



GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

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

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 30th SEPTEMBER, 2019

(₹ in Lakhs)

Sl. No.	Particulars	Standalone					Year Ended 31.03.2019 Audited
		Quarter Ended		Half-Year Ended		Year Ended	
		30.09.2019 Unaudited	30.06.2019 Unaudited	30.09.2018 Unaudited	30.09.2019 Unaudited		
1	Income						
	Revenue from operations (Refer Note No.12)	69,770.66	98,408.32	61,134.27	1,68,178.98	1,43,414.66	3,46,314.74
	Other Income	160.62	162.85	117.37	323.47	148.95	791.39
	Total Income	69,931.28	98,571.17	61,251.64	1,68,502.45	1,43,563.61	3,47,106.13
2	Expenses						
	a. Cost of Materials Consumed & Work Expenditure	71,329.75	74,096.86	44,736.46	1,45,426.61	1,18,055.56	2,77,483.04
	b. Changes in Inventories of Work in Progress	(18,624.88)	3,507.31	2,112.25	(15,117.57)	(7,415.90)	(6,286.06)
	c. Employee Benefits Expense	3,716.91	3,574.11	2,980.86	7,291.02	5,908.33	12,770.64
	d. Finance Costs	6,297.54	6,433.60	6,702.07	12,731.14	12,966.74	25,127.50
	e. Depreciation and Amortization Expense	1,948.42	1,922.73	1,642.56	3,871.15	3,247.31	6,590.61
	f. Other Expenses	3,412.49	1,956.48	1,496.28	5,368.97	2,883.45	7,850.20
	Total Expenses	68,080.23	91,491.09	59,670.48	1,59,571.32	1,35,645.49	3,23,535.93
3	Profit before Exceptional items and Tax (1-2)	1,851.05	7,080.08	1,581.16	8,931.13	7,918.12	23,570.20
4	Exceptional Items	-	-	-	-	-	-
5	Profit before Tax (3+4)	1,851.05	7,080.08	1,581.16	8,931.13	7,918.12	23,570.20
6	Tax Expense (Net)	1,047.60	1,603.26	(452.48)	2,650.86	847.73	2,493.32
7	Net Profit after tax (5-6)	803.45	5,476.82	2,033.64	6,280.27	7,070.39	21,076.88
8	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss :						
	i) Changes in fair value of equity investment	(336.97)	-	-	(336.97)	-	(723.84)
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	38.36	40.38	0.43	78.74	29.99	82.05
	iii) Income tax relating to Items that will not be reclassified to profit or loss	(13.40)	(14.11)	0.31	(27.51)	(10.02)	224.27
	Total Other Comprehensive Income (8)	(312.01)	26.27	0.74	(285.74)	19.97	(417.52)
9	Total Comprehensive Income for the Year (7+8)	491.44	5,503.09	2,034.38	5,994.53	7,090.36	20,659.36
10	Share of Profit / (Loss) from Associates	-	-	-	-	-	-
11	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
12	Earnings Per Share (EPS) of ₹ 2/- each						
	- Basic & Diluted	0.42	2.93	0.66	3.35	3.49	11.26

(₹ in Lakhs)

STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES		STANDALONE	
		As at 30th September, 2019 Unaudited	As at 31st March, 2019 Audited
ASSETS			
1	NON-CURRENT ASSETS		
	(a) Property, Plant & Equipment	38,483.77	37,633.04
	(b) Capital Work in Progress	46.66	46.19
	(c) Financial Assets		
	(i) Investments	1,00,532.11	1,00,883.66
	(ii) Loans	34,516.47	34,740.80
	(iii) Trade Receivables	23,333.65	24,273.53
	(iv) Other Financial Assets	17,661.99	16,799.43
	Sub-total - Non-Current Assets	2,14,574.65	2,14,376.65
2	CURRENT ASSETS		
	(a) Inventories	51,253.16	35,741.42
	(b) Financial Assets		
	(i) Trade receivables	1,03,833.36	1,15,026.78
	(ii) Cash and cash equivalents	7,254.60	12,649.86
	(iii) Other bank balances	20,903.73	20,015.34
	(iv) Loans	21,031.55	18,872.36
	(c) Current Tax Assets (Net)	12,933.35	14,468.26
	(d) Other Current Assets	1,70,671.41	1,55,255.80
	Sub-total - Current Assets	3,87,881.16	3,72,029.82
	TOTAL - ASSETS	6,02,455.81	5,86,406.47
EQUITY AND LIABILITIES			
1	EQUITY		
	(a) Equity Share Capital	3,743.97	3,743.97
	(b) Other Equity	1,35,213.60	1,29,219.07
	Sub-total - Shareholders' Funds	1,38,957.57	1,32,963.04
2	LIABILITIES		
	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	53,937.89	71,211.87
	(ii) Other Financial Liabilities	1,48,036.71	1,49,622.97
	(b) Provisions	409.82	482.41
	(c) Deferred Tax Liabilities (Net)	189.84	210.52
	Sub-total - Non-Current Liabilities	2,02,574.26	2,21,527.77
	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,07,347.27	94,986.78
	(ii) Trade payables	1,18,596.90	1,05,075.60
	(iii) Other Financial Liabilities	24,788.81	22,926.52
	(b) Other Current Liabilities	9,855.09	8,584.58
	(c) Provisions	335.91	342.18
	Sub-total - Current Liabilities	2,60,923.98	2,31,915.66
	TOTAL - EQUITY AND LIABILITIES	6,02,455.81	5,86,406.47



