



# Ramky Infrastructure Limited

## Company Presentation

November 2013

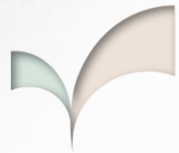
# Agenda



Corporate profile



Strengths and growth strategy



Financial overview



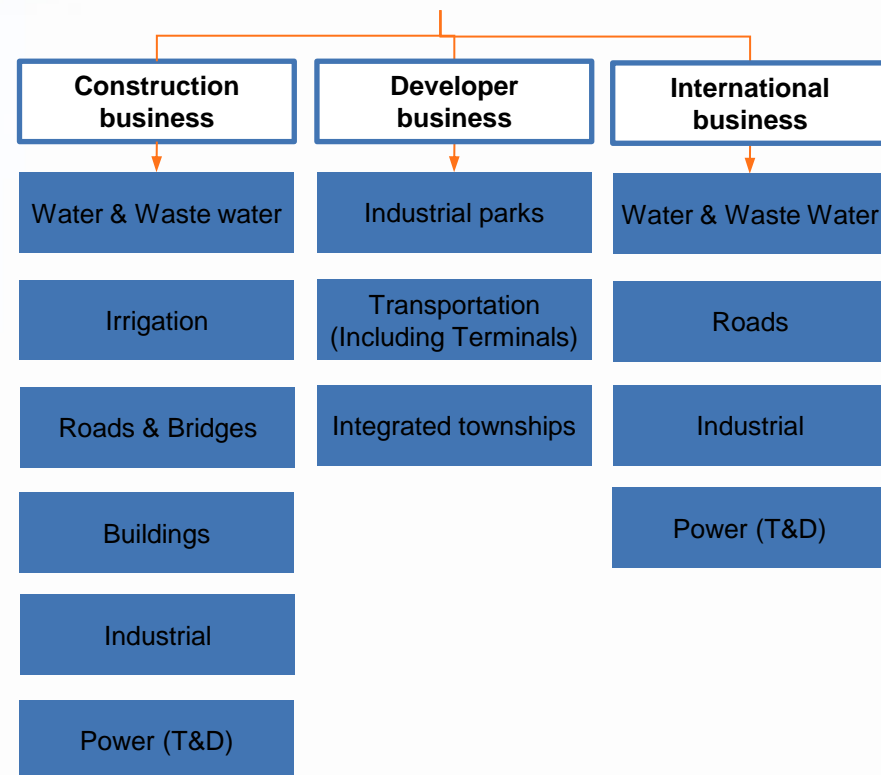
# The Corporate Profile

## Ramky snapshot

- Ramky Infrastructure Limited (“Ramky” or the “Company”), is an integrated construction and infrastructure development and management company with a multinational presence
- Ramky operates in three principal business modes:
  - Construction business
  - Developer business which is operated through 20 Subsidiaries and 2 Associates
  - International business which is operated through 100% wholly owned subsidiary
- Ramky is promoted by first generation promoters, Alla Ayodhya Rami Reddy and Y. R. Nagaraja, and managed by professional board and experienced professionals team.
- Track record of robust growth attained by a diversified portfolio of projects:

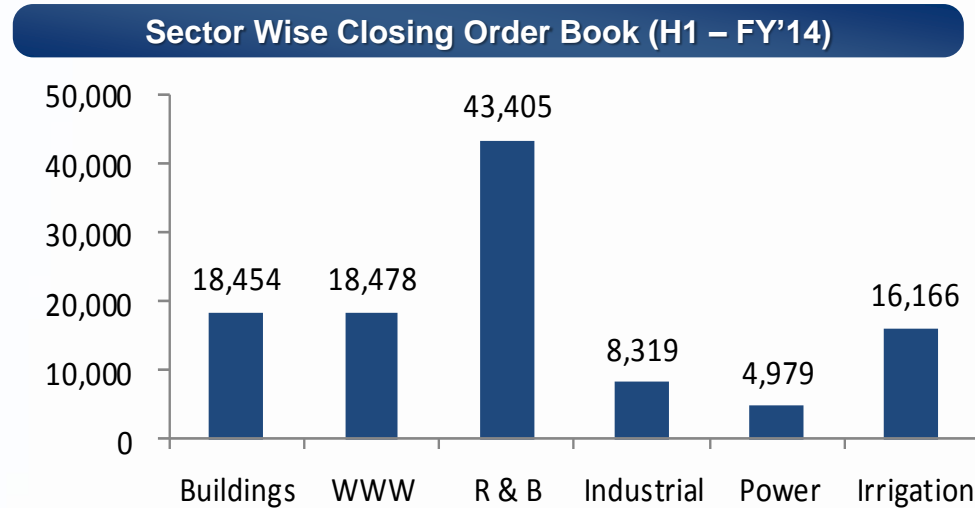
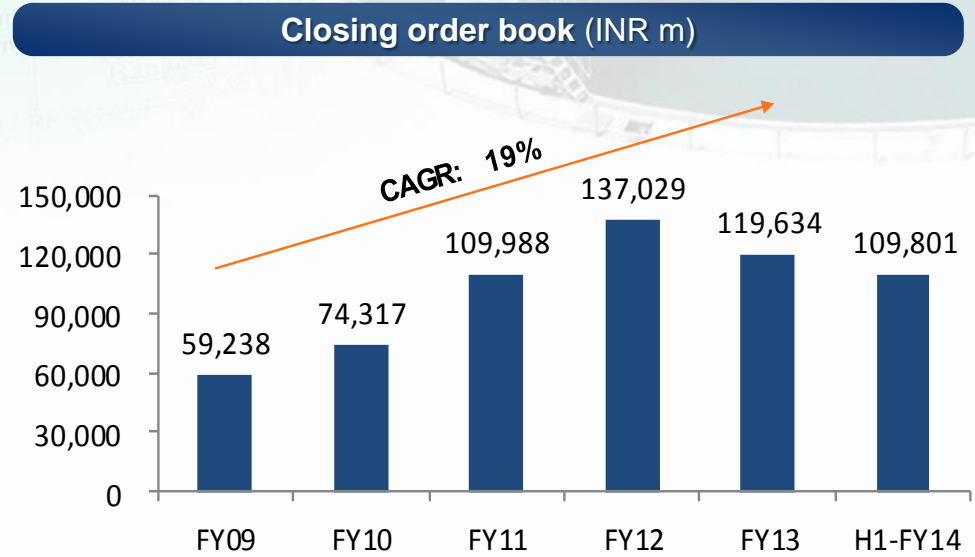
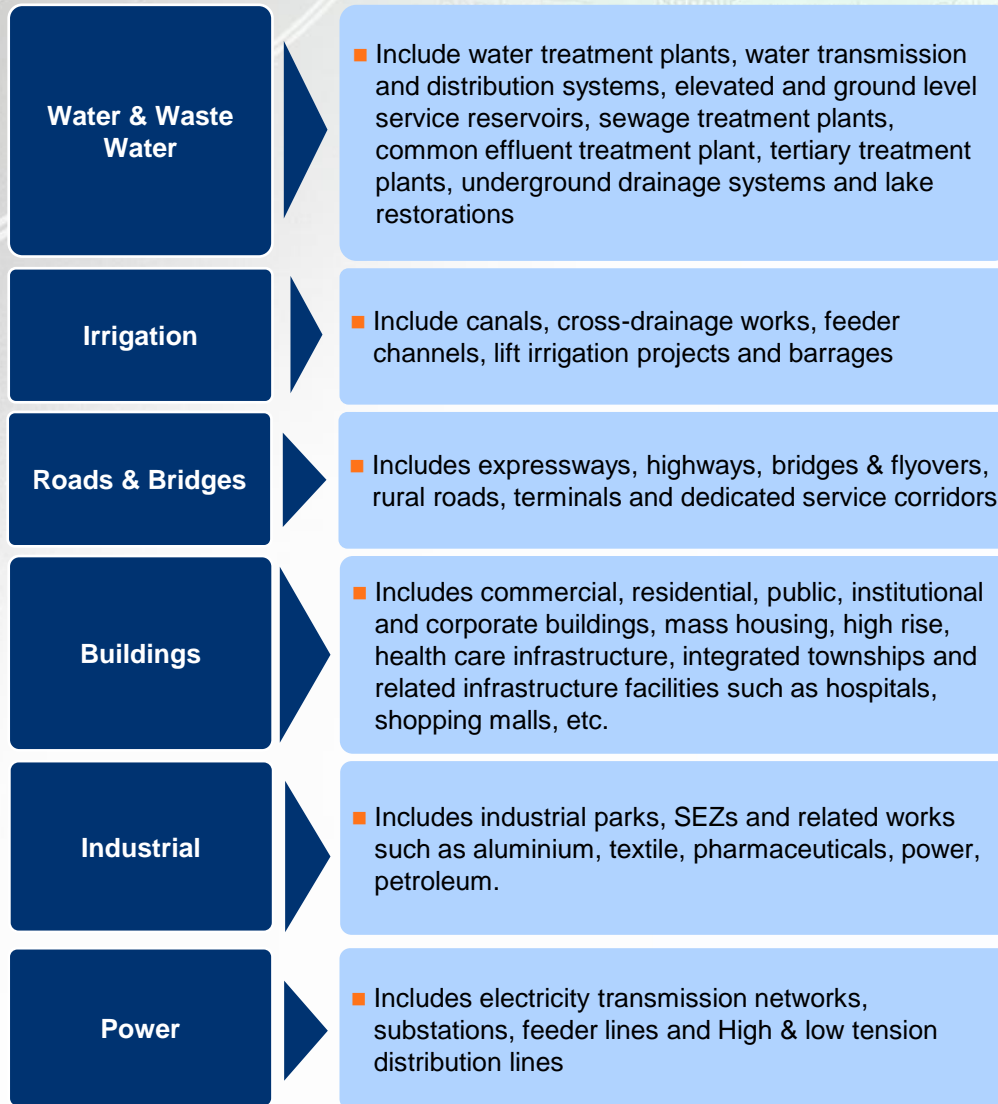
(INRm)	FY 2009	FY 2012	FY 2013	CAGR*	H1 – FY 2014
Closing Order Book	59238	137029	119634	19%	109801
Revenue	14304	30943	30386	21%	10311
EBITDA	1462	3602	3026	20%	(633)
Net income	645	1437	599	-	(1153)

Note: Above mentioned financials are for Ramky standalone  
 \* CAGR between 2009 March 31<sup>st</sup> - 2013 Mar 31<sup>st</sup>



A Proven track record across construction and developer business

# The Construction Business Profile

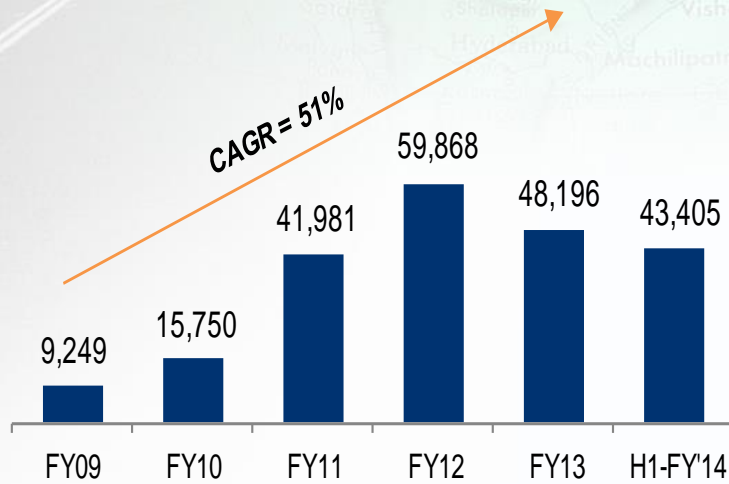


Revenue visibility is driven by a robust order book growth in the construction business

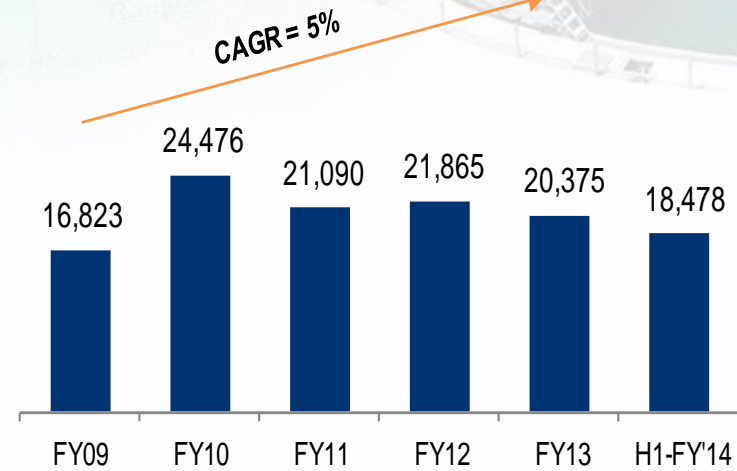
# Detailed Construction Business Profile (continued)

