

November 05, 2020

To
The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Maharashtra, India
Scrip Code: 532767

To
The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra
(E), Mumbai - 400 051
Maharashtra, India
Scrip Code: GAYAPROJ

Dear Sir/Madam,

Re: Outcome of the Board Meeting Reg.,

This has reference to our letter dated October 29, 2020. The Board of Directors at the meeting held today, i.e. November 05, 2020, inter alia, transacted the following business:

Approved the Un-Audited Standalone and Consolidated Financial Results of the Company for the quarter and Half year ended September 30, 2020 with Limited Review Report submitted by MOS & Associates LLP, the Statutory Auditors of the Company.

The Board meeting commenced at 11:40 a.m. (IST) and concluded at 12.50 p.m. (IST).

A copy of the said results together with the Limited Review Report for quarter and half Year ended September 30, 2020 are enclosed herewith. These are also being made available on the website of the Company at www.gayatri.co.in.

This is for your information and record.

Thanking you,

For GAYATRI PROJECTS LIMITED

Chetan Kumar Sharma

Chetan Kumar Sharma
Company Secretary & Compliance officer





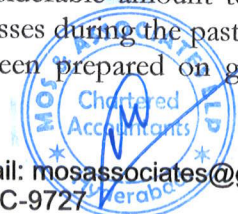
Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Gayatri Projects Limited**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **M/s. Gayatri Projects Limited (the Company)** for the quarter ended 30th September, 2020 and year to date from 1st April, 2020 to 30th September, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) – "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatements. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Emphasis of Matters

We draw attention to the following matters:

- i) As stated in Note No.6 to the unaudited standalone financial results, wherein it is explained the COVID – 19 Pandemic effects and impact on the business operations of the company and however, the actual effect will be known based on the future developments.
- ii) As stated in Note No.7 to the unaudited standalone financial results, the Investee Company in which the Company has invested by way of Compulsorily Convertible Cumulative Preference Shares ("CCCPS"), has incurred considerable losses, there has been significant erosion of Networth and further, business operations of the investee company are severely impacted due to COVID – 19 Pandemic. No provision for diminution / impairment for carrying value of the investment is provided for the quarter and half year ended 30th September, 2020 and the financial statements of the said investee company have been prepared on going concern basis for the detailed reasons stated in the said note.
- iii) As stated in Note No.8 to the unaudited standalone financial results, the associate company, in which the company has substantial amounts of investments and considerable amount to be receivable from said associate company, has been incurring operating losses during the past few years, the financial statements of the said associate company have been prepared on going concern basis for the detailed reasons stated in the said note.



- iv) As stated in Note No.9 to the unaudited standalone financial results, the Inter Corporate Loan grouped under 'Non-current Loans' and accumulated interest thereon long pending for recovery.
- v) As stated in Note No.10 to the unaudited standalone financial results, the recovery of trade receivables is delayed for the detailed reasons stated in the said note. Further, as stated in the same note, the company has given an irrevocable and unconditional corporate guarantee to a subsidiary of the associate company, which has defaulted in repayment of dues to the lenders. Further, as stated in the note, one of the lenders of the said concessionaire company has approached the Hon'ble Debts Recovery Tribunal for recovery of its debts. It is view of the management for the detailed reasons stated in the note that no provision is required to be made in respect of receivables and Corporate Guarantee in the unaudited financial results for the quarter and half year ended 30th September, 2020.
- vi) As stated in Note No.11 to the unaudited standalone financial results, the amount receivable from the erstwhile associate company is long pending for recovery as the same is based on the receipt of claims by the said erstwhile associate company.
- vii) As stated in Note No.12 to the unaudited standalone financial results, the work advances in respect of certain contract works given to a sub-contractor grouped under 'Other Current Assets' which are long pending for recovery.
- viii) As stated in Note No.13 to the unaudited standalone financial results, the Company, Gayatri Highways Limited ("GHL") – an Associate Company and IL&FS Financial Services Limited (IL&FS) have entered into Settlement and Supplementary Agreement dated 14th September, 2020 in which it is agreed to repay the balance loan amount along with the applicable interest. Further, the IL&FS filed application before the Hon'ble National Company Law Tribunal, Hyderabad Bench to withdraw the Application filed under section 7 of the Insolvency and Bankruptcy Act, 2016 against the company.

Our conclusion is not modified in respect of above matters.

5. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M O S & Associates LLP

Chartered Accountants

Firm registration number: 001975S/S200020



Oommen Mani

Partner



Place: Hyderabad

Date : 5th November, 2020

Membership Number: 234119

UDIN: 20234119AAAAEU4096



GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD-500082

STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 30th SEPTEMBER, 2020

(₹ in Lakhs)

Sl. No.	Particulars	Standalone					
		Quarter Ended			Half-Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income						
	Revenue from operations	79,822.89	66,794.73	69,770.66	1,46,617.62	1,68,178.98	3,42,733.36
	Other Income	261.20	28.37	160.62	289.57	323.47	517.42
	Total Income	80,084.09	66,823.10	69,931.28	1,46,907.19	1,68,502.45	3,43,250.78
2	Expenses						
	a. Cost of Materials Consumed & Work Expenditure	76,362.31	57,601.71	71,329.75	1,33,964.02	1,45,426.61	2,93,491.00
	b. Changes in Inventories of Work in Progress	(12,912.36)	(5,270.50)	(18,624.88)	(18,182.86)	(15,117.57)	(18,933.50)
	c. Employee Benefits Expense	3,274.60	3,473.18	3,716.91	6,747.78	7,291.02	14,921.05
	d. Finance Costs	8,463.13	7,819.28	6,297.54	16,282.41	12,731.14	28,574.69
	e. Depreciation and Amortization Expense	2,209.05	2,174.44	1,948.42	4,383.49	3,871.15	9,091.61
	f. Other Expenses	2,503.33	2,381.78	3,412.49	4,885.11	5,368.97	10,594.04
	Total Expenses	79,900.06	68,179.89	68,080.23	1,48,079.95	1,59,571.32	3,37,738.89
3	Profit / (Loss) before Exceptional Items and Tax (1-2)	184.03	(1,356.79)	1,851.05	(1,172.76)	8,931.13	5,511.89
4	Exceptional Items	-	-	-	-	-	(44,533.89)
5	Profit/(Loss) before Tax (3+4)	184.03	(1,356.79)	1,851.05	(1,172.76)	8,931.13	(39,022.00)
6	Tax Expense (Net)	(149.15)	(151.24)	1,047.60	(300.39)	2,650.86	(564.78)
7	Net Profit/(Loss) after tax (5-6)	333.18	(1,205.55)	803.45	(872.37)	6,280.27	(38,457.22)
8	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss :						
	i) Changes in fair value of equity investment	(49.92)	149.76	(336.97)	99.84	(336.97)	(386.88)
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	(21.26)	(21.26)	38.36	(42.52)	78.74	(33.21)
	iii) Income tax relating to Items that will not be reclassified to profit or loss	24.87	(44.90)	(13.40)	(20.03)	(27.51)	146.80
	Total Other Comprehensive Income (8)	(46.31)	83.60	(312.01)	37.29	(285.74)	(273.29)
9	Total Comprehensive Income for the Year (7+8)	286.88	(1,121.96)	491.44	(835.08)	5,994.53	(38,770.51)
10	Paid Up Equity Share Capital (Face Value ₹ 2/- per Share)	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97
11	Other Equity (excluding Revaluation Reserves) as shown in the Audited Balance Sheet of the previous year						90,488.56
12	Earnings Per Share (EPS) of ₹ 2/- each - Basic & Diluted	0.18	(0.64)	0.42	(0.47)	3.35	(20.54)

