



Steady Focused Forward





Leadership speak

Pg **04**

On the infrastructure front, there has been a definite uptick in both order inflow as well as execution. We achieved a major milestone this year. In August 2018, we received the single largest order in our history.



Read Inside

2	Corporate Identity
3	Our Businesses and their Presence
4	From the Chairman's Desk
6	Operational Review
8	Understanding our Business Model
10	Senior Management
11	Independent Directors
12	Key Performance Indicators
13	Corporate Information
14	Directors' Report
43	Management Discussion and Analysis
50	Report on Corporate Governance
69	Standalone Financial Statements
131	Consolidated Financial Statements

Forward-looking statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

With an experience of 40 years in the industry

we have already established ourselves as a leading player in the nation's civil construction and sleeper manufacturing space.

Being a part of a sector, which enjoys a firm focus from the Indian government, we managed to attain steady inflow of contract orders throughout 2018-19.

Having achieved a breakout performance in 2017-18, we thought 'What's next?'

Our target was to attain the next level of growth. As a result of this unwavering focus to achieve more, we bagged the biggest contract in the history of the Company worth ₹ 362 crores.

And this is just the first step.

**We are steady
on our track.**

**We are focused
on opportunities.**

**We are moving
forward in our
journey of excellence.**



Corporate Identity

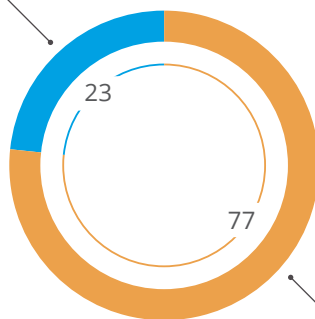
GPT Infraprojects is a leading civil construction and sleeper manufacturing player in India with almost 40 years of experience in the sector.



We undertake turnkey infrastructure projects and offers integrated solutions backed by competence in engineering and construction capability. We are known for our strong project execution capabilities, a healthy financial base and optimistic growth prospects in all their fields of operations

Segmental revenue breakup

(%)



Infrastructure Concrete sleepers

Highlights, 2018-19

₹ **592** crores

Revenue

13.14 %

EBITDA margin

₹ **155** crores

Market capitalisation*

₹ **77.78** crores

EBITDA

₹ **2**

Dividend per share

₹ **1,836** crores

Total unexecuted order book
as on 31st March 2019



OUR VISION

To build a dynamic organization where we are leaders in businesses in which we operate, and set standards in technical competence, quality, and customer satisfaction, by remaining true to our values, and encouraging professionalism, integrity and team spirit, among our employees.



OUR GUIDING PRINCIPLE

Act as socially responsible corporate citizens by giving back to the society and country that has given us everything.

Manufacturing capacities

- **Panagarh:** 4,80,000 sleepers per annum
- **Ramwa and Pahara:** 4, 00,000 sleepers per annum
- **Ladysmith (South Africa):** 5,00,000 sleepers per annum
- **Tsumeb (Namibia):** 2,00,000 sleepers per annum

Listing and shareholding pattern

Our shares are listed and actively traded on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). As on March 31, 2019, 75% of our Company's shares were held by the promoter group. The rest were held by institutional and individual investors.

Our Businesses and their Presence

Business	Infrastructure	Concrete sleepers
Proposition	Execution of infrastructure projects mainly in railways, roads, bridges and industrial functions for government sector clients	Pioneers in the manufacture of pre-stressed concrete sleepers
Presence	Presence across 10 states in the Northern and Eastern parts of India	Global presence with factories in Namibia and South Africa, alongside exporting to Bangladesh and Sri Lanka from Indian factories

Capabilities

Steel bridges	Enhanced expertise to build mega bridges with super steel structures across varied terrains
Roads, Bridges and Highways	Expertise in the construction of bridges, elevated metro structures and concrete pavements for airports
Railway tracks	Gauge conversion of railway tracks including allied functions such as earthwork, blanketing and track lining
Industrial	Expertise in construction of railway sidings, merry-go-round railways and roads, among others in industrial layouts
Concrete sleepers	End-to-end sleeper construction and manufacturing services for international and domestic clientele

