



GAYATRI LALITPUR ROADWAYS LIMITED



"Infrastructure is the life line of an economy and we add our bit to it"

9th ANNUAL REPORT 2014-15

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. J. Brij Mohan Reddy	Chairman
Mr. Sachin Johri	Director
Mr. Nishit Sharma	Director
Mr. M.V. Narasimha Rao	Director
Mr.K. Kiran Kumar Reddy	Director

REGISTERED & CORPORATE OFFICE

**6-3-1090, B-1
T.S.R Towers, Raj Bhavan Road
Somajiguda, Hyderabad – 500 082
Tel: +91-40-23310330, 23314284
Fax: +91-40-23398435
Corporate Identification No. U50403AP2006PLC050569**

AUDITORS

**M/s. Gianender & Associates
Chartered Accountants
Plot No. 21, Site No.6, Geeta Mandir Marg,
New Rajinder Nagar,
New Delhi – 110 060**

BANKERS & FINANCIAL INSTITUTIONS

**Canara Bank
Punjab National Bank
United Bank of India
Infrastructure Development Finance Company Limited (IDFC)
India Infrastructure Finance Company Limited (IIFCL)**

CONCESSIONING AUTHORITY

**NATIONAL HIGHWAYS AUTHORITY OF INDIA
G – 5 & 6, Sector – 10,
Dwarka, New Delhi – 110 075**

SERIAL - ANNUAL REPORT 2014-15

BOARD'S REPORT

To
The Members,

Your Directors have immense pleasure in presenting the 9th Annual Report of your Company and the Audited Financial Statements for the year ended 31st March, 2015.

1. FINANCIAL SUMMARY:

The following table depicts the financial results of your Company for the year ending 31st March 2015:

S. No.	Particulars	For the year ended 31.03.2015 (Rs.)	For the year ended 31.03.2014 (Rs.)
1)	INCOME		
	Income from Operations	47,90,00,000	47,90,28,451
	Other Income	1,62,67,233	1,35,81,716
	TOTAL	49,52,67,233	49,26,10,167
2)	EXPENDITURE		
	Employee Benefits expense	21,21,112	18,07,034
	Finance Costs	24,46,54,281	26,03,46,576
	Depreciation	16,54,33,047	14,44,83,324
	Operations & Maintenance Expenses	3,38,94,958	2,86,99,612
	Periodic Maintenance Expenses	5,64,92,297	5,09,81,465
	Other expenses	1,53,23,637	84,21,383
	TOTAL	51,79,19,332	49,47,39,394
3)	PROFIT / (LOSS) BEFORE TAX	(2,26,52,099)	(21,29,227)
	Provision for Taxation:	-	-
	- Current Tax	-	-
4)	PROFIT / (LOSS) AFTER TAX	(2,26,52,099)	(21,29,227)
	Less: Prior period adjustments	-	-
5)	PROFIT / (LOSS) AFTER PRIOR PERIOD ADJUSTMENTS	(2,26,52,099)	(21,29,227)
	Earning / (Loss) per Share - Basic & Diluted	(0.71)	(0.07)

2. THE YEAR IN RETROSPECT

i. EPC WORKS AT THE PROJECT SITE

The members are already aware that according to the Provisional Completion Certificate dated 31 July 2010 issued by NHAI, the COD has been declared for 45.22KM of the project, whereas the construction on a stretch of around 2.7KM was in progress. The work on the entire main carriageway has been completed since then as per right of way made available to the Company.

During the year, there has not been any progress in the balance works at the project site, due to non-availability of additional land. Since the main carriageway is fully completed, traffic is plying on the Project Highway. However, certain minor works such as truck lay-byes, rest areas etc. are yet to be completed, for which land is yet to be handed-over by NHAI. According to the Supplementary Concession Agreement entered into by your Company with NHAI, the balance works should be completed in all respects within 6 months from the date of handing-over of encumbrance-free land. Your Company, with the support of the EPC Contractor, is committed to achieve this target.

ii. ANNUITY RECEIPTS FROM NHAI

The Company has received 9th Annuity on 02 May 2014 (due on 27 March 2014) and 10th Annuity on 01 October 2014 (due on 26 September 2014). The Annuity amounts are being utilized to meet O&M Expenses, debt-servicing obligations, i.e. payment of Interest on Term Loans and repayment of Principal Installments, administrative expenses and other project related costs.

iii. OTHER ISSUES WITH NHAI

NHAI owes various dues to the Company on account of Change of Scope, Utilities Shifting, delays in Annuity payments etc. There is an inordinate procedural delay at various levels within NHAI with regard to processing of these payments. The project execution team is in continuous follow-up for an early release of these amounts, but no progress has been achieved with NHAI so far.

NHAI has recovered Works Contract Tax (WCT) on the 3rd, 4th and 5th Annuities and Labour Cess on the 4th Annuity paid to the Company. These amounts have been deducted even on the works that are yet to be executed at the project site. Your Company has protested against the same with NHAI, but there has been no response from NHAI in this regard. During the year, your Company has received a refund of WCT amounting to Rs.65.34 Lacs.

iv. TERM LOANS AND INTEREST THEREON

During the financial year under review, your Company was regular in servicing interest on Term Loans, due to regular receipt of Annuity from NHAI.

v. CREDIT RATING

Your Company is presently rated BBB- Stable by Care Ratings (Care). The Credit Rating of your Company has improved, when compared to the previous year, owing to timely debt-servicing to the lenders.

CARE has specified that the rating has been constrained by pending construction and funding risk, Operation & Maintenance (O&M) arrangement with its sponsor with the absence of funded Major Maintenance Reserve Account (MMRA) and Debt Service Reserve Account (DSRA) and high contingent liabilities. The ability of the company to successfully complete its first cycle of major maintenance without deterioration in its financial risk profile, recovery of advance extended to its sponsor and likelihood of the company to materialize the contingent liability form the key rating sensitivities.

