



R.P.P. INFRA PROJECTS LIMITED

NINETEENTH ANNUAL REPORT 2013-2014

Reputation - Performance - Passion

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. P Arulsundaram, Chairman & Managing Director
Mrs. A Nithya, Whole-time Director
Mr. A P C Krishnamoorthy, Director
Mr. S Thirunavukkarasu, Director (upto 30.06.2014)
Mr. P Muralidasan, Director
Mr. S Swaminathan, Director
Mr. K Natarajan, Director
Mr. A N Vasu Rao, Director (upto 30.06.2014)

COMPANY SECRETARY

Mr. R Sathishkumar

REGISTERED OFFICE

S F No. 454, Raghupathynaiken Palayam,
Railway Colony Post, Poondurai Road,
Erode - 638 002
Tamil Nadu, India

AUDITORS

M/s. Karthikeyan & Jayaram

'Sri Towers' 30 Bharathidasan Street,
Teachers Colony, Erode – 638 011

BANKERS

Indian Overseas Bank
Axis Bank Limited

REGISTRARS & SHARE TRANSFER AGENT

M/s.Cameo Corporate Services Limited
Subramanian Building
No.1 Club House Road,
Chennai – 600 002
Tamil Nadu, INDIA

LISTED AT

National Stock Exchange of India Limited
Symbol : RPPINFRA Series -EQ
BSE Limited
Scrip Code : 533284 Scrip ID:RPPINFRA

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Chairman's Message



P Arulsundaram
Chairman & Managing Director

Dear Shareholders,

It gives me great pleasure to share with you the highlights of your Company's performance for the financial year 2013-14.

We all know that the year gone by has been a very difficult one. The Indian economy, which is considered as one of the most important emerging markets, had declined to a lower level of growth. The Government of India's Central Statistical Organisation (CSO) has estimated the real GDP growth for 2013-14 at 4.9%. India, for the first time in several years, will be clocking sub-5% growth for two successive years. Not surprisingly, in such an economic environment, the construction sector has been badly hit. The CSO estimates for 2013-14 suggest just 1.7% growth in construction. While this might be slightly better than the previous year, when the growth had dropped to 1.1%, it is significantly worse than the 10.8% growth that the sector enjoyed in 2011-12.

MISSION

To perform exceptionally well in all aspects in the industry by providing innovative, reliable and high quality services to our clients. Developing highly trained loyal employees who work as a team to anticipate, identify and respond to the client needs.

VISION

To be a global leader in the construction and infrastructure industry by continuously moving forward. To have international standards by adopting latest technologies, ideas and systems by creating quality minded employees to deliver the client expectations.

The infrastructure sector also came under pressure because of rising costs of inputs in construction along with high interest rates.

Performance Review

The Company has performed quite well during the Year 2013-14 considering the challenging environment. I am pleased to report some of the highlights of 2013-14:

RPP's revenue in fiscal 2013-14 stood at Rs. 239 Crore, a drop of 8% as compared to the previous year. However the profit after tax was Rs. 11.31 Crore as against Rs. 10.85 Crore in the previous year. The Company has focused on cutting down costs with some notable success.



Some of the projects undertaken during the year include:

- Successful completion of MSEZ pipeline corridor: Phase-1 Reach 1.0 to 1.5 & 1.73 to 1.80 k.m.
- Upgradation of existing 2X5MVA, 33/11KVA Substation to Hanumanal and Construction of 110KV SC Line on DC Towers from Proposed 110/11KV Substation at Hanumanal for a distance of 10.58Kms in Kushtagi Taluk, Koppal District
- Construction of 110KV Terminal Bay at Proposed 110/33/11KV Substation at Hiregonnagar for the proposed 110KV SC line to proposed 110/11KV Hanumanal Sub Station on Total Turnkey Basis including Supply of all Materials/Equipments and Erection (Including Civil Works) of all Materials/ Equipments, Testing and Commissioning.

The performances of the subsidiary companies remained moderate. The Group total income for the year was Rs. 247 Crore, while the group profit after tax was Rs. 13.60 Crore.

We are pleased to announce that the Board has recommended a dividend of Re. 0.50 per equity share for the financial year ending 31st March 2014.

