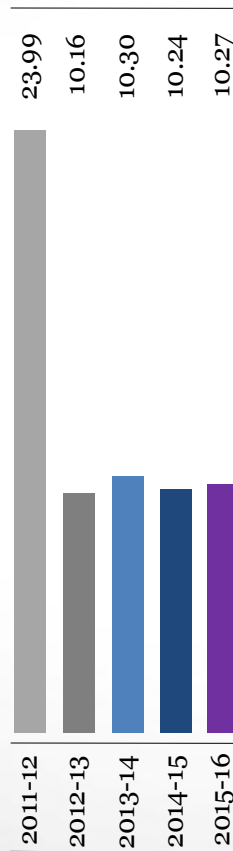


# *c o n t d ...* Our financial journey

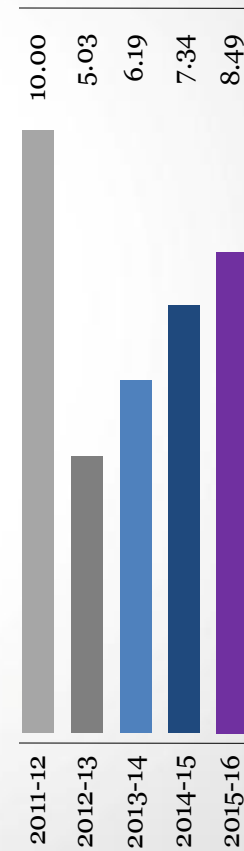
Book value per  
share (Rs.)



RoNW (%)



Earnings per  
share (Rs.)



# RPP Infra has been one of India's most profitable rural infrastructure companies

EBIDTA  
margin

**16.02%**

in 2015-16  
(industry average  
15%)

