

**Date: 30<sup>th</sup> June, 2020**

<b>To</b> <b>The Secretary, Listing Department</b> <b>BSE Limited</b> <b>Phiroze Jeejeebhoy Towers,</b> <b>Dalal Street,</b> <b>Mumbai - 400 001</b> <b>Maharashtra, India</b> <b><u>Scrip Code: 532767</u></b>	<b>To</b> <b>The Manager, Listing Department</b> <b>National Stock Exchange of India Limited</b> <b>Exchange Plaza, 5th Floor, Plot No. C/1,</b> <b>G Block, Bandra-Kurla Complex, Bandra</b> <b>(E), Mumbai - 400 051</b> <b>Maharashtra, India</b> <b><u>Scrip Code: GAYAPROJ</u></b>
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Dear Sir/Madam,

**Re: Outcome of the Board Meeting Reg.,**

This has reference to our letter dated June 23, 2020. The Board of Directors at the meeting held today, i.e. June 30, 2020, inter alia, transacted the following business:

**1. Financial Results:**

- a) Approved the Audited Standalone and Consolidated Financial Results of the Company for the quarter ended March 31, 2020.
- b) Approved the Audited Standalone and Consolidated Financial Results/Statements of the Company for the financial year ended March 31, 2020.

MOS & Associates LLP, the Statutory Auditors of the Company have issued auditors' reports with an unmodified opinion on the Financial Results of the Company for the Financial Year ended March 31, 2020.

**2. Appointment of Nominee Director:**

The Board has appointed Shri. P Sreenivas (DIN: 08775649), Nominee of bank of Baroda, (Lead Banker of the Consortium) w.e.f July 01, 2020 as nominee director on the Board of the Company.

In accordance with the circular dated June 20, 2018, issued by the Stock Exchanges, he is not been debarred from holding office of Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority. Further, there is no inter-se relationship between Shri. P Sreenivas and other members of the Board.

The details as required under SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/1015 dated September 09, 2015; including the brief profile of the above Director is given in **Annexure A** to this letter.



Regd. & Corp. Office :

**Gayatri Projects Limited**, B1, 6-3-1090, TSR Towers  
Raj Bhavan Road, Somajiguda, Hyderabad 500 082. T.S  
CIN: L99999TG1989PLC057289

T +91 40 2331 0330 / 4284 / 4296  
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The Board meeting commenced at 3:30 p.m. (IST) and concluded at 5:05 p.m. (IST).

A copy of the said results together with the Auditors' Report for quarter and financial year ended March 31, 2020 are enclosed herewith. These are also being made available on the website of the Company at [www.gayatri.co.in](http://www.gayatri.co.in).

This is for your information and record.

Thanking you,

Yours truly,

**For GAYATRI PROJECTS LIMITED**

*Chetan Kr. Sharma*

**Chetan Kumar Sharma**  
Company Secretary & Compliance officer



**Annexure A****Details of Shri. P. Sreenivas (DIN: 08775649)**

<b>S. No.</b>	<b>Details of Events that needs to be reported</b>	<b>Information of such events.</b>
1	Reasons for change viz. Appointment, resignation, removal, death or otherwise;	Appointed as Nominee Director (Nominee of Bank of Baroda, Lead Banker to the Consortium).
2	date of appointment/ Cessation as (as applicable) & term of appointment;	01.07.2020
3	Brief profile	<p>Shri. P. Sreenivas holds Master degree in Agriculture (Msc. Agri), Masters degree in Business Administration (M.B.A) and CAIIB from Indian Institute of Bankers. He has a rich experience of 34 years in Bank of Baroda, presently designated as General Manager for Hyderabad Zone.</p> <p>He Has a Strong knowledge of administration and management as well as human resources, including strategic planning, leadership techniques, personnel recruitment, and compensation and benefits policies.</p>
4	Disclosure of relationships between directors (in case of appointment of a director).	Shri. P. Sreenivas is not related inter-se to any other Director of the Company.

C. Sharma



**DECLARATION OF UN-MODIFIED OPINION WITH AUDIT REPORT ON ANNUAL AUDITED STANDALONE AND CONSOLIDATE FINANCIAL RESULTS/STATEMENTS FOR THE QUARTER AND YEAR ENDED 31.03.2020**

This is in reference to the Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 vide Notification no. SEBI/LAD/NRO/GN/2016-17/001 dated 25/05/2016.

We hereby confirm that M/s. MOS and Associates LLP, Chartered Accountants, the Statutory Auditors of the Company has issued Audit Report with un-modified opinion in respect of the Annual Audited standalone and Consolidated Financial Results/Statements for the Quarter and Year ended 31.03.2020.

**For GAYATRI PROJECTS LIMITED**

*Chetan Kr. Sharma*

**Chetan Kumar Sharma**  
Company Secretary & Compliance officer







# GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD-500082  
STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020

