



**TRANSFORMING
TODAY. SECURING
OUR TOMORROW.**



RPP is one of the leading and fast-growing integrated Engineering, Procurement, Construction (EPC) companies with a well-diversified presence across various infrastructure and market segments.

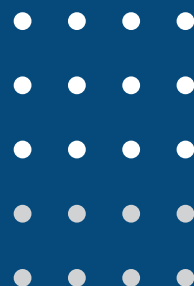
We are steering the transformation of our business to meet the challenges of the future. We harness our deep-rooted technical capabilities and construction best practices to drive productivity, deliver on time, and win repeat business from our clients.

Trusted by our customers to deliver sustainable solutions that improve the quality of life and have a beneficial impact on communities, we leave a legacy we are proud of.

Our well-laid strategy of focusing on small and medium government projects, especially on the back of the government's thrust on rural infrastructure, has paid off, with healthy revenue growth and margins even during tough times.

Our strong execution track record, growing market share in most of our key geographies, expanding capability to bid for higher ticket size projects, and robust order book positions us well as we transform our business to secure long-term sustainable value for our stakeholders.

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Approach to Financial Reporting

RPP is pleased to present its Annual Report for the financial year 2022-23. This report intends to serve as a concise communication about the Company's business, governance, performance and prospects in the context of its operating environment.

Scope and Boundary

The reporting period is from 1st April 2022 to 31st March 2023. The Company is primarily engaged in infrastructure development across various project sites and this report covers the operations of the Company comprising information on its projects. There was no significant change in scope and boundary of the non-financial disclosures from the previous reporting period.

Approach to Stakeholder Engagement

We engage with our stakeholders regularly, and responding to their expectations is important for us. These are captured through our assessment process and various other channels.

Contribution to the SDGs

Through our business, we have a positive impact on many of the Sustainable Development Goals (SDGs) established by the United Nations to foster a better society. Principal among these is the improvement of lives and livelihoods through infrastructure development. We contribute to the following SDGs:



Disclaimer

This report may contain 'forward-looking' statements that capture expectations or projections about the Company's future. These are implicit in the uncertainty and the risk that the Company faces. Actual results, performance or achievements may thus differ substantially or materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any such statement on the basis of subsequent developments, information or events, except as may be required by law.

Report Accessibility

This report is available on our corporate website under the 'Investor' section: www.rppi.com

Prioritising health and safety of our people and communities

Building a skilled, diverse and inclusive workforce

Enabling portfolio diversification

Focusing on timely execution

Our Strategic Imperatives

Continuing our focus on best practices in sustainability

Ensuring a manageable risk profile

Forging strategic partnerships for accelerated growth

Maintaining financial stability and balance sheet strength

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BUSINESS IDENTITY

RPP Infra Projects is a rapidly growing integrated EPC Company with a well-diversified presence across various segments. The Company has a large order book of ₹3,200 crore spread across 3 main segments: Infrastructure (48.80%), Water Management (43.92%) and Buildings (7.28%).

About Us

Incorporated in 1995, RPP is one of the leading and rapidly growing integrated EPC companies in India with a well-diversified presence in highways, roads & bridges, civil construction (water management), irrigation, mass & affordable housing, and power projects.

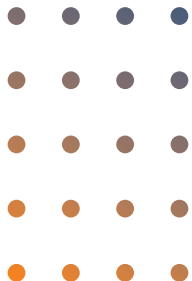
The Company has successfully executed 200+ civil construction projects till date across various segments. Over the years, the Company has consciously focused on small to medium government projects with a predominant presence in the southern states, such as Karnataka, Tamil Nadu, Telangana and Andhra Pradesh. This strategy has worked well, with the result

that the Company has been able to carve a strong identity as a niche dependable player to large customers for prestigious projects.

The government's continuous spending on infrastructure development, including on roads and highways, mass housing, water & irrigation and power projects continues to be a major growth driver for the Company. Thus, RPP will be a major beneficiary of increasing opportunities in the infrastructure sector, which is reflected

in sustainable order wins over the years.