(₹ in Lakhs)

STATEMENT OF UN-AUDITED STANDALONE ASSETS AND LIABILITIES		STANDALONE	
		As at 30th September, 2020	As at 31st March, 2020
		Un-audited	Audited
ASSETS			
1	NON-CURRENT ASSETS		
	(a) Property, Plant & Equipment	36,430.93	39,420.14
	(b) Capital Work in Progress	47.40	1,093.35
	(c) Financial Assets		
	(i) Investments	56,046.76	55,937.28
	(ii) Loans	34,248.40	34,519.34
	(iii) Trade Receivables	21,932.39	23,078.44
	(iv) Other Financial Assets	19,438.64	18,549.10
	(d) Deferred Tax Asset (Net)	781.42	501.06
	Sub-total - Non-Current Assets	1,68,925.94	1,73,098.71
2	CURRENT ASSETS		
	(a) Inventories	76,215.84	62,377.98
	(b) Financial Assets		
	(i) Trade receivables	1,38,721.98	1,27,876.83
	(ii) Cash and cash equivalents	8,198.56	11,828.26
	(iii) Other bank balances	20,207.06	21,093.07
	(iv) Loans	12,213.81	8,505.18
	(c) Current Tax Assets (Net)	21,345.45	19,910.18
	(d) Other Current Assets	1,21,903.68	1,28,520.50
	Sub-total - Current Assets	3,98,806.38	3,80,112.00
	TOTAL - ASSETS	5,67,732.32	5,53,210.71
EQUITY AND LIABILITIES			
1	EQUITY		
	(a) Equity Share Capital	3,743.97	3,743.97
	(b) Other Equity	89,653.48	90,488.56
	Sub-total - Shareholders' Funds	93,397.45	94,232.53
2	LIABILITIES		
	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	51,463.30	56,478.42
	(ii) Other Financial Liabilities	1,09,949.10	1,31,141.13
	(b) Provisions	609.69	613.98
	(c) Deferred Tax Liabilities (Net)	-	-
	Sub-total - Non-Current Liabilities	1,62,022.09	1,88,233.53
	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,42,565.20	1,16,201.16
	(ii) Trade payables	1,11,289.46	1,06,407.51
	(iii) Other Financial Liabilities	48,543.23	37,739.84
	(b) Other Current Liabilities	9,629.06	10,110.31
	(c) Provisions	285.83	285.83
	Sub-total - Current Liabilities	3,12,312.78	2,70,744.65
	TOTAL - EQUITY AND LIABILITIES	5,67,732.32	5,53,210.71

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GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD-500082

STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 30th SEPTEMBER, 2020

NOTES:

- The above published results have been prepared in accordance with the principles and procedures as set out in Ind AS on financial statements and such other applicable standards as notified under section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules 2015 as amended.
- The above financial results for the quarter and half-year ended 30th September, 2020 have been reviewed by the Audit Committee and considered and approved by the Board of Directors of the Company at its meeting held on 5th November, 2020.
- The Statutory auditors have carried out limited review of the unaudited standalone financial results for the quarter and Half-year ended 30th September, 2020.
- The Company's Operations primarily consist of Construction activities and there are no other reportable segment under Ind AS 108 "Operating Segments".
- Pursuant to the Debt Resolution Plan proposed by the company to its lenders consortium, the company is in advanced stages of monetizing arbitration claim awarded to it by utilizing Arbitration Bank Guarantee facility from its lenders. The company anticipates receiving a sum of Rs 21,922.00 Lakhs against such claim and the same shall be exclusively utilized by the company for reducing its term loans. Further, the company is also in the process of monetizing other arbitration claims awarded to it by way of Conciliation Mode with NHAI and the same is expected to conclude in the next few months.
- The company is mainly engaged in the execution of road works allotted by the National Highways Authority of India and Irrigation related works given by various state governments. Due to lock down restrictions imposed across the country, the work at major sites had come to standstill and post lockdown restrictions, the works are resumed. However, due to shortage of site workmen and disruption in material supply, the works are being carried at sub-optimal level. The majority of the works executed by the company are NHAI and state government works. Accordingly the company does not anticipate any default in receivables on their account. However, there is delay in realizing the receivables due to COVID- 19 situation. COVID -19 Pandemic impact and the ensuing lockdown restrictions caused temporary stress on the working capital management. RBI vide letter dated 27th March, 2020 and 23rd May, 2020 have announced certain regulatory measures to mitigate the burden of serving the debt by the companies on account of the disruptions due to COVID-19 pandemic. The measures inter alia include reschedule of term loan instalments, deferment of the term loan / CC / working capital facility interest, reduction of the margin on working capital facilities, reassessment of the working capital limits and sanction of special line of credit facilities to overcome present crisis. In this regard, the company had availed the Covid Emergency Credit facility extended by its lenders of Rs 6,025.00 Lakhs and the outstanding interest on Working Capital Facilities accrued for the period 1st March, 2020 to 31st August, 2020 amounting to Rs.8,157.77 Lakhs is converted as Covid Funded Interest Term loan. Further, outstanding interest on Term Loans accrued for the period 1st March, 2020 to 31st August, 2020 amounting to Rs.3,560.06 Lakhs is converted into Term loan. Accordingly, interest & financial charges incurred and accrued for the period 1st March, 2020 to 31st August, 2020 have not been paid by the company. The COVID-19 pandemic impact on the business operations of the company is temporary in nature and it will not impact the continuity of the business operations of the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact.
- The company has investment in Gayatri Hi-tech Hotels Limited ("Investee Company") in the form of Compulsorily Convertible Cumulative Preferential Shares ("CCCPS") amounting to Rs.19,571.95 Lakhs as at 30th September ,2020. The latest Audited financial statements of Investee Company are prepared on a going concern basis though, it has incurred considerable losses and there has been significant erosion in the Net worth of the investee company . The ongoing Covid 19 pandemic has significantly affected the operations of the investee company and the extent to which the COVID - 19 pandemic shall effect the operations of the investee company are depended on future developments which are uncertain. In these circumstances, the company is unable to assess the true impact on its investment made in CCCPS for the current quarter and half year ended 30th September 2020. However, the management of the company is of the view that since these CCCPS will be converted into equity shares of the investee company during the financial years 2027-28 which is very long period and further, the management is very confident that business operations of the investee company will get normalized at the earliest and will generate sufficient cash flows. Hence, considering the tenure of the investment and nature of the investment, the management of the company is of the view that no provision for diminution / impairment for carrying value of these investments is required to be made on the made in the unaudited financial results for the current quarter and half year ended 30th September, 2020.
- Gayatri Highways Limited, an associate company in which the company has investment of Rs. 16,770.03 Lakhs in the form of Non-Convertible Preference Shares ('NCPS'), Equity Share Capital investment of Rs. 1,248.00 Lakhs and also funded an amount of Rs. 24,174.15 Lakhs of unsecured loan / subordinate debt. Further, as stated in the latest audited financial statements of the Associate Company, it has been incurring operating losses during the past few years. However, the financial statements of said associate company have been prepared on going concern basis as the promoters of the associate company have guaranteed support to the company and its management believes its investments in road projects will generate sufficient cash flows to support the company in foreseeable future. Based on the above, the management of the company is of the opinion that no provision is required to be made in the unaudited financial results for the current quarter and half year ended 30th September, 2020 in respect of NCPS investments made by the company and unsecured loan/subordinate debt receivable by the company from the associate company.
- In the ordinary course of business, the Company had given Contract Advances to a sub-contractor which on mutual consent have been converted into interest bearing inter corporate loan. The said inter corporate loan of Rs.18,676.14 Lakhs and interest thereon of Rs.19,438.64 Lakhs is pending for recovery as at 30th September, 2020. The recovery of this loan along with interest thereon is delayed due to extraneous reasons like change in government policies, delay in execution of projects etc. However, the company has recovered considerable amounts during the previous financial years and the management is confident of recovering the balance amount in due course. In view of this, no provision for the same is required to be made in the unaudited financial results for the current quarter and half year ended 30th September, 2020
- One of the subsidiary of the associate company (herein after called as "concessionaire company" or "SMTL"), which has been awarded a Build-Operate-Transfer (BOT) work for construction of Four Laning of Panikoih-Rimuli section of NH-215 Road has given termination notice to National Highways Authority of India (NHAI). The Company has to receive an amount of Rs. 244.72 crores towards EPC cost from the said concessionaire company as on 30th September, 2020. Further, the company has given an irrevocable and unconditional Corporate Guarantee of Rs.1,827.35 crores to the lenders of the concessionaire company. SMTL Project was terminated by NHAI on 28th January, 2020 and toll collection rights were handed over to them on 30th January, 2020. SMTL is entitled for a Termination Payment of Rs. 2,834.47 Crores (which includes Adjusted Equity of Rs.835.19 Crores and Total Debt Due of Rs.1,999.28 Crs). Apart from the Termination Payment, SMTL has made a claim under "Concessionaire's right to recover losses/ damages from the Authority on account of material default of the Authority for an amount of Rs.974.49 Crores towards cost overrun claims attributable to the NHAI, which includes claims against EPC Escalation made on NHAI from EPC Contractor (GPL) for Rs 517.52 Crores. The above Claims and the termination payment have been referred to the Conciliation Committee of Independent Experts ("CCIE") as per NHAI policy. The first meeting of the Independent Experts Committee and the Committee observed that there are sufficient chances of settlement by mutual discuss with a view to arriving at broad contours of amicable settlement. Further to arrive termination payment calculations both Concessionaire and NHAI has also appointed Independent Financial Consultants. Both NHAI and Concessionaire had first meeting on 19.10.2020 to discuss about termination payment calculations which is inconclusive and both parties agreed to meet again. In these circumstances, one of the lender of the said concessionaire company has approached the Hon'ble Debts Recovery Tribunal for recovery of debts of Rs.2051.21 crores. The company is taking necessary steps and legal recourse to defend the matter. As per the information and explanations given by the concessionaire company and based on the legal opinion obtained by it, the said concessionaire company will receive significant amount of compensation so as to settle dues to the lenders and the company. As per the available information and based on the discussions held with the lenders, the management is of the view that the possibility of invocation of Corporate Guarantee is remote. In view of this, the management is of the opinion that no provision is required to be made in respect of receivables and Corporate Guarantee in the unaudited financial results for the current quarter and half year ended 30th September, 2020.
- An amount of Rs.3,620.49 Lakhs as on 30th September, 2020 is receivable from M/s Western UP Tollways Limited ('Erstwhile Associate Company') operating Meerut and Muzaffarnagar Section of NH-58 Road on BOT basis against the EPC works executed by the company during the previous years and the amounts shall be recovered out of the claims amounts received by the erstwhile associate company from NHAI. The erstwhile associate has so far raised a total claim for Rs.46,956.00 Lakhs on NHAI on different counts which are in the advanced stage of arbitration. The Management of the erstwhile associate company is confident of getting the claims amounts from NHAI and assured the company by way of agreement, to pay the dues to the company upon receipt of claims and hence, in the opinion of the management, no provision is required to be provided in respect of amounts receivable from the said erstwhile associate company in the unaudited financial results for the current quarter and half year ended 30th September, 2020.
- The Advances to Suppliers, Sub-contractors and others as at 30th September, 2020, includes an amount of Rs.14,424.20 Lakhs given to one sub- contractor in the normal course of business. The recovery of this advance is delayed due to certain extraneous factors not attributable to the subcontractor. During the previous financial year, the company has recovered an amount of Rs. 15,199.00 Lakhs from the said sub-contractor. In view of this, the management is confident to recover the entire advances from the sub-contractor in due course and hence no provision is required to be made in the unaudited financial results for the current quarter and half year ended 30th September, 2020.
- As per the Settlement and Supplementary Agreement dated 14th September, 2020 made between Gayatri Projects Limited ("the Company"), Gayatri Highways Limited ("GHL") - an Associate Company and IL&FS Financial Services Limited (IL&FS); the Company and GHL, jointly and severally agreed to repay the balance principal loan amount of Rs 84.10 crores and Additional Interest of Rs 8.65 Crores towards loan availed by GHL, along with interest in eleven monthly instalments commencing from September 2020 and the entire amount to be paid on or before 15th July, 2021. The Company and its Associate Company are in the process of repayment of loan dues as per the agreed repayment schedule. Pursuant to the settlement and supplementary agreement entered, the IL&FS has filed application before the Hon'ble National Company Law Tribunal, Hyderabad Bench to withdraw the Application filed under section 7 of the Insolvency and Bankruptcy Act, 2016 against the company.
- Previous period / year figures have been regrouped to facilitate comparison wherever necessary.

