



GPT Infraprojects Ltd

Business Update Presentation

Q2FY16

Safe Harbour

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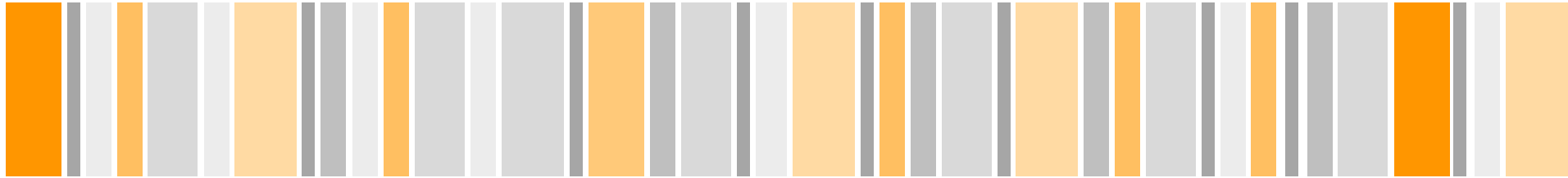
Business Segments

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Key Business Strengths & Growth Strategy



Q2FY16 Financial Highlights



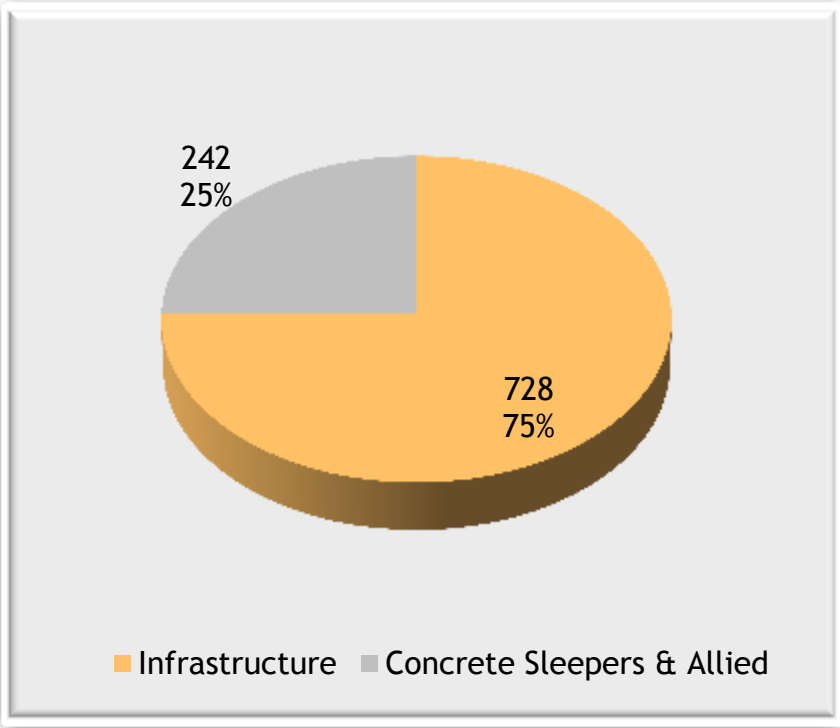
Q2FY16 Highlights

Rs. Mn.	Q2FY16	Q2FY15	Y-o-Y%	H1FY16	H1FY15	Y-o-Y%
Revenue	970	919	6%	2,017	1,734	16%
Other Operating Income	3.0	2.5	19%	3.2	5.5	-42%
Net Sales	973	921	6%	2,020	1,739	16%
Operating expenses	818	791	3%	1,694	1,446	17%
EBITDA	155	130	19%	326	294	11%
<i>EBITDA margin</i>	<i>15.95%</i>	<i>14.14%</i>		<i>16.16%</i>	<i>16.88%</i>	
Depreciation	54	48	12%	106	100	6%
Other Income	23	25	-7%	33	41	-18%
Interest & Finance Charges	95	105	-9%	184	206	-11%
PBT	29	2	1177%	71	28	151%
Tax Expenses (Credits)	4	2	125%	10	5	96%
PAT	24	0.3	7761%	60	23	163%
<i>PAT Margin</i>	<i>2.51%</i>	<i>0.03%</i>		<i>2.99%</i>	<i>1.32%</i>	
Minorities	0.3	0.3	-19%	6	2	
PAT after Minorities	24.1	0.0	NA	54	20	165%

