



**commandments!**



01

Conserve cash

02

Liberate cash trapped in the system

03

Engage in clear project identification

04

Match requirements with resources

05

Diversify revenues, mitigate risks

06

Enter into long-term sourcing of key commodities

07

Consolidate functions into centralised pools

08

Invest in cost-cutting innovations that benefit customers

09

Retain quality excellence at all costs

10

Engage in strategic diversification

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# Corporate Information

**Chairman** : Mr. D.P. Tantia

**Managing Director** : Mr. S.G. Tantia

**Executive Director** : Mr. Atul Tantia

**Director & COO** : Mr. Vaibhav Tantia

**Non-Executive Directors** : Mr. H.S. Sinha  
Mr. V.N. Purohit  
Dr. N.N. Som  
Mr. Kunal Kumthekar  
Mr. Sunil Patwari  
Mrs. Mamta Binani

**Chief Finance Officer** : Mr. A.K. Dokania

**Company Secretary** : Mr. R. Mishra

**Bankers** : State Bank of India  
Allahabad Bank  
Axis Bank Limited  
ICICI Bank Limited  
IDBI Bank Limited  
Standard Chartered Bank  
HDFC Bank Limited

**Auditors** : SRBC & CO LLP  
Chartered Accountants

**Registered & Corporate Office** : GPT Centre, JC – 25, Sector – III, Salt Lake,  
Kolkata - 700 098, West Bengal, India

**Manufacturing Locations** : Concrete Sleeper Division  
P. Way Depot, Panagarh,  
District - Burdwan, West Bengal

**Registrar & Transfer Agent** : ABS Consultant Private Limited  
Stephen House, 4, B.B.D. Bag,  
Kolkata - 700 001



## Directors' Report

*Dear members,*

We are pleased to present the 33rd Annual Report on business and operations of the Company and the audited accounts for the financial year ended 31st March, 2013.

### Results of operations

₹ in lacs, except per share data

(₹ 1 lac equals ₹ 100,000)

Particulars	Standalone		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Earnings before interest, tax, depreciation and amortisation (EBIDTA)	4,807.34	4,567.06	7,064.27	6,721.22
Finance cost	2,904.29	2,285.48	3,223.38	2,599.43
Depreciation & amortisation	927.73	734.57	1,925.76	1,538.19
Profit before tax (PBT)	975.32	1,547.01	1,913.13	2,583.60
Tax expense	42.62	262.97	472.37	735.88
Profit after tax (PAT)	932.70	1,284.04	1,440.76	1,847.72
Minority interest	-	-	74.48	272.67
Profit after tax and minority interest	932.70	1,284.04	1,366.28	1,575.05
Balance brought forward from previous year	4,763.04	3,807.53	5,659.37	4,412.85
Amount available for appropriation	5,695.74	5,091.57	7,025.66	5,987.90
Dividend	145.43	218.14	145.43	218.14
Dividend tax	24.72	35.39	24.72	35.39
Amount transferred to general reserve	50.00	75.00	50.00	75.00
Amount transferred to capital redemption reserve	-	-	58.99	-
Balance carried forward to next year	5,475.59	4,763.04	6,746.52	5,659.37
Earnings per share :				
Basic	6.50	9.07	9.53	11.13
Diluted	6.50	9.07	9.53	11.13



## Business Results

For the year 2012-13, the total revenue of the Company stands at ₹ 33,968 lacs and ₹ 48,726 lacs in comparison with the previous year amounting to ₹ 31,757 lacs and ₹ 42,777 lacs for standalone and consolidated respectively.

EBIDTA for the year under review is ₹ 4,807 lacs and ₹ 7,064 lacs in comparison with the previous year amounting to ₹ 4,567 lacs and ₹ 6,721 lacs for standalone and consolidated respectively.