## Closing Order Book

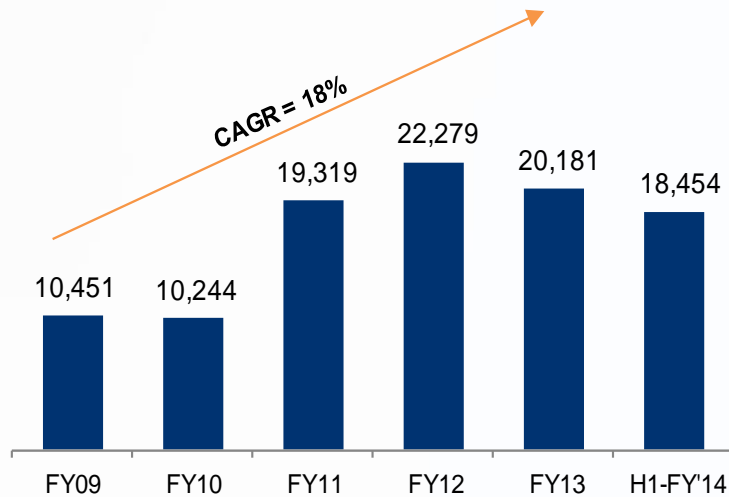
Roads & Bridges



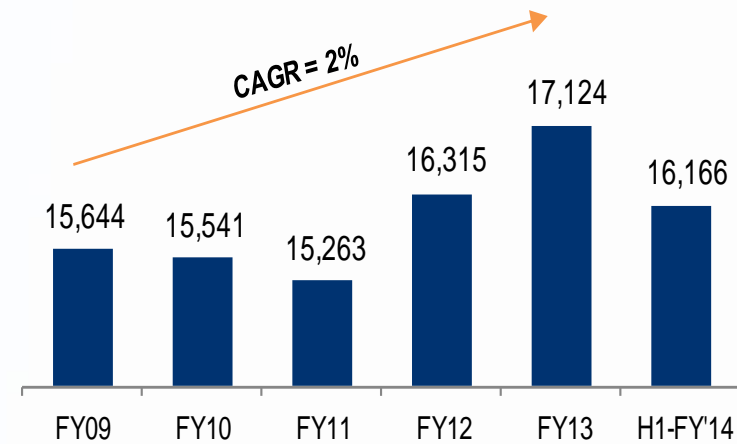
Water & Waste Water



Buildings



Irrigation



# Developer Business Profile

Name of subsidiary (Ramky's interest)	Project cost / estimated project cost in INR m	Toll / Annuity	Life (Years) excluding Construction Period	% Completion	Description
Ramky Elsamex Hyderabad Ring Road Limited (74%)	3,994	Annuity	15	Completed	<ul style="list-style-type: none"> <li>Operate and maintain a 12.63km eight lane expressway as Outer Ring Road to Hyderabad City in the state of Andhra Pradesh on BOT basis</li> </ul>
Gwalior Bypass Project Limited (51%)	3,321	Annuity	20	Completed	<ul style="list-style-type: none"> <li>Design, construction, development, finance, operation and maintenance of work of construction of New Four lane Gwalior Bypass of the length 42.033 Km from Km 103.00 of NH-3 to Km 16.00 on NH-75 in the state of Madhya Pradesh on BOT (Annuity) Basis</li> </ul>
NAM Expressway Limited (50%)	17,605	Toll	24	91.62%	<ul style="list-style-type: none"> <li>Developing the 212.50km Narketpalli-Addanki-Medarametla in Andhra Pradesh on build operate and transfer (BOT ) basis</li> </ul>
Jorbat Shilong Expressway Limited (50%)	8,240	Annuity	20	78.88%	<ul style="list-style-type: none"> <li>Design, engineering , construction, operation and maintenance of the 61.85km 4 lane road in Jorbat-Shillong</li> </ul>
Srinagar Banihal Expressway Ltd. (74%)	16,000	Annuity	20	30.48%	<ul style="list-style-type: none"> <li>Rehabilitation, strengthening and converting to 4 lanes of the 67.76km section of NH-1A from Srinagar to Banihal in Jammu and Kashmir</li> </ul>
Sehore Kosmi Tollways Limited (100%)	962	Toll+Annuity	15	81.73%	<ul style="list-style-type: none"> <li>Strengthening, widening , maintaining and operating of Sehore-Icchapur-Koshmi Road on BOT (Toll + Annuity)</li> </ul>
Hospet Chitradurga Tollways Limited (100%)	11,028	Toll	30	1.39%	<ul style="list-style-type: none"> <li>Four laning of Hospet - Chitradurga section NH 13 from Km 290.000 to Km 418.600 (Approx 120.03 Km) in state of Karnataka on Design, Build, Finance, Operate and Transfer (DBFOT) basis on Toll</li> </ul>
Agra Etawah Tollways Limited (100%)	16,845	Toll	30	1.67%	<ul style="list-style-type: none"> <li>Six laning of Agra- Etawah bypass section of NH 2 from Km 199.660 to Km 323.525 under NHDP Phase -V in the state of Uttar Pradesh on Design, Build, Finance, Operate and Transfer (DBFOT) basis on Toll</li> </ul>
MDDA Ramky IS Bus Terminal Limited (100%)	131 (Phase 1) 319 (Phase 2)	-	-	Completed	<ul style="list-style-type: none"> <li>Operate the bus terminal to be built for the first time on a BOT basis in India</li> <li>Revenue earned from terminal fees, shop rental, advertising, and accommodation charges</li> </ul>

## Transportation "Challenging terrain"

## Transport Terminal



# Developer Business Profile (Contd...)

Name of subsidiary (Ramky's interest)	Project cost / estimated project cost in INR m	Completion date / Scheduled completion date	Description
<b>Industrial Parks</b> <i>"Focus on polluting industries"</i>	Ramky Pharma City (India) Limited (51%)	5,205	Completed ■ Project under operational stage.
	Ramky Multi Product industrial Park, Chottupal (100%)	6,830	2016 ■ Acquisition of land is in progress 1064 acres acquired already and the remaining is in progress
	Other Industrial Parks	4471	Oct-14 ■ Industrial Parks are awarded in Maharashtra, Chhattisgarh & Karnataka
<b>Integrated Townships</b> <i>"Walk to work"</i>	Ramky Towers Limited (51%)	4,000	Sept-13 ■ Developing an integrated residential and commercial project on 17.10 acres in Gachibowli, Hyderabad (1,478,470 sq. ft. saleable area)
	Ramky Enclave Limited (89.01%)	2,164	Jun-15 ■ Developing an integrated housing and commercial project on 32.69 acres of land (946,210 sq. ft. saleable area)
	Ramky Integrated Township Limited (29.19%)	52,000	72 months from satisfaction of conditions precedents (10 Years Time Frame) ■ Developing an integrated township on 574.60 acres in Ranga Reddy District, Andhra Pradesh (estimated 22.26 m sq. ft. saleable area)