The Company will endeavour to improve the Credit Rating during the ensuing financial year, in view of the completed EPC work and timely receipt of Annuities from NHAI.

vi. RECOVERY OF SPECIAL ADVANCE FROM THE EPC CONTRACTOR

In 2009, Your Company made claims on NHAI inter-alia on account of delay in handing over of the land by NHAI to the Company. The said claims of your Company to NHAI were in part supported by the EPC claims including vide its letter dated 30th October 2009. To meet the short term funding needs for project construction, Gayatri Projects Ltd. requested for a loan ("Special Advance") of Rs. 30 Crore from your Company, which was secured by the unconditional and irrevocable corporate guarantee of Gayatri Projects Ltd. dated 27 November 2009. Subsequently, your Company reached a settlement with NHAI and on 01 November 2010 signed a Supplemental Concession Agreement with NHAI. Simultaneously, Gayatri Projects Ltd., vide its letter of even date, agreed that it shall not make any cost overrun claims on the Company. The Special Advance by the Company to Gayatri Projects Ltd. was repayable to the Company no later than 30 June 2011. As per the terms of the Corporate Guarantee, if GPL did not repay the entire Special Advance on or before June 30, 2011, GPL would be required to pay the amount of Special Advance to the Company along with interest at the rate of SBI PLR plus 4% p.a.

However, Gayatri Projects Ltd. failed to repay the Special Advance back to the company by the said date and your Company has since invoked the Corporate Guarantee. During the year, the Sub-Committee formed by the Board to pursue this issue, was dissolved.

Gayatri Projects Ltd., as diversionary tactics purely motivated to avoid/delay the payment to your Company under the Corporate Guarantee, has made counter-claim on the Company, which the Company has declined repeatedly. This view of the Company is supported by an expert legal opinion obtained by the Company on the non-maintainability of the claim made by Gayatri Projects Ltd.

The Company has initiated legal proceedings against Gayatri Projects Ltd. for recovery of the outstanding amounts under the Rs. 28.36 Crore Special Advance including interest thereon. Your Company had served an arbitration notice to GPL for appointment of an arbitration panel. Since GPL had failed to respond to the notice, the Company had filed an application before the Hon'ble High Court of Andhra Pradesh for appointment of arbitration panel for this purpose. The Hon'ble High Court by its common order dated 06 December 2013 appointed Mr. Justice (Retd.) T. Ch. Surya Rao as the sole arbitrator to resolve the disputes between GPL and GJRL. The High Court order dated 06 December 2013 was unsuccessfully challenged by GPL before the Hon'ble Supreme Court of India. The arbitration proceedings have since commenced and are in progress.

In response, GPL has raised counter-claims on your Company under the EPC Agreement, for which GPL approached the High Court of Andhra Pradesh for constituting an arbitral tribunal. Mr. Justice (Retd.) V.N. Khare has been appointed the sole arbitrator to resolve the disputes between GPL and the Company pursuant to the common order dated 06 December 2013 passed by the Hon'ble High Court of Andhra Pradesh. The arbitration proceedings in this matter have commenced and are in progress.

Till 31 March 2015, your Company has advanced an amount of Rs.28.36 Crore under the said Special Advance to Gayatri Projects Ltd. Interest, calculated upto 31 March 2015 on Special Advance of Rs. 28.36 Crores, comes to around Rs.25.47 Crores.

3. FUTURE OUTLOOK

The immediate priority of your Company is now to complete the balance EPC works at the project site and apply for the Final Completion Certificate. In view of the Supplementary Concession Agreement and also in view of the receipt of Letter of Credit from NHAI, receipt of future Annuities is assured and thereby, your Company is confident of timely debt-servicing to the lenders.

➤ **Repayment of Principal Loan installments as per the schedule:**

As in the past, your Company will be remitting the principal installments of repayment of Term Loans in accordance with the terms and conditions of the reschedulement of Term Loans approved by the lenders.

➤ **Debt re-financing:**

Your Company is also considering re-financing of the entire Term Loans to reduce the Interest costs. The monetary policy of the Reserve Bank of India (viz. reduction in CRR, Repo Rate etc.) in the recent past has ensured that the liquidity crunch in the market has eased out to a certain extent.

Your Company is in negotiations with various merchant bankers. However, final completion of the project and improvement in Credit Rating need to be achieved before your Company can obtain attractive terms from the market.

➤ **X-Factor / Bonus Annuity / Escalation claims:**

Since the Company has completed the project construction on the available stretch of the Project Highway as on the date of SPCD (Scheduled Project Completion Date), ahead of the schedule, this entitles the company for Bonus Annuity (x-factor). Accordingly, your Company is compiling necessary documents for claiming cost escalations from NHAI.

4. EXTRACT OF ANNUAL RETURN

The Extracts of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as **Annexure-1**.

5. BOARD MEETINGS

During the year 4 Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

6. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies and applied them consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors had appointed Mr. M.V. Narasimha Rao as Additional Directors of the Company in the category of Independent Directors with effect from 3rd March, 2015 to 2nd March, 2016.

The Board of Directors had appointed Mr. K.Kiran Kumar Reddy as Additional Directors of the Company in the category of Independent Directors with effect from 3rd March, 2015 to 2nd March, 2016.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

The Board of Directors had appointed Mr. Pandiri Sachin Raj as CFO of the Company in the category of Key Managerial Personnel under Section 203 of the Companies Act, 2013 with effect from 12th August, 2014.

Mr. Rautan Singh has been reappointed as Manager of the Company with effect from 17th September, 2015 up to 16th September, 2016.

8. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

9. RE-APPOINTMENTS

Mr. Nishit Sharma, Director of the Company is retiring by rotation and being eligible, offers himself for re-appointment.

10. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration.