Business Outlook

Infrastructure services are essential to achieve development targets in any economy. Infrastructure bottleneck has been a serious concern in India and has been in its way of robust pace of economic progression, as the challenges of inadequate infrastructure have impeded investment and growth. It is universally recognized that much higher level of investments have to be made in the infrastructure sector to ensure the needed rate of growth of industry and the economy.

In the midst of the challenging environment, we are optimistic that the economy will recover and will continue to grow upward and throw open more opportunities. To meet this challenge in these difficult times, we will need to be more resourceful and innovative. Our ability to cut down costs and improve efficiency in operations has enabled us to withstand many adverse factors and perform relatively better in the year gone by. As serious challenges remain in 2014, we are prepared to face them and are committed to the strategy of achieving long-term profitable growth and ensuring strong returns. We look forward to continue to grow, to strive and to seek newer horizons. As always, we are in the process of Engi-visioning a new world.

Before I conclude, on behalf of the Board of Directors of your Company, I wish to convey my earnest thanks to the valued Share holders for your continued support and trust in us. This motivates us to excel in all our pursuits and constant endeavor to create value for you. I take this opportunity to thank the support extended by the State Governments and all other authorities and regulatory agencies.



I would like to thank my colleagues on the Board for their valuable guidance and contribution. I would like to thank our Bankers and Members of our Supply chain for providing their Continuous support to our efforts.

We believe that with your support and faith in our vision, we are geared to face the industry challenges, and remain optimistic about sustainable growth and profitability of your company in the years ahead.

Thank you

P Arulsundaram
Chairman & Managing Director

June 30, 2014

Financial Highlights

(Rs Crore)