PAT for the year under review is ₹ 933 lacs and ₹ 1,441 lacs in comparison with the previous year amounting to ₹ 1,284 lacs and ₹ 1,848 lacs for standalone and consolidated respectively.

## Concrete Sleeper business

During 2012-13, this business recorded a total income of ₹ 5,361 lacs and ₹ 12,714 lacs in comparison with the previous year amounting to ₹ 5,631 lacs and ₹ 11,093 lacs 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 (A Government of Namibia undertaking) namely GPT TransNamib Concrete Sleepers (Pty.) Limited has recorded a turnover of N\$ 57,833,439 (₹ 3,711.18 lacs) and net profit after tax N\$ 12,227,217 (₹ 784.62 lacs).

The manufacture and supply of concrete sleeper at the Company's South African subsidiary namely GPT Concrete Products South Africa (Pty.) Limited is smoothly going on and the said subsidiary has recorded a turnover of ZAR 93,226,072 (₹ 5,980 lacs) and a PAT of ZAR 4,461,360 (₹ 286.18 lacs).

## Infrastructure business

During 2012-13, this division contributed an income of ₹ 27,375 lacs against that of ₹ 24,941 lacs in the previous year. This business segment currently has order book under execution of ₹ 1,760 crore approximately.

## Wind power business

During 2012-13, the Company has disposed off its Wind Power Business situated at Irukkandurai, Radhapuram, Dist. Tirunelveli, Tamilnadu because of persistent lower generation and delay in getting payment from the Electricity Board. In the current year, this division contributed ₹ 118 lacs to the total income against that of ₹ 127 lacs in the previous year.

## Dividend

The Board of Directors are pleased to recommend a dividend of ₹ 1.00 per equity share (i.e. @10% on par value of ₹ 10 each) aggregating to ₹ 145.43 lacs (excluding dividend tax of ₹ 24.72 lacs) on existing 14,543,000 nos Ordinary shares of ₹ 10 each of the Company as on 31st March 2013, subject to the approval of shareholders in the ensuing Annual General Meeting of the Company.

## Share Capital

During the year under review, your Company has altered the Clause V of the Memorandum of Association of the Company by re-classifying/restructuring the Authorized share capital of the Company to ₹ 50,00,00,000 divided into 5,00,00,000 Equity Shares of ₹10/- from ₹50,00,00,000 divided into (a) 2,16,98,000 Equity Shares of ₹10 each (b) 17,93,000 Compulsorily Convertible Preference Shares of ₹ 140 each and 2,00,000 Compulsorily Convertible Preference Shares of ₹ 160 each, as per the shareholders' approval vide resolution passed through postal ballot on 28th December, 2012.

## Award and recognition

Your Company has received the following awards/recognitions:

1. Status of Export House in accordance with the provisions of the Foreign Trade Policy, 2009-2014 recognised by Ministry of Commerce & Industry; and
2. Award for Star Performer of the Year 2010-11 by Engineering Export Promotion Council.

## Credit Rating of Debt Instrument

The long term credit facilities continues to be rated by Credit Analysis & Research Ltd. (CARE) as BBB+.

## Corporate Social Responsibility(CSR)

The following CSR activities were undertaken by the Company during the year 2012-13:

A sum of ₹ 24 lacs contributed during the year under review to a charitable trust for various social upgradation programmes.

## Management's Discussion and Analysis

Management's Discussion and Analysis Report for the year under review as stipulated under clause 49 of the Listing Agreement with stock exchanges, is presented in a separate section forming part of the Annual Report.



## Directors

During 2012-13, Mr. Vaibhav Tantia and Mrs. Mamta Binani were appointed as Additional Directors of the Company in the Board of Directors meeting held on 13th August, 2012 to hold office till the ensuing Annual General Meeting (AGM) of the Company. Pursuant to Section 257 of the Companies Act, 1956, notices together with requisite deposits have been received from Members proposing their appointment as Directors of the Company at the ensuing AGM.