11. AUDITORS REPORT

EXPLANATORY NOTES TO THE QUALIFICATIONS IN THE AUDITORS' REPORT

a. Recovery of Special Advance from EPC Contractor

As already mentioned hereinabove, your Directors had approved the Special Advance on the back of a Corporate Guarantee furnished by M/s Gayatri Projects Ltd. As per the terms of the Corporate Guarantee, if GPL did not repay the entire Overrun Funding on or before June 30, 2011, GPL would be required to pay the amount of Overrun Funding to the Company along with interest at the rate of SBI PLR plus 4% p.a.

In the opinion of your Directors, the said amount of Rs.28.36 Crores is fully recoverable from GPL and no provision is required to be made in the accounts. As mentioned above, the arbitration process is already underway on this subject.

Accordingly, your Company disagrees with the opinion given the Statutory Auditor in this regard.

b. Non-disclosure of Contingent Liability

The Statutory Auditor has qualified his Audit Report with regard to Accounting Standard 29 (AS – 29), "Provisions, Contingent Liabilities & Contingent Assets", and has mentioned that Contingent Liabilities to the tune of Rs.996,673,320/- have not been disclosed in the Annual Accounts of the Company. The said amount comprises of the claims made by the EPC Contractor (viz. M/s Gayatri Projects Ltd.) towards cost escalations.

Your Company disagrees with the Statutory Auditor's interpretation and application of the principles of AS-29 and the opinion given by the Statutory Auditor in this regard. The context and brief facts of the claims made by Gayatri Projects Ltd. are as follows:

1. Gayatri Projects Ltd. is the ultimate parent company of your Company and exercises control on your Company.
- The financial statements of your Company form a part of the consolidated financials of Gayatri Projects Ltd.;

2. In 2009, your Company made claims on NHAI inter-alia on account of delay in handing over of the land by NHAI to your Company. The said claims of the Company to NHAI was in part supported by the EPC claims including vide its letter dated 30th October 2009;
3. To meet the short term funding needs for project construction, Gayatri Projects Ltd. requested for a loan of Rs. 30 Crore from your Company, which was secured by the unconditional and irrevocable corporate guarantee of Gayatri Projects Ltd. dated 27 November 2009. Till 31 March 2014, your Company has advanced an amount of Rs.28.36 Crore under the said loan to Gayatri Projects Ltd.;
4. Subsequently, your Company reached a settlement with NHAI and on 01 November 2010 signed a Supplemental Concession Agreement with NHAI. Simultaneously, Gayatri Projects Ltd., vide its letter of even date, agreed that it shall not make any cost overrun claims on your Company;
5. The loan of Rs.30 Crore advanced by your Company to Gayatri Projects Ltd. was repayable to your Company no later than 30 June 2011. However, Gayatri Projects Ltd. failed to repay the sums back to your company by the said date. So your company has initiated legal proceedings against Gayatri Projects Ltd. for recovery of the outstanding amounts under the Rs 30 Crore loan including interest thereon, as described earlier.
6. Gayatri Projects Ltd., as diversionary tactics purely motivated to avoid/delay the payment to your Company under the Corporate Guarantee, issued letters dated 14th June 2011, 16th July 2012 and 27th October 2012 making counter-claim on your Company, which your Company has declined repeatedly. This view of the Company is supported by an expert legal opinion obtained by the Company on the non-maintainability of the claim made by Gayatri Projects Ltd.
7. GPL has also served an arbitration notice on the Company which the Company has rejected as the due process outlined in the EPC agreement between the two parties has not been followed by GPL. GPL has since filed an application before the Hon'ble High Court of Andhra Pradesh and the Hon'ble High Court has appointed an arbitrator. The arbitration proceedings are under progress.

The above points to the frivolous nature of the claims made by Gayatri Projects Ltd. on your Company. In the unanimous view of the Board of Directors, there is no present obligation to pay for the said claim of Gayatri Projects Ltd. Further, probability of any cash outflow for this claim to Gayatri Projects Ltd. is, at best, remote. Therefore, there is no liability of your Company, contingent or otherwise, to pay any sums to Gayatri Projects Ltd. for its claims.

The Statutory Auditor has ignored the above facts as well as the expert legal opinion obtained by your Company on the non-maintainability of the claim made by Gayatri Projects Ltd. and has chosen to qualify the audit report of the Company for F.Y. 2014-15, in error.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with the related parties referred to in Section 188 in the Form **AOC - 2** is annexed herewith as **Annexure-2**.

14. TRANSFER OF AMOUNT TO RESERVES

The Company does not propose to transfer any amount to the general reserve for the Financial Year ended 31st March, 2015.

15. DIVIDEND

The Board of Directors does not recommend any dividend on the Equity Shares for the financial year ended 31st March, 2015.

16. MATERIAL CHANGES AND COMMITMENTS

There has been no material change and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

There has been no change in the nature of business of the Company.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is Nil.

18. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The source of income for your Company is Annuity from NHAI as per the Concession Agreement and income earned out of temporary deployment of funds. Annuity from NHAI accounts for almost 98% of the total income of your Company. Since the Annuities are payable by NHAI in accordance with the Concession Agreement, your Company does not foresee any significant risk in receipt of these Annuities, in view of the fact that a revolving Letter of Credit has been obtained from NHAI, securing all future annuities. Your Company is ensuring that the conditions of the Concession Agreement are complied with, to ensure timely receipt of Annuities.

Your Company has also ensured that proper systems are planned, implemented and effectively monitored to ensure that all accounting and financial transactions are properly authorized and recorded, so as to ensure that the financial statements are free from material misstatements.

19. POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR

The policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year is Nil as the relevant provisions of the Companies Act, 2013 in this regard are not applicable to the Company.

20. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

21. SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATE COMPANIES

During the Financial Year ending on 31st March 2015, your Company had no subsidiaries and associate companies.

