



*Constructing a better Future*

16<sup>th</sup>

Annual Report 2010 - 2011



*Reputation - Performance - Passion*



# **ANNUAL REPORT**

## **2010-2011**

## **CONTENTS**

* Company Information .....	5
* Note from the CMD's Desk .....	7
* Notice to Shareholders .....	9
* Directors Report with Annexures .....	15
* Management Discussion and Analysis .....	23
* Report on Corporate Governance .....	33
* Auditors Report .....	42
* Consolidated Balance Sheet .....	44
* Consolidated Profit and Loss Account .....	45
* Schedules forming part of Consolidated Balance sheet .....	48
* Notes forming part of accounts .....	56
* Standalone Balance Sheet .....	71
* Standalone Profit and Loss Account .....	72
* Schedules forming part of Standalone Balance Sheet .....	75
* Balance Sheet – R.P.P Energy Systems Pvt Ltd., .....	92
* Schedules forming part of – R.P.P Energy Systems Pvt Ltd., .....	93
* Balance Sheet – R.P.P Infra Overseas PLC., .....	94
* Profit and Loss Account – R.P.P Infra Overseas PLC., .....	95
* Schedules forming part of – R.P.P Infra Overseas PLC., .....	96



## **COMPANY INFORMATION**

### **◆ BOARD OF DIRECTORS**

P. Arulsundaram, Chairman cum Managing Director

A. Nithya, Whole-time Director

A.P.C. Krishnamoorthy, Director

R. Meenakshisundaram, Director

A. Murugesan, Director

S. Thirunavukarasu Director

P. Muralithasan, Director

S.Swaminathan, Additional Director

### **◆ COMPLIANCE OFFICER & COMPANY SECRETARY**

S.Saritha

Company Secretary

### **◆ AUDITORS**

Karthikeyan & Jayaram

Chartered Accountants,

'Sri Towers'

30, Bharathidasan Street,

Teachers Colony,

Erode – 638 011.

### **◆ BANKERS**

Indian Overseas Bank

Axis Bank

### **◆ REGISTERED OFFICE**

No. 140, Perundurai Road,

P and C Towers, III Floor,

Erode – 638 011.

## **RPP Infra Projects Ltd**

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### ◆ **WEBSITE**

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

### ◆ **REGISTRAR & TRANSFER AGENT**

M/s. Cameo Corporate Services Limited,  
“Subramanian Building”,  
#1, Clubhouse Road, Chennai – 600 002.

### ◆ **LISTED ON**

National Stock Exchange of India Limited  
Bombay Stock Exchange Limited

## A Note from CMD's Desk

The Indian economic juggernaut continues to remain on a roll, even as the global recessionary winds show signs of warning.

In the last year, the global economic scenario witnessed the sub prime concerns coupled with inflationary pressures in the backdrop of rising crude and commodity prices and other recessionary trends. Given the increasing economic integration amongst regions, India too bore the brunt but to a lesser extent. But make no mistake, the fact is it still remains the second fastest growing economy across the globe and is expected to maintain a growth rate of over 8%.



As per the revised survey and forecast of RBI, the Indian economy is expected to grow at 8.4 per cent in the current fiscal (2010-11) and 8.5 per cent in the next fiscal (2011-12). The twin engines of this robust growth are expected to be the investments (led by the private sector) and consumption expenditure.

It is imperative that to sustain the current rate of economic expansion, massive investments are required within the infrastructure space to bridge the infrastructure deficit in the country. The Infrastructure & Construction segment continues to be the epicentre of our economic development and has received a tremendous impetus by the strong political will demonstrated by the Central and State Governments. This is evident in the form of increasing private sector participation and higher budgeted outlays.

A host of new initiatives are already underway in sectors such as roads & highways (Golden Quadrilateral & the NSEW corridor), ports, airports and addition of capacities in the power sector among others. With India's patchy infrastructure sector getting its due attention, the demand for engineering and construction services is likely to remain robust.

In the industry marked by a plethora of unorganized segment, such concrete policy initiatives by the Government, stand to benefit organized players such as RPP Infra Projects.

We also intend to strengthen our foothold across more cities in Southern India and gradually spread our reach across the rest of India in a planned manner. Internationally we have already forayed into Sri Lanka with a Railway project and concrete efforts are being made to tap opportunities in South East Asian and African markets.

Going ahead, we are confident of scaling new heights by consistently delivering quality, leveraging on the experience and expertise of the management team which we believe is our key differentiator.

## **RPP Infra Projects Ltd**

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We have assiduously built up a team with rich experience in the various verticals of our business. We are sure this strategy of having high calibre associates will be a great differentiator.

It thus gives me immense pleasure to report to you, we are now quite prepared to face these challenges and are therefore looking to expand our business horizon by expanding the scope of our services in engineering, procurement and construction, foraying into BOT projects and penetrating new geographies.

