



# Entering a virtuous cycle

GPT Infraprojects Limited  
41st Annual Report, FY 2020-21



**GPT**  
group

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## Profitable growth in FY 2020-21

**615 Crore**

Consolidated revenue

**137 bps**

Increase in EBITDA margin

**35%**

Increase in PAT

**21%**

Increase in order book  
(₹18.23 Billion)

## 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 realized, 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 materialize, or should 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.

## Entering a virtuous cycle

At GPT Infraprojects Limited, we have consistently focused on building a sustainable infrastructure construction company.

During a challenging FY 2020-21, this commitment was tested.

The pandemic-induced slowdown affected our capacity to mobilize construction workers, activate our supply chain and complete projects on schedule.

The Company responded with a distinctive passion: of finding innovative approaches to challenges and of persevering in the face of odds.

The result is that the Company reported profitable growth, stronger liquidity, better margins, wider services portfolio and a larger order book.

If there is one message that the Company intends to leave with its shareholders, it is that GPT is entering a virtuous cycle of enhanced growth, margins and shareholder value.



**GPT Infraprojects Limited is a mid-sized infrastructure construction company.**

**The Company is focused on projects related to railways, roads, power and industrial sectors.**

**The Company's operations are spread across three countries.**

**The Company works with some of the most prominent government companies.**

#### **Our background**

GPT Infraprojects Limited, the flagship company of the GPT Group, is a premier infrastructure company based out of Kolkata. Incorporated in 1980, the Company is engaged in the execution of civil and infrastructure projects and the manufacture of concrete sleepers.

#### **Our businesses**

The Company is engaged in EPC contracts across diverse sectors (roads, railways, power and industrial). It also manufactures pre-stressed concrete sleepers in dedicated manufacturing facilities in India, South Africa and Namibia.

#### **Our Competencies**

<b>Solution provider</b>	<b>Portfolio</b>	<b>Diverse capability</b>
The Company is respected for providing end-to-end services in the rail and road infrastructure segments - from design to construction to maintenance.	The Company's competence comprises the construction of flyovers, over-bridges and under-bridges, among others; it extended to the construction of roads during the year under review	The Company possesses the competence to design and construct cable-stayed, suspension, cantilever and steel bridges. The Company is engaged in the execution of caisson foundations, bridge rehabilitation and re-girdering.
<b>Timeliness</b>	<b>Intellectual resources</b>	<b>Fiscal discipline</b>
The Company enjoys a clean record in completing projects on or before schedule. This has been derived from an in-depth knowledge, systemic integrity and process standardization.	The Company is proud to have dedicated and loyal talent capital, which helped open the Company to opportunities even at a time of crisis.	The Company's operations are marked by fiscal discipline, reflected in a declining proportion of outstandings (three years or more), lower receivables, reduced debt and a shorter working capital cycle.

### Our listing

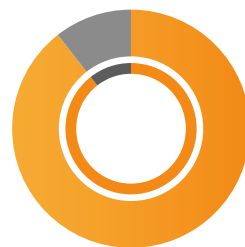
The Company's shares are listed and actively traded on the BSE Limited and National Stock Exchange. The Company enjoyed a market capitalization of ₹195 Crore as on 21st June, 2021.

### Our order book

The Company had an order book of ₹1823 Crore as on 31st March, 2021, which increased 21.5% over the previous year. Nearly 89% of the Company's

order book comprised the infrastructure segment and 11% from the concrete sleepers segment. Of the infrastructure component, 77% of the order book comprised Roads, Bridges and Highways, 20% comprised steel bridges and the rest comprised industrial projects. The Concrete sleeper order book was classified into DFCC (54%), Indian Railways (41%) and projects from Africa (6%).

### Order book, 31st March, 2021



■ Infrastructure: ₹16.3 Billion

■ Concrete order book: ₹1.9 Billion

### Our clientele

The Company addresses some of the largest and most prestigious railway customers in India, Asia and Africa.