The names of companies which have become or ceased to be Company's Subsidiaries, joint ventures or associate companies during the year

During the Financial Year, no company is ceased as Company's Subsidiary, joint venture or associate company.

22. CONSOLIDATED FINANCIAL STATEMENTS

As the Company does not have any subsidiary or associate companies, the Consolidated Financial Statements are not applicable.

23. STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

As the Company does not have any subsidiary or associate companies, the statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures is not applicable.

24. DEPOSITS

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations during the Financial Year 2014-15.

26. STATUTORY AUDITORS

The Company's Auditors, Gianender & Associates, Chartered Accountants, New Delhi bearing ICAI Regn. No. 004661N who retire at the ensuing Annual General Meeting of the Company is eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company.

27. PARTICULARS OF EMPLOYEES

There are no employees who come under the purview of Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. VIGIL MECHANISM

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company.

29. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has ensured that appropriate policies and procedures are adopted for ensuring orderly and efficient conduct of the business, including adherence to Company's policies, the safeguarding of its assets, prevention and detection of fraud and error, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

30. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organizational growth.

During the year, the Company maintained a record of peaceful employee relations. Your Directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

31. ACKNOWLEDGEMENTS

Your Directors express their appreciation to the Company's Bankers, Statutory Auditors, Customers, Consultants and Members for their constant help, co-operation and support.

For and on behalf of the Board



NISHIT SHARMA

Director

DIN:06583114



SACHIN JOHRI

Director

DIN:01181852

Place: **Hyderabad**

Date: **May 20, 2015**

EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2015
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:	
CIN	U45203TG2006PLC050554
Registration Date	07/07/2006
Name of the Company	Gayatri Lalitpur Roadways Limited
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government Company
Address of the Registered Office and contact details	6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: rajkumar@givl.co.in , Tel: 040-23310330
Whether listed company	Unlisted
Name, address and contact details of Registrar and Transfer Agent, if any	VENTURES CAPITAL AND CORPORATE INVESTMENTS PVT. LTD. Registered Office: 12-10-167, Bharath Nagar, Hyderabad - 500018, Telangana. E Mail: info@vccilindia.com , Tel: 040-23818475

II. Principal Business Activities of the Company			
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction of Roads	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gayatri Projects Ltd 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad- 500082.	L99999TG1989PLC057289	Holding	0.0003	2(46)
2	Gayatri Infra Ventures Limited 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad- 500082.	U45209TG2008PLC057269	Holding	51.0029	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	-	2	2	0.000006	-	2	2	0.000006	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	1,62,18,000	-	1,62,18,000	51.0029	1,62,18,000	-	1,62,18,000	51.0029	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	1,62,18,000	2	1,62,18,002	51.002906	1,62,18,000	2	1,62,18,002	51.002906	0
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	1,62,18,000	2	1,62,18,002	51.002906	1,62,18,000	2	1,62,18,002	51.002906	0
B. Public Shareholding									
(1) Institutions									
-a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	1,55,80,000	-	1,55,80,000	48.9968	1,55,80,000	-	1,55,80,000	49.99	0
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	1,55,80,000	-	1,55,80,000	48.9968	1,55,80,000	-	1,55,80,000	49.99	0
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	4	4	0.000012	-	4	4	0.000012	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	-	4	4	0.000012	-	4	4	0.000012	-

Total Public Shareholding (B)=(B(1)+(B(2))	1,55,80,000	4	1,55,80,004	48.996812	1,55,80,000	4	1,55,80,004	48.996812	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3,17,98,000	6	3,17,98,006	100	3,17,98,000	6	3,17,98,006	100	0

ii) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Gayatri Projects Ltd	100	0.0003	0.0003	100	0.0003	0.0003	-
2	T V Sandeep Kumar Reddy	1	0.000003	-	1	0.000003	-	-
4	T Indira Reddy	1	0.000003	-	1	0.000003	-	-
9	Gayatri Infra Ventures Limited	1,62,17,900	51.0029	51.0029	1,62,17,900	51.0029	51.0029	-
Total		1,62,18,002	51.00321	51.0032	1,62,18,002	51.00321	51.0032	-

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,62,18,002	51.00321	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	1,62,18,002	51.00321	-	-

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,55,80,004	48.996812	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	1,55,80,004	48.996812	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,18,73,99,787	28,20,20,000	-	2,46,94,19,787
ii) Interest due but not paid	17,74,571	-	-	17,74,571
iii) Interest accrued but not	24,57,575	-	-	24,57,575
Total (i+ii+iii)	2,19,16,31,933	28,20,20,000	-	2,47,36,51,933
Change in Indebtedness during the financial year				
Addition	15,28,827	-	-	15,28,827
Reduction	11,00,08,564	-	-	11,00,08,564
Net Change	10,84,79,737	-	-	10,84,79,737
Indebtedness at the end of the financial year				
i) Principal Amount	2,07,74,99,558	28,20,20,000	-	2,35,95,19,558
ii) Interest due but not paid	33,03,398	-	-	33,03,398
iii) Interest accrued but not due	23,49,240	-	-	23,49,240
Total (i+ii+iii)	2,08,31,52,196	28,20,20,000	-	2,36,51,72,196

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
1.	Gross Salary	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-

	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	as % of profit	-	-	-
	others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

B. Remuneration to other directors:

1. Independent Directors

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. M.V.N. Rao	Mr.K.Kiran Kumar Reddy	
	-Fee for attending Board/Committee Meetings	-		-
	-Commission	-		-
	- Others, please specify	-		-
	Total (B)(1)	-		-

2. Other Non Executive Directors

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
	-Fee for attending Board/Committee Meetings	-	-	-
	-Commission	-	-	-
	- Others, please specify	-	-	-
	Total (B)(2)	-	-	-
	Total (B) = (B)(1) + (B)(2)			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	6,60,000	3,15,000	9,75,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-			
	(c) Profits in lieu of salary under section 17(3) Income-tax	-	-	-	-

	Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	6,60,000	3,15,000	9,75,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: -N.A.-

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board



NISHIT SHARMA

Director

DIN:06583114



SACHIN JOHRI

Director

DIN:01181852

Place: **Hyderabad**

Date: **May 20, 2015**

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	During the year, no material contracts or arrangements have been entered into by the Company.
(b) Nature of contracts/arrangements/transactions	Not Applicable
(c) Duration of the contracts / arrangements/transactions	Not Applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Not Applicable
(e) Date(s) of approval by the Board, if any:	Not Applicable
(f) Amount paid as advances, if any:	Not Applicable

For and on behalf of the Board



NISHIT SHARMA

Director

DIN:06583114



SACHIN JOHRI

Director

DIN:01181852

Place: **Hyderabad**

Date: **May 20, 2015**

INDEPENDENT AUDITOR'S REPORT

To the members of GAYATRI LALITPUR ROADWAYS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of GAYATRI LALITPUR ROADWAYS LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except in the following cases;
 - i. **Special Advance for an amount of Rs 28,35,94,725 given to Gayatri Projects Limited is doubtful for recovery and the Hon'ble High Court of Andhra Pradesh has appointed an arbitrator and the related proceedings are under progress.**
 - ii. **For Accounting Standard AS-29, wherein the company has not disclosed Contingent Liabilities to the extent of Rs 99,66,73,720 on account of escalation claims raised by the EPC Contractor, not acknowledged as debt by the company.**
 - e) On the basis of written representations received from the directors, as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. Pending litigations which would impact financial position of the company are as follows:
 - i. Arbitration proceedings pending with the arbitrator appointed by Hon'ble High Court of Andhra Pradesh for recovery of special advance given to Gayatri Projects Limited amounting to Rs 28,35,94,725.
 - ii. Arbitration proceedings pending against the company, with the arbitrator appointed by Hon'ble Supreme Court of India, for escalation claims levied by Gayatri Projects Limited amounting to Rs 99,66,73,720.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For GIANENDER & ASSOCIATES

Chartered Accountants

Regn. No. 04661N

By the hand of



Shashank Agrawal

Partner

M. No. 536670

Place : New Delhi

Date : 20.05.2015

Re: GAYATRI LALITPUR ROADWAYS LIMITED

- i.
 - a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) Fixed assets have been physically verified by management at the end of the year which, in our opinion, is reasonable having regard to the size of the Company and nature of its asset and no serious discrepancies have been noticed on such verification.
- ii. There are no inventories as company is engaged in the business of infrastructure development and maintenance and hence Para 3 clauses (ii)(a),(ii)(b) and (ii)(c) of the Companies (Auditor's Report) Order 2015 relating to inventory are not applicable.
- iii. The Company has not granted secured / unsecured loans to parties covered in the register maintained under section 189 of the Act. Accordingly, sub-clause (a) and (b) are not applicable
- iv. In our opinion and according to the information and explanations given to us, the internal control procedures are generally adequate and commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and for annuity collection. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls system.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable to the Company.
- vi. According to the information and explanations given to us, we are of the opinion that prima facie, cost records prescribed, pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, are made and maintained.
- vii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company is generally regular in depositing undisputed statutory dues relating to provident fund, income tax deducted at source, service tax, value added tax and other statutory dues during the year with the appropriate authorities. We are informed that the provisions of employees' sate insurance, wealth tax, duty of customs, duty of excise, cess are not applicable to the company. As per the records produced before us, there are no undisputed statutory dues which were outstanding as on 31st March 2015 for a period over six months from the date of same becoming payable.
 - a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues relating to provident fund, income tax deducted at source, service tax, value added tax and other statutory dues during the year with the appropriate authorities. We are informed that the provisions of employees' sate insurance, wealth tax, duty of customs, duty of excise, cess are not applicable to the company. As per the records produced before us, there are no undisputed statutory dues which were outstanding as on 31st March 2015 for a period over six months from the date of same becoming payable.
 - b) According to the information and explanations given to us, there are no statutory dues pending in respect of income tax, sales tax, value added tax, service tax, duty of customs, wealth tax, duty of excise, cess on account of any dispute.
 - c) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.
- viii. The accumulated losses of the company are more than fifty percent of its net-worth The company has not incurred cash loss during the year as well as in the immediately preceding year.
- ix. According to the information and explanations given to us the Company has not defaulted in



repayment of dues to financial institutions or banks. The Company has not issued debentures.

- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. According to the information and explanations given to us the Company, the loans taken by the company were applied for the purpose for which the loans were obtained.
- xii. According to information and explanations given to us, which have been relied upon by us, no fraud on or by the Company has been noticed or reported during the year.