Further, even as we recorded robust expansion in business, we did not lose sight of the business challenges that lay ahead of us. These include response to intense competition, scalability in operations and strong management bandwidth to name a few. For human resource management too it has implemented people's initiatives to recruit and retain the same.

With opportunities abound; we at RPP Infra Projects are quite excited about the times ahead. Given the promoter's decades-long experience in the infrastructure space our company is headed towards rapid expansion across our business segments. And our value-based focus will ensure that the rapid expansion is not merely seen at the top line level but is also well translated into a healthy jump in our bottom line.

Given the emerging opportunities and the conducive macro-economic environment, I am quite confident of our company repeating and improving on our performance of the last five years and traversing higher growth trajectories.

Finally, I take this opportunity to thank every employee, customer, supplier and you, fellow Shareholders, for bestowing your faith upon us. At RPP Infra Projects, we continue to focus on growing our business, improving profits and profitability, which we believe is the road towards enhancing shareholder value.



**P. Arul Sundaram**

Chairman & Managing Director



## **NOTICE TO THE SHARE HOLDERS**

Notice is hereby given that the Sixteenth Annual General Meeting of the Company will be held on Monday 22<sup>nd</sup> August 2011 at 10.00 a.m at Hotel Club Melaange, Perundurai Road, Erode – 638 011 to transact the following business.

### **AGENDA**

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended 31<sup>st</sup> March 2011 and the Balance Sheet as on that date along with the Reports of the Directors and Auditors thereon.
2. To declare a dividend on the Equity shares at Re.1/- per equity share bearing face value of Rs.10/- each.
3. To appoint a director in place of Mr. P.Muralithasan, Director who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. S.Thirunavukkarasu, Director who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

#### **SPECIAL BUSINESS**

6. To consider and pass the following with or without modification as an ordinary resolution :  
RESOLVED that Mr.S.Swaminathan, who was appointed as an Additional director of the company, at the meeting of the Board of directors of the company held on Thursday 21<sup>st</sup> April 2011 and whose term expires at this meeting and in respect of whom a Notice under section 257(1) of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr.S.Swaminathan as a candidate for the office of Director of the company, be and is hereby appointed as a director of the company and that his term of office is liable to be determined by retirement of directors by rotation.
7. To consider and pass the following with or without modification as an ordinary resolution :  
RESOLVED THAT pursuant to the provisions of Section 198 and 309 of the Companies Act, 1956 read with Schedule XIII and all other applicable provisions and Rules, the consent of the members be and is hereby extended for the payment of a commission of 5% on net profit to Mr. P.Arulsundaram, CMD for the financial year 2010 – 2011.

8. To consider and pass the following with or without modification as an ordinary resolution :

RESOLVED THAT pursuant to the provisions of Section 198 and 309 of the Companies Act, 1956 read with Schedule XIII and all other applicable provisions and Rules, the consent of the members be and is hereby extended for the payment of remuneration detailed as under to Mr.P.Arulsundaram, CMD w.e.f. 01.04.2011, subject to the approval of the Central Government if found necessary –

Salary – Rs.3.5 Lakhs per month  
Commission – Not exceeding 5% on Net Profit.  
Perquisites –

- i. Medical expenses of CMD and family.
- ii. Insurance including Medical Insurance for CMD and family.
- iii. Education of children covering tuition fees and expenses on overseas higher education.
- iv. Foreign trip once a year with family covering all expenses to be incurred including LTC.
- v. Inland trip twice a year with family covering all expenses to be incurred including LTC.
- vi. Club membership for maximum of two clubs.

9. To consider and pass the following with or without modification as an ordinary resolution :

RESOLVED THAT pursuant to the provisions of Section 198 and 309 of the Companies Act, 1956 read with Schedule XIII and all other applicable provisions and Rules, the consent of the members be and is hereby extended for the payment of remuneration detailed as under to Ms.A.Nithya, WTD w.e.f. 01.04.2011, subject to the approval of the Central Government if found necessary –

Salary – Rs.1.5 Lakhs per month  
Commission – Not exceeding 5% on Net Profit.  
Perquisites –

- i. Medical expenses of WTD and family.
- ii. Insurance including Medical Insurance for WTD and family.
- iii. Education of children covering tuition fees and expenses on overseas higher education.
- iv. Foreign trip once a year with family covering all expenses to be incurred including LTC.
- v. Inland trip twice a year with family covering all expenses to be incurred including LTC.
- vi. Club membership for maximum of two clubs.

**ON BEHALF OF THE BOARD OF DIRECTORS**  
**R.P.P INFRA PROJECTS LIMITED**

Place : Erode

Date : 25.07.2011

(Sd/-)  
**Mr. P. ARULSUNDARAM**  
(CHAIRMAN CUM MANAGING DIRECTOR)