Mr. Vaibhav Tantia was also appointed as a Whole-time Director designated as Director & Chief Operating Officer of the Company at the said meeting with effect from 13th August, 2012. The proposal seeking approval of his appointment and

remuneration is being placed before the Members at the ensuing AGM.

At the Board Meeting held on 13th August, 2012, Mr. Shree Gopal Tantia and Mr. Atul Tantia were re-appointed as Managing Director and Whole-time Director of the Company respectively, with effect from 13th August, 2012. The proposal seeking approval of their re-appointment and remuneration is being placed before the Members at the ensuing AGM.

Mr. Viswa Nath Purohit and Dr. Nitindra Nath Som, Directors of the Company will retire at the forthcoming Annual General Meeting by rotation and, being eligible, offer themselves for re-appointment.

## Subsidiary companies

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary companies:-

Name of subsidiary	GPT Concrete Products South Africa (Pty.) Limited, South Africa	GPT Investments Private Limited, Mauritius	Jogbani Highway Private Limited	GPT Marecom Private Limited
Financial year ending of the subsidiary	31st March 2013	31st March 2013	31st March 2013	31st March 2013
No. of equity shares held with its face value	27,000, PY 27,000 Equity shares of ZAR 1 each	2,125,000, PY 2,125,000 Equity shares of USD 1 each	3,300,000, PY 3,300,000 Equity shares of ₹ 10 each	485,920, PY 485,920 Equity shares of ₹ 10 each
Extent of Holding	54%, PY 54%	100%, PY 100%	73.33%, PY 73.33%	100%, PY 100%
Profit/(loss) so far as it concerns the members of the holding company and not dealt with in the holding company's accounts	₹ 154.54 lacs, PY ₹ 320.19 lacs	(₹ 59.02 lacs), PY (₹ 99.51 lacs)	(₹ 0.37 lacs), PY (₹ 1.24 lacs)	(₹ 24.52 lacs), PY (₹ 14.44 lacs)
Profit/(Loss) so far as it concerns the members of the holding company and dealt with in the holding company's accounts	Nil, PY Nil	Nil, PY Nil	Nil, PY Nil	Nil, (PY Nil)

### Note:

- 1) The Company undertakes that the annual accounts of the above stated subsidiary companies and the related detailed information are available to the shareholders of the Company and its subsidiary companies as they seek such information at any point of time.
- 2) The annual accounts of the above stated subsidiary companies are also available for inspection by shareholders in the registered office of the Company and of the subsidiary companies concerned.



## Human resources

During the year under review, there was a renewed thrust on attracting, developing and retaining talent. To improve the competence of employees, organizational effectiveness and productivity, a number of need-based training and development programmes are being organized. Human relations continue to be cordial.

Your Directors wish to place on record appreciation of all employees for their valuable contribution.

## Voluntary De-Listing of equity shares

During 2012-13, the equity shares of the Company have been delisted from the U.P. Stock Exchange Limited of Kanpur with effect from 27th July, 2012. Now 1,45,43,000 equity shares of ₹ 10/- each of the Company, are traded only in The BSE Limited (BSE) and The Calcutta Stock Exchange Limited (CSE).

## Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance. The report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Auditors of the Company, M/s. SRBC & CO LLP, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

## Fixed Deposit

Your Company is not inviting or accepting any deposits from the public/ shareholders.

## Conservation of energy, technology absorption and foreign exchange earnings and outgo

The additional information required under the provision of Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1998, and forming part of the Report, is also annexed hereto.