Niche area of expertise remains Industrial Parks whilst Roads are expected to drive growth

# Equity & Net Worth Details of Key Subsidiaries

S. No.	Company	Equity Committed	Equity Invested	Net Worth
1	N.A.M Express way Limited	1167.55	1167.55	3546.15
2	Ramky Engineering and Consulting Services (FZC)	112.10	112.10	1499.24
3	Ramky Pharmacy (India) Ltd	91.80	91.80	1373.22
4	Gwalior Bypass Project Ltd	1.10	1.10	1183.63
5	Ramky Elsamex Hyderabad Ring Road Ltd	398.00	398.00	819.66
6	Srinagar Banihal Expressway Ltd.	1184.00	615.90	871.00
7	Ramky Multiproduct Industrial Park Ltd.	600.00	600.00	600.08
8	Jorabat Shillong Expressway Limited	420.00	310.00	684.22
9	Ramky Towers Ltd	1.80	1.80	464.80
10	Ramky Enclave Ltd	195.40	195.40	194.60
11	Sehore Kosmi Tollways Limited	220.00	145.70	198.02
12	Hospet Chatradurga Tollways Limited	2728.10	1099.42	1678.42
13	MDDA Ramky IS Bus Terminal Ltd	150.00	142.60	116.66
14	Frank Lloyd Tech Management Services	200.00	55.80	101.62
15	Ramky MIDC Agro Processing Park Ltd.	103.70	65.90	65.61
16	Naya Raipur Gems & Jewellery SEZ Ltd	143.00	33.10	324.19
17	Ramky Herbal & Medicinal Park (Chattisgarh) Ltd	257.40	14.40	14.23
18	Ramky Food Park (Chattisgarh) Ltd	222.90	12.10	12.18
19	JNPC Pharma Innovation Limited	1.50	1.50	1.50
20	Ramky Food park (karnatka) Ltd.	94.10	0.55	0.48
21	Ramky Esco Limited	0.00	0.50	0.45
22	Jabalpur Patan Shahpura Toll ways Ltd	0.00	0.50	0.43
23	Agra Etawah Tollways Limited	4595.00	0.50	-0.61

All value are in Millions of INR and as of 3th Sept.'13



## Industrial Parks

- Focus remains on industrial parks for polluting industries
- Ramky specialises in providing state-of-the-art civil infrastructure and industry specific waste handling facilities

### Case study: Ramky Pharma City

- Ramky Pharma City is an integrated industrial park spread over 2,143 acres in Parwada, Andhra Pradesh
- Initial area: 2,143 acres
  - SEZ: 611 acres (431 acres saleable)
  - Non-SEZ: 1,532 acres (999 acres saleable)
- Fully developed and operational with 1,138 acres sold
- Waste handling facilities include, ETP, CETP, MEE, WTP, outfall, incineration and landfill
- Civil infrastructure like training facilities, convention facilities, labs, administrative facilities, roads, security, banking facilities and catering facilities present on site

### Clients

Smilax Laboratories Ltd.	Glochem Industries Ltd	Vasudha Pharma Chem.
Stilbene BioPharma	Minerva Flavours & Fragrances	Aurobindo Pharma
Emmennar Bitotech	Pharma zell Pvt Ltd	Hospira Healthcare India Pvt. Ltd.
Wyjayanthi Drugs	EISAI Pharma Tech & Manufacturing Product Ltd	Alkali Metals Ltd.
Glandpharma	Matrix (SEZ)	SNF India

## Roads

- Focus remains on roads with technically challenging projects in difficult terrain
- Revenue certain mode:
  - Annuity projects preferred
  - Alternatively, conservative toll assumptions
- Earned bonus for early completion

### Case study: Hyderabad Ring Road

- Design, construction, operation and maintenance of 8 lane expressway under phase IIA of outer ring road project in Hyderabad
- Stretching over a length of 12.63 km between Tukkaguda and Shamshabad was completed by November 2009, 6 months ahead of scheduled completion
- Revenue model:
  - Fixed semi-annuities on a BOT basis
  - Semi-annuities of INR315.0m for a period of 12.5 years
- Execution efficiency demonstrated by:
  - Control over aggregates through rights on quarries
  - Control over pilferage and logistics through global fencing technology on vehicles
  - Control over core actively by investing in bitumen mixers and layers
  - Subcontracting non-core activities through productivity oriented contracts

Synergistic business model between core construction activities and development business