By Order of the Board
For GAYATRI PROJECTS LIMITED

T.INDIRA REDDY
Chairperson
DIN : 00009906

Place: Hyderabad.
Date: 5th November, 2020



GAYATRI PROJECTS LIMITED
STANDALONE UN-AUDITED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30th SEPTEMBER, 2020

₹ in Lakhs

Particulars	For the Period ended 30th September, 2020	For the Period ended 30th September, 2019
A Cash Flow from Operating Activities:		
Profit before Tax excluding extraordinary and exceptional items	(1,172.76)	8,931.13
Adjustments for:		
Depreciation and amortization	4,383.49	3,871.15
Interest and other Income	(817.73)	(141.26)
Expected credit loss	2,107.06	2,454.63
(Profit)/Loss on sale of Property, Plant and Equipment	-	141.60
Finance Costs	17,885.23	12,725.40
Foreign Currency Translation and Transactions – ECB	(1.94)	5.74
Changes in Fair Value of Equity Investment	(9.64)	14.59
Operating Profit before working Capital Changes	22,373.71	28,002.98
Adjustments for:		
(Increase) / Decrease in Trade Receivables	(10,845.15)	11,193.77
(Increase) / Decrease in non-current financial asset	(109.84)	(862.56)
(Increase) / Decrease in current financial asset	(3,959.66)	(2,613.83)
(Increase) / Decrease in Other current assets	3,962.80	(14,716.83)
(Increase) / Decrease in Inventory & Work in Progress	(13,837.86)	(15,511.74)
Increase / (Decrease) in current financial liabilities	(2,215.78)	1,234.32
Increase / (Decrease) in non-current financial liabilities	(21,238.84)	(1,586.38)
Increase / (Decrease) in Trade Payables	4,881.95	13,521.30
Cash (used in) / generated from Operating Activities	(20,988.67)	18,661.03
Direct Taxes paid (Net)	-	(2,699.05)
Net Cash (used in)/ generated from Operating Activities (A)	(20,988.67)	15,961.98
B Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment including capital work-in-progress (net of proceedings from sale of Plant and Equipment)	(1,394.28)	(4,722.35)
Increase / (Decrease) of Capital Work in Progress	1,045.95	-
Purchase / Sale of Non-Current Investments	-	(141.60)
Net investments in bank deposits (having original maturity of more than three months)	886.01	(888.39)
Interest and other income received	817.73	141.26
Net Cash (used in)/ generated from Investing Activities (B)	1,355.41	(5,611.08)
C Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including share premium	-	-
Foreign Currency Translation and Transactions – ECB	1.94	(5.74)
Net Proceeds from / (Repayment of) Long term borrowings *	8,768.48	(16,644.36)
Net Proceeds from / (Repayment of) Short term borrowings *	26,374.30	12,360.49
Net Proceeds from / (Repayment of) Inter Corporate Loans	(10.26)	-
Finance Costs	(19,130.90)	(11,456.55)
Net Cash (used in)/ generated from Financing Activities (C)	16,003.56	(15,746.16)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(3,629.70)	(5,395.26)
Cash and Cash Equivalents at the beginning of the year	11,828.26	12,649.86
Cash and Cash Equivalents at the end of the Year	8,198.56	7,254.60

Figures in brackets represent cash outflows.

* Refer note no.6 of the unaudited standalone financial results

By Order of the Board
For Gayatri Projects Limited

T INDIRA REDDY
Chairperson
DIN : 00009906

Place: Hyderabad.
Date: 5th November, 2020



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Gayatri Projects Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of M/s. Gayatri Projects Limited (the Parent Company), comprising its subsidiary (the Parent and its subsidiary together referred to as "the Group"), and its associates and joint ventures for the quarter ended 30th September, 2020 and year to date from 1st April, 2020 to 30th September, 2020 ("the Statement"), being submitted by the Parent company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) – "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, is the responsibility of the Parent Company's Management and has been approved by the Board of Directors of the Parent Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatements. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (listing Obligations and Disclosure requirements) Regulations, 2015, as amended, to the extent applicable.

4. The statement includes the results of the following entities:

Subsidiary Company:

Gayatri Energy Ventures Private Limited

Associate Company:

Gayatri Highways Limited

Joint Ventures / Jointly Controlled Entities:

1. IJM Gayatri Joint Venture
2. Jaiprakash Gayatri Joint Venture
3. Gayatri ECI Joint Venture
4. Gayatri Ratna Joint Venture
5. Gayatri Ranjit Joint Venture

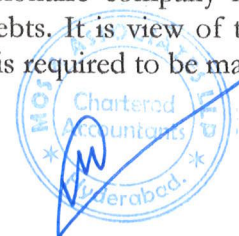


6. Gayatri GDC Joint Venture
7. Gayatri BCBPPL Joint Venture
8. Gayatri RNS Joint Venture
9. Gayatri JMC Joint Venture
10. MEIL Gayatri ZVS IIT Joint Venture
11. Viswanath Gayatri Joint Venture
12. Gayatri Crescent Joint Venture
13. GPL SPL Joint Venture
14. Vishwa Gayatri Joint Venture
15. Maytas Gayatri Joint Venture
16. Gayatri RNS SIPL Joint Venture
17. Gayatri KMB Joint Venture
18. Gayatri PIPS Joint Venture
19. HES Gayatri NCC Joint Venture
20. Gayatri OJSC SIBMOST Joint Venture
21. Gayatri Ramky Joint Venture
22. Gayatri SPML Joint Venture

5. Emphasis of Matters

We draw attention to the following matters:

- i) As stated in Note No.6 to the unaudited consolidated financial results, wherein it is explained the COVID – 19 Pandemic effects and impact on the business operations of the company and however, the actual effect will be known based on the future developments.
- ii) As stated in Note No. 7 to the unaudited consolidated financial results, the Investee Company in which the Company has invested by way of Compulsorily Convertible Cumulative Preference Shares (“CCCPS”), has incurred considerable losses, there has been significant erosion of Networth and further, business operations of the investee company are severely impacted due to COVID – 19 Pandemic. No provision for diminution / impairment for carrying value of the investment is provided for the quarter ended 30th September, 2020 and the financial statements of the said investee company have been prepared on going concern basis for the detailed reasons stated in the said note.
- iii) As stated in Note No. 8 to the unaudited consolidated financial results, the associate company, in which the company has substantial amounts of investments and considerable amount to be receivable from said associate company, has been incurring operating losses during the past few years, the financial statements of the said associate company have been prepared on going concern basis for the detailed reasons stated in the said note.
- iv) As stated in Note No. 9 to the unaudited consolidated financial results, the Inter Corporate Loan grouped under ‘Non-current Loans’ and accumulated interest thereon long pending for recovery.
- v) As stated in Note No.10 to the unaudited consolidated financial results, the recovery of trade receivables is delayed for the detailed reasons stated in the said note. Further, as stated in the same note, the company has given an irrevocable and unconditional corporate guarantee to a subsidiary of the associate company, which has defaulted in repayment of dues to the lenders. Further, as stated in the note, one of the lenders of the said concessionaire company has approached the Hon’ble Debts Recovery Tribunal for recovery of its debts. It is view of the management for the detailed reasons stated in the note that no provision is required to be made



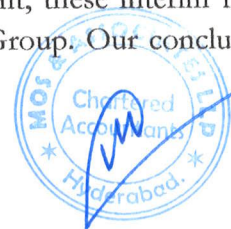
in respect of receivables and Corporate Guarantee in the unaudited financial results for the quarter and half year ended 30th September, 2020.

- vi) As stated in Note No.11 to the unaudited consolidated financial results, the amount receivable from the erstwhile associate company is long pending for recovery as the same is based on the receipt of claims by the said erstwhile associate company.
- vii) As stated in Note No.12 to the unaudited consolidated financial results, the work advances in respect of certain contract works given to a sub-contractor grouped under 'Other Current Assets' which are long pending for recovery.
- viii) As stated in the Note No.13 to the unaudited consolidated financial results, the Company, Gayatri Highways Limited ("GHL") – an Associate Company and IL&FS Financial Services Limited (IL&FS) have entered into Settlement and Supplementary Agreement dated 14th September, 2020 in which it is agreed to repay the balance loan amount along with the applicable interest. Further, the IL&FS filed application before the Hon'ble National Company Law Tribunal, Hyderabad Bench to withdraw the Application filed under section 7 of the Insolvency and Bankruptcy Act, 2016 against the company.
- ix) As stated in the Note No.14 to the unaudited consolidated financial results, regarding amount payable by the subsidiary company to holders of Optionally Fully Convertible Debentures.
- x) As stated in the Note No.15 to the unaudited consolidated financial results, regarding exit agreement entered by the subsidiary company in respect of investments/ advances/ share application money made in certain power projects and long pending recovery of the same.
- xi) As stated in the Note No.16 to the unaudited consolidated financial results, regarding contract advances given by the step-down subsidiary company which are long pending for recovery.

Our conclusion is not modified in respect of above matters.

6.

- a. The accompanying statement includes the Group's share of net loss of Rs. Nil for the quarter ended 30th September, 2020 and for the period from 1st April, 2020 to 30th September, 2020, as considered in the statement, in respect of one associate company which interim un audited financial results and other financial information has been reviewed by the independent auditors of that associate company. The unaudited financial results / statement have been reviewed by other auditor whose review report has been furnished to us by the management and our conclusion on the financial results, in so far as it relates to the amounts and disclosures in respect of this associate, is based solely on the reports of the other auditor. Our conclusion is not modified in respect of this matter.
- b. The accompanying statement includes the Group's share of Rs. Nil for the quarter ended 30th September, 2020 and for the period from 1st April, 2020 to 30th September, 2020, as considered in the statement, in respect of twenty two joint ventures whose interim financial results and other financial information have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these joint ventures, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results and other financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter.



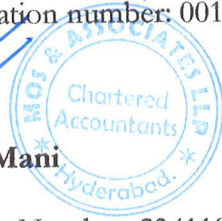
7. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors and management certified financial statements / financial information referred in paragraph 7, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M O S & Associates LLP

Chartered Accountants

Firm registration number: 001975S/S200020


Oommen Mani
Partner



Place: Hyderabad

Date : 5th November, 2020

Membership Number: 234119

UDIN: 20234119AAAAEV9896



GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD-500082

STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 30th SEPTEMBER, 2020

(₹ in Lakhs)

Sl. No.	Particulars	Quarter Ended			Half-Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from operations	79,822.89	66,794.73	69,770.66	1,46,617.62	1,68,178.98	3,43,862.30
	Other Income	261.20	28.45	161.84	289.65	324.79	542.63
	Total Income	80,084.09	66,823.18	69,932.50	1,46,907.27	1,68,503.77	3,44,404.93
2	Expenses						
	a. Cost of Materials Consumed & Work Expenditure	76,362.31	57,601.71	71,329.74	1,33,964.02	1,45,426.60	2,93,491.00
	b. Changes in Work in Progress	(12,912.36)	(5,270.50)	(18,624.88)	(18,182.86)	(15,117.57)	(18,933.50)
	c. Employee Benefits Expense	3,274.60	3,473.18	3,717.66	6,747.78	7,292.02	14,922.30
	d. Finance Costs	8,463.13	7,819.28	7,461.15	16,282.41	14,511.27	33,711.23
	e. Depreciation and Amortization Expense	2,209.05	2,174.44	1,948.42	4,383.49	3,871.15	9,091.61
	f. Other Expenses	2,667.27	2,542.38	4,113.91	5,209.65	6,072.66	15,749.65
	Total Expenses	80,064.00	68,340.49	69,946.00	1,48,404.49	1,62,056.13	3,48,032.29
3	Profit / (Loss) before Exceptional items and Tax (1-2)	20.09	(1,517.31)	(13.50)	(1,497.22)	6,447.64	(3,627.36)
4	Share of Profit / (Loss) of Joint Ventures & Associates	(159.95)	(10.90)	(1,091.18)	(170.85)	(1,140.63)	(2,748.69)
5	Profit/(Loss) before Tax (3+4)	(139.86)	(1,528.21)	(1,104.68)	(1,668.07)	5,307.01	(6,376.05)
6	Tax Expense (Net)	(149.15)	(151.24)	1,047.60	(300.39)	2,650.86	(564.78)
7	Net Profit/(Loss) after tax (5-6)	9.29	(1,376.97)	(2,152.28)	(1,367.68)	2,656.15	(5,811.27)
8	Non-controlling Interest	-	-	-	-	-	-
9	Net Profit/(Loss) after tax and Non-controlling Interest(7+8)	9.29	(1,376.97)	(2,152.28)	(1,367.68)	2,656.15	(5,811.27)
10	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss :						
	i) Changes in fair value of equity investments	(149.76)	149.76	-	-	-	(20,614.15)
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	(21.26)	(21.26)	38.36	(42.52)	78.74	(33.21)
	iii) Income tax relating to Items that will not be re-classified to profit or loss	24.87	(44.90)	(13.40)	(20.03)	(27.51)	146.80
	Total Other Comprehensive Income (10)	(146.15)	83.60	24.96	(62.55)	51.23	(20,500.56)
11	Total Comprehensive Income for the Year (9+10)	(136.86)	(1,293.37)	(2,127.32)	(1,430.23)	2,707.38	(26,311.83)
12	Paid Up Equity Share Capital (Face Value ₹ 2/- per Share)	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97
13	Other Equity (excluding Revaluation Reserves)						87,284.62
14	Earnings Per Share of ₹ 2/- each						
	- Basic & Diluted	(0.04)	(0.69)	(1.15)	(0.73)	1.42	(3.10)