For GIANENDER & ASSOCIATES

Chartered Accountants

Regn. No. 04661N

By the hand of



Shashank Agrawal

Partner

M. No. 536670

Place : New Delhi

Date : 20.05.2015

GAYATRI LALITPUR ROADWAYS LIMITED

Balance Sheet as at 31st March, 2015

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	Note	As at 31.03.2015		As at 31.03.2014	
I. EQUITY AND LIABILITIES					
1. SHAREHOLDERS' FUNDS					
a. Share Capital	3		31,79,80,060		31,79,80,060
b. Reserves and Surplus	4		(18,75,83,165)		(16,49,31,066)
2. NON - CURRENT LIABILITIES					
a. Long term borrowings	5	2,23,47,27,698		2,36,53,00,667	
b. Long term provisions	6	3,09,31,727	2,26,56,59,425	-	2,36,53,00,667
3. CURRENT LIABILITIES					
a. Trade payables	7	1,27,93,900		1,21,85,320	
b. Other current liabilities	8	14,22,63,463		12,26,59,949	
c. Short Term Provisions	6	25,70,29,879	41,20,87,241	23,15,05,166	36,63,50,435
TOTAL			2,80,81,43,561		2,88,47,00,095
II. ASSETS					
1. NON-CURRENT ASSETS					
a. Fixed Assets					
i. Tangible Assets	9 (a)	1,99,13,31,774		2,15,01,01,557	
ii. Capital Work -In- Progress	9 (b)	19,11,300	1,99,32,43,074	19,11,300	2,15,20,12,857
b. Long term loans and advances	10		28,35,94,725		28,35,94,725
2. CURRENT ASSETS					
a. Trade receivables	11	23,99,89,194		24,00,17,645	
b. Cash and Bank Balances	12	25,00,87,984		16,83,65,302	
c. Short Term Loans and Advances	13	4,12,23,127		4,07,04,110	
d. Other current assets	14	5,456	53,13,05,761	5,456	44,90,92,513
TOTAL			2,80,81,43,561		2,88,47,00,095
Significant Accounting Policies	2.1				

See accompanying Notes (1-37) are an integral part of the Financial Statements

As per our report of even date attached

For **GIANENDER & ASSOCIATES**

Chartered Accountants

ICAI Regn. No. 004661N

SHASHANK AGRAWAL

Partner

Membership No. 536670

Place:

Date: May 20, 2015



For and on behalf of the Board

[Signature]
J. BRIJ MOHAN REDDY
Chairman
DIN:00012927

[Signature]
SACHIN RAJ P.
Chief Financial Officer

[Signature]
SACHIN JOHRI
Director
DIN:01181852

[Signature]
S. RAVI KUMAR
Company Secretary

GAYATRI LALITPUR ROADWAYS LIMITED

Statement of Profit and Loss for the year ended 31st March, 2015

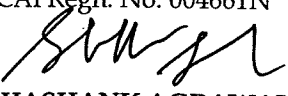
₹

Particulars	Note	For the year ended 31st March, 2015	For the year ended 31st March, 2014
I Revenue from operations	15	47,90,00,000	47,90,28,451
II Other income	16	1,62,67,233	1,35,81,716
III Total Revenue		49,52,67,233	49,26,10,167
IV Expenses			
Employee Benefits Expense	17	21,21,112	18,07,034
Finance Costs	18	24,46,54,281	26,03,46,576
Depreciation	19	16,54,33,047	14,44,83,324
Operations and Maintenance expenses	20	3,38,94,958	2,86,99,612
Periodic Maintenance expenses	21	5,64,92,297	5,09,81,465
Other Expenses	22	1,53,23,637	84,21,383
V Total Expenses		51,79,19,332	49,47,39,394
VI PROFIT / (LOSS) BEFORE TAX		(2,26,52,099)	(21,29,227)
VII Tax Expense			
- Current Tax		-	-
- Deferred Tax		-	-
VIII PROFIT / (LOSS) AFTER TAX		(2,26,52,099)	(21,29,227)
Less: Prior period adjustments	23	-	-
IX PROFIT / (LOSS) AFTER PRIOR YEAR ITEMS		(2,26,52,099)	(21,29,227)
X Earning / (Loss) per Equity Share			
Basic & Diluted (Face value of ₹10 each)	30	(0.71)	(0.07)
Significant Accounting Policies	2.1		

See accompanying Notes (1-37) are an integral part of the Financial Statements

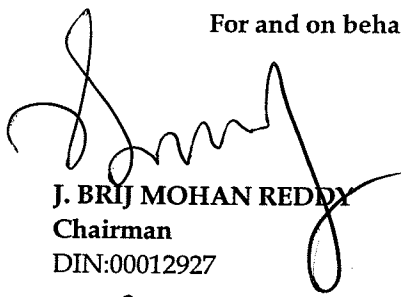
As per our report of even date attached
For GIANENDER & ASSOCIATES


Chartered Accountants
ICAI Regn. No. 004661N



SHASHANK AGRAWAL
Partner
Membership No. 536670



For and on behalf of the Board


J. BRIJ MOHAN REDDY
Chairman
DIN:00012927


SACHIN JOHRI
Director
DIN:01181852


SACHIN RAJ P.
Chief Financial Officer


S. RAVI KUMAR
Company Secretary

Place:
Date: May 20, 2015

GAYATRI LALITPUR ROADWAYS LIMITED

Cash Flow Statement for the year ended 31st March, 2015

PARTICULARS	For the year ended 31st March, 2015	For the year ended 31st March, 2014
(A) Cash Flow from Operating Activities:		
Net Profit / (Loss) Before Tax	(2,26,52,099)	(21,29,227)
Add: Preliminary Expenses written off	-	-
Add: Interest on Term Loans	24,32,99,667	25,59,28,014
Add: Depreciation	16,54,33,047	14,44,83,324
Add: Provisions for Expenses	5,64,92,297	5,09,81,465
Add: Prior period adjustment	-	-
Operating Profit before Working Capital Changes	44,25,72,912	44,92,63,576
Adjustments for:		
(Increase) / Decrease in Trade receivables	28,451	(1,01,123)
Increase / (Decrease) in Trade payables	6,08,580	5,80,160
(Increase) / Decrease in Other current assets	-	5,06,436
Increase / (Decrease) in Other current liabilities	39,51,611	(16,06,471)
Increase / (Decrease) in Short Term Loans and Advances	(5,19,017)	1,49,33,034
Increase / (Decrease) in Short Term Provisions	(35,857)	19,92,091
Net Cash flow from Operating Activities (A)	44,66,06,680	46,55,67,703
(B) Cash Flow from Investing Activities:		
Purchase/Capitalisation of Fixed Assets	(66,63,265)	(27,33,18,565)
Capital Work in Progress and Pre-operative Expenditure	(49,12,502)	25,51,50,634
Capital Advance	-	-
Redemption/(purchase) of Mutual Funds	-	-
Decrease/(Increase) of Mutual Funds	-	-
Net Cash used in Investing Activities (B)	(1,15,75,767)	(1,81,67,931)
(C) Cash Flow from Financing Activities:		
Proceeds from Loan Term borrowings	17,00,991	-
Repayment of Loan Term borrowings	(11,16,01,220)	(9,79,94,870)
Interest paid	(24,34,08,002)	(25,61,83,529)
Net Cash from Financing Activities (C)	(35,33,08,231)	(35,41,78,399)
Net Increase in Cash and Cash Equivalents (A+B+C)	8,17,22,683	9,32,21,374
Cash and Cash Equivalents at the beginning of the year	16,83,65,302	7,51,43,929
Cash and Cash Equivalents at the close of the year	25,00,87,984	16,83,65,302
Components of Cash & Cash equivalents		
Cash on Hand	27,141	14,905
Balance with Scheduled Banks		
- in Current accounts	25,00,60,843	16,83,50,397
Total	25,00,87,984	16,83,65,302