# Agenda



Corporate profile



Strengths and growth strategy



Financial overview

# Key Business Strengths



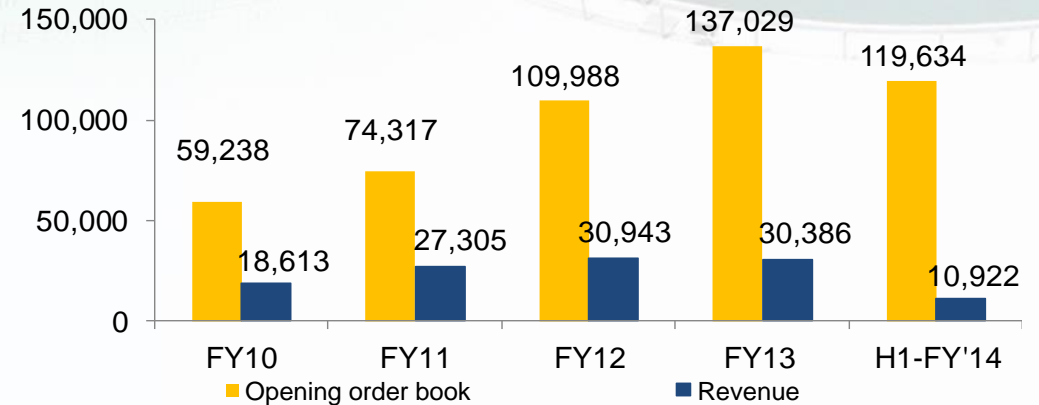


# 1 Execution Efficiency

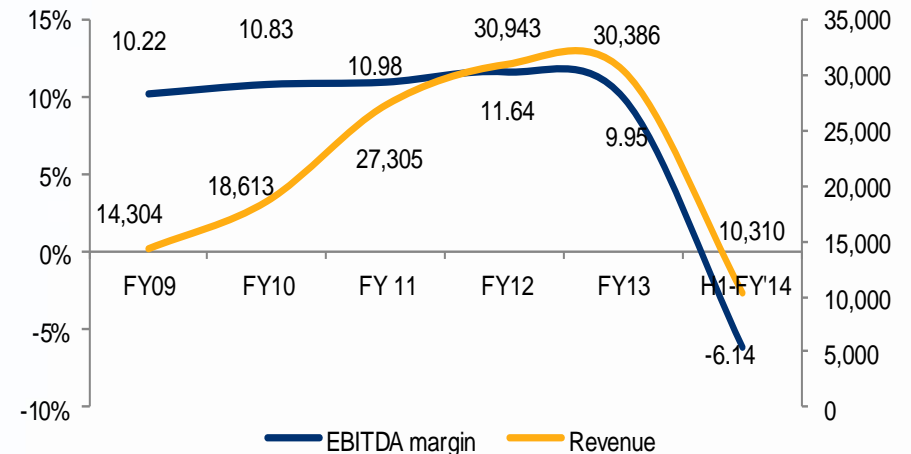
- Two reasons mainly contributed to increase in margins
  - Economies of scale
  - Well established processes for execution

Man power	Machinery
<ul style="list-style-type: none"> <li>1,615 Full-time employees of which 46% are engineers (as of 30<sup>th</sup> Sept 2013)</li> <li>Executing effective planning and tie-ups with institutes</li> <li>Hire only supervisory level and above</li> <li>Subcontract low end activity</li> </ul>	<ul style="list-style-type: none"> <li>Maintain a lean asset size</li> <li>Procure only core and scarce equipment</li> <li>Prefer hiring non-core equipment machinery</li> </ul>
Materials	Money
<ul style="list-style-type: none"> <li>Index pegged pass through contracts</li> <li>Create pre-bid tie ups for key commodities</li> <li>Build long term vendor relationships for effective procurement</li> </ul>	<ul style="list-style-type: none"> <li>Continued access to debt</li> <li>Limited dilution of stock and improved access to capital markets</li> <li>Capital to support future growth</li> </ul>

## Execution keeping pace with order book (INR m)



## Operational efficiency maintained with increase in scale of operations

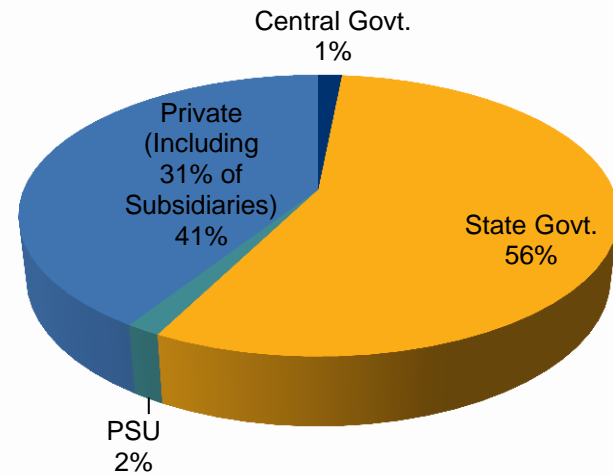
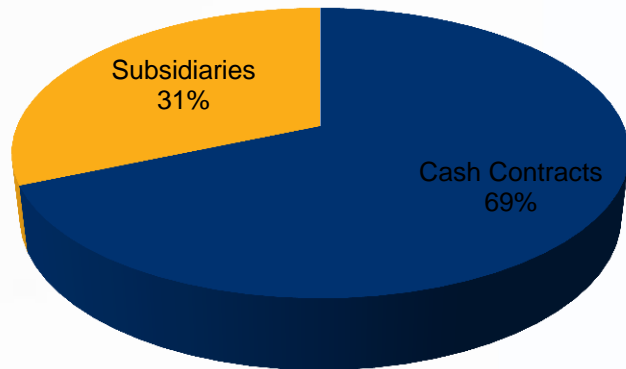
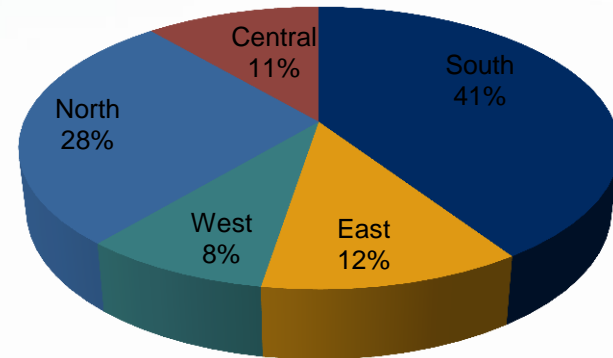
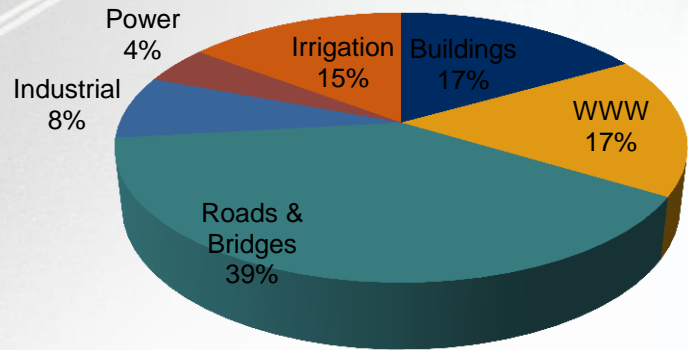


Note: Ramky standalone financials

Superior in-house design capabilities remains a key distinguisher in executing complex projects