As of 31 March 2023, RPP had an order book of ₹3,200 crore. Furthermore, the Company's revenues have expanded significantly over the years, from ₹580.69 crore in 2018-19 to ₹1,005.23 crore in 2022-23.





VISION

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



MISSION

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

Key Financial Highlights

₹1,005.25 CRORE

Revenue from operations

₹136.70 CRORE

Operating profit

13.59%

Operating profit margin

₹25.99 CRORE

Net profit

₹8.02

Earnings per share

₹92.22

Book value per share



OUR STRATEGIC FOCUS AREA

Buildings



- Affordable housing
- Social infrastructure
- Hospitals
- Medical colleges
- Mixed-use projects
- Multi-storied buildings

Infrastructure



- Smart City projects
- Roads & highways
- Elevated corridors
- Structural works for power plants and coal/ash handling plants
- Power plant substations
- Integrated storm water drainage

Water Management



- Jal Jeevan Mission projects
- Water supply distribution
- Elevated service reservoirs
- Rehabilitation/modernisation of irrigation infrastructure
- Canal construction

CHAIRMAN'S REPORT TO SHAREHOLDERS



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RPP Infra continues to have a diversified presence in highways, roads & bridges, and civil construction in water management, irrigation and power projects. The Company continues to be driven by its strategy of small and mid-sized government projects with short tenure and its superior project execution skills provides strong revenue visibility. Further, quick turnaround remains a core principle of the Company.

Esteemed Shareholders,

It gives me pleasure to present the 28th Annual Report and annual performance of RPP Infra Projects for the financial year 2022-23.

India's economy shows more potential than the global economy that suffers from Covid-19 challenges and the war in Ukraine. The Indian economy, with provisional GDP growth of 7.2% in FY2023, is therefore on the right track, and despite a time of challenges, is heading towards a bright future.

India's rising global profile is because of several accomplishments: unique world-class digital public infrastructure, e.g., Aadhaar, Co-Win and UPI; Covid vaccination drive with unparalleled scale and speed; proactive role in frontier areas such as achieving climate-related goals, Mission LIFE, National Hydrogen Mission, etc..

In these times of global challenges, the G20

presidency gives India a unique opportunity to strengthen its role in the world economic order. With the theme of 'Vasudhaiva Kutumbakam', we are steering an ambitious, people-centric agenda to address global challenges and facilitate sustainable economic development.

Investments in infrastructure and productive capacity have a large multiplier impact on growth and employment. After the subdued period of the pandemic, private investments are growing again.

In Union Budget 2023, the government has announced new major policies to create world-class infrastructure in India:

- Capital investment outlay is being increased steeply for the third year in a

row by 33% to ₹10 lakh crore

- Direct capital investment by the centre is complemented by provisions made for creation of capital assets through Grants-in-Aid to states. The effective capital expenditure of the centre is budgeted at ₹13.7 lakh crore
- Capital outlay of ₹2.40 lakh crore has been provided for the railways

The government has adhered to its infrastructure-driven growth path and continued with capex spending. The capital expenditure of the central government, which increased by 63.4% in the first eight months of FY2023 was another growth driver of the Indian economy. Government has announced to establish National Bank for Financing Infrastructure and

Development (NaBFID), set up primarily as the principal Development Financial Institution (DFI) that will support the development of long-term infrastructure financing in India. This is a positive for the infrastructure sector.

The Indian economy reported satisfactory GDP growth in FY2022-23. Real GDP growth exhibited positive trend during the year, growing by 7.2% as per provisional CSO estimates. The domestic economy has increased in size from being the 10th to the 5th largest in the world and aspires to be the 3rd largest in the next few years.

The Company continues to have a strong order book, which at the end of FY2023 stood at ₹3,200 crore, as compared to ₹2,664 crore in FY2022. The Company has been awarded various new projects during the year, including under joint venture. However, challenges remain of liquidity pressure and execution risk due to slowdown in the economy. Fortunately, the Company's contracts are from the government, the safest customer that provides stability even in the most challenging times. Further, given the importance laid by the government to the infrastructure sector owing to it being a catalyst of growth, we expect the Company would also stand to benefit and we look forward to performance acceleration in FY2024 and beyond.