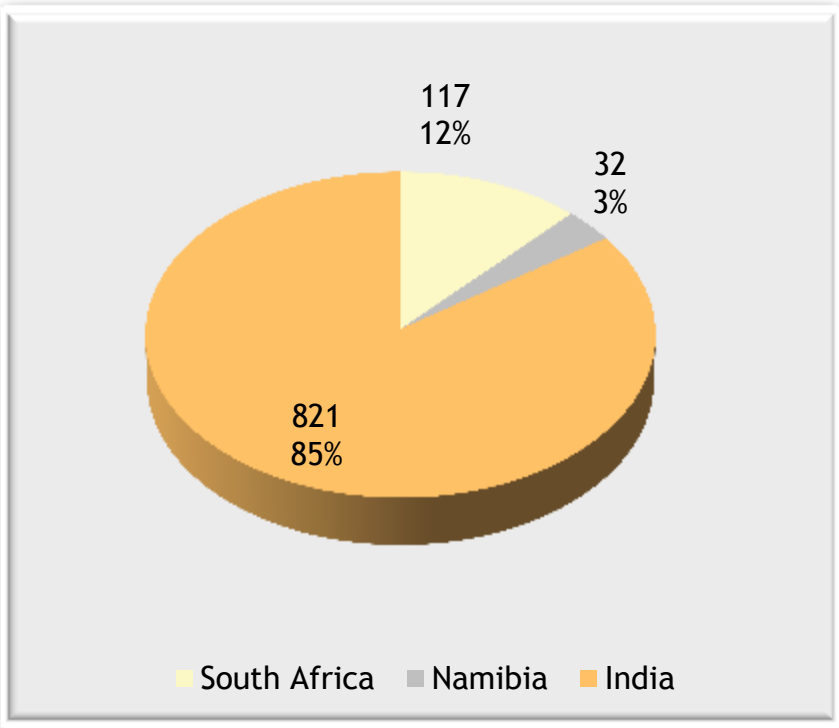
Q2FY16 Revenue Breakup

Rs Mn

As per Businesses



As per Geographies



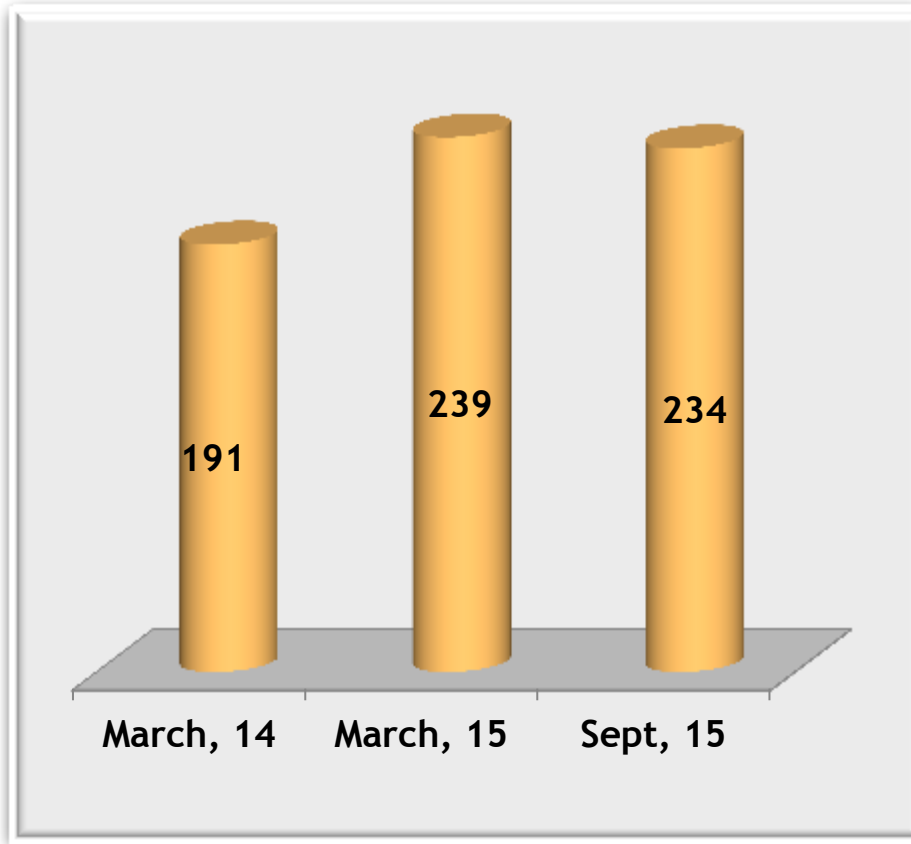
Balance Sheet

Rs. Mn.	Sept 15	March 15
Share Capital	143	143
Reserves	1,517	1,480
Shareholder's Funds	1,660	1,623
Secured Loans	73	135
Def Tax Liabilities	59	56
Long Term Provisions	10	22
Total Non-Current Liabilities	141	213
Trade Payables	1,266	1,226
Other Current Liabilities	861	852
Short Term Borrowings	2,149	2,134
Total Current Liabilities	4,276	4,212
Minority Interest	47	40
Total Liabilities	6,124	6,089

Rs. Mn.	Sept 15	March 15
Fixed Assets incl. CWIP	1,202	1,318
Long Term Loans & Advances	382	178
Other Non Current Assets	87	77
Total Non-Current Assets	1,671	1,573
Currents Investments	0	7
Inventories	952	860
Sundry Debtors	825	861
Cash and Bank	185	181
Short term Loans and Advances	330	557
Other Current Assets	2,162	2,050
Total Current Assets	4,454	4,516
Total Assets	6,124	6,089

Focus on improving working capital cycle..