STATEMENT OF UN-AUDITED CONSOLIDATED ASSETS AND LIABILITIES		CONSOLIDATED	
		As at	As at
		30.09.2020	31.03.2020
		Un-audited	Audited
ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant & Equipment		42,652.08	45,641.29
(b) Intangible assets		-	-
(c) Capital Work in Progress		694.00	1,739.95
(d) Financial Asset			
(i) Investments		57,033.00	57,194.21
(ii) Loans		34,248.40	34,519.34
(iii) Trade Receivables		21,932.39	23,078.44
(iv) Other Financial Assets		22,674.70	21,785.16
(e) Deferred Tax Asset (net)		781.42	501.06
	Total - Non-current Assets	1,80,015.99	1,84,459.45
2 CURRENT ASSETS			
(a) Inventories		76,215.84	62,377.98
(b) Financial Asset			
(i) Trade receivables		1,38,721.98	1,27,876.83
(ii) Cash and cash equivalents		8,202.31	11,835.63
(iii) Other bank balances		20,207.06	21,093.07
(iv) Loans		11,622.08	7,926.63
(c) Current Tax Assets (Net)		21,348.74	19,916.78
(d) Other Current Assets		1,23,517.45	1,30,441.68
	Total - Current Assets	3,99,835.46	3,81,468.60
	TOTAL - ASSETS	5,79,851.45	5,65,928.05
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share capital		3,743.97	3,743.97
(b) Other Equity		85,854.39	87,284.62
	Total - Equity	89,598.36	91,028.59
2 LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		66,363.77	71,378.89
(ii) Other Financial liabilities		1,09,949.10	1,31,141.13
(b) Provisions		609.69	613.98
(c) Deferred Tax Liabilities (net)		-	-
	Total - Non-Current Liabilities	1,76,922.56	2,03,134.00
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		1,42,565.20	1,16,201.16
(ii) Trade payables		1,11,289.46	1,06,407.51
(iii) Other Financial Liabilities		49,555.32	38,751.92
(b) Other Current Liabilities		9,634.72	10,119.04
(c) Provisions		285.83	285.83
	Total - Current Liabilities	3,13,330.53	2,71,765.46
	TOTAL - EQUITY AND LIABILITIES	5,79,851.45	5,65,928.05

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GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDRABAD-500082

STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 30th SEPTEMBER, 2020

Notes :