From the Chairman's Desk

Your Company is steadily on track and focused on leveraging industry opportunities to begin its forward journey on a path of unprecedented growth

₹592 crores

Total Revenue

₹12.65 crores

Net Profit



“ I am pleased to report that your Company reported consolidated revenues of ₹ 592 crores in FY 2018-19 which is a 10% increase over the previous fiscal. The infrastructure division accounted for ~77% of the total revenue stream, the rest was contributed by our sleeper division. ”

Dear Shareholders,

India continues to be one of the world's fastest growing major economies, and is poised to touch US\$5 trillion in five years and US\$10 trillion in eight years thereafter (Source: Budget 2019).

India is now the world's fifth largest economy and has seen a major transformation in recent years. The most important among them is the successful roll-out of the Goods and Services Tax (GST), Make in India initiative, the Insolvency and Bankruptcy Code (IBC) and the Real Estate Regulatory Authority (RERA). These reforms address some of the intrinsic challenges that the country was facing even five years ago.

The reform measures and other initiatives by the Government of India and state governments have helped India improve its rank considerably, from 100 to 77 in the World Bank's Ease of Doing Business 2019 report. The ranking provides useful input to influence investment decisions of global and domestic investors.

Operational review

I am pleased to report that your Company reported consolidated revenues of ₹ 592 crores in FY 2018-19 which is a 10% increase over the previous fiscal. The infrastructure division accounted for ~77% of the total revenue stream, the rest was contributed by our sleeper division. There have been changes in the accounting policies due to GST and Ind-AS implementation and the first quarter revenues for FY 2018-19 are lower by 10% in comparison to

the previous year. But due to input tax credit availability, earnings were not impacted in any major way. We reported profitable growth in the year under review.

On the infrastructure front, there was a definite up-tick in both order inflow as well as execution. We achieved a major milestone this year. In August 2018, we received the single largest order in our history. The contract we bagged was worth ₹ 362 crores from the Rail Vikas Nigam Limited (RVNL), Varanasi for rail cum road bridge works at Ghazipur and the project work is going on smoothly. Given our strong order book and order pipeline, I expect continuous improvement in performance of infrastructure contracts even in the next fiscal.

This year your Company also saw significant improvement in the sleeper business. Our South Africa business experienced a significant pick-up in project execution, especially in the second half of fiscal 2018-19 due to the rise in mining activities in the country. With the rise in project execution, we expect higher returns on our investment in the South African subsidiary. Similarly, our Indian sleeper business too should benefit this year on the back of strong order book.

Your Company enjoys attractive revenue visibility. Our total order intake was ₹ 586 crores in FY 2018-19 which resulted in a net unexecuted order book of ₹ 1,836 crores (excluding L1 orders). The EPC order book accounted for ~87% share of the total order book and the sleeper manufacturing business accounted for the rest.

Future optimism

We are very optimistic about our business prospects for the coming year. The ongoing growth of the infrastructure segment especially in the Indian Railways is expected to significantly benefit us. The pick-up in railway capex will lead to increased order intake, leading to improved profitability.

Once we successfully complete the RVNL order, we will be eligible to bid for single orders of approximately ₹1000 crores in our own name. Additionally, our focus on profitability would continue with our efforts of maintaining an EBITDA hurdle rate of 13-14%, coupled with better working capital cycle, thereby enhancing our overall profitability. There is a drop in EBITDA margin primarily on account of one time provision of some expenses and the drop is due to forex translation.

Favourable government reforms and strong macroeconomic policy framework is expected to lead India to achieve robust economic growth. With our resilient business model and years of expertise in the infrastructure segment, we are all set to use our experience and move steadily forward to achieve the next level of growth.