Net Working Capital Days

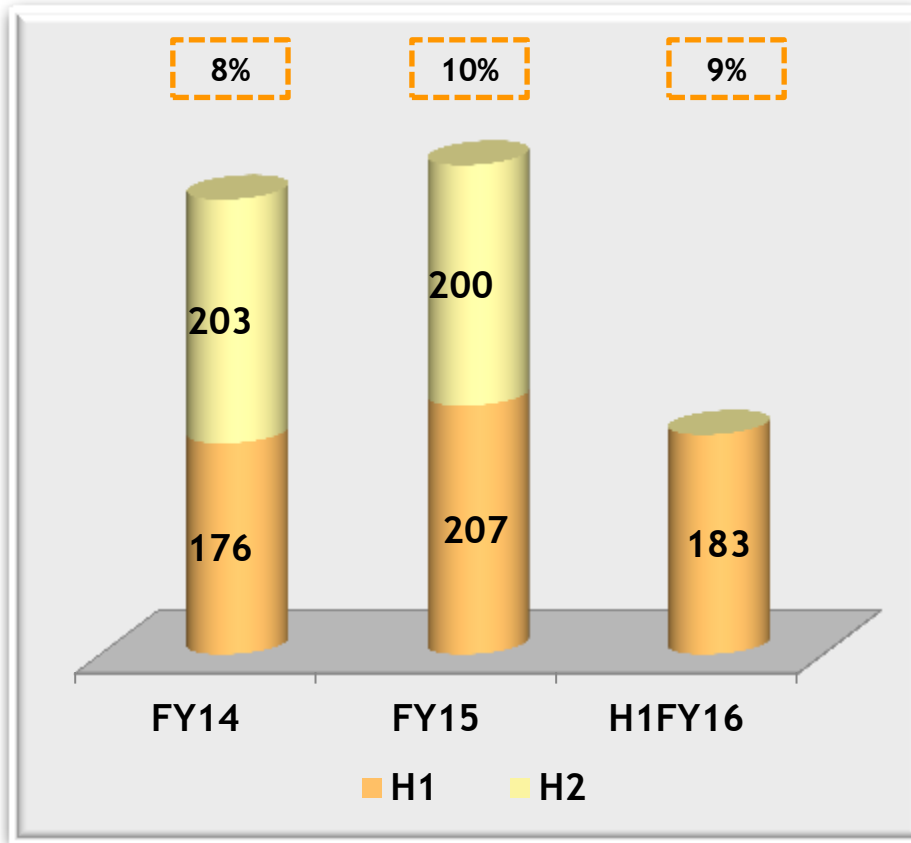


Working Capital (Days)	Mar'14	Mar'15	Sept'15
Debtor	72	81	72
Other Current Assets	161	193	189
Inventory	61	81	83
Creditors	102	115	111
Net WC Days	191	239	234

- ❖ Focus on improving WC:
 - ❖ Better & faster payments from clients
 - ❖ Consistent follow-up to reduce certification time for project
 - ❖ Mobilization advance, 50% of which is interest free

.. And reducing interest and finance charges

Interest and Finance Charges



As % of net sales

Interest & finance charges break-up (Rs Mn)	FY14	FY15	H1FY16
Interest on borrowings	270	305	143
Interest on advances	65	70	28
Finance charges	44	32	12
Total	379	407	183

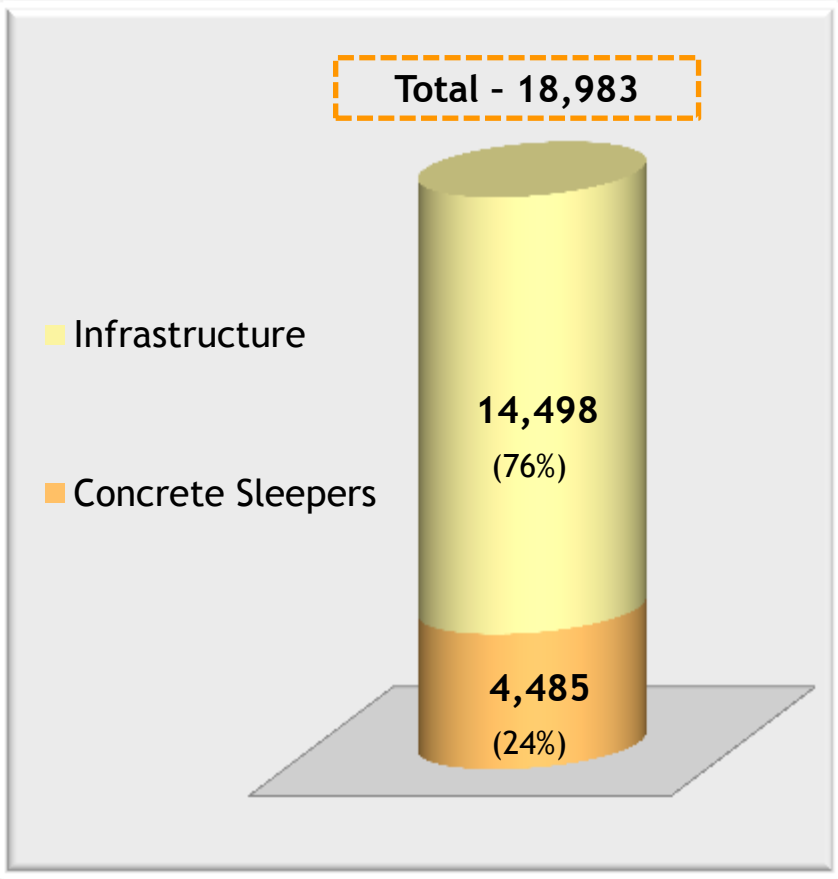
- ❖ Debt repayments - Rs 6 crore of debt repayed in H1FY16
- ❖ Interest free mobilization advance
- ❖ Reduction in interest rates by banks
- ❖ Better working capital cycle