## Particulars of Employees

The name and other Particulars of Employees whose salary exceed the limits as prescribed under Section 217(2A) of the

Companies Act, 1956, read with the Companies (particulars of Employees Rules, 1975, are given below:

Name	: Mr. Shree Gopal Tantia
Age	: 47 years
Qualification	: Graduate
Date of Employment	: 13th August, 2007
Designation/Nature of duties	: Managing Director
Remuneration received gross (₹ in '000)	: ₹ 6,799
Experience	: 30 years
Last employment	: Managing Director, GPT Infrastructures Private Limited

### Notes:

- Remuneration received includes salary, ₹ 6,000.
- Nature of employment is contractual. Other terms and conditions are as per the Board resolution and as per the Company rules.
- Mr. Shree Gopal Tantia holds 1,368,022 shares in the Company which is about 9.41% of the Company's total equity shares.

## Auditors and Auditor's Report

M/s. SRBC & Co., Chartered Accountants, Auditors of the Company, has been converted into LLP and accordingly their name has been changed to SRBC & CO LLP, Chartered Accountants, effective from 1st April, 2013.

M/s. SRBC & CO LLP, Chartered Accountants (Formerly SRBC & Co.), Auditors of the Company, retire at the conclusion of the ensuing annual general meeting and being eligible, offer themselves for re-appointment. The Company has received a letter and certificate from M/s. SRBC & CO LLP, Chartered Accountants to the effect that their reappointment, if made, will be in accordance with the limits specified in Section 224(IB) of the Companies Act, 1956. The Audit Committee in its meeting held on 24th May, 2013 has also recommended the re-appointment of M/s. SRBC & CO LLP, Chartered Accountants, as Statutory Auditors of the Company for the financial year 2013-14. Your Directors also recommend their re-appointment at the ensuing annual general meeting of the Company.

As regards observations contained in the Auditors' Report, the respective notes to the accounts are self-explanatory and,



therefore, do not call for further comments.

### Unpaid/Unclaimed Dividend

As on 31st March, 2013, the Company is having a sum of ₹ 1,187.75 as unpaid/unclaimed dividend lying in its Unpaid Dividend Account. During the year under review no amount which remained unclaimed and unpaid for a period of seven years, is due for transfer to Investor's Education and Protection Fund.

### Consolidated Financial Statements

In accordance with the requirements under clause 32 of the Listing Agreement of Stock Exchanges, Your Company prepared the consolidated financial statements in accordance with the Accounting Standard 21 issued by The Institute of Chartered Accountants of India. The consolidated financial statements form part of the Annual Report.

### Directors' responsibility statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' responsibility statement, it is hereby confirmed:

- a. That in preparation of the annual accounts, the applicable accounting standards were followed along with a proper explanation relating to the material departures, if any;
- b. That the Directors selected such accounting policies and applied them consistently, made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the Company's state of affairs as at 31st March, 2013 and of the Statement of Profit and Loss of the Company for the year ended on that date;
- c. That the Directors took proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities; and
- d. That the Directors prepared the annual accounts on going concern basis.

### Acknowledgements

Your Directors acknowledge with gratitude the co-operation and assistance received from various agencies of the government, banks, financial institutions, financial companies, vendors, customers and investors.

**For and on behalf of the Board,**

Registered office:  
GPT Centre, JC-25,  
Sector-III, Salt Lake,  
Kolkata 700 098, India

Dated: 24th May, 2013

**D. P. Tantia**  
*Chairman*





# Annexure - I

## to the Directors' Report

Information under Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rule 1988, and forming part of the Directors' Report for the year ended 31st March, 2013.

### A. Conservation of energy

(i) Power factor improvement

(ii) Campaign to create awareness amongst the employees on the necessity of conservation of energy is practiced regularly

### B. Technology absorption

Research and development (R&D)

: None

Technology absorption, adaptation and innovation

: Not applicable

### C. Foreign exchange earnings

Exports (FOB)

: ₹ 2,670 lacs (PY ₹ 1,882 lacs)

Other income

: ₹ 48 lacs (PY ₹ 101 lacs)

### D. Foreign exchange Outgo

Foreign travel

: ₹ 30 lacs (PY ₹ 22 lacs)

Professional Fees

: ₹ 334 lacs (PY Nil)