(₹ in Lakhs)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Income</b>					
	Revenue from operations	91,016.12	83,538.26	1,15,113.04	3,42,733.36	3,46,314.74
	Other Income	166.83	27.12	164.98	517.42	791.39
	<b>Total Income</b>	<b>91,182.95</b>	<b>83,565.38</b>	<b>1,15,278.02</b>	<b>3,43,250.78</b>	<b>3,47,106.13</b>
2	<b>Expenses</b>					
	a. Cost of Materials Consumed & Work Expenditure	91,852.99	56,211.40	87,484.02	2,93,491.00	2,77,483.04
	b. Changes in Inventories of Work in Progress	(13,209.98)	9,394.05	3,820.21	(18,933.50)	(6,286.06)
	c. Employee Benefits Expense	3,913.42	3,716.61	3,743.79	14,921.05	12,770.64
	d. Finance Costs	8,474.13	7,369.42	5,263.99	28,574.69	25,127.50
	e. Depreciation and Amortization Expense	3,230.54	1,989.92	1,678.57	9,091.61	6,590.61
	f. Other Expenses	3,053.14	2,171.93	3,715.60	10,594.04	7,853.20
	<b>Total Expenses</b>	<b>97,314.24</b>	<b>80,853.33</b>	<b>1,05,706.18</b>	<b>3,37,738.89</b>	<b>3,23,535.93</b>
3	<b>Profit / (Loss) before Exceptional Items and Tax (1-2)</b>	<b>(6,131.29)</b>	<b>2,712.05</b>	<b>9,571.84</b>	<b>5,511.89</b>	<b>23,570.20</b>
4	Exceptional Items	-	(44,533.89)	-	(44,533.89)	-
5	<b>Profit / (Loss) before Tax (3+4)</b>	<b>(6,131.29)</b>	<b>(41,821.84)</b>	<b>9,571.84</b>	<b>(39,022.00)</b>	<b>23,570.20</b>
6	Tax Expense (Net)	(564.78)	(2,650.86)	359.75	(564.78)	2,493.32
7	<b>Net Profit / (Loss) after tax (5-6)</b>	<b>(5,566.51)</b>	<b>(39,170.98)</b>	<b>9,212.09</b>	<b>(38,457.22)</b>	<b>21,076.88</b>
8	Other Comprehensive Income (OCI)					
	<b>Items that will not be reclassified to profit or loss :</b>					
	i) Changes in fair value of equity investment	(106.08)	56.17	(723.84)	(386.88)	(723.84)
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	(95.57)	(16.38)	37.74	(33.21)	82.05
	iii) Income tax relating to Items that will not be reclassified to profit or loss	111.04	63.27	239.08	146.80	224.27
	<b>Total Other Comprehensive Income / (Loss) (8)</b>	<b>(90.61)</b>	<b>103.06</b>	<b>(447.02)</b>	<b>(273.29)</b>	<b>(417.52)</b>
9	<b>Total Comprehensive Income / (Loss) for the Year (7+8)</b>	<b>(5,657.12)</b>	<b>(39,067.92)</b>	<b>8,765.07</b>	<b>(38,730.51)</b>	<b>20,659.36</b>
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
11	Other Equity (excluding Revaluation Reserves)				90,488.56	1,29,219.07
12	<b>Earnings Per Share (EPS) of ₹ 2/- each (Not annualised)</b>					
	- Basic & Diluted	(2.97)	(20.92)	5.28	(20.54)	11.26

(₹ in Lakhs)

STATEMENT OF AUDITED STANDALONE ASSETS AND LIABILITIES		STANDALONE	
		As at 31st March, 2020	As at 31st March, 2019
		Audited	Audited
<b>ASSETS</b>			
1	<b>NON-CURRENT ASSETS</b>		
	(a) Property, Plant & Equipment	39,420.14	37,633.04
	(b) Capital Work in Progress	1,093.35	46.19
	(c) Financial Assets		
	(i) Investments	55,937.28	1,00,883.66
	(ii) Loans	34,519.34	34,740.80
	(iii) Trade Receivables	23,078.44	25,822.15
	(iv) Other Financial Assets	18,549.10	16,799.43
	(d) Deferred Tax Asset (Net)	501.06	-
	<b>Total - Non-Current Assets</b>	<b>1,73,098.71</b>	<b>2,15,925.27</b>
2	<b>CURRENT ASSETS</b>		
	(a) Inventories	62,377.98	35,741.42
	(b) Financial Assets		
	(i) Trade receivables	1,27,876.83	1,45,972.12
	(ii) Cash and cash equivalents	11,828.26	12,649.86
	(iii) Other bank balances	21,093.07	20,015.34
	(iv) Loans	8,505.18	18,872.36
	(c) Current Tax Assets (Net)	19,910.18	14,468.26
	(d) Other Current Assets	1,28,520.50	1,23,647.48
	<b>Total - Current Assets</b>	<b>3,80,112.00</b>	<b>3,71,366.84</b>
	<b>TOTAL - ASSETS</b>	<b>5,53,210.71</b>	<b>5,87,292.11</b>
<b>EQUITY AND LIABILITIES</b>			
1	<b>EQUITY</b>		
	(a) Equity Share Capital	3,743.97	3,743.97
	(b) Other Equity	90,488.56	1,29,219.07
	<b>Total - Equity</b>	<b>94,232.53</b>	<b>1,32,963.04</b>
2	<b>LIABILITIES</b>		
	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	56,478.42	71,211.87
	(ii) Other Financial Liabilities	1,31,141.13	1,49,622.97
	(b) Provisions	613.98	482.41
	(c) Deferred Tax Liabilities (Net)	-	210.52
	<b>Total - Non-Current Liabilities</b>	<b>1,88,233.53</b>	<b>2,21,527.77</b>
	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	1,16,201.16	94,986.78
	(ii) Trade payables	1,06,407.51	88,790.32
	(iii) Other Financial Liabilities	37,739.84	40,097.44
	(b) Other Current Liabilities	10,110.31	8,584.58
	(c) Provisions	285.83	342.18
	<b>Total - Current Liabilities</b>	<b>2,70,744.65</b>	<b>2,32,801.30</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>5,53,210.71</b>	<b>5,87,292.11</b>