- Indian Railways
- Bangladesh Railway
- PW (Roads) Directorate, NH Circle, West Bengal
- IRCON International Limited
- Myanmar Railways
- GMR Infrastructure Limited
- TransNamib Holdings Limited
- Rail Vikas Nigam Limited
- Damodar Valley Corporation
- Transet Freight Rail
- National Highways and Infrastructure Development Corporation Limited
- Hooghly River Bridge Commissioners
- Sri Lanka Railways

### Our awards and accreditations

- Awarded 'Emerging India' award in the infrastructure category by ICICI Bank, CNBC TV18 and CRISIL in 2011
- Bestowed with ISO 9001:2015 certification
- Bestowed with 'Star Export House' certification by Ministry of Commerce, Government of India
- Awarded 'Best Infrastructure Brand, 2016' by *The Economic Times*

### Our capacities and locations

Factory	Capacity (units per annum )	Commissioning year	Growth driver
Panagarh, Bengal	480,000	1982	Introduction of wider base sleepers
Ikari, UP	400,000	2017	For Eastern DFC project
Pahara, UP	400,000	2017	For Eastern DFC project
South Africa	500,000	2009	These markets are demonstrating strong demand
Namibia	200,000	2010	These markets are demonstrating strong demand



## Our Senior Management



**Dwarika Prasad Tantia**

Chairman

He possesses more than 45 years of experience in the infrastructure sector and pioneered the Company's entry into the sleepers business and its eventual foray into international markets.



**Shree Gopal Tantia**

Managing Director

With more than 35 years of experience in the infrastructure and civil construction sectors, he possesses strong execution capabilities and oversees the customer relationship aspect of the business.



**Atul Tantia**

Executive Director & CFO

Earned a magna cum laude degree in BS Economics from Wharton School and MS in Systems Engineering from University of Pennsylvania. He leads the Company's manufacturing operations and finance and accounts functions while managing relationships with bank, financial institutions, investors and international customers.



**Vaibhav Tantia**

Director & COO

A summa cum laude graduate in BS Economics from Wharton School and BS in Civil Engineering from University of Pennsylvania. He leads the EPC segment including the management of projects and business development as well as legal and arbitration matters.

## Our Independent Directors



### **Kashi Prasad Khandelwal**

#### **Independent Director**

He holds a certificate of practice with the Institute of Chartered Accountants of India and his areas of expertise include Union budget, service tax, accounting, auditing, corporate laws, corporate governance, information technology and income tax. He is also the Chairman of the Audit Committee and a member of Nomination & Remuneration Committee.



### **Mamta Binani**

#### **Independent Director**

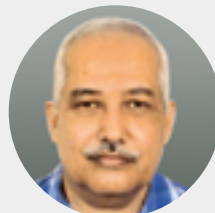
She is a fellow member of the Institute of Company Secretaries of India and an Insolvency Professional. She served as the president of the Institute of Company Secretaries of India in 2016 and has amassed more than 22 years of experience in the realms of corporate consultation and advisory. She is also member of Audit & CSR Committee of the Board.



### **Sunil Patwari**

#### **Independent Director**

He holds a PGDM degree from IIM-Ahmedabad and an associate member of the Institute of Chartered Accountants of India. His areas of expertise include business management, accounts, taxation and finance. He is also the Chairman of the Nomination & Remuneration Committee.

