



GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD-500 082
STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2019

(₹ in Lakhs)

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Audited	Unaudited	Audited
1	Income				
	Revenue from operations	98,408.32	1,15,113.04	82,280.39	3,46,314.74
	Other Income	162.85	164.98	31.58	791.39
	Total Income	98,571.17	1,15,278.02	82,311.97	3,47,106.13
2	Expenses				
	a. Cost of Materials Consumed & Work Expenditure	74,096.86	87,484.02	73,319.10	2,77,483.04
	b. Changes in Inventories of Work in Progress	3,507.31	3,820.21	(9,528.15)	(6,286.06)
	c. Employee Benefits Expense	3,574.11	3,743.79	2,927.47	12,770.64
	d. Finance Costs	6,433.60	5,263.99	6,264.67	25,127.50
	e. Depreciation and Amortization Expense	1,922.73	1,678.57	1,604.75	6,590.61
	f. Other Expenses	1,956.48	3,715.60	1,387.17	7,850.20
	Total Expenses	91,491.09	1,05,706.18	75,975.01	3,23,535.93
3	Profit / (Loss) before Exceptional items and Tax (1-2)	7,080.08	9,571.84	6,336.96	23,570.20
4	Exceptional Items	-	-	-	-
5	Profit/(Loss) before Tax (3+4)	7,080.08	9,571.84	6,336.96	23,570.20
6	Tax Expense (includes Deferred Tax)	1,603.26	359.75	1,300.21	2,493.32
7	Net Profit/(Loss) after tax (5-6)	5,476.82	9,212.09	5,036.75	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	-	(723.84)	-	(723.84)
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	40.38	37.74	29.56	82.05
	iii) Income tax relating to Items that will not be reclassified to profit or loss	(14.11)	239.08	(10.33)	224.27
	Items that will be reclassified to profit or loss:				
	i) Income tax relating to Items that will not be re-classified to profit or loss	-	-	-	-
	Total Other Comprehensive Income (8)	26.27	(447.02)	19.23	(417.52)
9	Total Comprehensive Income (7+8)	5,503.09	8,765.07	5,055.98	20,659.36
10	Paid Up Equity Share Capital (Face Value ₹ 2/- per Share)	3,743.97	3,743.97	3,743.97	3,743.97
11	Other Equity (excluding Revaluation Reserves) as shown in the Audited Balance Sheet of the previous year				1,29,219.07
12	Earnings Per Share of ₹ 2/- each (not annualized)				
	- Basic & Diluted	2.93	5.28	2.83	11.26

- 1 The above published results have been prepared in accordance with the principles and procedures as set out in Ind AS on financial statements and such other applicable standards as notified under section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules 2015 as amended.
- 2 The above financial results for the quarter ended 30th June, 2019 have been reviewed by the Audit Committee and considered and approved by the Board of Directors of the Company at its meeting held on 14th August, 2019.
- 3 The Statutory auditors have carried out limited review of the unaudited standalone financial results for the quarter ended 30th June, 2019.
- 4 The Company's Operations primarily consist of Construction activities and there are no other reportable segment under Ind AS 108 "Operating Segments".
- 5 One of the subsidiary of the associate company, 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) 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 June, 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. Further, NHAI has recently called a conciliation meeting to amicably resolve the issues raised out of force majeure event and in the process of obtaining legal opinion about the 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 and hence, the company is of the view that the possibility of invocation of the 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 given by the company to subsidiary of the associate company.
- 6 An amount of ₹ 36.20 crores as on 30th June, 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.
- 7 In the ordinary course of business, the Company has given Contract Advances to one of the sub-contractor which on mutual consent have been converted into interest bearing inter corporate loan. 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 current quarter.
- 8 The Advances to Suppliers, Sub-contractors and others as at 30th June, 2019, includes an amount of ₹ 200.71 crores given to a 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 the company has accelerated the recovery process of the remaining amounts. Further during the current quarter, 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 current quarter.
- 9 The Company has adopted Ind AS 116 - Leases with effective from 1st April, 2019. The adaptation of Ind AS 116 did not have any material impact on the results for the quarter ended 30th June, 2019.
- 10 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 August, 2019**



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STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2019

