

## CHAIRMAN'S SPEECH

Speech by Mr. D. P. Tantia, Chairman GPT Infraprojects Limited at the 33<sup>rd</sup>

Annual General Meeting of GPT Infraprojects Limited on 6<sup>th</sup> August 2013

held in Kolkata, India

Ladies and Gentleman

I welcome you to the 33<sup>rd</sup> Annual General Meeting of GPT Infraprojects Limited.

The year 2012-13 was perhaps the most challenging periods for the Indian company in general and the infrastructure sector in particular.

- Interest rates ruled high and are predicted to increase in the coming months
- Asset driven investments emerged weak
- Land acquisitions and regulations remained tough
- Consumption slowed
- Sentiments dampened

Even in this challenging environment, we continued with our focus on developing public infrastructure with the over arching objective of catalyzing the economic growth cycle.

The result of this pursuit is quite evident in our numbers.

GPT has delivered a resilient performance against a backdrop of demanding market conditions. The Company's results are a testament to its practical

approach and are led by a relentless focus on the quality and time-bound approach it brings to its projects.

Let me take you through the Company's performance in the last financial year -

- For the year 2012-13, the total revenue of the Company stands at Rs. 340 Crores and Rs 487 Crores in comparison with the previous year revenue of Rs 318 Crores and Rs 428 Crores for standalone and consolidated respectively.
- EBIDTA for the year under review was Rs 48 Cores and Rs 71 Crore in comparison with the previous year EBITDA of Rs 46 Crore and Rs 67 Crore for standalone and consolidated respectively.
- PAT for the year under review was Rs 933 lacs and Rs 1,441 lacs in comparison with the previous year amounting to Rs 1,284 lacs and Rs 1,848 lacs for standalone and consolidated respectively.
- Our Concrete Sleeper business recorded a total income of Rs 54 Crore and Rs 127 Crore in 2012-13 in comparison with the previous year amounting to Rs 56 Crore and Rs 111 Crore for standalone and consolidated respectively.
- The production in the manufacturing facilities set up in Tsumeb, Namibia for the manufacture and supply of concrete sleepers in joint venture with TransNamib Holdings Limited, Namibia namely GPT TransNamib Concrete Sleepers (Pty.) Limited has recorded a turnover of N\$ 58 Million (Rs 37 Crore) and net profit after tax N\$ 12 Million (Rs 8 Crore), a growth of approx. 107% compared to previous year.

- The manufacture and supply of concrete sleeper at the Company's South African subsidiary namely GPT Concrete Products South Africa (Pty.) Limited is smoothly progressing and the said subsidiary has recorded a turnover of ZAR 93 Million (Rs 60 Crore) and a PAT of ZAR 4.5 Million (Rs 3 Crore). A revenue growth of approx. 25% compared to previous year.
- Our Infrastructure business contributed revenue of Rs 274 Crore and Rs 354 Crore in 2012-13 in comparison with the previous year amounting to Rs. 249 Crore and Rs. 311 Crore for standalone and consolidated respectively. This business segment currently has order book under execution of Rs 1,760 crore approximately.
- The Company has disposed off its Wind Power Business situated in Sankenri Wind farm in Tamilnadu because of persistent lower generation and delay in getting payments from the State Electricity Board. In the current year, this division contributed Rs 118 lacs to the total income against that of Rs 127 lacs in the previous year.

Our vision is continued growth and improved operational efficiency. We operate on a single mantra: to aspire to the highest global standards of quality, efficiency, operational performance and customer care. With your continued support, we will think bigger. Indeed not just bigger but better, creating ever greater value for all our stakeholders.

At GPT Infraprojects, we are determined to persevere with a strong inherent belief that better days are not far ahead. There is a dearth of infrastructure in the country and there is no alternative to spending on infrastructure for growth of the nation. I am sure we will get our share of the increased spending.

Keeping this in mind, we are entering new geographies and segments, which will help grow our topline and bolster our business model.

We were listed on the Bombay Stock Exchange successfully on 5<sup>th</sup> December 2011 at Rs 98 per share. Currently, the stock is being traded at Rs 201 per share.

The Board of Directors is happy to recommend a dividend of Rs 1 per share (which is 10% on the face value of Rs 10 per share) and seeks your approval.

The Company introduced comprehensive human resource management policies for recruitment, career movement and welfare of its employees. It has also undertaken strict cost cutting measures through the implementation of SAP and other MIS tools which would make the company weather the rough times in the industry.

I am also happy to state that the Company strengthened its governance. We have proactively appointed a woman director on our Board, Mrs. Mamta Binani, who is a qualified and distinguished Company Secretary. We have always believed in a strong governance philosophy and our Board comprised 5 Independent Directors drawn from diverse backgrounds.

GPT Infraprojects, as a part of its intention to expand further, continues to explore wider concrete sleeper opportunities in the international market and dedicated freight corridor in the domestic market. It is also entering new geographies in the infrastructure division, by growing on its core competence and promise of timely delivery of projects.

As we move ahead to the next frontier of growth and integrated excellence, we expect that the aforementioned initiatives will garner profit which will increase our growth trajectory substantially, enhancing value for all our shareholders.



I seize this opportunity to thank all stakeholders, who have made our journey since inception smooth and rewarding through their continued support and patronage.

As part of our CSR initiative, we intend to contribute in a small way for the redevelopment of the people affected by the Uttarakhand tragedy.

Although, we expect the next 12 months to be challenging, we remain confident that our positioning across a wide spectrum of service areas coupled with our committed and motivated team will enable us to deliver a good performance in the ongoing financial year.

Thank you

D. P. Tantia  
Chairman  
GPT Infraprojects Limited

(This does not purport to be the proceedings of the Annual General Meeting)