

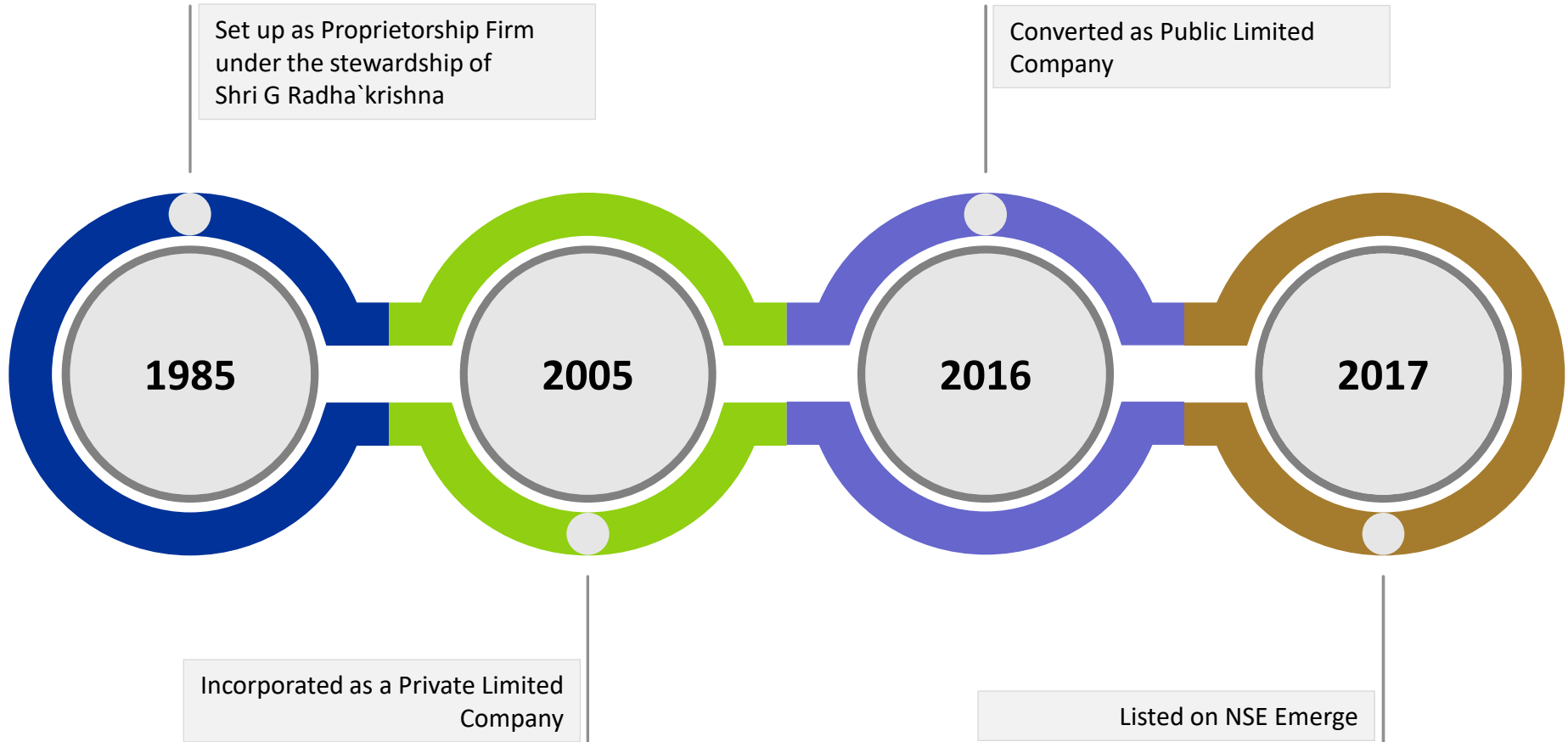


# INVESTOR PRESENTATION FOR RKEC PROJECTS LIMITED



<b>Company Name</b>	RKEC PROJECTS LIMITED	<b>Registered Office</b>	Visakhapatnam, Andhra Pradesh
<b>Stock</b>	Visakhapatnam, Andhra Pradesh	<b>Date of Incorporation</b>	April 01, 2005
<b>Exchange</b>	NSE - EMERGE	<b>Industry</b>	Infrastructure