Received ~Rs 700 crores of orders in FY16 so far

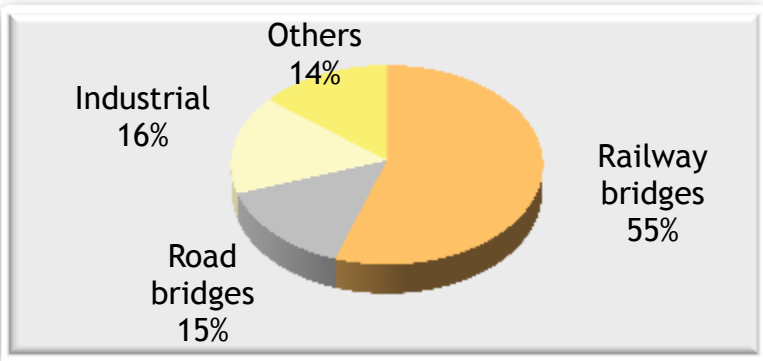
No.	Project	Type	Gross Value (Rs Mn)
1	Concrete Sleepers for GMR	Concrete Sleepers	2,463
2	ROB for SE Railway	Railway Bridge	1,136
3	Bridge over Katakali, Hasnabad, WB PWD	Road Bridge	813
4	Fabrication, Erection of Bridge in Manipur for NF Railway	Railway Bridge	801
5	Construction of Intake Well for Raghunathpur Power Plant for DVC	Industrial	641
6	Fabrication, Erection of Bridge in Manipur for NF Railway	Railway Bridge	520
7	Development & beautification Works for Ganga in Kanpur	Industrial	460
8	Bridges for EC Railway	Railway Bridge	144
	Total		6,978

Order Backlog

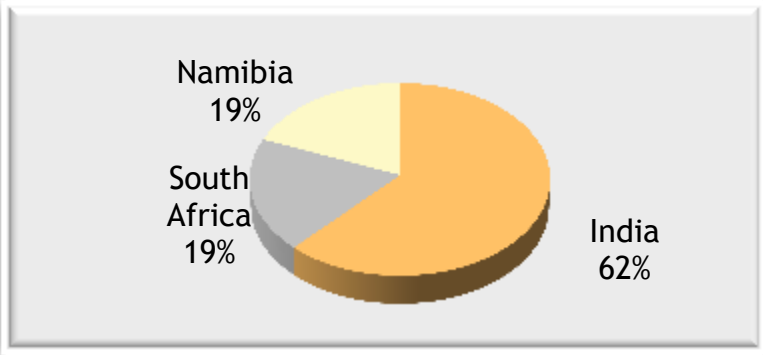
Current Order-book Break-up



Infrastructure Order-book



Concrete Sleepers Order-book



Huge opportunity across segments

Bridges



- Scope: Construction of bridges and Rail over bridges (ROBs)/ Rail under Bridges (RUBs)
- Railway Budget 2015 proposed 970 ROBs/ RUBs at expenditure of ~Rs **6,500 crore**
- Government's 'Sethu Bharatam' project - **150 bridges** to be rebuilt over next 2 years; **200 new ROBs**

Industrial Projects



- Scope: Civil work for industrial projects
- Order for structures for BHEL in Agra for substation, the largest order till date
- Construction of intake well for Raghunathpur Power Plant for Damodar Valley Corporation (DVC)