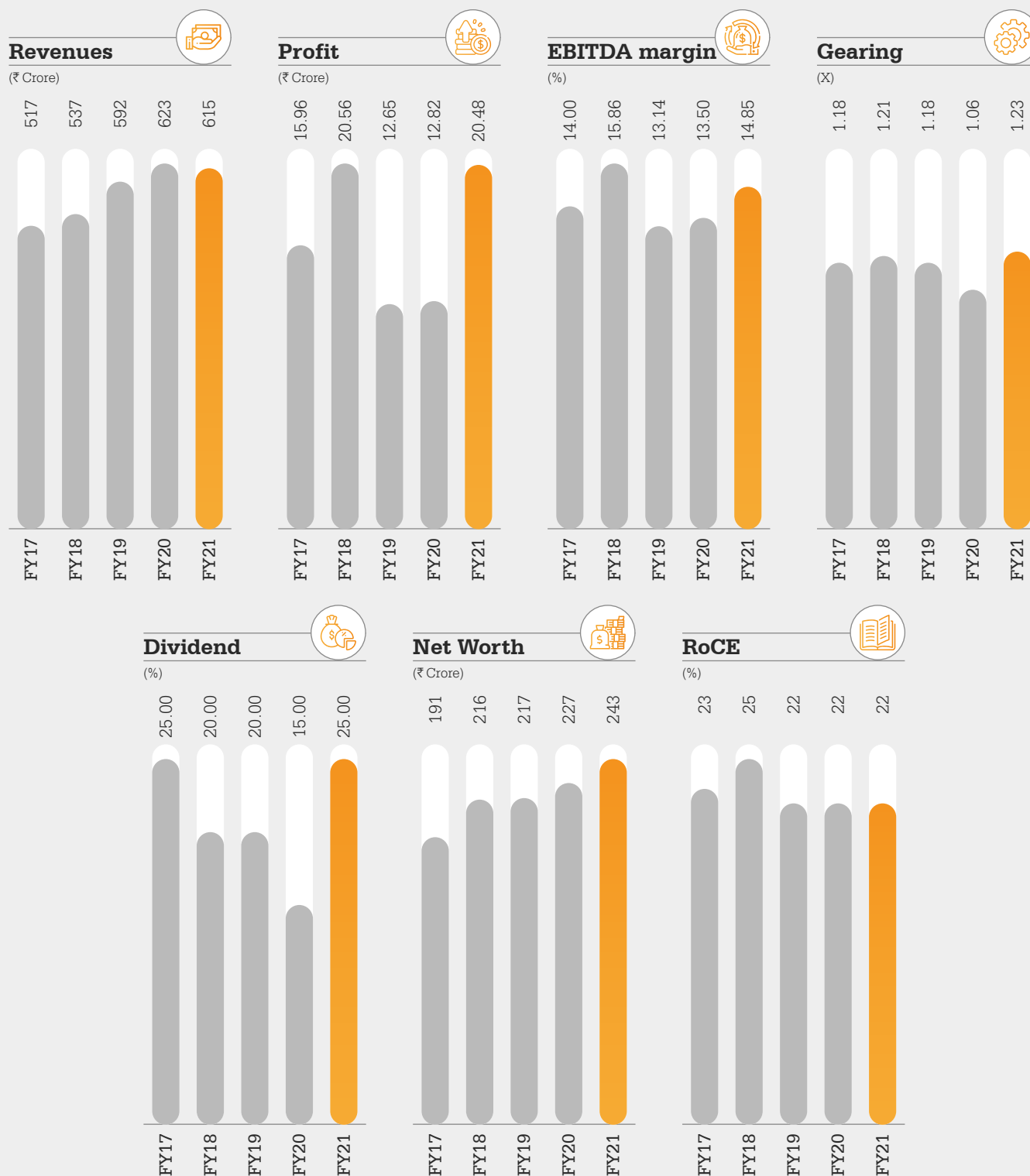


### **Shankar Jyoti Deb**

#### **Independent Director**

Besides holding a B.Sc. degree and B.E. degree in civil engineering, he has attended a financial management programme at IIM - Calcutta. His areas of expertise include designing, engineering and implementation of civil projects. He is also a member of the Audit committee, Nomination & Remuneration Committee and Stakeholder's Relationship Committee.