- RKEC Projects Ltd is a Construction Company, over 33 years old, 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, Gujarat, Kerala, Maharashtra, Manipur, Odisha, Rajasthan, and Tamil Nadu.
- Company has completed 86 projects worth Rs. 1,780 Cr and currently working on 7 Projects amounting to Rs. 750 Cr and has order book of Rs. 1,000 Cr.
- RKEC Projects Ltd is ranked amongst the top ten companies for designing and executing Marine Works in the country. The Company has been executing onshore and infrastructure projects since 1985 and offshore works since 1994. The Company is “Super Special Class” registered contractors with Ministry of Defence which gives us unlimited tendering capability.
- Recently awarded with prestigious Farraka Bridge Project to be constructed across River Ganges, worth Rs. 521.20 Crores in West Bengal. This is in addition to three more projects awarded to the Company to be executed in Visakhapatnam, Andhra Pradesh.





Undoubtedly RKEC Projects Limited gets its core strength from the Founder Chairman and Managing Director Shri G Radhakrishna, whose integrity, astute, mature and professional leadership, intrinsic mental, moral and spiritual values, and spirit of entrepreneurship allows everyone in the company to go beyond their brief, and excel in every endeavor.

It is a matter of great pride that the Company has earned laurels and plaudits in every project undertaken since inception without exception.



Experienced In-house Design Team, Technical staff with experience of more than 20 years particularly in Marine Works.

Possess Marine Equipment of worth Rs. 30 Crore which is capable of executing major offshore piling works. Advantage of having own ancillary services cannot be understated.



One amongst very few contractors in the Country to possess Jack Up Barge of capacity 500 MT.

## Focus on enhancing the project execution capabilities

- The Company intend to continue focus in enhancing the project execution capabilities so as to derive benefits of client satisfaction by timely completion and improvement in the operating margins.
- Efficient project management and execution will also enable us to gain good reputation among our clients and earn repeated orders from them.

## Capturing the growth potential and government focus on Infrastructural sector

- Infrastructural growth in India has gained momentum with the reforms and benefits extended by the Government.
- The Government have taken various steps for the industrial and infrastructural growth of the country through increased allocation, facilitation of incremental lending to the Infrastructural Sector and discounted lending rates to Infrastructure Sectors.

## Attract and retain talented employees

- The Company constantly intend to continue their focus on improving health, safety and environment for their employees and provide various programs and benefits for the personal well-being and career development of their employees.
- The Company intend to strive to further reduce the employee attrition rate and retain more of their skilled workers for their future expansion by providing them with better, safer and healthier working environment.

## Diversify into new geographies

- The Company plan to continue their strategy of diversifying across states and increase orders from outside of Andhra Pradesh for the growth of their business.
- To control diversification risks, they may limit their expansion to other states to undertaking projects first in the areas they can deliver high-quality services.
- Through an increasingly diversified portfolio, company hope to hedge against risks in specific areas or projects and protect them from fluctuations resulting from business concentration in limited geographical areas.

## Timely Completion of Projects

- Timely completion of the project as per the schedule and terms of the contract is of utmost for them. It is very critical for the growth of the Organization.
- The Company have a good track record for timely completion minimum cost overruns.
- Timely completion of projects also helps the organization in reducing the possibilities of any penalty or liquidated damage being imposed upon by the customers.

## Experienced Management and Promoter

- The Company's management have the relevant experience of construction technology and project management.
- The team also possesses the requisite qualifications and experience in the construction industry.
- The team is responsible for the growth in their business operations.

## Own fleet of Construction Equipments

- The Company have developed own fleet of construction equipment for earth work piling bridges.
- The Company's investment in the construction equipment has helped in mobilizing the man, material and equipment to the project sites as and when the need arises.

## Long term Relationship with the Clients

- The Company focuses on providing the customers with the desired and standard quality of work.
- By providing desired quality and standards, we aim to achieve highest level of Customer Satisfaction and procure repeated orders from customers.
- Because of our good reputation, we have been able to attain orders from a diverse range of client base including Defense Sector, Railways, Ports, NHAI, IVRCL Limited, Rashtriya Ispat Nigam Limited.