Performance Review

The Company performed well and increased revenue by 28.90% and profitability by 210.88% during FY2023. It demonstrated sound performance in the fourth quarter and it is expected to maintain the same growth in the ongoing year. With a strong order book, we are positive about the current financial year and hope it will be the best year for our Company after the economic slowdown and pandemic challenges.

Networth of the Company increased to ₹342.59 crore as on 31st March 2023, vs. ₹317.61 crore as on 31st March 2022. During the period, the Company infused capital

RPP INFRA CONTINUES TO HAVE A STRONG ORDER BOOK, WHICH AT THE END OF FY2023 STOOD AT ₹3,200 CRORE, AS COMPARED TO ₹2,664 CRORE IN FY2022. THE COMPANY EXPECTS TO SUSTAIN THE GROWTH MOMENTUM IN ITS ORDER BOOK, LINKED TO TIMELY AND QUALITY EXECUTION.

through the issue of 3 lakh equity share and 1.15 crore warrants at a price of ₹44.25 per share/warrant under preferential issue.

On standalone basis, the Company's total revenue increased to ₹1,005.25 crore in FY2023, against ₹779.82 crore in FY2022. Total cost increased to ₹988.62 crore in FY2023, vs. ₹779.82 crore in FY2022. EBITDA for the financial year in review stood at ₹61.20 crore, as against ₹36.14 crore in FY2022. Profit after tax for the year stood at ₹25.99 crore, vs. ₹8.36 crore in FY2022.

On consolidated basis, revenue stood at ₹1,040.33 crore in FY2023, against ₹801.68 crore in FY2022. Total consolidated expense stood at ₹1,024.00 crore in FY2023, vs. ₹804.78 crore in FY2022. Profit after tax for FY2023 stood at ₹28.96 crore, vs. ₹5.36 crore in FY2022.

The Company requires long-term resources to meet its additional working capital requirements. To meet out the same, the Company issued 1.15 crore warrants under preferential issue amounting to ₹50.88 crore, convertible within 18 months from the date of allotment.

The Board has discussed the situation prevalent in the economy vis-a-vis the Company's fund requirement and has decided to conserve resources to meet the requirement and maintain liquidity. Accordingly, the Board has decided against the recommendation of dividend for the financial year ending 31st March 2023.

The Company continues to have a diversified presence in highways, roads & bridges, and civil construction in water management, irrigation and power projects. It continues to be driven by its strategy of small and mid-sized government projects with short tenure, and its superior project execution skills provides strong revenue visibility. Further, quick turnaround remains a core principle of the Company.

Growth Orientation

The Company is positive about FY2024. GDP growth is expected to be around 6.3% during the year, as per estimates of the IMF and this forecast underscores India's emergence as a bright spot in the global economy despite high inflation and economic challenges.

The Company's total revenue in the first quarter of June 2023 was ₹238.57 crore, vs. ₹219.39 crore in the June 2022 quarter. We hope to continue to perform better every quarter and are committed to this ideal.

The Company is also hopeful that emphasis of the government in infrastructure development and its robust execution capability linked to a focus on government projects would yield better results in the coming time.

I would like to thank all our shareholders, customers, vendors and other stakeholders for the confidence and trust in the Company. I acknowledge and thank Board members and employees for their invaluable support.

Your confidence continues to motivate us to perform better every year.

Thank you.

P. Arulsundaram
Chairman & Managing Director



FINANCIAL UPDATE

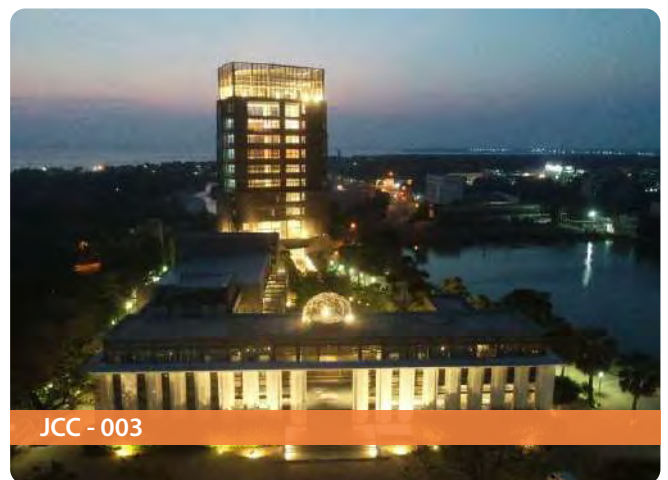
RPP achieved satisfactory operational and financial progress during the fiscal year 2022-23, contributing to the important area of infrastructure development that is vital for economic growth, public life and community sustainability.