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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 30th SEPTEMBER, 2019

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, 2019 have been reviewed by the Audit Committee and considered & approved by the Board of Directors of the Company at its meeting held on 14th November, 2019.
- The Company's Operations primarily consist of Construction activities and there are no other reportable segment under Ind AS 108 "Operating Segments".
- One of the subsidiary of the associate company, which has been awarded a Build-Operate-Transfer (BOT) work for construction of Four Laning of Panikoiili-Rimuli section of NH-215 Road has given termination notice to National Highways Authority of India (NHAI) in respect of above road project due to a force majeure event. The company has to receive an amount of ₹ 245.19 crores towards EPC cost as on 30th September, 2019. Further, the company has given an irrevocable and unconditional Corporate Guarantee of ₹ 1827.35 crores to the lenders of the above subsidiary of the associate company, the said subsidiary of associate company is facing difficulties in repaying its dues to the lenders on account of poor toll collections. The subsidiary of the associate company has terminated its agreement with NHAI as a force majeure event. The subsidiary of the associate company also made claims of ₹ 974.50 crores on NHAI for the cost overrun and other reasons attributable to NHAI. Further, as per the information and explanations given by the subsidiary of the associate company and based on the legal opinion obtained by it, the subsidiary of the associate company will receive significant amount of compensation so as to settle dues to the lenders. 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 given by the company to subsidiary of the associate company for the quarter and half year ended 30th September, 2019.
- An amount of ₹ 36.20 crores as on 30th September, 2019 is receivable from the 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 ₹ 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 for the quarter and half year ended 30th September, 2019.
- 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 ₹ 186.76 crores and interest thereon of ₹ 167.99 crores is pending for recovery as at 30th September, 2019. 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 results of the company for the quarter and half year ended 30th September, 2019.
- The Advances to Suppliers, Sub-contractors and others as at 30th September, 2019, includes an amount of ₹ 177.95 crores given to one sub- contractor in the normal course of business. The recovery of this advance and interest thereon is delayed due to certain extraneous factors not attributable to the subcontractor. During the immediate previous year, the company has recovered an amount of ₹ 37.91 crores from the above sub-contractor and further, during the first quarter of current financial year, the company has recovered an amount of ₹ 94.50 crores from the 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 results of the company for the quarter and half year ended 30th September, 2019.
- Gayatri Energy Ventures Private Limited, a wholly owned subsidiary company incorporated for the purpose of investment in power projects, in which the Company had invested Equity Share Capital of ₹ 639.83 crores and also funded as and when required in the form of unsecured loan amounting to ₹ 140.29 crores as at 30th September, 2019. The said subsidiary company has incurred considerable losses and there has been significant erosion of Net worth of investment made by the company. However, as per the information available with the company and said subsidiary company, the management of the company is of the view that the fair market value of the investments made by the said subsidiary company in power projects is far in excess of carrying value of the investment made by the company and hence, no provision is required to be made for the diminution in the carrying value of the equity investments and unsecured loan for the quarter and half year ended 30th September, 2019.
- Gayatri Highways Limited, an associate company in which the company has invested in Non-Convertible Preference Shares of ₹ 167.12 crores and also funded as a sponsor via unsecured loan / subordinate debt amount of ₹ 179.67 Crores as at 30th September, 2019. Further, as stated in the audited financial statements of the Associate Company, it has been incurring operating losses during the past few years and its current liabilities far exceed its current assets. 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 diminution in the carrying value of the equity investments made by the company and unsecured loan/subordinate debt receivable from the associate company for the quarter and half year ended 30th September, 2019.
- The company has investment in Gayatri Hitech Hotels Limited ("Investee Company") in the form of Compulsorily Convertible Cumulative Preferential Shares ("CCCPS") amounting to ₹ 195.72 crores as at 30th September, 2019. As per the available information and based on the financial statements of Investee Company, it has incurred considerable losses and there has been significant erosion of Net worth of the investee company. However, the financial statements of the Investee Company have been prepared on going concern basis, based on comfort letters provided by the promoters of Investee Company for continued support of the Investee Company to meet its financial obligations in order to enable to continue its operations in the foreseeable future as a going concern. The management of the company is of the view that, by considering the fact there is a significant rescheduling of debts in the investee company and improvement in certain financial parameters of the Investee Company, there is no need of provision to be made for carrying value of the investments made by the company for the quarter and half year ended 30th September, 2019.
- M/s. Mytas Gayatri Joint Venture ("Joint Venture") in which, the company is one of the partner had executed road project work in the state of Nagaland. The Joint Venture had filed claim applications before the Arbitral Tribunal during the previous year regarding the aforesaid works. The Arbitral Tribunal has passed the arbitration award in favour of the Joint Venture during the year and based on the arbitration award, the company has recognised its share of contract claim amount (including interest) of ₹ 267.02 crores during the quarter as revenue. Further, an amount of ₹ 82.55 crores has been recognised as expenditure against company's share of revenue which is payable to the subcontractor who had executed part road project work on sub-contract basis. The arbitration award claim amount will be received on completion of the court process.
- Previous period / year figures have been regrouped to facilitate comparison wherever necessary.