**MARINE WORK**



**BRIDGE CONSTRUCTION WORK**



**ROAD & BUILDING**



**ELECTRIFICATION**

## Few Recent Completed Projects



<b>Name Of The Project</b>	<b>Construction of Multi-User Liquid Terminal at Puthuvypeen, Cochin Port</b>
<b>Client</b>	<b>Cochin Port Trust, Cochin</b>
<b>Project Location</b>	<b>Kochi</b>
<b>Project Value</b>	<b>21200 Lakhs</b>
<b>Period of Completion</b>	<b>24 Months</b>
<b>Year of Completion</b>	<b>2018</b>



<b>Name Of The Project</b>	<b>Construction of 4th multipurpose berth at Hazira</b>
<b>Client</b>	<b>Adani Port Pvt Ltd, Hazira</b>
<b>Project Location</b>	<b>Hazira</b>
<b>Project Value</b>	<b>3,652 Lakhs</b>
<b>Period of Completion</b>	<b>14 Months</b>
<b>Year of Completion</b>	<b>2016</b>



<b>Name Of The Project</b>	<b>Construction of Second Liquid Chemical/POL Berth Off Pir Pau, Mumbai</b>
<b>Client</b>	<b>Mumbai Port Trust, Mumbai</b>
<b>Project Location</b>	<b>Mumbai Port</b>
<b>Project Value</b>	<b>12,920 Lakhs</b>
<b>Period of Completion</b>	<b>36 Months</b>
<b>Year of Completion</b>	<b>2016</b>





<b>Name Of The Project</b>	<b>Re - Construction of Uran Patch Beacon, Elephanta Patch Beacon and construction of Pir Pau Beacon in Mumbai Harbour.</b>
<b>Client</b>	<b>Mumbai Port Trust, Mumbai</b>
<b>Project Location</b>	<b>Mumbai Port</b>
<b>Project Value</b>	<b>635 Lakhs</b>
<b>Period of Completion</b>	<b>11 Months</b>
<b>Year of Completion</b>	<b>2016</b>



<b>Name Of The Project</b>	<b>Construction of Mooring Dolphins at Liquid Cargo Jetty at JNPort</b>
<b>Client</b>	<b>Jawaharlal Nehru Port Trust, Mumbai</b>
<b>Project Location</b>	<b>JN Port</b>
<b>Project Value</b>	<b>911 Lakhs</b>
<b>Period of Completion</b>	<b>8 Months</b>
<b>Year of Completion</b>	<b>2015</b>



<b>Name Of The Project</b>	<b>Gandhar-Hazira Transmission Project-Narmada river Crossing Piling &amp; Civil Works</b>
<b>Client</b>	<b>Essar Projects (India) Limited, Jamnagar</b>
<b>Project Location</b>	<b>Middle of river Narmada Island</b>
<b>Project Value</b>	<b>3,450 Lakhs</b>
<b>Period of Completion</b>	<b>6 Months</b>
<b>Year of Completion</b>	<b>2012</b>

## Few Recent Completed Projects



<b>Name Of The Project</b>	<b>Provn of OTM ACCN No 1 at Leimakhong</b>
<b>Client</b>	<b>MES, Shillong</b>
<b>Project Location</b>	<b>Leimakhong</b>
<b>Project Value</b>	<b>1973 Lakhs</b>
<b>Stipulated Period of Completion</b>	<b>24 Months</b>



<b>Name Of The Project</b>	<b>Setting up of overhauling facilities for M-36 GTs INS EKSILA, Visakhapatnam</b>
<b>Client</b>	<b>DGNP, Visakhapatnam</b>
<b>Project Location</b>	<b>Visakhapatnam</b>
<b>Project Value</b>	<b>1,061 Lakhs</b>
<b>Period of Completion</b>	<b>31 Months</b>
<b>Year of Completion</b>	<b>2015</b>