## 2 Diversified Focus – Order Book

**% order book H1 – FY14**  
**closing order book: INR 109801 m**

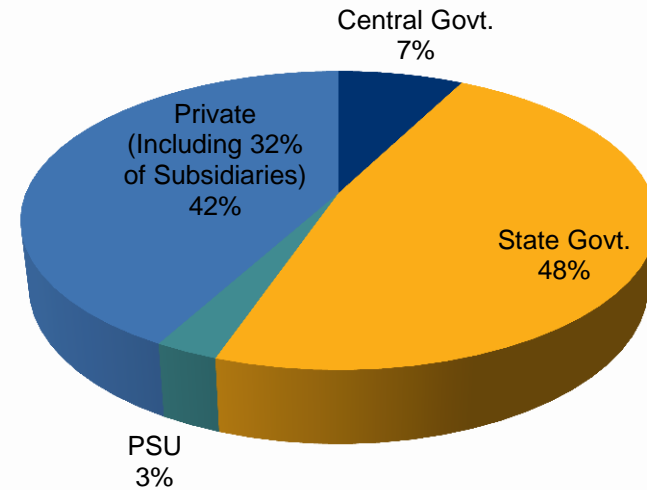
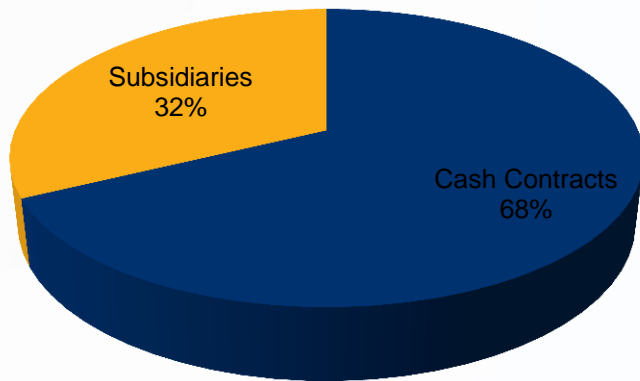
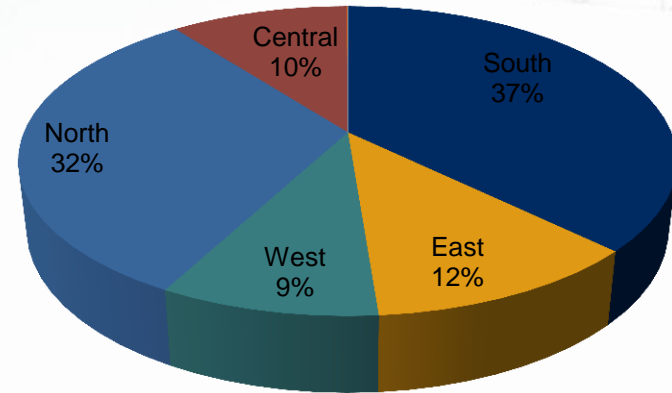
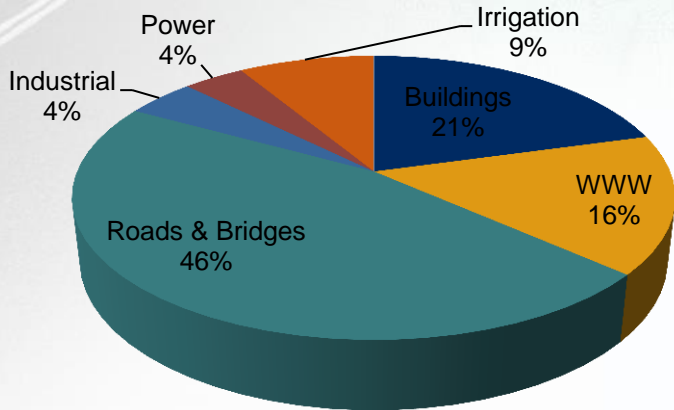


Note: Order book as of 30<sup>th</sup> Sept. 2013 [Standalone incl. of WIP]

Ramky's pan-India presence increases diversification and positions us uniquely amongst competitors

# 3 Diversified Focus – Revenue

**% revenue H1 – FY'14**  
**Construction revenue: INR 10311 M**



Note: Revenue as of 30<sup>th</sup> Sept. 2013 [Standalone excl. of WIP]

No single sector has significant share of FY2013 revenue



## 4 Benefits Of Parentage



- Ramky is the flagship company of Ramky Group
- Ramky Group is a multidisciplinary organization focused in the areas of Civil, Environmental & Waste Management infrastructure with specific emphasis on 'Public Private Partnership' projects
- Operational since 1994 with over 19 years of experience across the infrastructure sector
- Ramky Group has a presence in more than 55 locations in India in addition to branch offices at Saudi Arabia, UAE and Singapore
- Operates through 4 Group Companies namely: Ramky Infrastructure Limited, Ramky Enviro Engineers Ltd, Ramky Estates and Farms Ltd and Ramky Finance & Investment Pvt. Ltd.
- Each Group Company has an independent and professional management team in place

### Benefits accruing to Ramky

✓ Access to expertise of senior management

✓ Synergies among various business verticals

✓ Access to critical equipment & supplies

✓ Access to technical expertise and knowledge

✓ History of established execution track record

Ramky remains the flagship company of Ramky Group which is evolving into a leading Infrastructure conglomerate in India

## Ramky Board of Directors



**Alla Ayodhya Rami Reddy**  
Chairman, Ramky Group

- 28 years of experience in the field of environmental services, civil works, biomedical waste and hazardous waste management
- Worked for various water, waste water and engineering projects, notably with Gannon Dunkerly & Co., Reliance Industries Limited
- Bachelor's degree in civil engineering from Karnataka University and a master's degree in civil engineering from Osmania University
- Accredited with best "Engineer of Year Award" in 2005 by Govt. of Andhra Pradesh & Institute of Engineers (India)
- Accredited with best "Infra Person of the Year Award" in 2011 by EPC World.
- Accredited with the best "Industry Doyen" in 2012 by Construction Industry Development Council Vishwakarama Awards.