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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 AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 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 Year ended 31st March, 2020 have been reviewed by the Audit Committee and considered & approved by the Board of Directors of the Company at its meeting held on 30th June, 2020.
- The Company's Operations primarily consist of Construction activities and there are no other reportable segment under Ind AS 108 "Operating Segments".
- Figures for the quarter ended 31st March, 2020 and 31st March, 2019 are the balancing figures between the audited figures for the full financial year ended 31st March, 2020 and 31st March, 2019 (Ind AS) and the published figures for the nine months period ended 31st December, 2019 and 31st December, 2018 respectively.
- Gayatri Energy Ventures Private Limited (GEVPL), a wholly owned subsidiary company incorporated for the purpose of investment in power projects, in which the Company had invested Equity Share Capital of Rs.639.83 crores and also funded as and when required in the form of unsecured loan, the balance loan as at 31st March, 2020 is Rs. 5.79 crores. During the year, GEVPL has sold its entire investment in Sembcorp Energy India Limited (SEIL) for a consideration of Rs.406.77 crores and the proceeds from the sale were utilised by GEVPL to repay dues towards Debentures and remaining amount is used by holding company for various purposes. As a result of sale of investment in Sembcorp Energy India Limited, there has been significant erosion in the networth of GEVPL for the year ended 31st March, 2020. In view of the above, the management of the company has decided to recognise the diminution in the value of investment (i.e. impairment of Investment) by Rs.445.34 crores on the basis of net worth of GEVPL. Considering the nature of the transaction, the same has been disclosed as an exceptional item in the statement of Profit & Loss of the financial statements for the year ended 31st March, 2020. Further, pursuant to the 'Share Purchase Agreement' entered for the sale of the investment, GEVPL is entitled to earn outs on occurrence of liquidity event in SEIL which is no later than 31st December, 2024 and the earn outs amount will be recognised in the year of realisation.
- 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.195.72 crores as at 31st March, 2020. The 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 as per the latest available financial statements of the investee company. During the financial year, the investee company rescheduled its Debt and certain financial parameters of the investee company have also improved. However, due to COVID-19 pandemic and implementation of lockdown in the country, the business operations of the investee company was severely impacted. The extent to which the COVID - 19 pandemic shall effect the operations of the investee company are depended on future developments. In these circumstances, the company is unable to assess the true impact on its investment made in CCCPS for the current financial year ending 31st March, 2020. However, the management of the company is of the view that 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 generate sufficient cash flows. Hence, considering the tenure of the investment and nature of the investment, provision for diminution / impairment for carrying value of the investments is not required to be made for the current financial year.
- Gayatri Highways Limited, an associate company in which the company has investment of Rs. 167.70 crores in the form of Non-Convertible Preference Shares ("NCPS"), Equity Share Capital investment of Rs. 12.48 crores and also funded an amount of Rs.203.50 crores of unsecured loan / subordinate debt as at 31st March, 2020. Further, as stated in the 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 for the NCPS investments made by the company and unsecured loan/subordinate debt receivable by the company from the associate company for the year ended 31st March, 2020.
- 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.186.76 crores and interest thereon of Rs.185.49 crores is pending for recovery as at 31st March, 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 financial statements of the company for the year.
- 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 Panikojil-Rimul 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 31st March, 2020. Further, the company has given an irrevocable and unconditional Corporate Guarantee of Rs.1827.35 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 to a Termination Payment of Rs. 2,834.47 Crores (which includes Adjusted Equity of Rs.835.19 Crores and Total Debt Due of Rs.1999.28 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 committee is scheduled for hearing on 01.07.2020. 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 for the year ended 31st March, 2020.
- An amount of Rs.36.20 crores as on 31st March, 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.469.56 crores 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.
- The Advances to Suppliers, Sub-contractors and others as at 31st March, 2020, includes an amount of Rs.148.78 crores 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 current financial year, the company has recovered an amount of Rs. 151.99 crores 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 financial statements for the current financial year.





## GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD-500082  
STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020

- 12 As per the settlement agreement dated 29th March, 2019 made between 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 loan availed by GHL amounting to Rs.125 crores along with interest in twelve monthly instalments commencing from May 2019 and the entire amount to be paid on or before 30th April, 2020. As per the available information and financial statements of GHL, Principal amount of Rs.98 crores and Interest amount of Rs.7.89 crores is defaulted as at Balance Sheet date i.e. 31.03.2020.
- 13 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 in the month of March, 2020, the work at major sites has come to standstill and post lockdown restrictions, the works are resumed but due to shortage of site workmen and disruption in material supply, the works are being carried at sub-optimal level which may lead to delay in completion of the projects. However the respective Departments have awarded an extension of time by another six months with no extra cost to the contractor. COVID –19 Pandemic impact and lockdown restrictions caused temporary stress on the working capital management. As stated above, the company is mainly executing government related works, it is estimated that there will be no defaults in receivables of the company and there will be no cancellation / suspension of works allotted to the company. In view of the above, 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 on the financial statements.
- 14 The Company had adopted Ind AS 116 "Leases" w.e.f. 1st April, 2019 and applied the same to lease contracts existing as on 1st April, 2019 with Right to use Asset recognised at an amount equal to the adjusted lease liability amount and impact of the same is not material on the results of the company for the Quarter and Year ended 31 March, 2020.
- 15 Previous period / year figures have been regrouped to facilitate comparison wherever necessary.