EBIDTA margin  
never below

**15%**

in the last  
Five years

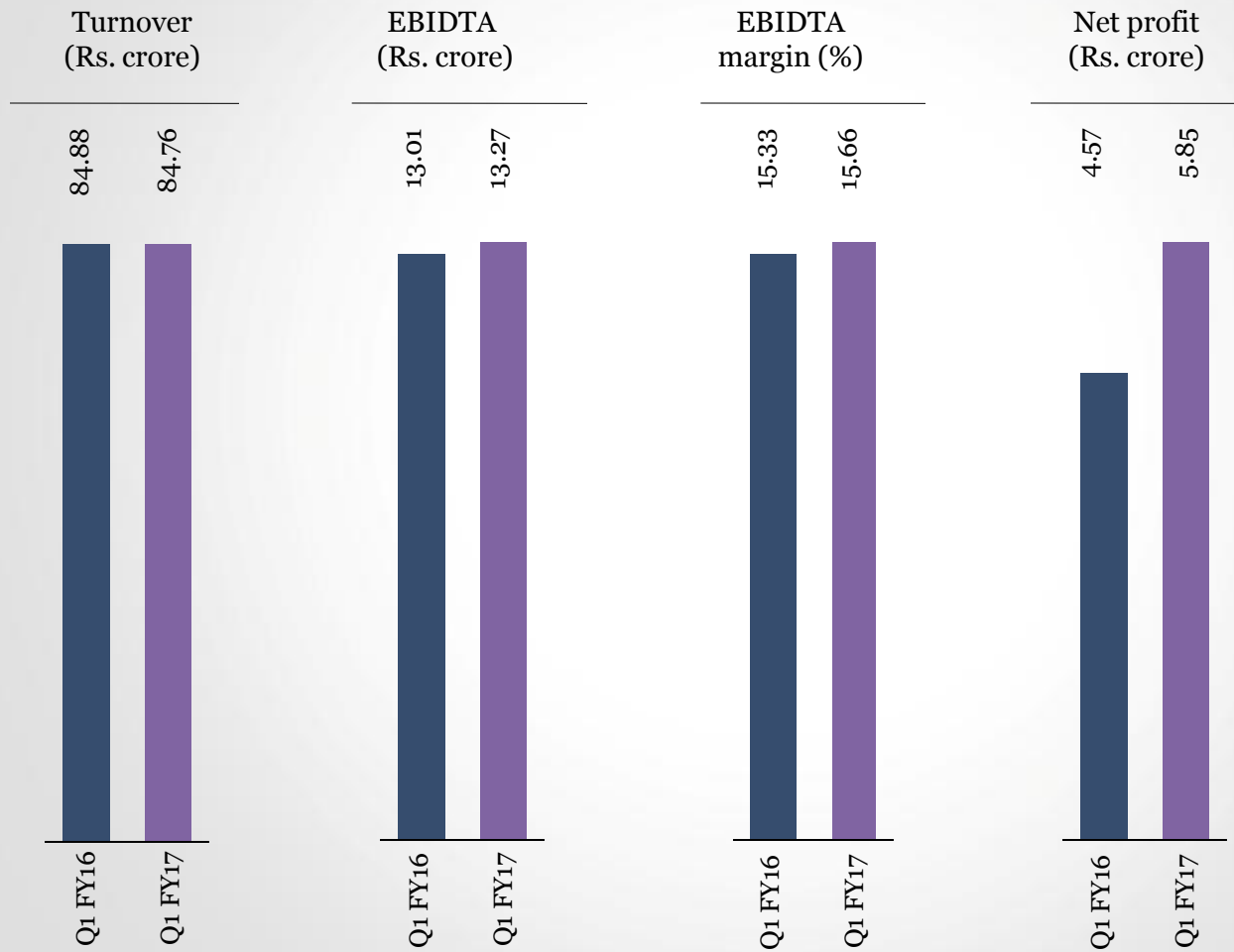
Order  
book

**33%**

of order book focused on  
generating EBIDTA in  
excess of 14 per cent

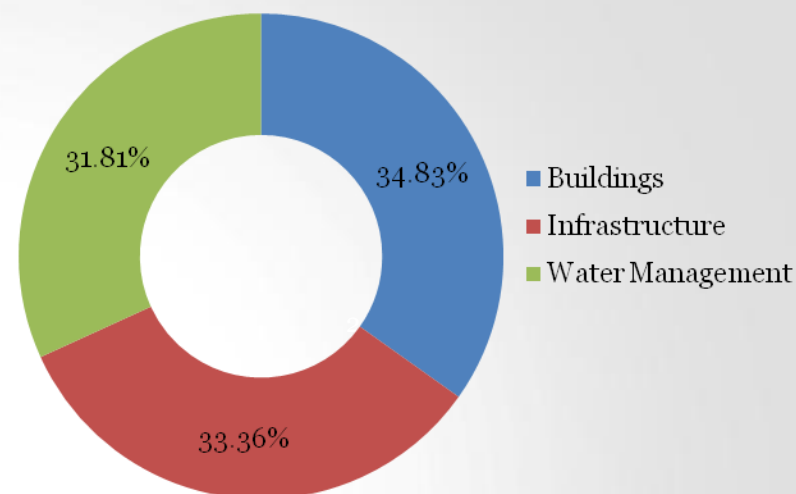


# Q1 FY17 PERFORMANCE



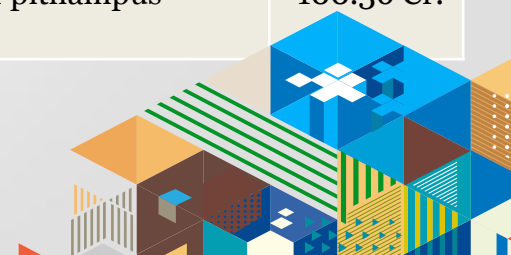
# OUR GROWING ORDER BOOK

Sector / Vertical	Order Book (in Rs. crore)	%
Buildings	289.59	34.83%
Water Management	264.46	31.81%
Infra Structure	277.36	33.36%
<b>TOTAL</b>	<b>831.41</b>	<b>100.00%</b>



## Works in Pipeline

TN Civil Supplies Corp	Construction of scientific godown of 40,000 MT capacity at Nagapatinam	50.28 Cr.
TN Civil Supplies Corp	Construction of scientific godown of 40,000 MT capacity at Kudavassal	18.00 Cr.
Urban Water Supply - Karnataka	Construction & rehabilitation of Reservoir & other works at GR premises, Mysore under Amruth	25.62 Cr.
Urban Admin & Dev. Dept. - MP	Construction of WTP & OHT and house service connection in pithampus municipality	100.36 Cr.