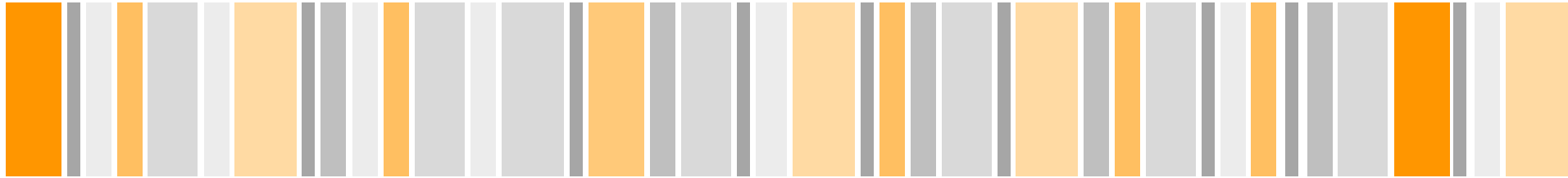
Dedicated Freight Corridor



- Scope: Manufacturing of sleepers
- Received order from GMR
- Western Dedicated Freight Corridor - 1,468 km and Eastern Dedicated Freight Corridor - 1,760 km; total length of ~**6,000 km** both ways
- 1 km of DFC require ~**1,600 sleepers**