- 1 The above published results have been prepared in accordance with the principles and procedures as set out in Ind AS on financial statements and such other applicable standards as notified under section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules 2015 as amended.
- 2 The above consolidated financial results for the half-year ended 30th September, 2020 have been reviewed by the Audit Committee and considered & approved by the Board of Directors of the Company at its meeting held on 5th November, 2020.
- 3 The Statutory auditors have carried out limited review of the unaudited standalone financial results for the quarter and Half-year ended 30th September, 2020.
- 4 The Company's Operations primarily consist of Construction activities and there are no other reportable segment under Ind AS 108 "Operating Segments".
- 5 Pursuant to the Debt Resolution Plan proposed by the company to its lenders consortium, the company is in advanced stages of monetizing arbitration claim awarded to it by utilizing Arbitration Bank Guarantee facility from its lenders. The company anticipates receiving a sum of Rs 21,922.00 Lakhs against such claim and the same shall be exclusively utilized by the company for reducing its term loans. Further, the company is also in the process of monetizing other arbitration claims awarded to it by way of Conciliation Mode with NHA and the same is expected to conclude in the next few months.
- 6 The company is mainly engaged in the execution of road works allotted by the National Highways Authority of India and Irrigation related works given by various state governments. Due to lock down restrictions imposed across the country, the work at major sites had come to standstill and post lockdown restrictions, the works are resumed. However, due to shortage of site workmen and disruption in material supply, the works are being carried at sub-optimal level. The majority of the works executed by the company are NHA and state government works. Accordingly the company does not anticipate any default in receivables on their account. However, there is delay in realizing the receivables due to COVID-19 situation. COVID -19 Pandemic impact and the ensuing lockdown restrictions caused temporary stress on the working capital management. RBI vide letter dated 27th March, 2020 and 23rd May, 2020 have announced certain regulatory measures to mitigate the burden of serving the debt by the companies on account of the disruptions due to COVID-19 pandemic. The measures inter alia include reschedule of term loan instalments, deferment of the term loan / CC / working capital facility interest, reduction of the margin on working capital facilities, reassessment of the working capital limits and sanction of special line of credit facilities to overcome present crisis. In this regard, the company had availed the Covid Emergency Credit facility extended by its lenders of Rs 6,025.00 Lakhs and the outstanding interest on Working Capital Facilities accrued for the period 1st March, 2020 to 31st August, 2020 amounting to Rs.8,157.77 Lakhs is converted as Covid Funded Interest Term loan. Further, outstanding interest on Term Loans accrued for the period 1st March, 2020 to 31st August, 2020 amounting to Rs.3,560.06 Lakhs is converted into Term loan. Accordingly, interest & financial charges incurred and accrued for the period 1st March, 2020 to 31st August, 2020 have not been paid by the company. The COVID-19 pandemic impact on the business operations of the company is temporary in nature and it will not impact the continuity of the business operations of the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact.
- 7 The company has investment in Gayatri Hi-tech Hotels Limited ("Investee Company") in the form of Compulsorily Convertible Cumulative Preferential Shares ("CCCPS") amounting to Rs.19,571.95 Lakhs as at 30th September, 2020. The latest Audited financial statements of Investee Company are prepared on a going concern basis though, it has incurred considerable losses and there has been significant erosion in the Net worth of the investee company. The ongoing Covid 19 pandemic has significantly affected the operations of the investee company and the extent to which the COVID - 19 pandemic shall effect the operations of the investee company are depended on future developments which are uncertain. In these circumstances, the company is unable to assess the true impact on its investment made in CCCPS for the current quarter and half year ended 30th September 2020. However, the management of the company is of the view that since these CCCPS will be converted into equity shares of the investee company during the financial years 2027-28 which is very long period and further, the management is very confident that business operations of the investee company will get normalized at the earliest and will generate sufficient cash flows. Hence, considering the tenure of the investment and nature of the investment, the management of the company is of the view that no provision for diminution / impairment for carrying value of these investments is required to be made on the made in the unaudited financial results for the current quarter and half year ended 30th September, 2020.
- 8 Gayatri Highways Limited, an associate company in which the company has investment of Rs. 16,770.03 Lakhs in the form of Non-Convertible Preference Shares ("NCPS"), Equity Share Capital investment of Rs. 1,248.00 Lakhs and also funded an amount of Rs. 24,174.15 Lakhs of unsecured loan / subordinate debt. Further, as stated in the latest audited financial statements of the Associate Company, it has been incurring operating losses during the past few years. However, the financial statements of said associate company have been prepared on going concern basis as the promoters of the associate company have guaranteed support to the company and its management believes its investments in road projects will generate sufficient cash flows to support the company in foreseeable future. Based on the above, the management of the company is of the opinion that no provision is required to be made in the unaudited financial results for the current quarter and half year ended 30th September, 2020 in respect of NCPS investments made by the company and unsecured loan/subordinate debt receivable by the company from the associate company.
- 9 In the ordinary course of business, the Company had given Contract Advances to a sub-contractor which on mutual consent have been converted into interest bearing inter corporate loan. The said inter corporate loan of Rs.18,676.14 Lakhs and interest thereon of Rs.19,438.64 Lakhs is pending for recovery as at 30th September, 2020. The recovery of this loan along with interest thereon is delayed due to extraneous reasons like change in government policies, delay in execution of projects etc. However, the company has recovered considerable amounts during the previous financial years and the management is confident of recovering the balance amount in due course. In view of this, no provision for the same is required to be made in the unaudited financial results for the current quarter and half year ended 30th September, 2020
- 10 One of the subsidiary of the associate company (herein after called as "concessionaire company" or "SMTL"), which has been awarded a Build-Operate-Transfer (BOT) work for construction of Four Laning of Panikoiil-Rimuli section of NH-215 Road has given termination notice to National Highways Authority of India (NHA). The Company has to receive an amount of Rs. 244.72 crores towards EPC cost from the said concessionaire company as on 30th September, 2020. Further, the company has given an irrevocable and unconditional Corporate Guarantee of Rs.1,827.35 crores to the lenders of the concessionaire company. SMTL Project was terminated by NHA on 28th January, 2020 and toll collection rights were handed over to them on 30th January, 2020. SMTL is entitled for a Termination Payment of Rs. 2,834.47 Crores (which includes Adjusted Equity of Rs.835.19 Crores and Total Debt Due of Rs.1,999.28 Crs). Apart from the Termination Payment, SMTL has made a claim under "Concessionaire's right to recover losses/ damages from the Authority on account of material default of the Authority for an amount of Rs.974.49 Crores towards cost overrun claims attributable to the NHA, which includes claims against EPC Escalation made on NHA from EPC Contractor (GPL) for Rs 517.52 Crores. The above Claims and the termination payment have been referred to the Conciliation Committee of Independent Experts ("CCIE") as per NHA policy. The first meeting of the Independent Experts Committee and the Committee observed that there are sufficient chances of settlement by mutual discuss with a view to arriving at broad contours of amicable settlement. Further to arrive termination payment calculations both Concessionaire and NHA has also appointed Independent Financial Consultants. Both NHA and Concessionaire had first meeting on 19.10.2020 to discuss about termination payment calculations which is inconclusive and both parties agreed to meet again. In these circumstances, one of the lender of the said concessionaire company has approached the Hon'ble Debts Recovery Tribunal for recovery of debts of Rs.2051.21 crores. The company is taking necessary steps and legal recourse to defend the matter. As per the information and explanations given by the concessionaire company and based on the legal opinion obtained by it, the said concessionaire company will receive significant amount of compensation so as to settle dues to the lenders and the company. As per the available information and based on the discussions held with the lenders, the management is of the view that the possibility of invocation of Corporate Guarantee is remote. In view of this, the management is of the opinion that no provision is required to be made in respect of receivables and Corporate Guarantee in the unaudited financial results for the current quarter and half year ended 30th September, 2020.
- 11 An amount of Rs.3,620.49 Lakhs as on 30th September, 2020 is receivable from M/s Western UP Tollways Limited ("Erstwhile Associate Company") operating Meerut and Muzaffarnagar Section of NH-58 Road on BOT basis against the EPC works executed by the company during the previous years and the amounts shall be recovered out of the claims amounts received by the erstwhile associate company from NHA. The erstwhile associate has so far raised a total claim for Rs.46,956.00 Lakhs on NHA on different counts which are in the advanced stage of arbitration. The Management of the erstwhile associate company is confident of getting the claims amounts from NHA and assured the company by way of agreement, to pay the dues to the company upon receipt of claims and hence, in the opinion of the management, no provision is required to be provided in respect of amounts receivable from the said erstwhile associate company in the unaudited financial results for the current quarter and half year ended 30th September, 2020.