# Q1 FY17 - Financial Highlights

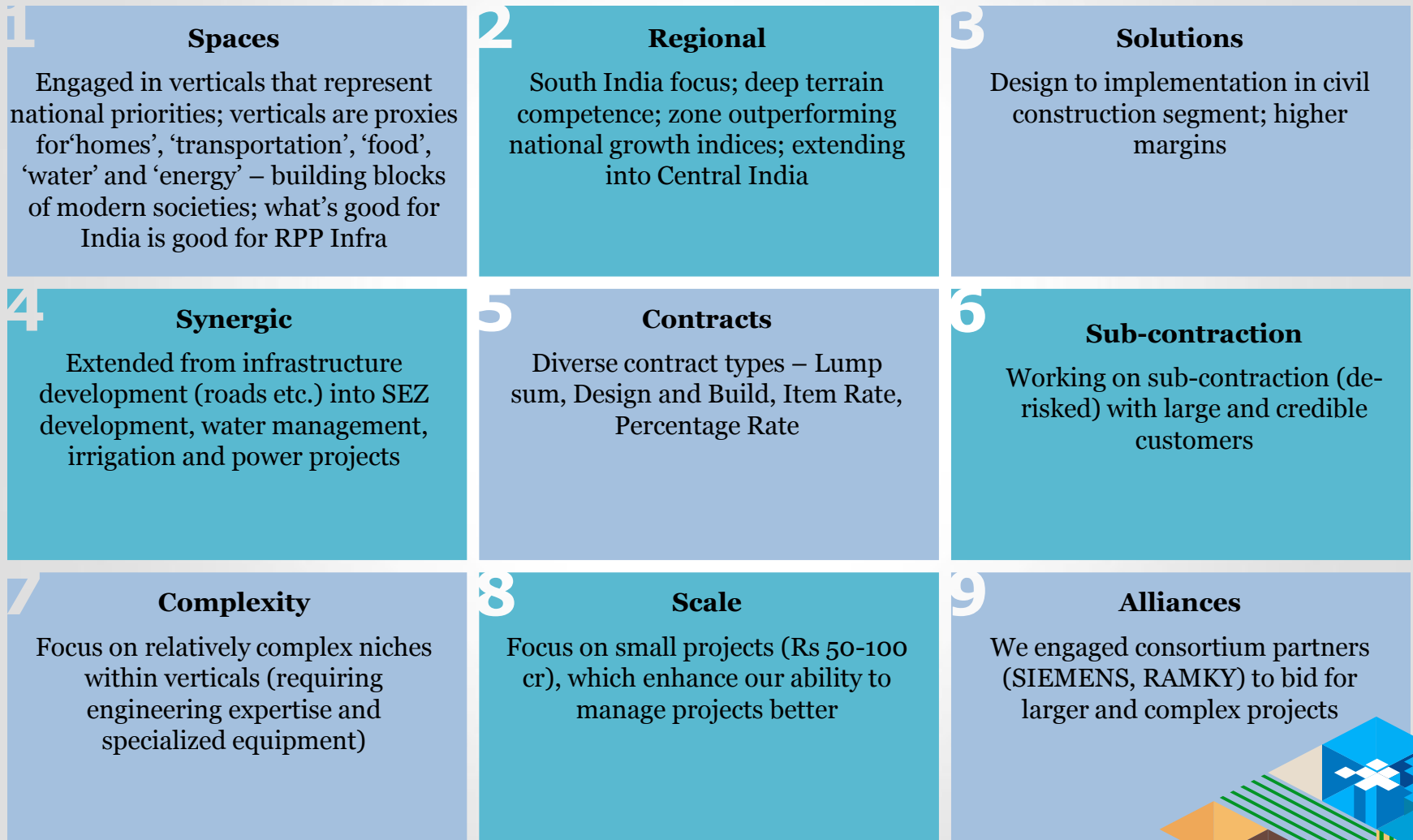
Rs. Crore	Q1 FY17	Q1 FY16	YoY
<b>Revenue from Operations</b>	<b>84.76</b>	<b>84.88</b>	<b>(0.14%)</b>
Raw Material & Fuel Costs	67.88	67.80	
Employee Cost	1.25	1.39	
Other Cost	2.36	2.68	
<b>EBITDA</b>	<b>13.27</b>	<b>13.01</b>	<b>2.00%</b>
<b>EBITDA margin (%)</b>	<b>15.66%</b>	<b>15.33%</b>	
Other Income	0.42	0.36	
Depreciation	1.33	1.34	
Interest	4.01	5.59	
<b>Profit Before Tax</b>	<b>8.35</b>	<b>6.44</b>	<b>29.66%</b>
Exceptional Items	-	-	
Tax	2.50	1.87	
<b>Profit After Tax</b>	<b>5.85</b>	<b>4.57</b>	<b>28.01%</b>
<b>PAT Margin (%)</b>	<b>6.90%</b>	<b>5.38%</b>	
EPS (Rs)	2.59	2.02	