Interest

: ₹ 141 lacs (PY ₹ 182 lacs)

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**For and on behalf of the Board,**

Registered office:  
GPT Centre, JC-25,  
Sector-III, Salt Lake,  
Kolkata 700 098, India

Dated: 24th May, 2013

**D. P. Tantia**  
*Chairman*



# Management Discussion and Analysis

## Economy review

### Global:

Global gross domestic product (GDP) grew 3.2% in 2012 against 3.9% in 2011 after having hit another bout of turbulence in what was always expected to be a slow and fragile recovery. Interestingly, economic conditions improved in the third quarter of 2012 primarily due to acceleration in emerging market economies and in the US, where surprising growth was registered on the upside (Source: IMF).

### Outlook for 2013-14:

On the brighter side, global growth is projected to increase during 2013, as the factors decelerating global commerce are expected to be on a decline. However, this upturn is projected to be a slow process. Overall, it is widely held that the world economy could grow by about 3.5% in 2013.

### India:

India is an integral part of the global economy. Our exports and imports amount to 43% of GDP and two-way external sector transactions have risen to 108% of GDP. The country is not unaffected by what happens in the rest of the world and our economy too has slowed after 2010-11.

The Indian economy decelerated for the second year in succession to 5% in 2012-13 against 6.2 % in 2011-12, the lowest in the last decade, on account of poor performance of the manufacturing, agriculture and services sectors.

The Central Statistical Organisation's (CSO) advance estimates lowered the growth in agriculture and allied activities to 1.8% in 2012-13 against 3.6% 2011-12; manufacturing growth dropped to 1.9% in 2012-13 from 2.7% in 2011-12 while the services sector (including finance, insurance, real estate and business services sectors) grew at a reduced pace at 8.6% in 2012-13 against 11.7% last fiscal.

In 2012-13, the industrial sector was plagued by a slowdown in investment and consumption, driven by a policy logjam. The industry was particularly hit by disruptions to mining output for most part of the fiscal, especially the widespread ban enforced in Karnataka. The manufacturing sector was also adversely impacted by declining private consumption, corporate

investments as well as export demand with widening current account deficit.

The farm sector achieved 3.6% growth during the Eleventh Five-Year Plan (2007-12), falling short of the 4% growth target, although it was much higher than growth of 2.5% and 2.4% during Ninth and Tenth Plans, respectively.

The country's current account deficit (CAD) continues to be high mainly because of its excessive dependence on oil and gold imports and the high volume of coal imports and the slowdown in exports. Financing the country's current account deficit, pegged at about USD 75 bn over the next one or two years, can only be achieved through FDI, FII and external commercial borrowing (ECBs), and the central government is focused on encouraging foreign investment that is consistent with the country's economic objectives.

However, there is no reason for pessimism as even today, out of some of the larger countries of the world, only China and Indonesia have grown faster than India in 2012-13. And in 2013-14, if we grow at the rate projected by many forecasters, only China will grow faster than India. Between 2004 and 2008, and again in 2009-10 and 2010-11, the growth rate was over 8% and, in fact, crossed 9% in four of those six years. The average for the Eleventh Plan period was 8%, the highest ever in any Plan period.

### Outlook for 2013-14:

Overall, India's GDP growth should pick-up to 6.5%-6.7% in 2013-14 (CRISIL estimates) due to a revival in consumption. Uncertain global economic prospects do not bode well for India's exports and will limit external stimulus to its economy. Also, with advanced economies expected to record only a slight improvement in growth and depleted domestic investment pipeline, India's GDP growth in 2013-14 will be largely dependent on the revival of private consumption growth. Other factors that will trigger and shape India's growth prospects in 2013-14 will include a pick-up in agriculture, predicated on a normal monsoon, softening interest rates, tame inflation levels and higher government spending that will support private consumption demand.

In 2013-14, a revival in industrial growth to 5.4% is expected,