**Y. R. Nagaraja**  
Managing Director

**Rajiv Maliwal**  
Non-Executive  
Director  
SAPE Nominee

**Dr. Archana N. Hingorani**  
Non-Executive Director  
Tara India Fund Nominee

**V. Murahari Reddy**  
Independent Director

**Dr. A. G. Ravindranath Reddy**  
Independent Director

**Kamlesh S. Vikamsey**  
Independent Director

**V. Harish Kumar**  
Independent Director

**R. S. Reddy**  
Independent Director

## Ramky Management Team

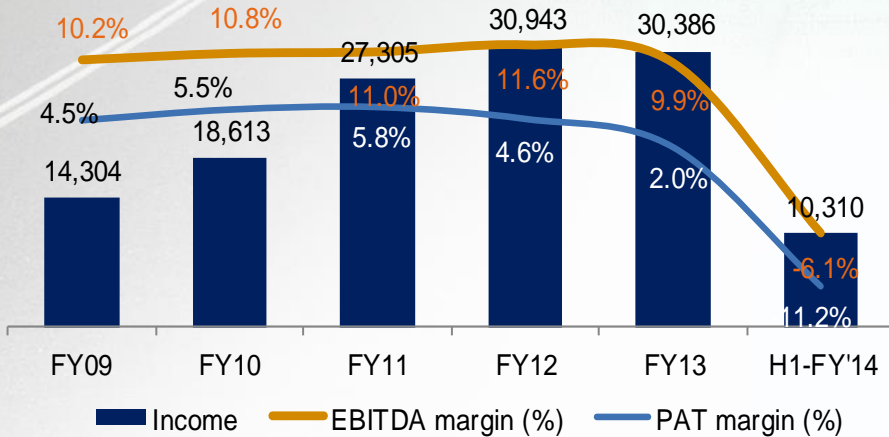


**Y. R. Nagaraja**  
Managing Director, Ramky

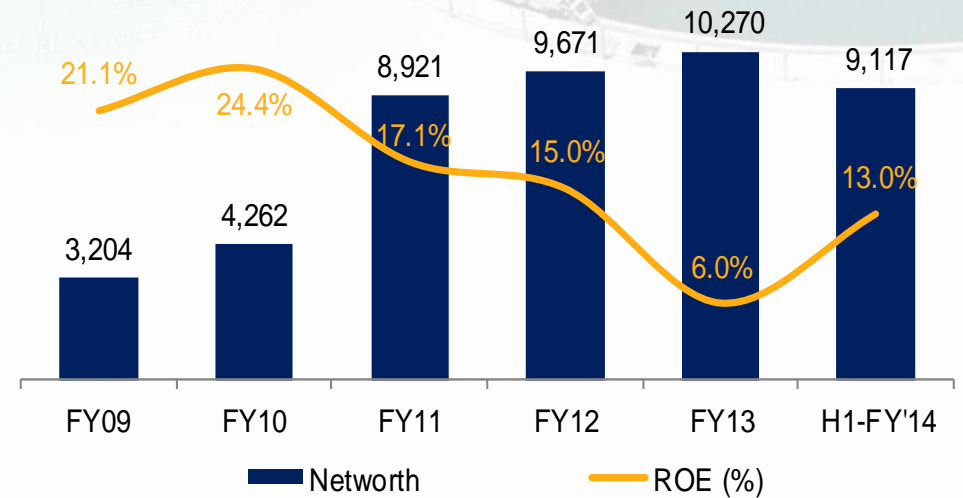
- 27 Years of experience in allied fields
- Positions held with the Public Works Department of the State of Karnataka, Mandanlal Steels Limited and Navega Engineers Private Limited
- Bachelor's degree in civil engineering from Karnataka University

A well balanced board with a professional management team across all business segments ensures transparency and efficiency in decision making

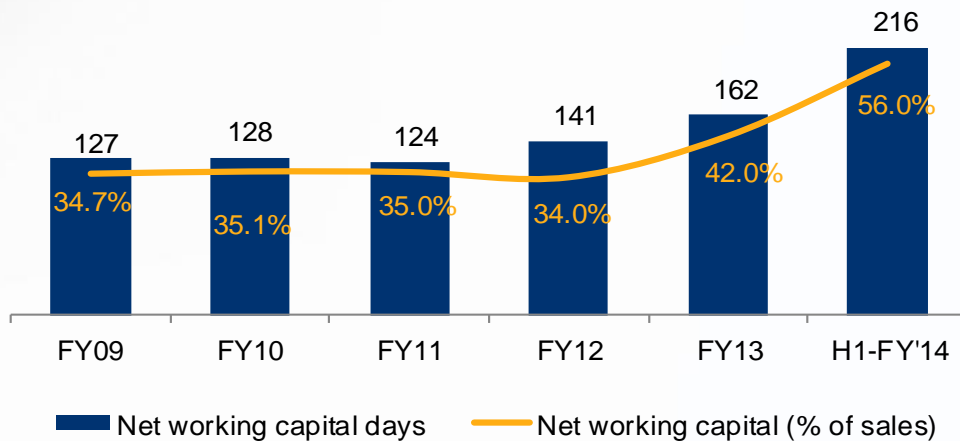
## Income (INR m) and EBITDA margin



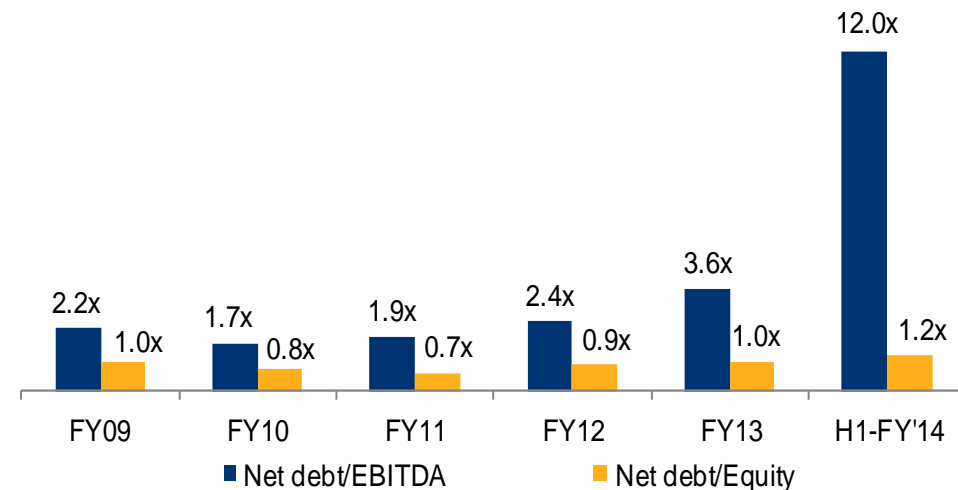
## Networth (INRm) & ROE



## Working Capital ratios (INR m)



## Leverage ratios



Note: All financials are for Ramky standalone, EBITDA before Provision is Annualised

Sustainable growth has been achieved whilst improving margins and maintaining a conservative balance sheet



## Construction business

Continue to focus on Water and Waste Water projects and through leadership in technology and design

Leverage our execution capabilities and move into larger and more complex projects

Closely track and benefit from sectors with Government priority such as transportation and power

Improve productivity through economies of scale

Compete through optimum pricing and efficient execution

## Developer business

Continue to build on the expertise gained in polluting industries parks

Leverage on Water and Waste Water construction business once government opens sector

Power and other highly complex verticals (synergistic)

'Public Private Partnerships' will be the focus model

Undertake projects with visibility on returns



Ramky has benefitted from a "first-movers" advantage in several verticals and continuing to innovate remains the Company's core strategic focus going forward

# Key Investment Highlights

## Infrastructure sector

*Large addressable opportunity*

- Construction expenditure is expected to approximately double to INR 18,443 bn during 2011-12 to 2015-16 period versus INR 9,458 bn during the 2006-07 to 2010-11 period
- Between FY2012 and FY2016, government spending on roads alone is targeted at INR6,882bn with increased focus on timely completion

## Business model

*Scalable with proven execution capabilities*

- Ramky's strategically positioned to realize opportunities in the sector with presence in both construction and development businesses
- Completed 115 Water and Waste Water projects, 90 Building Construction projects, 16 Irrigation projects, 30 Transportation projects, 34 Industrial projects and 1 Electrical projects since a decade.