Dwarika Prasad Tantia
Chairman

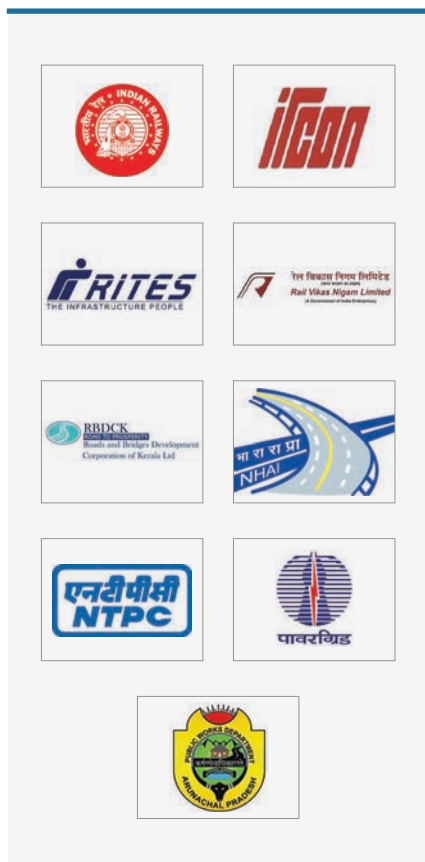
Operational Review

INFRASTRUCTURE

We have been executing various civil engineering projects since 2004 and our capabilities lie in construction of roads, bridges, irrigation and railway systems, urban transit, industrial and civil aviation infrastructure. We also design, plan and execute our projects with the best-in-class equipment and technologies such as steel piles, raker piles, large-diameter and deep-concrete in situ piles, decks and superstructures compliant to international standards.

We are well known in the field of bridge construction from foundation to finish, and have forayed into roads and highways segments as well as industrial vertical.

Clientele



Highlights 2018-19

- We completed several large projects such as Hasnabaad, Bhagalpur, Dattabad in the year under review.
- There was an improvement in the order inflow as well as execution and construction work for most of our projects was in full swing.
- This year we received the largest orders in our history, valued at ₹ 362 crores from Rail Vikas Nigam Limited (RVNL) for the construction of approaches and viaducts for a bridge over river Ganga near Varanasi.




Outlook 2019-20

- The ongoing boost being provided to the infrastructure sector especially sub-sectors such as railway is expected to be highly beneficial for us in the coming fiscal. And with our strong order book and pipeline, we expect continuous improvement in performance of infrastructure contracts even in the next fiscal.
- We are going to bid for contracts with a higher ticket size (upwards of ₹ 1,000 crores and we expect a significant order inflow in the coming year.

- As our ongoing strategy, we are enhancing our focus on profitability and would continue to achieve a hurdle rate of 13-14%, coupled with better working capital cycle, thereby enhancing our overall profitability.

GPT bagged the largest order in its history

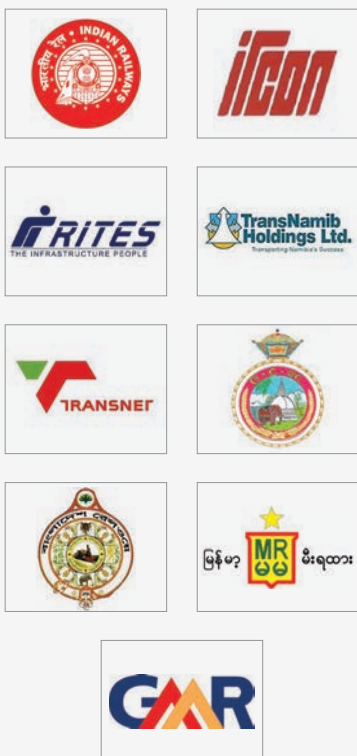
In the year 2018-19, we bagged an order from the Rail Vikas Nigam Limited, Varanasi worth ₹ 362 crores. The scope of the contract includes construction of roadbed, viaducts, bridges, RUBs, ROB, track linking, and general electrical works for the rail-cum-road bridge at Ghazipur near Varanasi over the next 24 months. Major part of the work consists of building a pile foundation of about 1000 piles coupled with 8,000 tons of steel fabrication and erection. We have had to significantly scale up our operations due to the magnitude of the project and post its successful completion, we would be eligible to bid for single order of approximately ₹ 1,000 crores in our own name.