RPP Infra's sustainable  
growth in the most  
challenging times is the result  
of a robust business model



# RPP Infra's margin outperformance the result of a distinctive business model





# 4 principal elements of RPP Infra's business model

1

A robust Balance Sheet

2

Prudent selection of verticals

3

Focus on government contracts

4

Rich knowledge capital

**Result:** Rs **831.41 crore** order book as on 30<sup>th</sup> June 2016

## FOCUS ON SPECIFIC VERTICALS

1

Civil construction (Building projects):  
**23.88%** of revenues, 2015-16

2

Irrigation and water supply projects:  
**32.62%** of revenues, 2015-16

3

Infrastructure and road projects:  
**43.49%** of revenues, 2015-16



# GOVERNMENT CONTRACTS

Government largest infrastructure spender in India

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*Growing delegation of spending from centre to States*

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States spending larger amounts in most areas of the company's presence

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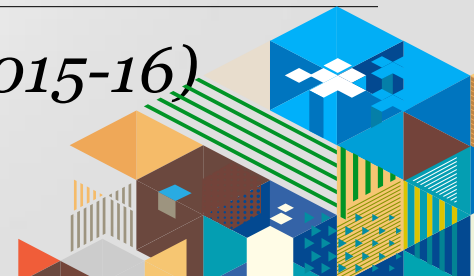
*Government contracts accounted for 100% of order book (30<sup>th</sup> June 2016)*

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Bad debts (0.8% of turnover, 2015-16)

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*Predictable receivables cycle (90 days, 2015-16)*



# KNOWLEDGE CAPITAL

Long  
experience  
tenure

1

Projects  
experience

2

Projects  
completion  
capability

3

Credible  
client record

4

Attractive  
projects  
delivered

5

Bidding  
competence

6

Alliances

7

Awards and  
recognition

8

# PROJECTS EXPERIENCE

## Power Projects Civil work

- Sub Station at KPTCL, Karnataka
- Udupi Project, Karnataka
- Apogenco Project, Andhra Pradesh
- Pykara Project, Tamil Nadu
- Chemplast Project, Tamil Nadu

## Infrastructure

- Atomic Energy- Kalpakkam ( Phase I & II)
- Strom Water Drains to Chennai Corporation
- Truck Parking Yard at Manjampakkam, Chennai
- TNRSR Road works, Tamil Nadu
- Elcot – (SEZ), Coimbatore
- Tirunelveli – PMGSY Rural Roads, Tamil Nadu
- ELCOT- Tirunelveli, Tiruchy

## Industries

- BHEL- Tiruchy , 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

## Water & Irrigation

- 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 Palani & Thoppampatti Unions in Dindigul District

## Building

- Civil Supply Godown at Various Places 45000 MT
- 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
- Construction of 161 PC/HC Qtrs with Development works for TSP VII BN at Pochampalli, Krishnagiri District



# PROJECTS COMPLETION CAPABILITY

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

Captive equipment  
(Rs./crore) availability

**30**

SBU-based business,  
resulting in project  
control

**90**  
engineers and  
**150**  
employees

Aggregate experience of

**1500**  
person-years



# CREDIBLE CLIENT RECORD

(WHO WORK ON GOVERNMENT CONTRACTS)



1

### **Bidding competence**

Focus on projects that represent challenges, nicheness and attractive margins

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Bidding competence  
(25% strike rate in Southern states & 10% in non-Southern states)

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Accurate project modeling

2

### **Alliances**

Entered into alliances with two global companies to strengthen pre-qualification capability