# Financial highlights, FY 2020-21





### Key projects under execution

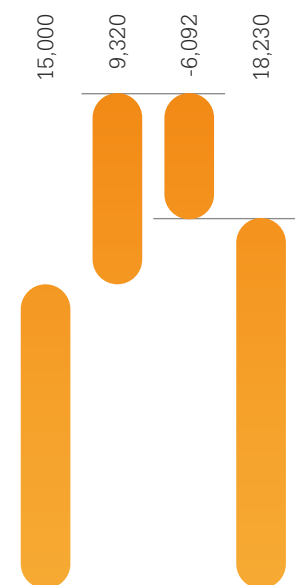
Scope	Client	Value (₹ Million)
<b>Infrastructure</b>		
Rail-cum-road bridge in Ghazipur	RVNL	3,729
Steel structures at Mathura-Jhansi 3rd line	RVNL	3,346
Construction of ROB and its approaches	PWD	2,100
Rehabilitation of 2nd Hooghly Bridge	HRBC	1,628
<b>Concrete sleeper</b>		
Sleeper for Eastern DFC project	GMR	2,464
Supply of concrete sleepers	Transnet (SA)	2,170

### Contracts of some key projects bagged in FY 2020-21 (₹ Million)

Scope of Work	Segment	City/State	Value
Construction of important bridge No. 1367/2 on Yamuna river	Infra	Jhansi, Uttar Pradesh	2,450
Widening of 2-lane with hard shoulder on NH 102B (two orders – section wise)	Infra	Manipur	2,175
Construction of Metro Railway Viaduct	Infra	Kolkata, West Bengal	1,963
Repair and rehabilitation of Second Hooghly Bridge	Infra	Kolkata, West Bengal	1,628
Construction of Superstructure of bridges over River Pagla	Infra	Guwahati, Assam	641
Supply, fabrication, assembling and erection of new bridge on Yamuna river	Infra	Agra, Uttar Pradesh	302

#### Order Book Movement

(₹ Million)



#### New contracts

One construction order in Uttar Pradesh for a new bridge over Yamuna River in Agra and Jhansi

Repair of the rehabilitation of the Second Hooghly Bridge in West Bengal

Constructing structures for bridges for NF Railway in Guwahati

Two road projects for NH 102B in Manipur

## Chairman's overview

The profitable growth in FY 2020-21 represents the foundation of the Company's prospective sustainability and competitiveness.



*Dear Shareholders*

This year I intend to commence my communication with how we intend to protect our business.

This statement has acquired a deeper connotation following the sweeping resurgence of the second pandemic wave in India.

Any discussion about our business must therefore begin with what needs to be done to protect our people. These are challenging times for a knowledge-intensive business like ours; there is a premium on the ability to protect talent from the effects of the pandemic.

As a sensitive organization, GPT had foreseen the impending lockdown in March 2020; immediately after the lockdown had been announced, the company provided necessary equipment to employees to work conveniently from their homes; the company created a safety-first approach across our ongoing project sites. No financial number and no profit margin can be more important than the fact that we completed the year under review with most of our talent capital intact and most of their family members safe.

At GPT, we believe that there has never been a moment when our business model has been more relevant than it is now. The Indian government is investing more than ever in infrastructure creation; there is a need to build the India of tomorrow with more roads, more bridges and more rail networks, in addition to the rejuvenation of existing infrastructure.

There are a number of realities that make the scenario attractive and compelling.

India is building infrastructure larger and faster. The standards of infrastructure building are rising. The government has recognized the need for vendors and service providers to be remunerated with speed. The Indian government has introduced various liquidity measures for the businesses and especially for construction companies like ours, wherein proportionate bank guarantees have been released for partly completed contracts and emergency credit facilities have been sanctioned at attractive interest rates to companies whose accounts were regular with the banks. This has also been supported by the accommodative stance of the Reserve Bank of India by maintaining interest rates at around the historically lowest levels seen in this country.

At GPT, we applaud the Government's initiative to retrieve the Indian economy out of the shock induced by the pandemic through liquidity measures and feel that this, coupled with low tax rates as introduced in the last Union Budget, will incentivize businesses to invest and grow in a sustainable manner.

These realities are attracting serious long-term players. The scenario has evolved from a singular focus on profits