Roads, bridges, airports and highways	Industrial	Steel bridges
		
16 contracts accounting for 61% share of the outstanding order book	7 contracts accounting for 7% share of the outstanding order book	10 contracts accounting for ~32% share of the outstanding order book

SLEEPER

We were among the first companies in India to commence the manufacture of concrete sleepers for railway tracks in 1982. Our operations include design of track superstructure and transfer of production technology through investment in plant and machinery, establishment of concrete sleeper plant and manufacture of concrete sleepers. We are also enhancing our global presence by targeting the acquisition of prestigious orders in South Africa, Namibia, Bangladesh, Sri Lanka, Beira (Mozambique), and Myanmar.

Clientele



Highlights 2018-19

- The divisional revenues grew by 2% to reach ₹ 135 crores during the year.
- The business witnessed a significant pickup both in India and Africa. The South African business saw up-tick in execution due to the pickup of mining operations in the country. The Indian sleeper plant benefitted due to the higher execution of the sleeper contract for the Eastern Dedicated Freight Corridor.
- We set up two sleeper factories to supply sleepers to GMR, which are operating smoothly and about 25-30% of the orders were completed during the fiscal.

Outlook 2019-20

- To manufacture wider base sleepers for the requirement of Indian Railways for more stable movement of trains.
- To engage in more project specific requirement for freight corridor contracts in India with the plan of the government to invest in three more freight corridors.
- To tap the potential of the market and the industry in developing nations in Africa is tremendous and GPT has a huge opportunity to tap the market.

6-9 months

Time taken to commission greenfield sleeper plants after order

₹135 crores

Divisional revenue 2018-19

Country	Factory	Year	Growth driver
 India	Panagarh, WB	1982	Introduction of wide base sleepers by the Indian Railways
	Ikari, UP	2017	Significant pickup due to the demand from the Eastern DFC project
	Pahara, UP		
 Africa	South Africa	2009	Strong market demand due to pickup of mining operations in the country
	Namibia	2010	

Understanding our Business Model

Our unique value creation model has a role to play in our ongoing business success along with aiding GPT to achieve its future goals.

Our business model is the plan that ensures smooth functioning of our operations, identifying prospective revenue sources and intended customer base. Our operational model is what aids us in enhancing value for our stakeholders. Varied resources are responsible in enabling GPT Infra in value creation. The key capitals and relationships that we depend upon are:



Human

Our 1,135 employees bring talent and strong capabilities relevant to all aspects of our business, from community and customer relations to the innovative thinking necessary to drive value growth and efficiency.



Natural

We are dependent on natural resources such as energy, iron (used to manufacture steel for our bridge construction) and water which are critical inputs which we seek to source responsibly and use efficiently.



Social and relationship

Our social 'licence to operate' is due to our reputation and the trust of key stakeholders. Our most valuable stakeholder relationships are with our people, customers, suppliers and partners as well as governments and regulators.



Financial

Our business activities require financial capital, which includes shareholders' equity, debt and reinvested cash. GPT Infraprojects has only one class of shares: ordinary equity shares.



Intellectual

Our intellectual property includes our engineering expertise, end-to-end project execution capabilities and operational excellence systems. As we continue to evolve and undertake larger projects, the importance of our intellectual capital is increasing.



Manufactured

As a company operating mainly in the infrastructure sector, we require production and logistics assets that allow us to manufacture and deliver projects that meet customer demands.

OUR PRINCIPLES WHICH GUIDE HOW WE CREATE VALUE:

- Quality of operations
- Drive towards excellence
- Culture of continuous learning
- Care for our people
- Perform as a team
- Win with customers