About GPT Infraprojects



Business Overview

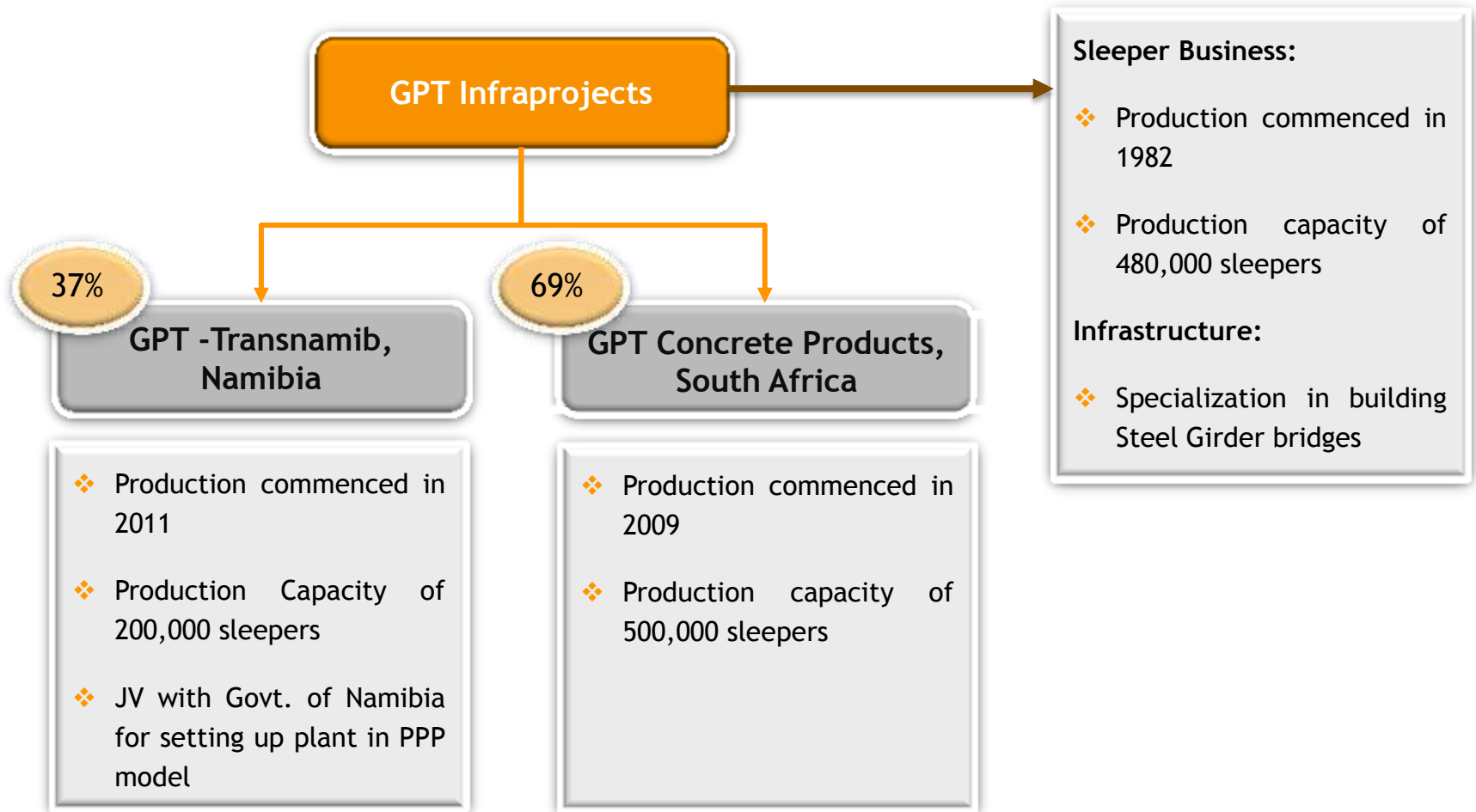
Infrastructure

- ❖ Civil infrastructure projects in Railways, Roads, Airports and Urban Infrastructure
- ❖ Entered segment in 2004 and rapidly expanded execution capabilities
- ❖ Expertise in Riverine Bridges, large span steel superstructures and turnkey rail & road infra projects
- ❖ Executed landmark projects like:
 - Double Decker Rail-cum-Road Bridge over River Ganga at Patna (longest steel bridge in India)
 - Bridges in Sunderban and Tripura

Concrete Sleepers

- ❖ Production commenced in 1982, one of the early entrants in the sector
- ❖ Pioneered use of indigenous “stress-bench” production system in foreign countries, where manpower is available
- ❖ Over 1 mn units sleeper manufacturing capacity spread at 3 manufacturing locations in India, South Africa and Namibia
- ❖ Manufacturing sleepers for mainline, curves, bridges, level crossings, points & crossing
- ❖ Capabilities cover entire value chain

Corporate Structure



Reputed Clientele

<p>Railways & Railway PSUs</p>				
<p>NHAI, State PWDs and Departments</p>				
<p>Other Key Customers</p>				
<p>International Customers</p>			<p>Sri Lankan Railways</p>	

Experienced Leadership Team

Mr. Dwarika Prasad Tantia, Chairman

- ▶ Over 35 years experience in the Infrastructure sector
- ▶ Leads Company's international initiatives

Mr. Shree Gopal Tantia, MD