Note:

1. The Cash Flow statement is prepared in accordance with the indirect method stated in Accounting Standard 3 issued by ICAI on Cash Flow Statements and presents Cash Flow by Operating, Investing and Financing Activities.

2. Figures in brackets represent Cash Outflows.

3. Notes on Accounts form an integral part of the Cash Flow Statement.

As per our report of even date attached

For GIANENDER & ASSOCIATES

Chartered Accountants

ICAI Regn. No. 004661N

Shashank Agrawal

SHASHANK AGRAWAL

Partner

Membership No. 536670



For and on behalf of the Board

Brij Mohan Reddy

BRIJ MOHAN REDDY

Chairman

DIN:00012927

Sachin Johri

SACHIN JOHRI

Director

DIN:01181852

Sachin Raj P.

SACHIN RAJ P.

Chief Financial Officer

S. Ravi Kumar

S. RAVI KUMAR

Company Secretary

Place:

Date: May 20, 2015

NOTE NO.

1. CORPORATE INFORMATION

M/s Gayatri Lalitpur Roadways Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

The Company is a Special Purpose Vehicle (SPV) incorporated on 7th July 2006 for execution of the project "Improvement, Operation and Maintenance, Rehabilitation and Strengthening of existing 2-lane Road and widening to 4-lane Divided Highway of NH-25/26 in the state of Uttar Pradesh on Build Operate Transfer (BOT)-Annuity Basis. The company has entered into a Concession Agreement with National Highways Authority of India, which specified a two and a half year of construction period and seventeen and a half years of Operation & Maintenance period.

The project has achieved the Commercial Operations Date on 31st July 2010 for 45.22 Kms of the Project Highway, out of 49.305 Kms. The balance project is under implementation and NHAI is yet to hand-over around 300 metres of land to the Company.

2. BASIS OF PREPARATION

The Company maintains its accounts on accrual basis following the historical cost convention, except for the revaluation of certain fixed assets, in accordance with generally accepted accounting principles ["GAAP"] in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of The Companies (Accounts) Rules, 2014 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and relevant provisions of the Companies Act, 1956 read with the Circular No.07/2014 dated April 1, 2014 of the Ministry of Corporate Affairs. Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

2.1 SIGNIFICANT ACCOUNTING POLICIES**a) Revenue Recognition**

Annuity and other income is accounted for on accrual basis. Annuity and other income earned /accrued prior to the Commercial Operation Date (COD) is reduced from the capitalized amount of Carriageway and Annuity and other income earned/accrued thereafter is recognized as revenue in the Profit and Loss Account.

Interest income is recognized on a time proportion basis. Other items of income are accounted as and when the right to receive arises.

b) Fixed Assets and Depreciation:

Fixed assets are stated at cost of acquisition, less accumulated depreciation thereon. For this purpose, cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use. Assessment of indication of impairment of an asset is made at the year end and impairment loss, if any is recognized.

Depreciation on assets has been provided on straight-line basis at the rates specified in Schedule II to the Companies Act, 2013. However, assets with a net carrying value of less than Rs.5,000/- as on 01 April 2014 have been depreciated @ 100% during the F.Y. 2014-15, as the rates specified under Schedule II to the Companies Act, 2013, in the opinion of the management, are not in-line with their estimated useful life. Where the remaining useful life of an asset is Nil as on 01 April 2014, the carrying amount of such asset as on that date has been adjusted against opening balance of reserves and surplus, in accordance with Schedule II to the Companies Act, 2013.

Depreciation on carriageway and additions thereto is provided on proportionate basis from the date of commercial operations/subsequent capitalisation over the remaining concession period ending on March 27, 2027, as the life of Carriageway is co-terminus with the Concession Period i.e. useful life of the asset, in the manner provided under Schedule II to the Companies Act, 2013.

Depreciation on additions/deductions is calculated pro-rata basis. Items below ₹ 5,000/- have been depreciated at the rate of 100%.

c) Borrowing Costs:

Borrowing Costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing cost are recognized as an expenses in the period in which they are incurred.

d) Pre-operative Expenditure:

Incidental expenditure incurred during construction period towards "Concessionaire Asset" is capitalised on completion of construction and obtaining related COD.

e) Capital Work-in-Progress:

Capital Work-in-Progress represents cost incurred towards EPC construction cost and Pre-operative expenditure till the completion of the project for its intended use.



f) Investments:

Current Investments are carried at lower of cost and market value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investment.

g) Earnings per Share:

Basic and Diluted Earnings per Share (EPS) is reported in accordance with Accounting Standard (AS) – 20, "Earnings per Share", issued by the Institute of Chartered Accountants of India and specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year.

h) Employee Benefits:

Provisions for/contributions to retirement benefit schemes are made as follows (as per AS – 15):

- i. Provident fund on actual liability basis
- ii. Gratuity based on actuarial valuation
- iii. Leave encashment benefit on retirement on actuarial valuation basis.

i) Provisions and Contingent Liabilities/Assets:

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if:
 - i) The Company has a present obligation as a result of a past event;
 - ii) Probable outflow of resources is expected to settle the obligation; and
 - iii) The amount of the obligation can be reliably estimated.
- b. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.
- c. Contingent Liability is disclosed in the case of
 - i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
 - ii) A present obligation when no reliable estimate is possible, and
 - iii) A possible obligation arising from past events where the probability of outflow of resources is not remote.
- d. Contingent Assets are neither recognized, nor disclosed.
- e. Provisions, Contingent Liabilities, and Contingent Assets are reviewed at each Balance Sheet date.