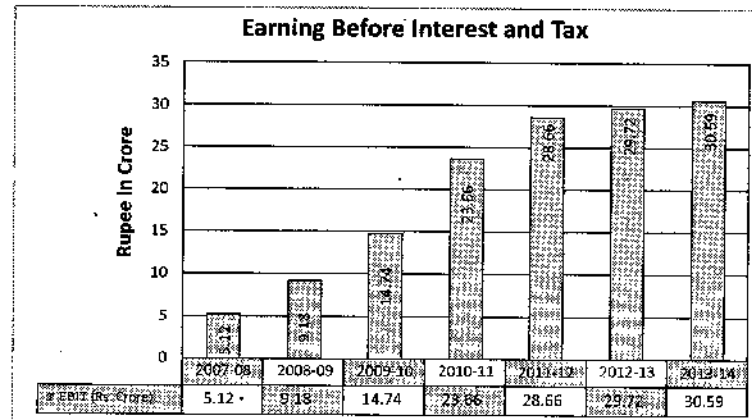
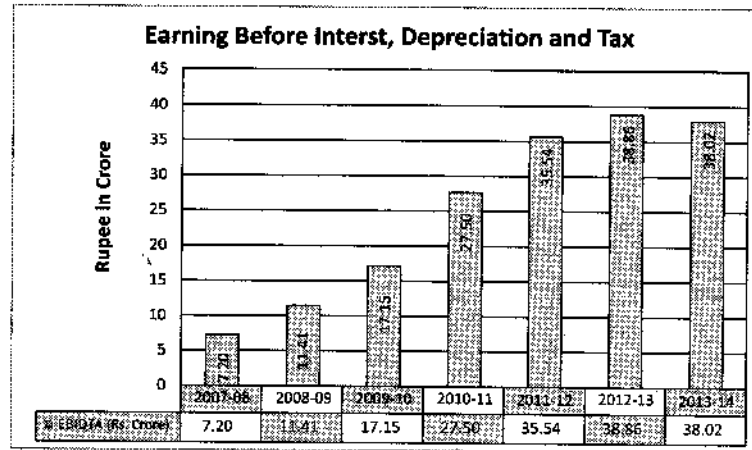
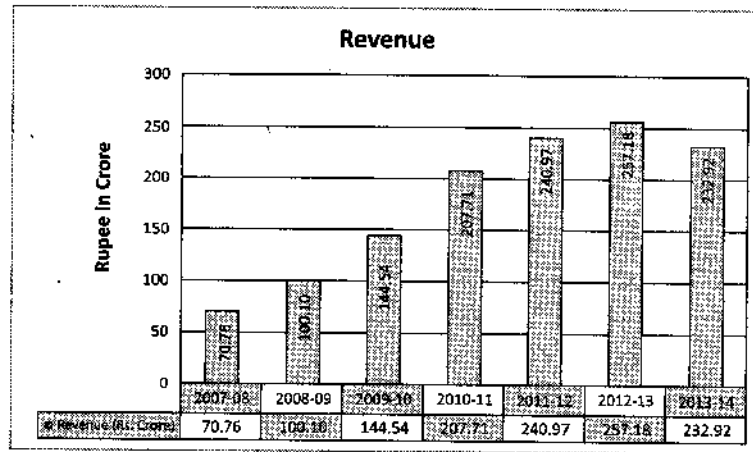
Description	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Revenue from Operations	232.92	237.18	240.97	207.71	144.54	100.10	70.76
Total Income	239.12	259.22	243.18	209.80	146.79	101.23	72.14
Earnings before Depreciation, Finance Costs and Tax Expense (EBIDTA)	38.02	38.86	35.54	27.50	17.15	11.41	7.20
Depreciation & amortization	7.42	9.14	6.89	3.84	2.41	2.23	2.08
Interest & Finance Costs	15.72	14.55	9.51	5.13	3.16	3.16	1.85
PBT	14.87	15.16	19.14	18.53	11.58	6.02	3.27
PAT	11.31	10.85	13.85	13.49	8.31	4.12	2.05
Equity dividend % (Refer Note a&b)	5%	5%	5%	a	10%	b	10%
Dividend Payout	1.13	1.13	1.13	2.26	0.90	0.10	0.05
Equity share capital	22.60	22.60	22.60	22.60	16.50	1.01	1.01
Reserves & Surplus	97.37	80.25	70.81	58.67	8.21	14.85	10.67
Net Worth	118.55	100.59	90.30	77.31	24.55	15.86	11.68
Gross Fixed Assets	82.79	74.35	69.91	43.09	34.64	22.70	21.57
Net Fixed Assets	47.97	46.34	49.50	28.72	23.82	13.98	14.33
Total Assets	276.08	271.42	260.86	186.52	81.99	51.73	47.09
Key Indicators							
Earnings per share Rs.	5.01	4.80	6.13	7.31	5.27	406.39	202.55
Book Value per share Rs.	52	45	40	34	15	1,564	1,152
Debt: Equity Ratio	1.28	1.05	0.30	0.25	0.23	0.24	0.49
EBDIT/ Total Revenue %	15.90%	14.99%	14.62%	13.11%	11.68%	11.27%	9.98%
Net Profit Margin %	4.73%	4.19%	5.70%	6.43%	5.66%	4.07%	2.85%
RONW %	9.54%	10.79%	15.34%	17.45%	33.86%	25.98%	17.59%
ROCE %	25.81%	29.54%	31.73%	30.60%	60.04%	57.86%	43.83%