GAYATRI PROJECTS LIMITED

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STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 30th SEPTEMBER, 2020

- 12 The Advances to Suppliers, Sub-contractors and others as at 30th September, 2020, includes an amount of Rs.14,424.20 Lakhs given to one sub- contractor in the normal course of business. The recovery of this advance is delayed due to certain extraneous factors not attributable to the subcontractor. During the previous financial year, the company has recovered an amount of Rs. 15,199.00 Lakhs from the said sub-contractor. In view of this, the management is confident to recover the entire advances from the sub-contractor in due course and hence no provision is required to be made in the unaudited financial results for the current quarter and half year ended 30th September, 2020.
- 13 As per the Settlement and Supplementary Agreement dated 14th September, 2020 made between Gayatri Projects Limited ("the Company"), Gayatri Highways Limited ("GHL") – an Associate Company and IL&FS Financial Services Limited (IL&FS); the Company and GHL jointly and severally agreed to repay the balance principal loan amount of Rs 84.10 crores and Additional Interest of Rs 8.65 Crores towards loan availed by GHL along with interest in eleven monthly instalments commencing from September 2020 and the entire amount to be paid on or before 15th July, 2021. The Company and its Associate Company are in the process of repayment of loan dues as per the agreed repayment schedule. Pursuant to the settlement and supplementary agreement entered, the IL&FS has filed application before the Hon'ble National Company Law Tribunal, Hyderabad Bench to withdraw the Application filed under section 7 of the Insolvency and Bankruptcy Act, 2016 against the company.
- 14 During the preceding financial years, the subsidiary company (i.e. GEVPL) had issued 99,25,000 number of 9% OFCD's amounting to Rs.992.50 Lakhs. During the previous financial year, the subsidiary company had paid an amount of Rs. 600.00 Lakhs to the debenture holders from the proceeds of sale of investment in M/s. Sembcorp Energy India Ltd (SEIL). In view of accumulated losses in the subsidiary company and its inability to realize the entire amount from sale of the investment in SEIL, the subsidiary company has initiated negotiation/discussion with the Debenture Holder to settle the final amounts payable to them and as at 30th September, 2020, the negotiations are inconclusive.
- 15 During the preceding financial years, the subsidiary company (i.e. GEVPL) had made an investment/ advance/ share application money to Jimbhuvish Power Generation Private Limited and Jimbhuvish Power Project Limited to set up a coal-based power plant in Maharashtra and as on 30th September, 2020, the total amount infused in the form of investment/advance/share application money is Rs. 5,564.63 Lakhs. The Subsidiary Company had decided to exit from the said power project and entered into an Exit Agreement on 25th May, 2013 in this regard, which was subsequently amended by various letter agreements and as per the latest agreement, the company shall exit from the said power project by 31st October, 2021. The management of the subsidiary company is of the opinion that despite there been a considerable delay in exiting from the power project, there is no need for any provision/impairment to be made and the subsidiary company shall exit from the investments made and recover the entire amount in due course.
- 16 During the preceding financial years, the step down subsidiary company (i.e. BTPCL) had given Contract Advance of Rs.2,155.05 Lakhs towards execution of road works at proposed Thermal Power Project site. As the said contract work was not executed due to various factors such as pending coal allotment and non-acquisition of complete proposed project land, etc., the Mobilisation Advance has not been adjusted /recovered. The management of the BTPCL considering the nature of advances and the long pending recovery of the same, had during the previous years provided an Expected Credit Loss (ECL)of Rs 10.84 crores and is in the process of estimating if any further ECL/provision is to be made regarding the said Contract Advance.
- 17 Previous period / year figures have been regrouped to facilitate comparison wherever necessary.

By Order of the Board
For GAYATRI PROJECTS LIMITED

T.INDIRA REDDY
Chairperson
DIN : 00009906

Place: Hyderabad.

Date: 5th November, 2020



GAYATRI PROJECTS LIMITED
CONSOLIDATED UN-AUDITED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30th SEPTEMBER, 2020

₹ in Lakhs

Particulars	For the Period ended 30th September, 2020	For the Period ended 30th September, 2019
A Cash Flow from Operating Activities:		
Profit before Tax excluding extraordinary and exceptional items	(1,497.22)	6,447.63
Adjustments for:		
Depreciation and amortization	4,383.49	3,871.15
Interest and other Income	(817.73)	1,638.87
Expected credit loss	2,106.98	2,453.31
Loss / (Profit) on sale of Property, Plant and Equipment	-	141.60
Finance Costs	18,205.81	13,420.37
Foreign Currency Translation and Transactions – ECB	(1.94)	5.74
Changes in Fair Value of Equity Investment	(9.64)	14.59
Operating Profit before working Capital Changes	22,369.75	27,993.26
Adjustments for:		
(Increase) / Decrease in Trade Receivables	(10,845.15)	11,193.77
(Increase) / Decrease in non-current financial asset	(109.84)	(919.06)
(Increase) / Decrease in current financial asset	(3,959.66)	(2,613.83)
(Increase) / Decrease in Other current assets	3,952.94	(14,743.25)
(Increase) / Decrease in Inventory	(13,837.86)	(15,511.74)
Increase / (Decrease) in current financial liabilities	(3,681.30)	1,234.32
Increase / (Decrease) in non-current financial liabilities	(21,238.84)	(1,586.38)
Increase / (Decrease) in Trade Payables	4,878.87	13,450.24
Cash (used in) / generated from Operating activities	(22,471.09)	18,497.33
Direct Taxes paid (Net)	-	(2,699.05)
Net Cash (used in)/ generated from Operating Activities (A)	(22,471.09)	15,798.28
B Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment including capital work-in-progress	(1,394.28)	(4,722.38)
Increase / (Decrease) of Capital Work in Progress	1,045.95	-
Sale of Non-Current Investments	-	(141.60)
Net proceeds from in bank deposits (having original maturity of more than three months)	886.01	(887.39)
Recovery / (Payment) of Advances	-	30.30
Interest and other income received	817.81	141.50
Net Cash (used in)/ generated from Investing Activities (B)	1,355.49	(5,579.57)
C Cash Flow from Financing Activities		
Foreign Currency Translation and Transactions – ECB	1.94	(5.74)
Net Proceeds from / (Repayment of) Long term borrowings *	10,247.19	(17,080.16)
Net Proceeds from / (Repayment of) Short term borrowings *	26,374.30	13,504.27
Net Proceeds from / (Repayment of) Inter Corporate Loans	(10.26)	-
Finance Costs	(19,130.90)	(12,190.31)
Net Cash (used in)/ generated from Financing Activities (C)	17,482.27	(15,771.94)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(3,633.33)	(5,553.23)
Cash and Cash Equivalents at the beginning of the year	11,835.64	12,814.95
Cash and Cash Equivalents at the end of the year	8,202.31	7,261.72

Figures in brackets represent cash outflows.

* Refer note no.6 of the unaudited standalone financial results

By Order of the Board
For GAYATRI PROJECTS LIMITED

T.INDIRA REDDY
Chairperson
DIN : 00009906

Place: Hyderabad.
Date: 5th November, 2020