Externally, the Company operated in an environment marked by significant global inflation. Russia's invasion of Ukraine fanned geopolitical tensions and global supply chain bottlenecks, exacerbating key commodity costs. In addition, elevated interest costs also remained a key factor during the year, as major central banks tightened their monetary policy in response to curbing inflation.

Within this environment, RPP accomplished a commendable financial performance in 2022-23, with prudent guidance of the Board and sound business management taking centerstage, thus meeting the expectations of stakeholders.

Key Performance Metrics (₹ cr)

Parameter	2022-23	2021-22	2020-21	2019-20	2018-19
Income from operations	1,005.25	779.82	477.90	575.69	580.69
Total income	1,027.37	794.01	489.10	585.31	589.39
EBIDTA	61.20	36.14	47.22	64.63	70.66
Interest	13.34	13.98	18.95	22.68	23.24
Depreciation	9.10	7.97	6.11	7.16	6.38
Tax	12.76	5.83	6.62	15.49	16.70
Net profit	25.99	8.36	15.53	19.30	24.35
Equity share capital	37.46	36.69	23.65	22.60	22.60
Networth	342.59	317.61	267.81	236.17	215.72
Gross fixed assets	122.94	116.68	94.94	96.99	89.92
Net fixed assets	69.23	61.54	46.99	51.83	51.74
Total assets	734.90	738.67	618.25	569.07	595.46
Book value per share (₹)	92.22	86.57	113.24	104.50	95.45
Turnover per share (₹)	268.36	212.56	202.07	254.72	256.94
Earnings per share (₹)	8.02	2.64	6.57	8.64	10.77
EBIDTA/Gross turnover (%)	0.06	0.05	0.10	0.11	0.12
ROCE (%)	0.12	0.08	0.14	0.22	0.26



BUSINESS COMMENTARY BY THE MANAGEMENT

66 RPP is gaining momentum and is poised for sustainable growth and value creation, with the Company being structurally well-placed to tap into the opportunity in infrastructure capex, especially with our fundamental parameters remaining strong and secure.

- A Nithya, Whole-Time Director

Over the last 36 months, the world has been hit by triple challenges - a global climate crisis, a pandemic that has pushed back economic growth, and an unprecedented inflation-driven elevation in food and energy costs, triggered by the Russia-Ukraine war. Rarely has there been a simultaneous convergence of so many global challenges.

So, as I ponder on the current environment, I think of the importance of infrastructure in public life. Infrastructure development has a direct correlation with economic recovery and pickup, and it is reassuring to observe the Indian government's thrust on infrastructure development, especially in rural areas.

Government schemes such as PM Gati Shakti, Smart Cities Mission, Make in India, PLI and Atal Mission for Rejuvenation and Urban Transformation (AMRUT) are some of the far-sighted programs of the government. In addition, the National Infrastructure Pipeline (NIP) is a first-of-its-kind government exercise to provide world-class infrastructure to citizens by aiming to improve project planning and investment. NIP opportunities exist in almost all the major construction segments, such as waste

& water (USD 170+ bn), roads and highways (USD 450+ bn), electricity generation (USD 286+ bn), etc.

Lack of robust infrastructure is often recognised as the primary growth constraint for a developing nation. The NIP and other development-focused schemes of the government are a step in the right direction.

RPP is leading the push to foster organisational transformation in order to

tackle future industry challenges. We are leveraging the strength of our decades of deep expertise, innovative practices, and sustainable thinking to build high-quality infrastructure assets and developments across our three verticals: Buildings, Infrastructure, and Water Management.

With 28+ years of expertise, robust execution track record of completing 200+