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Will enable the company to bid for larger projects

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Will widen / deepen the company's vertical footprint





# AWARDS AND RECOGNITION

- Excellence of Construction award from 'Kongu Polytechnic College, Perundurai, in the year 2004
- Award for Construction of Anna University, Chennai in the year 2005
- Excellence of construction award from 'Neyveli Lignite Corporation, Neyveli (NLC) in the year 2007
- Excellence of Construction award from the PWD Minister for Madurai Vegetable Market in the year 2009
- Excellence of Construction from Builders Association of India in the year 2010
- Listed in Forbes Asia ' 200 Best under a billion (2012)



# CASE FOR NATIONAL OPTIMISM

Government focus on growing the country's construction, power, railways, roads, highways, townships and industrial structure sectors driven by focused schemes with capital allocations

Prominent nation-driving schemes comprising 'Power for All by 2022', Pradhan Mantri Gram Sadak Yojana, Pradhan Mantri Krishi Sinchai Yojana, Housing for All by 2022 and Smart City programme

Impending elections in Tamil Nadu to drive capital expenditure; Andhra Pradesh focused on developing a new state capital; robust Telangana growth story

Focus on stalled projects revival



# SOME MACRO INFRASTRUCTURE NUMBERS

Andhra Government planned Rs.73,000 cr for setting up smart industrial township in 10,000 hectares involving at least 200 industries

Indian government pushing for reforms leading to more infrastructure projects

The government created a Rs 15,000 crore infrastructure development fund

The Govt. allocated Rs 45,000 crore to Pradhan Mantri Krishi Sinchai Yojana

The government earmarked Rs 1 lac crore for transmission projects in its ambitious 'Power for all by 2022' vision

The govt set 27,000-km road development target (Pradhan Mantri Gram Sadak Yojana); allocated Rs 90,000 crore for Smart City and urban rejuvenation projects

# A QUICK RECAP

## 6 POINTS THAT ARE FAST-TRACKING RPP INFRA'S GROWTH

1

Order book of **Rs. 831.41 crore (as on 30<sup>th</sup> June 2016)** with projects in irrigation & Water line, Concrete roads and other EPC spaces. Conscious avoidance of BOT and private sector-awarded projects

2

Integrated business presence – conceptualise, conceive, construction and commission infrastructure assets

3

Significant presence in South India through 16 concurrent operational sites in 3 states

4

Quicker project completion and minimal asset idling.

5

Consistent margins growth on account of larger projects size, cost control, and prudent financial modeling

6

Niche presence in fast developing state **Madhya Pradesh** (ROC roads Lift Irrigation and water pipeline projects)

# BOARD OF DIRECTORS

**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) and in 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 RPPIPL



# INDEPENDENT DIRECTORS

**Mr. A. P. C.  
Krisshnamoorthy**  
*Independent Director*

- An advocate by profession with a B.Com degree
- Over 35 years of experience as a practicing council in the Bar
- Practicing advocate in both Civil and Criminal cases

**Mr. K.Natarajan**  
*Independent Director*

- Bachelor Degree in Commerce.
- Over 23 years of experience in International business and development.
- Having experience in Indonesian coal mines.

**Mr. S Swaminathan**  
*Independent Director*

- A Bachelor degree in Mechanical Engineering from Regional Engineering collage, Trichy (RECT), ICWA(Inter)
- Has four decades of experience in the various facets
- Held senior positions with challenging responsibilities from Green field start-ups to Global Revenue responsibilities
- Has also worked with leading Investment banking company in the middle east.
- Worked on M&A assignments involving Technology Companies in India and abroad
- Well versed with practices in Strategic Planning, Business Process Analysis, Enterprise Resource Planning, Marketing, Vendor Management and Customer Acquisition.



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**COMPANY :****RPP INFRA PROJECTS LIMITED**

CIN: L45201TZ1995PLC006113

**Mr. K. JAYANTHAR**

[secretary@rppipl.com](mailto:secretary@rppipl.com)

[www.rppipl.com](http://www.rppipl.com)

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**INVESTOR RELATIONS ADVISORS :****STELLAR IR ADVISORS PVT. LTD.**

CIN: U74900MH2014PTC259212

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