- ❖ Over 28 years experience in infrastructure and civil construction sectors
- ❖ Responsible for Business Development

Mr. Atul Tantia, Executive Director

- ❖ BS in Economics & Systems Engineering from Wharton School, UPenn
- ❖ Responsible for international businesses, including operations & business development

Mr. Vaibhav Tantia, Director & COO

- ❖ BS in Economics & Civil Engineering from Wharton School, UPenn
- ❖ Responsible for execution of infrastructure projects and tendering

Mr. A K Dokania, CFO

- ❖ B. Com, FCA with over 25 years experience in accounting, finance and banking
- ❖ Strong background in audit, taxation and legal matters

Mr. Subrata Ray, Sr. VP (Technical)

- ❖ B. Tech in Civil Engineering having rich experience of over 35 years
- ❖ Responsible for technical and design-related matters, tendering and contract management

Supported by Professionals

Independent Directors on the Board

Mr Vishwa nath Purohit	❖ 55 years of experience in Accounts, Finance and Taxation
Mr Kunal Kumthekar	❖ Nominee Director of Nine Rivers Capital
Mr Sunil Patwari	❖ Wide experience in the area of business management, accounts, taxation and finance
Dr. N N Som	❖ Renowned expert in Soil Mechanics in the country
Ms. Mamta Binani	❖ 15 years of experience in corporate consultation & advisory
Mr. Shankar Jyoti Deb	❖ Wide experience in designing, engineering and implementation of several civil projects

