

CHAIRMAN'S SPEECH

Speech by Mr. D. P. Tantia, Chairman GPT Infraprojects Limited at the 34th Annual General Meeting of GPT Infraprojects Limited on 29th August 2014 held in Kolkata, India

Ladies and Gentleman

Very good afternoon to all of you!

I welcome you to the 34th Annual General Meeting of GPT Infraprojects Limited.

Today being the auspicious day of GANESH CHATURTHI I wish all of you a very happy and prosperous future ahead.

The year 2013-14 was perhaps the most challenging periods for the Indian economy in general and the infrastructure sector in particular.

- Policy Paralysis led to inordinate delays
- Asset driven investments emerged weak
- Land acquisitions and regulations remained
- Consumption slowed
- Sentiments dampened
- Regulatory challenges were tough



Even in this challenging environment, we survived the onslaught and 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.

Even as 2013-14 continued to remain subdued with political paralysis and high interest rates dampening project award and execution, even leading to some large-scale cancellations, we firmly anchored our vision across the long-term, consolidating our operations, capacities and capabilities, ensuring that we remain well-poised to capitalise on an infrastructure rebound with over USD 1 trillion earmarked for investments for the 12th Plan period. Moreover, a stable government with a strong mandate is expected to bring forth structural changes and clear bottlenecks towards restoring the country's preeminent status as an economic powerhouse.

Through embracing enterprise-wide consolidation, we have reinforced the foundations of our business and have delivered upon our reputation as a dependable and reliable infrastructure and railway sleepers solution provider where we differentiate ourselves through our unmatched technical capabilities, strong project management skills and a deep-rooted ability in executing large and complex projects successfully and safely.

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

- For the year 2013-14, the total revenue of the Company stands at Rs. 327 Crores and Rs 455 Crores in comparison with the previous year revenue of Rs 338 Crores and Rs 485 Crores for standalone and consolidated respectively.
- EBIDTA for the year under review was Rs 42 Cores and Rs 61 Crore in comparison with the previous year EBITDA of Rs 46 Crore and Rs 68 Crore for standalone and consolidated respectively.
- PAT for the year under review was Rs 267 lacs and Rs 631 lacs in comparison with the previous year amounting to Rs 933 lacs and Rs 1,441 lacs for standalone and consolidated respectively.
- Our Concrete Sleeper business recorded a total income of Rs 61Crore and Rs 127 Crore in 2013-14 in comparison with the previous year amounting to Rs 54 Crore and Rs 127 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\$ 49 Million (Rs. 29 Crore) and net profit after tax N\$ 5.6 Million (Rs 3.3 Crore).

- 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 92 Million (Rs 55 Crore) and a PAT of ZAR 8.2 Million (Rs 5 Crore). The subsidiary has also commissioned the capacity expansion announced in the last AGM.

- Our Infrastructure business contributed revenue of Rs 245 Crore and Rs 312 Crore in 2013-14 in comparison with the previous year amounting to Rs. 273 Crore and Rs. 354Crore for standalone and consolidated respectively. This business segment currently has order book under execution of Rs 1,668 crore approximately.

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.



We are entering new geographies and segments, which will help grow our topline and bolster our business model.

As you are aware, the shares are listed on BSE and CSE and currently, the stock is being traded at Rs 179 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.

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.

This philosophy was validated by the fact that we bagged Rs 413 crores of fresh orders during the year, based on scientific project viability examination and focused bidding. The consolidation in the revenues was the result of disciplined and closely-monitored execution, in comparison to our industry peers.

Today, I share a sense of optimism especially when one considers the fact that we are at an exciting intersection. A reinforced outlook for the country in general and the infrastructure structure in particular on the one hand and clearly defined and outlined corporate strategies with continual improvement in our organisational capabilities on the other.



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 including the dedicated team of the employees of your company, who have made our journey since inception smooth and rewarding through their continued support and patronage and hard work.

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)