By Order of the Board  
For Gayatri Projects Limited

**T V SANDEEP KUMAR REDDY**  
Managing Director  
DIN : 00005573

Place: Hyderabad.  
Date: 30th June, 2020





Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
<b>A Cash Flow from Operating Activities:</b>		
Profit before Tax excluding extraordinary and exceptional items	5,511.89	23,570.20
<b>Adjustments for:</b>		
Depreciation and amortization	9,091.61	6,590.61
Interest and other Income	(3,469.40)	(3,223.02)
Expected credit loss	4,792.01	2,195.09
(Profit)/Loss on sale of Property, Plant and Equipment	141.60	(1.30)
Finance Costs	31,813.25	27,987.28
Foreign Currency Translation and Transactions – ECB	10.99	234.99
Changes in Fair Value of Equity Investment	25.62	81.55
<b>Operating Profit before working Capital Changes</b>	<b>47,917.57</b>	<b>57,435.40</b>
<b>Adjustments for:</b>		
(Increase) / Decrease in Trade Receivables	18,100.03	(25,935.22)
(Increase) / Decrease in non-current financial asset	(1,705.89)	(250.18)
(Increase) / Decrease in current financial asset	10,929.31	(2,891.27)
(Increase) / Decrease in Other current assets	(12,752.43)	(42,883.59)
(Increase) / Decrease in Inventory & Work in Progress	(26,636.56)	(6,445.75)
Increase / (Decrease) in current financial liabilities	6,634.34	4,053.43
Increase / (Decrease) in non-current financial liabilities	(18,439.83)	46,471.79
Increase / (Decrease) in Trade Payables	17,617.19	24,648.36
<b>Cash (used in) / generated from Operating Activities</b>	<b>41,663.73</b>	<b>54,202.97</b>
Direct Taxes paid (Net)	-	(2,577.66)
<b>Net Cash (used in)/ generated from Operating Activities (A)</b>	<b>41,663.73</b>	<b>51,625.31</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment including capital work-in-progress (net of proceedings from sale of Plant and Equipment )	(12,067.47)	(10,772.03)
Net investments in bank deposits (having original maturity of more than three months)	(1,077.73)	(1,444.89)
Interest and other income received	3,469.40	3,223.02
<b>Net Cash (used in)/ generated from Investing Activities (B)</b>	<b>(9,675.80)</b>	<b>(8,993.90)</b>
<b>C Cash Flow from Financing Activities</b>		
Foreign Currency Translation and Transactions – ECB	(10.99)	(234.99)
Net Proceeds from /(Repayment of) Long term borrowings	(24,116.93)	(6,406.78)
Net Proceeds from / (Repayment of) Short term borrowings	20,204.12	(921.82)
Net Proceeds from / (Repayment of) Inter Corporate Loans	1,010.26	-
Finance Costs	(29,895.99)	(28,109.86)
<b>Net Cash (used in)/ generated from Financing Activities (C)</b>	<b>(32,809.53)</b>	<b>(35,673.45)</b>
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(821.60)	6,957.96
Cash and Cash Equivalents at the beginning of the year	12,649.86	5,691.89
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>11,828.26</b>	<b>12,649.85</b>

Place: Hyderabad.  
Date: 30th June, 2020



By Order of the Board  
For Gayatri Projects Limited

  
**T V SANDEEP KUMAR REDDY**  
Managing Director  
DIN : 00005573



# GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

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

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020

(₹ in Lakhs)

Sl. No.	Particulars	Quarter Ended		Year Ended		
		31.03.2020 Audited	31.12.2019 Unaudited	31.03.2019 Audited	31.03.2020 Audited	31.03.2019 Audited
1	<b>Income</b>					
	Revenue from operations	91,016.12	84,667.20	1,15,113.04	3,43,862.30	3,46,314.74
	Other Income	166.83	51.01	274.70	542.63	901.11
	<b>Total Income</b>	<b>91,182.95</b>	<b>84,718.21</b>	<b>1,15,387.74</b>	<b>3,44,404.93</b>	<b>3,47,215.85</b>
2	<b>Expenses</b>					
	a. Cost of Materials Consumed & Work Expenditure	91,852.99	56,211.41	87,484.02	2,93,491.00	2,77,483.04
	b. Changes in Work in Progress	(13,209.98)	9,394.05	3,820.21	(18,933.50)	(6,286.06)
	c. Employee Benefits Expense	3,913.42	3,716.86	3,743.79	14,922.30	12,770.64
	d. Finance Costs	10,687.45	8,512.51	5,708.76	33,711.23	28,436.95
	e. Depreciation and Amortization Expense	3,230.54	1,989.92	1,678.57	9,091.61	6,590.61
	f. Other Expenses	1,777.77	7,899.22	3,816.97	15,749.65	7,960.08
	<b>Total Expenses</b>	<b>98,252.19</b>	<b>87,723.97</b>	<b>1,06,252.32</b>	<b>3,48,032.29</b>	<b>3,26,955.26</b>
3	<b>Profit / (Loss) before Exceptional items and Tax (1-2)</b>	<b>(7,069.24)</b>	<b>(3,005.76)</b>	<b>9,135.42</b>	<b>(3,627.36)</b>	<b>20,260.59</b>
4	a) Exceptional Items	-	-	-	-	-
	b) Share of Profit / (Loss) of Joint Ventures & Associates	(1,594.47)	(13.59)	(376.00)	(2,748.69)	(1,756.65)
5	<b>Profit/(Loss) before Tax (3+4)</b>	<b>(8,663.71)</b>	<b>(3,019.35)</b>	<b>8,759.42</b>	<b>(6,376.05)</b>	<b>18,503.94</b>
6	Tax Expense (Net)	(564.78)	(2,650.86)	360.28	(564.78)	2,493.85
7	<b>Net Profit / (Loss) after tax (5-6)</b>	<b>(8,098.93)</b>	<b>(368.49)</b>	<b>8,399.14</b>	<b>(5,811.27)</b>	<b>16,010.09</b>
8	Non-controlling Interest	-	-	-	-	-
9	<b>Net Profit / (Loss) after tax and Non-controlling Interest (7+8)</b>	<b>(8,098.93)</b>	<b>(368.49)</b>	<b>8,399.14</b>	<b>(5,811.27)</b>	<b>16,010.09</b>
10	Other Comprehensive Income (OCI)					
	<b>Items that will not be reclassified to profit or loss :</b>					
	i) Changes in fair value of equity investments	(56.17)	(20,557.98)	-	(20,614.15)	-
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	(95.57)	(16.38)	37.74	(33.21)	82.05
	iii) Income tax relating to Items that will not be re-classified to profit or loss	111.04	63.27	239.08	146.80	224.27
	<b>Total Other Comprehensive Income (10)</b>	<b>(40.70)</b>	<b>(20,511.09)</b>	<b>276.82</b>	<b>(20,500.56)</b>	<b>306.32</b>
11	<b>Total Comprehensive Income for the Year (9+10)</b>	<b>(8,139.63)</b>	<b>(20,879.58)</b>	<b>8,675.96</b>	<b>(26,311.83)</b>	<b>16,316.41</b>
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
13	Other Equity (excluding Revaluation Reserves)	-	-	-	87,284.62	1,13,592.70
14	<b>Earnings Per Share of ₹ 2/- each (Not annualised)</b>					
	- Basic & Diluted	(4.33)	(0.20)	4.48	(3.10)	8.55