<b>Name Of The Project</b>	<b>Provision of Additional Storage House at SBC (V)</b>
<b>Client</b>	<b>DGNP, Visakhapatnam</b>
<b>Project Location</b>	<b>Visakhapatnam</b>
<b>Project Value</b>	<b>680 Lakhs</b>
<b>Period of Completion</b>	<b>12 Months</b>
<b>Year of Completion</b>	<b>2011</b>



<b>Name Of The Project</b>	<b>Construction of Road Over Bridge AT LC-43A at Km.38/175 of NH45A in Puducherry</b>
<b>Client</b>	<b>PWD, Puducherry</b>
<b>Project Location</b>	<b>Puducherry</b>
<b>Project Value</b>	<b>3496 Lakhs</b>
<b>Stipulated Period of Completion</b>	<b>30 Months</b>



<b>Name Of The Project</b>	<b>Construction of Major Bridge No.63 (Open web girder) &amp; No. 66 (PSC slab) with pile foundation &amp; RCC substructure, Earthwork, Blanketing, Mechanical compaction etc. in approaches and other allied works in connection with Doubling of Delang-Puri Section of KUR Division in between Km.482.40 to Km. 499.180</b>
<b>Client</b>	<b>East Coast Railway, Bhubaneswar-23</b>
<b>Project Location</b>	<b>Orissa</b>
<b>Project Value</b>	<b>1,432 Lakhs</b>
<b>Period of Completion</b>	<b>19 Months</b>
<b>Year of Completion</b>	<b>2015</b>



## Strengths

- High quality cost effective projects delivery Capabilities
- Good track record on completion of project.
- Long Experience of Promoter in the construction sector.
- Supporting motivated, flexible, and focused team
- Own fleet of requisite construction equipments.

## Weakness

- Uncertainty and slow pace of reforms.
- Macroeconomic challengers which constrain public and private funding.

## Opportunities

- Increasing Government focus on increasing reforms in the infrastructural and industrial sector.
- Expansion of key industry sector like power, steel, petrochemicals, telecom and others.
- Infrastructural development in the Country

## Threats

- Economical and Political scenario in the country.
- Any environmental issues in the execution of the projects



**Mr. Radhakrishna Garapati is the  
Chairman and Managing Director**

- He holds degree of Bachelor of Engineering (Mechanical) from Andhra University.
- He has over 3 decades of experience and specialization in civil and Mechanical construction works.
- Prior to the formation of their Company, he was carrying on the business of civil construction as a sole proprietor under the name of M/s R. K. Engineers and The Contractors, which was taken over by their company in the year 2006.
- He is instrumental in taking major policy decision of the Company.
- He Plays vital role in identifying, developing and formulating business strategies effectively

## Construction Industry

- Construction activity creates physical assets in a number of sectors of the economy. Construction sector has two key segments: (i) Buildings, falling into one of the following categories: residential, commercial, institutional and industrial; and (ii) Infrastructure such as road, rail, dams, canals, airports, power systems, telecommunication systems, urban infrastructure including water supply, sewerage, and drainage and rural infrastructure. Assets once created also need to be maintained. Many upstream economic activities depend upon the construction sector. It is roughly estimated that 40–45 per cent of steel; 85 per cent of paint; 65–70 per cent of glass and significant portions of the output from automotive, mining and excavation equipment industries are used in the construction industry.
- Construction accounts for nearly 60–80 per cent of the of project cost of roads and housing and a significant portion in case of other infrastructure sectors. Construction materials such as cement and steel, bricks and tiles, sands and aggregates, fixtures and fittings, paints and chemicals, petrol and other petro-products, timber, minerals, aluminum, glass and plastics account for nearly two-third of the construction costs. The forward and backward multiplier impact of the construction industry is significant.