Statutory Auditors

- ❖ S R Baltiboi & Co., Member firm of Ernst & Young

Concrete Sleeper Business

Overview

- ❖ Manufacturing Concrete sleepers for Mainline, Bridges, Curves, Level Crossings, Points, Crossings
- ❖ Manufactured over 12 mn Concrete Sleepers till date
- ❖ Sleepers supplied to Indian Railways, Public Sector Undertakings (PSUs) and Private Companies in Power, Cement & Steel Sector
- ❖ Initiated the export of concrete sleepers and setting up plants & manufacturing for foreign railway systems
- ❖ Pioneered use of indigenous “stress-bench” production system in foreign countries, where manpower is available

Capabilities cover entire Value Chain

Design of Track Superstructure

Transfer of Production Technology

Investment in Plant & Machinery

Establishment of Concrete Sleeper plant

Manufacture of Concrete Sleepers

Manufacturing facilities

1.2 mn pcs manufacturing capacity

- ❖ Located across geographies
 - 480,000 pcs at Panagarh, Kolkata, India
 - 500,000 pcs at Ladysmith, South Africa
 - 200,000 pcs at Tsumeb, Namibia
- ❖ One of the largest single-location concrete sleeper manufacturers in India
- ❖ Capacity expansion completed in South Africa
 - Steady ramp up of Production
 - Capex funded from Internal Accruals and Debt
 - 206,909 pcs production in FY15



Infrastructure Business

Overview

- ❖ Civil Infrastructure Projects mainly in Railways, Road and Industrial Infrastructure sector for Government
- ❖ Expertise in Construction of Riverine bridges on deep well or pile foundation with steel or concrete superstructure of large span
- ❖ Structural steel fabrication and launching of large span steel superstructure over perennial river or in running traffic condition
- ❖ Turnkey rail & road infrastructure works, including construction of embankment, rigid & flexible pavements, ROBs, and rail track

Value Proposition

Concept to commissioning of complex infrastructure projects

Timely Delivery of Technically & logistically challenging projects

Engineering & Technology Innovation

Key Infrastructure Segments

Bridges

- ❖ Capability to execute from Foundation to Completion on Turnkey basis
- ❖ Expertise in construction of all major types of foundation & superstructures
- ❖ Received Certificate of excellence for contract execution for Innovative Construction methods



Steel Bridges

- ❖ One of very few companies involved in construction of Mega Bridges with Steel Superstructure for Indian Railways
- ❖ Capable of executing projects involving challenging erection & construction methods including difficult terrain, flowing river, & running traffic



Key Infrastructure Segments

Rail & Roads

- ❖ Offers end - to - end solution for roads & railway infrastructure including planning, design, construction & maintenance
- ❖ Experience in construction of elevated Metro & light rail systems and Heavy duty concrete pavements for Airports



Industrial Infrastructure

- ❖ Expertise in foundation works & structural fabrication for bridges - Industrial infrastructure, A natural progression
- ❖ Complementary with GPT's core strength as Large industrial infrastructure project generally requires Railway siding, Roads



Key Strengths

- 1

➤

Strong Execution Track Record

- ❖ Niche in key segments of steel bridges
 - ❖ Usage of Modern & latest technology
- 2

➤

Well Qualified Team

- ❖ Dynamic leadership with strong industry experience
- 3

➤

Diversified Order Book

- ❖ Diversified Order book by segment & by geography
- 4

➤

Consistent Financial Performance

- ❖ Consistent operating performance delivered by the Company even during challenging economic conditions
- 5

➤

Strong Customer Relationship

- ❖ Reputed clientele & Strong Relationship gets Repeat Orders

Growth Strategy

- ❖ **Focus on improvement in Working Capital Cycle**
 - Consistent follow-up to reduce time for certification of project work
- ❖ **Capitalise on Opportunity of huge Infrastructure development in India**
 - Maintain performance & competitiveness developed in existing business and leverage the expertise developed in the sectors
- ❖ **Targeting projects involving higher degree of engineering skills**
- ❖ **Continuously explore growth opportunity by forming strategic Joint Venture (JVs) relationship**
 - Mutual benefits through sharing of resources and business skills for entering into other field of business

For more information, please contact

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