## Diversification

*Sectoral & geographical presence*

- Evolved from a consultant to a EPC player and finally a infrastructure developer
  - Ramky continues to build on core competencies
- Reduces the risk of dependence on any one sector or project and helps in participating in projects across the country

## Visibility of earnings

*Revenue driven by strong order book*

- Order book of INR 109801 m as of September 30<sup>th</sup>, 2013 provides high revenue visibility
- Proven execution capabilities with planning and execution expertise, ensuring order completion within the estimated budget and on time.
- For the period ended June 30<sup>th</sup>, 2013 the company had a order to sales ratio of 10.65x

## Parental leverage

*Experienced management and marquee investors*

- Synergistic model leveraging on core construction activities and expertise gained in other Ramky Group companies to culminate in a efficient development business
- Highly experienced professional management team with proven capabilities
- Delivered returns to marquee investors including IL&FS (Tara Fund III), International Finance Corporation & SAPE

# Agenda



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Strengths and growth strategy



Financial overview

# Key Financials – P&L

## Standalone financials

INR (Millions)	FY 09	FY 10	FY 11	FY 12	FY 13	H1 – FY'14
Revenue **	14304	18613	27305	30,943	30386	10310
Growth rate	38.98%	30.12%	46.70%	13.32%	-1.80%	-32.14%
EBITDA	1462	2016	2999	3602	3022	(633)
EBITDA margin	10.22%	10.83%	10.98%	11.64%	9.95%	-6.14%
PBT	835	1285	2122	2134	906	(1683)
PBT margin	5.84%	6.90%	7.77%	6.90%	2.98%	-16.32%
PAT	645	1027	1574	1437	599	(1153)
PAT margin	4.51%	5.52%	5.76%	4.64%	1.97%	-11.18%

## Consolidated financials

INR (Millions)	FY 09	FY 10	FY 11	FY 12	FY 13	H1 – FY'14
Revenue **	15560	21631	31470	39340	37736	12336
Growth rate	39.38%	39.02%	45.49%	25.01%	-4.08%	-24.45%
EBITDA	2106	3103	4593	6291	5860	416
EBITDA margin	13.53%	14.35%	14.59%	15.99%	15.53%	-86%
PBT	1301	1902	2960	3474	2319	(1523)
PBT margin	8.36%	8.79%	9.41%	8.83%	6.15%	-210%
PAT	833	1288	2061	2441	1512	(996)
PAT margin	5.35%	5.95%	6.55%	6.20%	4.01%	-199%

\*Note: All financials are for Ramky restated

\*\* : Revenue figures are excluding WIP

Stellar performance continues...



# Key Financials – Balance Sheet

Particulars	Standalone						Consolidated					
	FY09	FY10	FY11	FY12	FY13	H1 – FY'14	FY09	FY10	FY11	FY12	FY13	H1 – FY'14
INR (Millions)												
Net worth	3204	4262	8921	9671	10270	9117	4261	5549	10647	12582	15366	15314
Minority Interest	--	--	--	--	--	--	867	1480	1716	1875	2147	2213
EPS	13.04	20.79	29.57	25.12	10.48	(13)	16.86	26.07	38.73	42.67	26.44	(18.56)
Long terms Debt	3899	4739	6757	9570	11526	11785	7043	10110	12330	19659	27200	29054
D/E	1.2	1.11	0.76	0.99	1.12	1.29	1.65	1.82	1.16	1.56	1.77	1.90
Fixed Assets	1365	1386	3653	4350	4282	4098	2740	2822	6595	10198	13950	14642
F.A. / Revenue*	10%	7%	13%	14%	14%	20%	18%	13%	21%	26%	37%	59%
Investments	792	1078	2750	3685	4060	4110	976	976	875	907	1073	1129
Net Working Capital	5211	7008	9884	11362	13482	12190	6721	10381	18244	12605	16412	17975
W.C days	127	128	124	141	162	216	157	175	211	117	159	266
Sundry debtors	5648	5744	10614	11638	9483	7690	4423	5020	10114	11669	9956	8725
Debtors Days	144	113	142	137	114	136	104	85	117	108	96	129
Cash	619	1384	999	748	706	476	815	1678	2293	1216	1125	821.4
Net Debt	3280	3355	5758	8822	10819	11309	6256	8441	10037	18443	26074	28233
Net Debt/Equity	1.02	0.79	0.65	0.91	1.05	1.24	1.47	1.52	0.94	1.47	1.70	1.84

- FA/Revenue is annualized
- \*\*Regrouping done where ever required

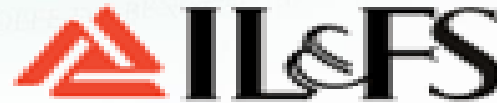
Capital management key to high EPS

# Shareholding Pattern

## Our investors

### Shareholding pattern as on 30<sup>th</sup> September 2013

Category	# of shares	%
Promoter group(A)	38,756,152	67.76
Institutions(B)		
<i>Mutual Funds/UTI</i>	1,530,624	
<i>Financial Institutions/Banks</i>	626,863	
<i>FII's</i>	257,440	
<i>Venture Capital Funds</i>	289,356	
Sub total(B)	2,704,283	4.73
Non-Institution (C)	15,737,356	27.51
<i>Total public holding(B+C)</i>	18,441,639	32.24
<i>Total Shares(A+B+C)</i>	57,197,791	100.00



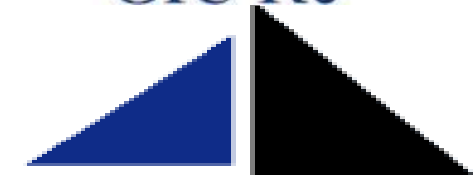
Morgan Stanley



Making your money work as hard as you do



GIC Re



***Thank you!***