Particulars	Amount In (Rs. Cr) As At				
	30-9-2018	31-3-2018	31-3-2017	31-3-2016	31-3-2015
Total Income	98.18	240.77	200.12	113.45	71.76
Total Expenses	80.65	199.17	168.73	99.36	61.24
<b>EBITDA</b>	<b>17.53</b>	<b>41.60</b>	<b>31.39</b>	<b>14.09</b>	<b>10.52</b>
<b>EBITDA Margin %</b>	<b>17.85</b>	<b>17.28</b>	<b>15.69</b>	<b>12.42</b>	<b>14.60</b>
Depreciation	1.70	3.09	2.74	2.61	3.64
<b>EBIT</b>	<b>15.83</b>	<b>38.51</b>	<b>28.65</b>	<b>11.48</b>	<b>6.88</b>
<b>EBIT Margin %</b>	<b>16.12</b>	<b>15.99</b>	<b>14.32</b>	<b>10.12</b>	<b>9.59</b>
Finance Cost	2.45	3.85	8.40	5.32	3.44
<b>PBT</b>	<b>13.38</b>	<b>34.66</b>	<b>20.25</b>	<b>6.16</b>	<b>3.44</b>
<b>PBT Margin %</b>	<b>13.62</b>	<b>14.39</b>	<b>10.12</b>	<b>5.43</b>	<b>4.79</b>
Tax Expense	4.40	14.30	7.32	2.81	1.20
<b>PAT</b>	<b>8.98</b>	<b>20.36</b>	<b>12.93</b>	<b>3.35</b>	<b>2.24</b>
<b>PAT Margin %</b>	<b>9.14</b>	<b>8.45</b>	<b>6.46</b>	<b>2.95</b>	<b>3.12</b>

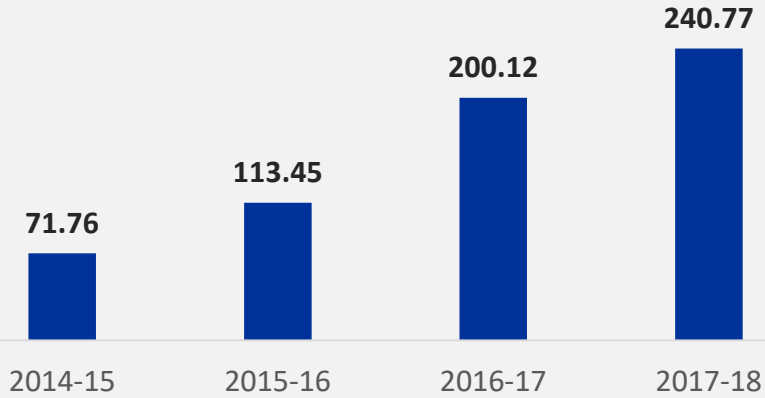


Particulars	Amount In (Rs. Cr) As At				
	30-9-2018	31-3-2018	31-3-2017	31-3-2016	31-3-2015
<b>LIABILITIES</b>					
Share Capital	23.99	23.99	19.31	9.66	9.66
Reserves & Surplus	56.82	50.74	16.90	21.41	18.07
Net worth	80.81	74.73	36.22	31.07	27.72
Share Application Money Pending Allotment					
Non Current Liabilities	1.09	1.20	0.42	-	-
- Long Term Borrowings	-	-	-	-	-
- Deferred Tax Liabilities (Net)	-	-	-	-	-
- Long Term Provision	0.07	0.16	0.34	-	0.31
Current Liabilities	116.42	74.25	76.28	86.49	33.51
<b>Total Liabilities</b>	<b>198.39</b>	<b>150.34</b>	<b>113.25</b>	<b>117.56</b>	<b>61.55</b>
<b>ASSETS</b>					
Non Current Assets					
- Fixed Assets	13.37	14.25	10.81	17.21	19.21
- Non Current Investments	-	-	-	-	-
- Long Term Loans and Advances	1.02	0.88	0.80	0.20	0.36
- Deferred tax assets (Net)					
Current Assets	184.00	135.21	101.64	100.15	41.98
<b>Total Assets</b>	<b>198.39</b>	<b>150.34</b>	<b>113.25</b>	<b>117.56</b>	<b>61.55</b>