(₹ in Lakhs)

## STATEMENT OF AUDITED CONSOLIDATED ASSETS AND LIABILITIES

CONSOLIDATED

As at

31.03.2020

As at

31.03.2019

Audited

Audited

## ASSETS

## 1 NON-CURRENT ASSETS

- (a) Property, Plant & Equipment
- (b) Intangible assets
- (c) Capital Work in Progress
- (d) Financial Asset
  - (i) Investments
  - (ii) Loans
  - (iii) Trade Receivables
  - (iv) Other Financial Assets
- (e) Deferred Tax Asset (net)

Total - Non-current Assets

45,641.29	43,854.19
-	7.18
1,739.95	702.55
57,194.21	1,20,132.61
34,519.34	35,482.14
23,078.44	25,822.15
21,785.16	19,032.21
501.06	-
<b>1,84,459.45</b>	<b>2,45,033.03</b>

## 2 CURRENT ASSETS

- (a) Inventories
- (b) Financial Asset
  - (i) Trade receivables
  - (ii) Cash and cash equivalents
  - (iii) Other bank balances
  - (iv) Loans
- (c) Current Tax Assets (Net)
- (d) Other Current Assets

Total - Current Assets

TOTAL - ASSETS

62,377.98	35,741.42
1,27,876.83	1,45,972.12
11,835.63	12,820.27
21,093.07	20,511.30
9,083.73	5,786.82
19,916.78	14,474.32
1,30,441.68	1,28,326.69
<b>3,82,625.70</b>	<b>3,63,632.94</b>
<b>5,67,085.15</b>	<b>6,08,665.97</b>

## EQUITY AND LIABILITIES

## 1 EQUITY

- (a) Equity Share capital
- (b) Other Equity

Total - Equity

3,743.97	3,743.97
87,284.62	1,13,592.70
<b>91,028.59</b>	<b>1,17,336.67</b>

## 2 LIABILITIES

## Non-Current Liabilities

- (a) Financial Liabilities
  - (i) Borrowings
  - (ii) Other Financial liabilities
- (b) Provisions
- (c) Deferred Tax Liabilities (net)

Total - Non-Current Liabilities

71,378.89	1,03,137.28
1,31,141.13	1,49,622.97
613.98	482.41
-	210.52
<b>2,03,134.00</b>	<b>2,53,453.18</b>

## Current Liabilities

- (a) Financial Liabilities
  - (i) Borrowings
  - (ii) Trade payables
  - (iii) Other Financial Liabilities
- (b) Other Current Liabilities
- (c) Provisions

Total - Current Liabilities

TOTAL - EQUITY AND LIABILITIES

1,16,201.16	94,986.78
1,06,407.51	88,790.32
39,909.02	44,938.23
10,119.04	8,818.61
285.83	342.18
<b>2,72,922.56</b>	<b>2,37,876.12</b>
<b>5,67,085.15</b>	<b>6,08,665.97</b>







# GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

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

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 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 consolidated financial results for the year ended 31st March, 2020 have been reviewed by the Audit Committee and considered & approved by the Board of Directors of the Company at its meeting held on 30th June, 2020.
- The Company's Operations primarily consist of Construction activities and there are no other reportable segment under Ind AS 108 "Operating Segments".
- Figures for the quarter ended 31st March, 2020 and 31st March, 2019 are the balancing figures between the audited figures for the full financial year ended 31st March, 2020 and 31st March, 2019 (Ind AS) and the published figures for the nine months period ended 31st December, 2019 and 31st December, 2018 respectively.
- Gayatri Energy Ventures Private Limited (GEVPL), a wholly owned subsidiary company incorporated for the purpose of investment in power projects, in which the Company had invested Equity Share Capital of Rs.639.83 crores and also funded as and when required in the form of unsecured loan, the balance loan as at 31st March, 2020 is Rs. 5.79 crores. During the year, GEVPL has sold its entire investment in Sembcorp Energy India Limited (SEIL) for a consideration of Rs.406.77 crores and the proceeds from the sale were utilised by GEVPL to repay dues towards Debentures and remaining amount is used by holding company for various purposes. As a result of sale of investment in Sembcorp Energy India Limited, there has been significant erosion in the networth of GEVPL for the year ended 31st March, 2020. In view of the above, the management of the company has decided to recognise the diminution in the value of investment (i.e. impairment of Investment) by Rs.445.34 crores on the basis of net worth of GEVPL. Considering the nature of the transaction, the same has been disclosed as an exceptional item in the statement of Profit & Loss of the financial statements for the year ended 31st March, 2020. Further, pursuant to the 'Share Purchase Agreement' entered for the sale of the investment, GEVPL is entitled to earn outs on occurrence of liquidity event in SEIL which is no later than 31st December, 2024 and the earn outs amount will be recognised in the year of realisation.
- 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.195.72 crores as at 31st March, 2020. The 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 as per the latest available financial statements of the investee company. During the financial year, the investee company rescheduled its Debt and certain financial parameters of the investee company have also improved. However, due to COVID-19 pandemic and implementation of lockdown in the county, the business operations of the investee company was severely impacted. The extent to which the COVID - 19 pandemic shall effect the operations of the investee company are depended on future developments. In these circumstances, the company is unable to assess the true impact on its investment made in CCCPS for the current financial year ending 31st March, 2020. However, the management of the company is of the view that 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 generate sufficient cash flows. Hence, considering the tenure of the investment and nature of the investment, provision for diminution / impairment for carrying value of the investments is not required to be made for the current financial year.
- Gayatri Highways Limited, an associate company in which the company has investment of Rs. 167.70 crores in the form of Non-Convertible Preference Shares (NCPS), Equity Share Capital investment of Rs. 12.48 crores and also funded an amount of Rs.203.50 crores of unsecured loan / subordinate debt as at 31st March, 2020. Further, as stated in the 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 for the NCPS investments made by the company and unsecured loan/subordinate debt receivable by the company from the associate company for the year ended 31st March, 2020.
- 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.186.76 crores and interest thereon of Rs.185.49 crores is pending for recovery as at 31st March, 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 financial statements of the company for the year.
- 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 (NHAI). The Company has to receive an amount of Rs. 244.72 crores towards EPC cost from the said concessionaire company as on 31st March, 2020. Further, the company has given an irrevocable and unconditional Corporate Guarantee of Rs.1827.35 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.1999.28 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 committee is scheduled for hearing on 01.07.2020. 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 for the year ended 31st March, 2020.
- An amount of Rs.36.20 crores as on 31st March, 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.469.56 crores 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.
- The Advances to Suppliers, Sub-contractors and others as at 31st March, 2020, includes an amount of Rs.148.78 crores 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 current financial year, the company has recovered an amount of Rs. 151.99 crores 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 financial statements for the current financial year.
- As per the settlement agreement dated 29th March, 2019 made between 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 loan availed by GHL amounting to Rs.125 crores along with interest in twelve monthly instalments commencing from May 2019 and the entire amount to be paid on or before 30th April, 2020. As per the available information and financial statements of GHL, Principal amount of Rs.98 crores and Interest amount of Rs.7.89 crores is defaulted as at Balance Sheet date i.e. 31.03.2020.







GAYATRI

## GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

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

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020

- 13 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 in the month of March, 2020, the work at major sites has come to standstill and post lockdown restrictions, the works are resumed but due to shortage of site workmen and disruption in material supply, the works are being carried at sub-optimal level which may lead to delay in completion of the projects. However the respective Departments have awarded an extension of time by another six months with no extra cost to the contractor. COVID -19 Pandemic impact and lockdown restrictions caused temporary stress on the working capital management. As stated above, the company is mainly executing government related works, it is estimated that there will be no defaults in receivables of the company and there will be no cancellation / suspension of works allotted to the company. In view of the above, 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 on the financial statements.
- 14 The Company had adopted Ind AS 116 "Leases" w.e.f. 1st April, 2019 and applied the same to lease contracts existing as on 1st April, 2019 with Right to use Asset recognised at an amount equal to the adjusted lease liability amount and impact of the same is not material on the results of the company for the Quarter and Year ended 31 March, 2020.
- 15 During the preceding financial years the subsidiary company (i.e. GEVPL) had issued 99,25,000 number of 9% OFCD's amounting to Rs.9.93 crores. During the current year from the proceeds of sale of investment in M/s. Sembcorp Energy India Ltd (SEIL), the subsidiary company had paid an amount of Rs. 6.00 crores to the debenture holders. In view of accumulated losses in the company and its inability to realize the entire amount from sale of the investment in SEIL, the company has initiated negotiation/discussion with Debenture holder to settle the final amounts payable to them and as at balance sheet date, the negotiations are inconclusive.
- 16 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 31st March, 2020 the total amount infused in the form of investment/advance/share application money is Rs. 55.44 crores. The Subsidiary Company had decided to exit from the said power project and in this regard entered into an Exit Agreement on 25th May, 2013, 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 the due course.
- 17 During the preceding financial years, the step down subsidiary company (i.e. BTPCL), had given Contract Advance of Rs. 21.55 crores 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 step down subsidiary company is very much confident of commencement of Thermal Power Project and further opined that the mobilisation advance will be recovered out of running bills to be submitted and hence no provision is required to be made regarding contract advance.
- 18 Previous period / year figures have been regrouped to facilitate comparison wherever necessary.