By Order of the Board
For Gayatri Projects Limited

Sd/-
T.V.SANDEEP KUMAR REDDY
Managing Director

Place: Hyderabad.
Date: 14th November, 2019


GAYATRI PROJECTS LIMITED

UNAUDITED STANDALONE STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30th SEPTEMBER, 2019

₹ in Lakhs

Particulars	For the half-year ended 30th September, 2019	For the half-year ended 30th September, 2018
A Cash Flow from Operating Activities:		
Profit before Tax excluding extraordinary and exceptional items	8,931.13	7,918.12
Adjustments for:		
Depreciation and amortization	3,871.15	3,247.31
Interest and other Income	(141.26)	(148.95)
Profit on sale of Property, Plant and Equipment	141.60	(1.30)
Finance Costs	12,725.40	12,953.29
Foreign Currency Translation and Transactions – ECB	5.74	13.45
Changes in Fair Value of Equity Investment	14.59	-
Operating Profit before working Capital Changes	25,548.35	23,981.92
Adjustments for:		
(Increase) / Decrease in Trade Receivables	11,193.42	(21,099.19)
(Increase) / Decrease in non-current financial asset	301.65	16.01
(Increase) / Decrease in current financial asset	(2,159.19)	(1,794.00)
(Increase) / Decrease in Other current assets	(13,880.70)	(1,329.74)
(Increase) / Decrease in Inventory & Work in Progress	(15,511.74)	(8,092.21)
Increase / (Decrease) in current financial liabilities	1,234.32	(873.75)
Increase / (Decrease) in non-current financial liabilities	(1,586.38)	38,659.12
Increase / (Decrease) in Trade Payables	13,521.30	(4,192.17)
Cash (used in) / generated from Operating Activities	18,661.03	25,275.99
Direct Taxes paid (Net)	(2,699.05)	(1,156.07)
Net Cash (used in)/ generated from Operating Activities (A)	15,961.98	24,119.92
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)	(4,722.35)	(2,355.53)
Sale of Non-Current Investments	(141.60)	151.44
Net investments in bank deposits (having original maturity of more than three months)	(888.39)	(124.72)
Proceeds from sale of Property, Plant & Equipment	-	1.30
Interest and other income received	141.26	148.95
Net Cash (used in)/ generated from Investing Activities (B)	(5,611.08)	(2,178.56)
C Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including share premium	-	-
Foreign Currency Translation and Transactions – ECB	(5.74)	-
Net Proceeds from /(Repayment of) Long term borrowings	(16,644.36)	(7,203.26)
Net Proceeds from / (Repayment of) Short term borrowings	12,360.49	(627.28)
Finance Costs	(11,456.55)	(13,142.36)
Net Cash (used in)/ generated from Financing Activities (C)	(15,746.16)	(20,972.90)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(5,395.26)	968.46
Cash and Cash Equivalents at the beginning of the year	12,649.86	5,691.89
Cash and Cash Equivalents at the end of the period	7,254.60	6,660.35

Figures in brackets represent cash outflows.

By Order of the Board
For Gayatri Projects Limited

Place: Hyderabad.
Date: 14th November, 2019

Sd/-
T.V.SANDEEP KUMAR REDDY
Managing Director