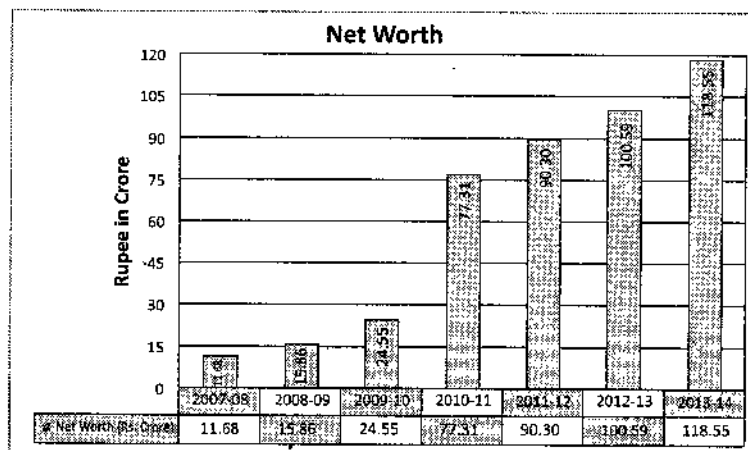
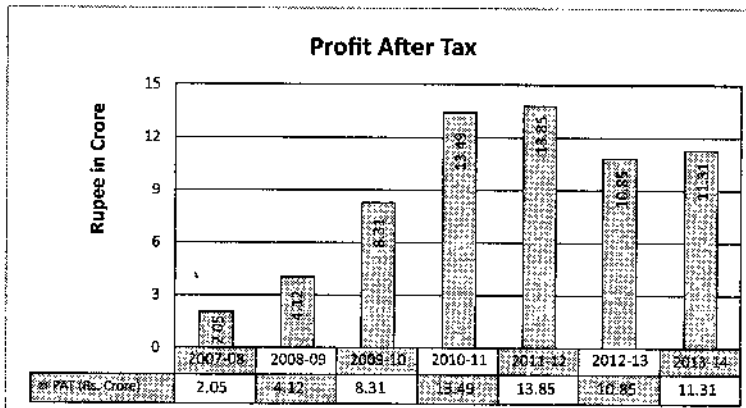
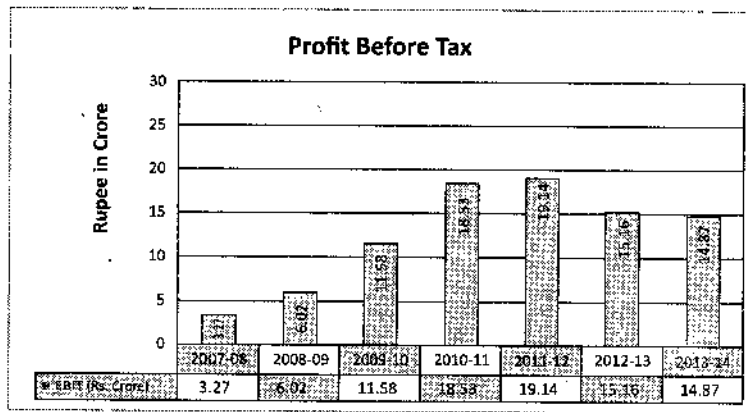
(a) = Proposed Dividend

(b) = Pro-rata Basis

(c) - Reduction due to Bonus Shares

(d) = wef 25/09/2009 the face value of Share reduced from Rs. 100/- to Rs. 10/-





**Notice**

Notice is hereby given that the 19th Annual General Meeting (AGM) of the members of R.P.P Infra Projects Limited will be held on Monday the 08th September, 2014 at 10.00 AM at Builders' Welfare Trust Hall, Builders Association of India, No. 35 Perundurai Road, Erode - 638 011, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the financial statements of the company for the year ended 31st March 2014 including the audited Balance sheet as at 31st March, 2014, the Statement of Profit & Loss for the year ended on that date and the reports of the Board of Directors and the Auditors' thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Mrs. A. Nithya, (holding DIN 00125357), who retires by rotation and being eligible, seeks re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration and to consider and if thought fit, to pass with or without modification (s), the following resolution as an ordinary resolution:

RESOLVED THAT M/s. Karthikeyan & Jayaram, Chartered Accountants (Firm Registration No 07570S), be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors.

Special Business:

5. **To Consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

RESOLVED THAT Pursuant to the provisions of Section 196, 197, 203 and read with Schedule V of the Companies Act, 2013, the approval of the Company be and is hereby accorded for the re-appointment of Mr. P. Arulsundaram, (holding DIN 00125403) as a Chairman and Managing director of the Company for a period of Three years w.e.f. 01.04.2014, and on the terms and conditions as specified in the statement pursuant to Section 102 of the Companies Act, 2013 annexed to this Notice and on the remuneration, which is as follows:

Salary—Rs.3.50 Lakhs per month

Perquisites and allowances:

- i. Reimbursement of all medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad for self and family including hospitalization.
- ii. Education of children covering tuition fees and other expenses on higher educations.
- iii. Leave Travel concession/ allowance: Foreign trip once a year with family or/and Inland Trip for self and family twice in a year.
- iv. Club fees subject to a maximum of two clubs.
- v. Personal accident insurance premium.
- vi. Use of Company maintained cars with drivers for business and personal use.

Resolved further that, notwithstanding anything contained in the above stated where in any financial year closing on or after March 31, 2014, during the tenure of Mr.P.Arulsundaram as a Chairman and Managing Director of the Company, the Company incurs a loss or its profits are inadequate, the