Place: Hyderabad.  
Date: 30th June, 2020

By Order of the Board  
For Gayatri Projects Limited

T.V.SANDEEP KUMAR REDDY  
Managing Director  
DIN : 00005573



Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>A Cash Flow from Operating Activities:</b>		
Profit before Tax excluding extraordinary and exceptional items	(3,627.35)	20,260.60
Adjustments for:		
Depreciation and amortization	9,091.61	6,590.61
Interest and other Income	(3,494.61)	(3,332.74)
Expected credit loss	6,511.73	2,195.09
Loss / (Profit) on sale of Property, Plant and Equipment	141.60	(1.30)
Finance Costs	36,949.78	31,296.73
Provision for doubtful advance/ Goodwill	3.00	55.96
Foreign Currency Translation and Transactions – ECB	10.99	234.99
Chnges in Fair Value of Equity Investment	25.62	81.55
<b>Operating Profit before working Capital Changes</b>	<b>45,612.37</b>	<b>57,381.49</b>
Adjustments for:		
(Increase) / Decrease in Trade Receivables	18,100.03	(25,935.22)
(Increase) / Decrease in non-current financial asset	(1,705.89)	(250.18)
(Increase) / Decrease in current financial asset	10,929.31	(2,829.20)
(Increase) / Decrease in Other current assets	(18,600.21)	(42,885.82)
(Increase) / Decrease in Inventory	(20,676.70)	(6,445.75)
Increase / (Decrease) in current financial liabilities	6,355.18	3,983.42
Increase / (Decrease) in non-current financial liabilities	(18,439.83)	46,471.79
Increase / (Decrease) in Trade Payables	17,617.19	24,648.18
<b>Cash (used in) / generated from Operating activities</b>	<b>39,191.45</b>	<b>54,138.71</b>
Direct Taxes paid (Net)	-	(2,577.66)
<b>Net Cash (used in)/ generated from Operating Activities (A)</b>	<b>39,191.45</b>	<b>51,561.05</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment including capital work-in-progress	(12,067.49)	(10,783.11)
Sale of Non-Current Investments	39,549.25	-
Net proceeds from in bank deposits (having original maturity of more than three months)	(581.77)	(1,444.89)
Recovery / (Payment) of Advances	741.33	-
Adjustment for opening cash equivalents balance of subsidiary derecognised	(5.32)	-
Interest and other income received	3,494.61	3,302.93
<b>Net Cash (used in)/ generated from Investing Activities (B)</b>	<b>31,130.61</b>	<b>(8,925.07)</b>
<b>C Cash Flow from Financing Activities</b>		
Foreign Currency Translation and Transactions – ECB	(10.99)	(234.99)
Net Proceeds from /(Repayment of) Long term borrowings	(43,491.87)	(8,540.77)
Net Proceeds from / (Repayment of) Short term borrowings	7,662.91	4,226.63
Net Proceeds from / (Repayment of) Inter Corporate Loans	1,010.26	-
Finance Costs	(36,477.01)	(30,966.39)
<b>Net Cash (used in)/ generated from Financing Activities (C)</b>	<b>(71,306.70)</b>	<b>(35,515.52)</b>
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(984.64)	7,120.46
Cash and Cash Equivalents at the beginning of the year	12,820.27	5,699.81
<b>Cash and Cash Equivalents at the end of the year</b>	<b>11,835.63</b>	<b>12,820.27</b>



**By Order of the Board  
For Gayatri Projects Limited**

**T V SANDEEP KUMAR REDDY**  
**Managing Director**  
**DIN : 00005573**





***Independent Auditors' Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.***

To

The Board of Directors of  
Gayatri Projects Limited

**Report on the audit of the Standalone Financial Results**

**1. Opinion**

We have audited the accompanying statement of quarterly and year to date standalone financial results of **Gayatri Projects Limited** ("the Company") for the quarter and year ended 31<sup>st</sup> March, 2020 ('the Statement'), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards and other accounting policies & principles generally accepted in India, of the standalone net loss, other comprehensive loss and other financial information for the quarter and year ended 31<sup>st</sup> March, 2020.

**2. Basis for Opinion:**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the 'Act'). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**3. Emphasis of Matter:**

We draw attention to the following

- i) As stated in Note No.5 to the audited standalone financial results, pursuant to significant erosion of Networth of the wholly owned subsidiary company, the management of the company has recognized the diminution in the value of investment (i.e impairment of investment) held by the company in the wholly owned subsidiary company as an exceptional item in the financial results.

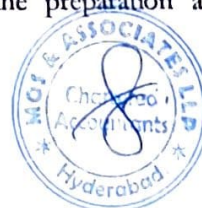


- ii) As stated in Note No. 6 to the audited standalone financial results, the Investee Company in which the Company has invested by way of Compulsorily Convertible Cumulative Preference Shares (“CCCPS”), has incurred considerable losses, there has been significant erosion of Networth and further, business 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 year ended 31<sup>st</sup> March, 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. 7 to the audited 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. 8 to the audited 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. 9 to the audited 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.
- vi) As stated in Note No. 10 to the audited 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. 11 to the audited 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 the Note No. 12 to the audited standalone financial results, the Company and Gayatri Highways Limited (“GHL”) – an Associate Company jointly and severally agreed to repay the loan availed by GHL from IL&FS Financial Services Limited (IL&FS) amounting to Rs.125 crores along with interest to be paid on or before 30<sup>th</sup> April, 2020 but the Associate Company has defaulted in repayment of principal amount and interest amount of Rs.98 crores and 7.89 crores respectively as on the date of the financial statements.
- ix) As stated in the Note No.13 to the audited 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.