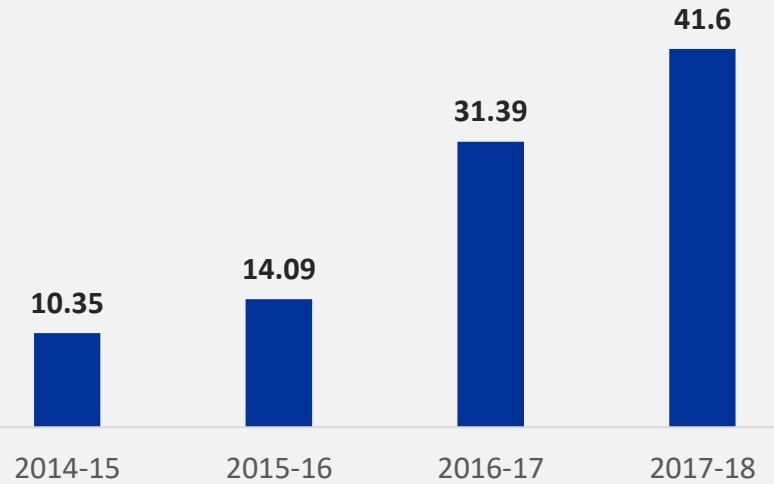
Particulars	For Year Ended 31st March				
	6M FY 19*	2018	2017	2016	2015
ROE %	11.10	27.24	35.69	10.76	8.08
ROCE %	12.34	43.48	72.51	36.92	18.47
18Current Ratio	1.58	1.82	1.33	1.16	1.25
NAV Per Share Rs.	33.69	31.15	18.75	32.18	28.72
EPS Rs.	3.74	9.40	6.69	3.46	2.33

\* Figures are not Annualized

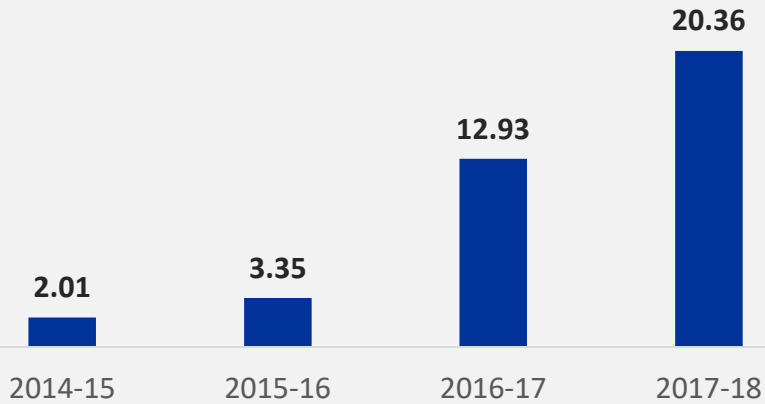
### Revenue (Rs. in Cr.)



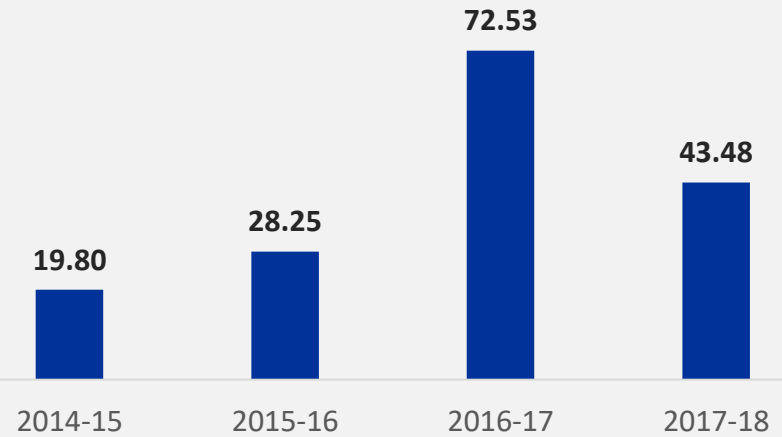
### EBITDA (Rs. in Cr.)