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019*	30.06.2018*	31.03.2019
		Unaudited	Unaudited	Unaudited	Audited
1	Income				
	Revenue from operations	98,408.32	1,15,113.04	82,280.39	3,46,314.74
	Other Income	162.95	274.70	31.58	901.11
	Total Income	98,571.27	1,15,387.74	82,311.97	3,47,215.85
2	Expenses				
	a. Cost of Materials Consumed & Work Expenditure	74,096.86	87,484.02	73,319.10	2,77,483.04
	b. Changes in Inventories of Work in Progress	3,507.31	3,820.21	(9,528.15)	(6,286.06)
	c. Employee Benefits Expense	3,574.36	3,743.79	2,927.47	12,770.64
	d. Finance Costs	7,050.12	5,708.76	7,095.95	28,436.95
	e. Depreciation and Amortization Expense	1,922.73	1,678.57	1,604.75	6,590.61
	f. Other Expenses	1,958.75	3,819.18	1,388.66	7,960.08
	Total Expenses	92,110.13	1,06,254.53	76,807.78	3,26,955.26
3	Profit / (Loss) before Exceptional items and Tax (1-2)	6,461.14	9,133.21	5,504.19	20,260.59
4	a) Exceptional Items	-	-	-	-
	b) Share of Profit /(Loss) of Joint Ventures & Associates	(49.45)	(1,624.27)	(75.43)	(1,756.65)
5	Profit/(Loss) before Tax (3+4)	6,411.69	7,508.94	5,428.76	18,503.94
6	Tax Expense (includes Deferred Tax)	1,603.26	360.29	1,300.21	2,493.85
7	Net Profit/(Loss) after tax (5-6)	4,808.43	7,148.65	4,128.55	16,010.09
8	Other Comprehensive Income (OCI)				
	Items that will not be reclassified to profit or loss :				
	i) Changes in fair value of equity investment	-	(723.84)	-	(723.84)
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	40.38	37.74	29.56	82.05
	iii) Income tax relating to Items that will not be reclassified to profit or loss	(14.11)	239.08	(10.33)	224.27
	Items that will be reclassified to profit or loss:				
	i) Income tax relating to Items that will not be re-classified to profit or loss	-	-	-	-
	Total Other Comprehensive Income (8)	26.27	(447.02)	19.23	(417.52)
9	Total Comprehensive Income (7+8)	4,834.70	6,701.63	4,147.78	15,592.57
10	Paid Up Equity Share Capital (Face Value ₹ 2/- per Share)	3,743.97	3,743.97	3,743.97	3,743.97
11	Other Equity (excluding Revaluation Reserves) as shown in the Audited Balance Sheet of the previous year				1,12,868.26
12	Earnings Per Share of ₹ 2/- each (not annualized)				
	- Basic & Diluted	2.57	3.82	2.21	8.55

- 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 ended 30th June, 2019 have been reviewed by the Audit Committee and considered and approved by the Board of Directors of the Company at its meeting held on 14th August, 2019.
- The Statutory auditors have carried out limited review of the unaudited consolidated financial results for the quarter ended 30th June, 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 Panikoili-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 June, 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. Further, NHAI has recently called a conciliation meeting to amicably resolve the issues raised out of force majeure event and in the process of obtaining legal opinion about the 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 and hence, the company is of the view that the possibility of invocation of the 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 given by the company to subsidiary of the associate company.

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- 9 During the preceding financial years, the subsidiary company 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 at Maharashtra and as on 30th June, 2019 the total investment/ advance/ share application amount is ₹ 5,544.45 Lakhs. 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 subsidiary company shall exit from the said power project by 31st October, 2019. 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.
- 10 During the preceding financial years, one of the step down subsidiary company had given Contract Advance of ₹ 2,157.05 Lakhs to fellow step down subsidiary company 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 Mobilization 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 mobilization advance will be recovered out of running bills to be submitted and hence, no provision is required to be made regarding contract advance.
- 11 *The figures for the corresponding quarter ended 30.06.2018 and 31.03.2019, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review by the auditors.
- 12 The Company has adopted Ind AS 116 - Leases with effective from 1st April, 2019. The adaption of Ind AS 116 did not have any material impact on the results for the quarter ended 30th June, 2019.
- 13 Previous period / year figures have been regrouped to facilitate comparison wherever necessary.

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Managing Director**

Place: Hyderabad.

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