Our Opinion is not modified in respect of these matters.

#### **4. Management’s Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the standalone annual audited financial statements. The Company’s Board of Directors are responsible for the preparation and





presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss and other financial information in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement / Standalone Financial Figures, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **5. Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of Standalone Financial Statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## 6. Other Matter

The Statement includes the results for the quarter ended 31<sup>st</sup> March, 2020 being the balancing figures between audited figures in respect of the full financial year ended 31<sup>st</sup> March, 2020 and the published unaudited figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **M O S & ASSOCIATES LLP**

Chartered Accountants

Firm's Regn. No.: 001975S/S200020

*S.V.C. Reddy*

**S V C Reddy**

Partner

Membership No.: 224028

UDIN: 20224028AAAAAC9784



Place: Hyderabad

Date: 30<sup>th</sup> June, 2020





*Independent Auditors' Report on the Quarterly and Year to Date Audited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.*

To

The Board of Directors of  
Gayatri Projects Limited

**Report on the audit of the Consolidated Financial Results**

**1. Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated financial results of **Gayatri Projects Limited** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), its associate and joint ventures for the quarter and year ended 31<sup>st</sup> March, 2020 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of other auditors on separate financial statements / financial information of the associate and joint ventures referred in Other Matters section below, the statement:

(i) 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 ITT 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. SOLZIT-LNT-Gayatri Joint Venture
18. Gayatri KMB Joint Venture
19. Gayatri PTPS Joint Venture
20. HFS Gayatri NCC Joint Venture
21. Gayatri OJSC SIBMOST Joint Venture

- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards and other accounting policies & principles generally accepted in India, of the consolidated net loss, other comprehensive loss and other financial information of the Group for the quarter and year ended 31<sup>st</sup> March, 2020.

## 2. Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the 'Act'). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 3. Emphasis of Matter:

We draw attention to the following

- i) As stated in Note No.5 to the audited consolidated financial results, pursuant to significant erosion of Networth of the wholly owned subsidiary company, the management of the company has recognized the diminution in the value of investment (i.e impairment of investment) held by the company in the wholly owned subsidiary company as an exceptional item in the financial results.
- ii) As stated in Note No. 6 to the audited 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 year ended 31<sup>st</sup> March, 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. 7 to the audited 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. 8 to the audited 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. 9 to the audited 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.
- vi) As stated in Note No. 10 to the audited 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. 11 to the audited 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. 12 to the audited consolidated financial results, the Company and Gayatri Highways Limited ("GHL") – an Associate Company jointly and severally agreed to repay the loan availed by GHL from IL&FS Financial Services Limited (IL&FS) amounting to Rs.125 crores along with interest to be paid on or before 30<sup>th</sup> April, 2020 but the Associate Company has defaulted in repayment of principal amount and interest amount of Rs.98 crores and 7.89 crores respectively as on the date of the financial statements.
- ix) As stated in the Note No.13 to the audited 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.
- x) As stated in the Note No.15 to the audited consolidated financial results, regarding amount payable by the subsidiary company to holders of Optionally Fully Convertible Debentures.
- xi) As stated in the Note No.16 to the audited 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.
- xii) As stated in the Note No.17 to the audited consolidated financial results, regarding contract advances given by the step down subsidiary company which are long pending for recovery.

Our Opinion is not modified in respect of these matters.

#### **4. Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other accounting principles generally accepted in India and in





compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement / Consolidated Financial Results, the Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the Company's financial reporting process of the Group and of its associate.

## **5. Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. For drafting of our report, we have considered the report of subsidiary company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;



- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements / financial information of the entities within the Group and its associate to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entity / entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit conducted by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No.CIR/CFD/CMD1/44/2019 dated 29<sup>th</sup> March, 2019 issued by the SEBI under Regulation 33(8) of the SEBI (listing Obligations and Disclosure requirements) Regulations, 2015, as amended, to the extent applicable.

## 6. Other Matter

- The Statement includes the audited financial statements and other financial information of one associate company which reflects Group's share of net loss of Rs. Nil for the year ended 31<sup>st</sup> March, 2020. The financial results / statement have been audited by other auditor whose audit report has been furnished to us by the management and our opinion on the financial results, in so far as it relates to the amounts and disclosures in respect of this associates, is based solely on the reports of the other auditor. Our opinion is not modified in respect of this matter.
- The Statement includes unaudited (management certified) financial statements / financial information of twenty-one joint ventures in which the share of Group's Nil included in the consolidated financial results. In respect of unaudited (management certified) financial





statements, our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of the joint ventures, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given by the management to us, these financial statements or financial information are not material to the Group.

Our opinion is not modified in respect of above stated matters in para (i) to (ii).

The Statement includes the results for the quarter ended 31<sup>st</sup> March, 2020 being the balancing figure between audited figures in respect of the full financial year ended 31<sup>st</sup> March, 2020 and the published unaudited figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **M O S & ASSOCIATES LLP**

Chartered Accountants

Firm's Regn. No.: 001975S/S200020

  
**S V C Reddy**

Partner

Membership No.: 224028

UDIN: 20224028AAAAAE7805



Place: Hyderabad

Date: 30<sup>th</sup> June, 2020