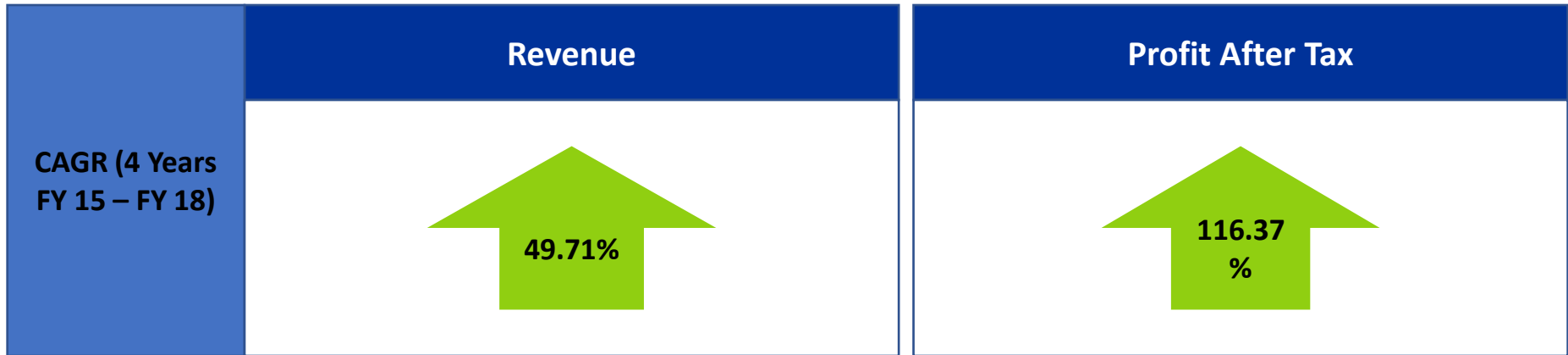


### PAT (Rs. in Cr.)



### ROCE %





Robust Order Book

Strong Clientele

Strong Geographical Presence

“Super Special Class”  
Registered Contractor With  
Ministry Of Defence

Healthy Financial  
Performance And Robust  
Growth

No Long Term Debt In  
Company

Strong Track Recorded Of  
Timely Project Completion

Strong And Experienced  
Management Team

Credit Rating Has Been  
Upgraded From BBB (Minus)  
Stable To BBB (Stable)

One amongst very few  
contractors in the Country to  
possess Jack Up Barge of  
capacity 500 MT

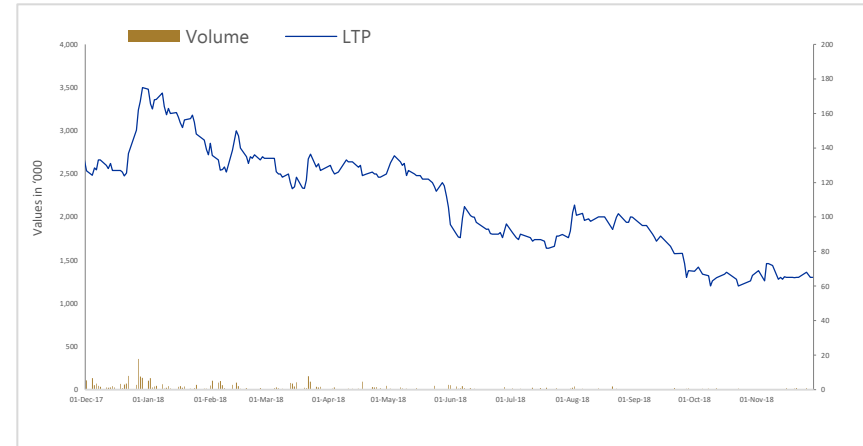


Engineering your dreams with us

(Source : NSE EMERGE)

Stock Price	INR 60.10
Market Cap	INR 144.18 Cr
52 Week High/Low	INR 182.90 / 60.00
Shares Outstanding	2,39,90,600
PE Multiple FY 18	6.39
PE Multiple (On Annualized EPS FY 19)	8.03

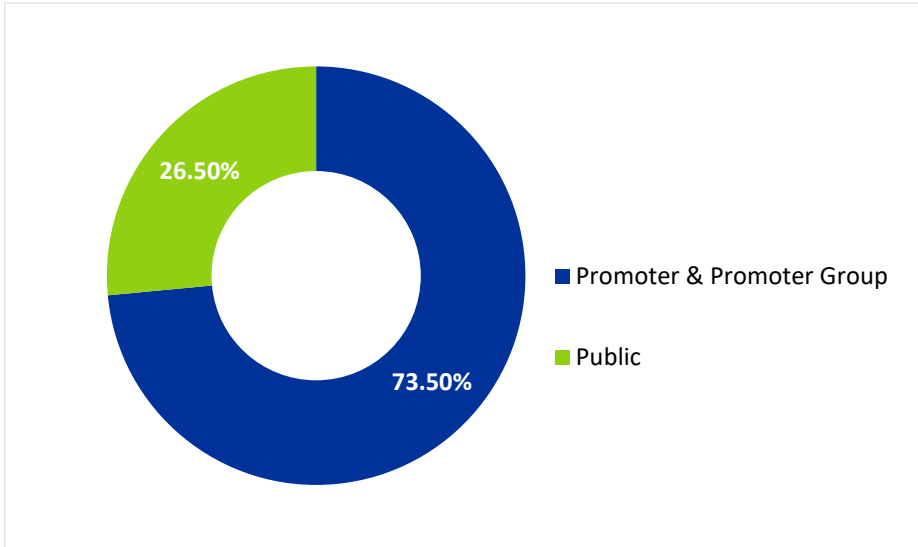
(as on 24th December, 2018)



(As on November 30, 2018)



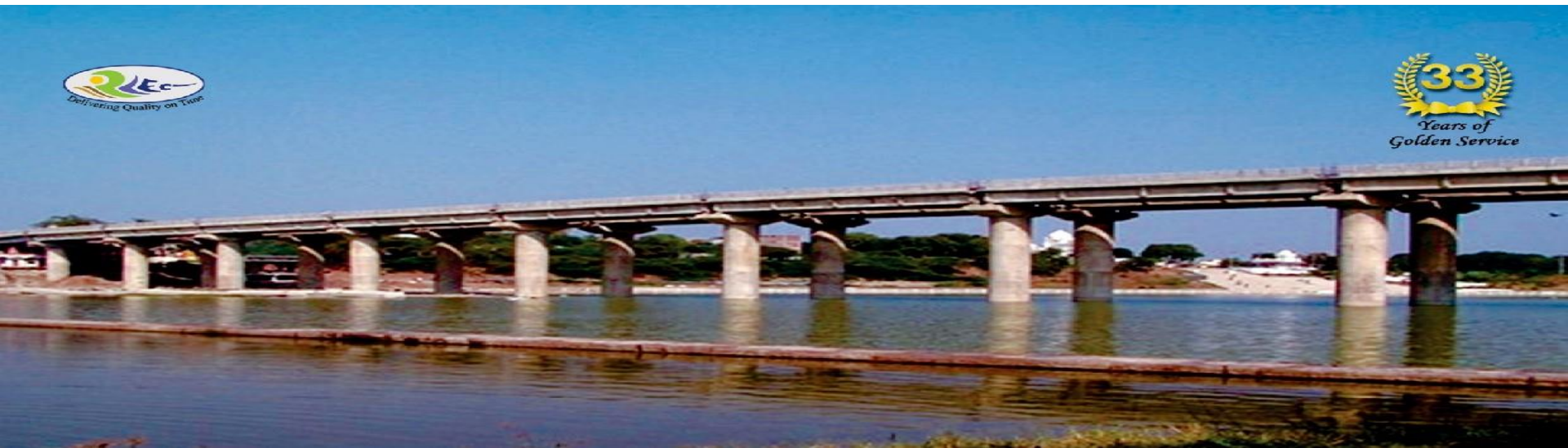
(Source : NSE EMERGE)



(As on September 30, 2018)

TOP PUBLIC SHARE HOLDERS	No of Shares
Vijay Mohan Karnani	2,01,000
Jitendra H punjabi	1,35,000
Sanjay Popatlal Jain	1,18,000
Rita Chhawchharia	1,11,000
Hridaan Chopraa	1,03,000

(As on December 31, 2018)



### Disclaimer:

- *This document is provided for assistance only and not intended to be taken alone for the basis for an investment decision.*
- Our presentation/proposal may include predictions, estimates, management opinions or other information that might be considered forward-looking. These forward-looking statements represent our current judgment on the future, they are subject to risks and uncertainties that could cause actual results to differ materially. Such forward-looking statements are subject to risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements.
- Hem Securities Limited and The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

**Thank You**



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