Maintenance Obligations: Contractual obligations to maintain, replace or restore the infrastructure (principally resurfacing costs and major repairs and unscheduled maintenance which are required to maintain the carriageway in operational condition except for any enhancement element) are recognized and measured at the expenditure required to settle the present obligation at the balance sheet date. The provision for the resurfacing is accounted for in accordance with the provisions of AS 29, Provisions, Contingent Liabilities and Contingent Assets.

j) Claims:

- 1 Company's claims against NHAI for additional scope of work, utility shifting and SDBC overlay are accounted for as and when received.
- 2 Contractor's claims regarding additional scope of work, utility shifting and SDBC overlay are admissible and accounted for when related claims of the Company are received from NHAI.

k) Taxes:

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and qualified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred Tax Assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

l) Impairment of Assets:

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

- i) The provision for impairment loss, if any required; or
- ii) The reversal, if any, required of impairment loss recognized in previous period.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- i) In the case of an individual assets, at the higher of the net selling price and the value in use;
- ii) In the cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's net selling price and the value in use;

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset from its disposal at the end of its useful life).

3. SHARE CAPITAL**a. Number and amount of shares authorized:**

Particulars	As at 31.03.2015 (₹)	As at 31.03.2014 (₹)
3,50,00,000 (Previous Year: 3,50,00,000) Equity Shares of ₹10 each	35,00,00,000	35,00,00,000



b. Number and amount of equity shares issued, subscribed and fully paid up

Particulars	As at 31.03.2015 (₹)	As at 31.03.2014 (₹)
3,17,98,006 (Previous Year: 3,17,98,006) shares of ₹ 10 each fully paid up	31,79,80,060	31,79,80,060

c. Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2015		As at 31.03.2014	
	No.	₹	No.	₹
At the beginning of the year	3,17,98,006	31,79,80,060	3,17,98,006	31,79,80,060
Issued during the year	-	-	-	-
Outstanding at the end of the year	3,17,98,006	31,79,80,060	3,17,98,006	31,79,80,060

d. Rights / Preferences / Restrictions attaching to Equity Shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The rights and preferences of each shareholder are in accordance with the Shareholders' Agreement dated 14th May 2007. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended 31st March 2015, no dividend is declared by Board of Directors. (Previous year - Nil)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the proportion to the number of equity shares held by the shareholders.

e. Equity Shares held by the Holding Company and the Ultimate Holding Company

S.No	Particulars	No. of Shares As on 31.03.2015	No. of Shares As on 31.03.2014
1	Gayatri Infra Ventures Limited - (Holding Company)	1,62,17,900	1,62,17,900
2	Gayatri Projects Limited – Ultimate Holding Company	100	100

f. Equity Shares in the Company held by each shareholder holding more than 5% of shares

S.No	Particulars	As on 31.03.2015		As on 31.03.2014	
		No. of Shares	% of Holding	No. of Shares	% of Holding
1	Gayatri Infra Ventures Limited - (Holding Company) & its nominees	1,62,17,900	51.00%	1,62,17,900	51.00%
2	Infrastructure Development Finance Company Limited	31,80,000	10.00%	31,80,000	10.00%
3	India Infrastructure Fund	1,24,00,000	38.996%	1,24,00,000	38.996%

4. **RESERVES AND SURPLUS**

Surplus / (Deficit) in the Statement of Profit and Loss

S.No	Particulars	As on 31.03.2015 (₹)	As on 31.03.2014 (₹)
1	Balance as per last Financial Statements	(16,49,31,066)	(16,28,01,839)
2	Add/(Less): Surplus/(Deficit) for the year	(2,26,52,099)	(21,29,227)
3	Closing Balance	(18,75,83,165)	(16,49,31,066)



5. LONG TERM BORROWINGS

S.No	Particulars	Non-current portion		Current maturities	
		As on 31.03.2015	As on 31.03.2014	As on 31.03.2015	As on 31.03.2014
I.	Secured Loans				
A	Loans From Banks				
1	Canara Bank	38,47,03,400	41,11,03,400	2,49,00,000	2,08,00,000
2	Punjab National Bank	38,46,81,592	40,93,80,601	2,49,00,000	2,08,00,000
3	United Bank of India	38,46,80,357	41,10,80,357	2,49,00,000	2,08,00,000
		1,15,40,65,349	1,23,15,64,358	7,47,00,000	6,24,00,000
B	Loans from others				
	Senior Debt -				
	Infrastructure Development Finance Company Ltd.	25,05,95,360	26,77,92,320	1,62,19,860	1,35,49,120
	India Infrastructure Finance Company Ltd.	39,23,97,269	41,93,25,269	2,53,98,000	2,12,16,000
	Subordinate Debt -				
	Infrastructure Development Finance Company Ltd.	15,56,49,720	16,45,98,720	84,74,000	69,54,000
		79,86,42,349	85,17,16,309	5,00,91,860	4,17,19,120
	Total Secured Loans	1,95,27,07,698	2,08,32,80,667	12,47,91,860	10,41,19,120
II.	Unsecured Loans				
	Loans and advances from Related				
	Zero Interest Loan - GIVL	14,38,20,000	14,38,20,000	-	-
	Zero Interest Loan - IIF	13,82,00,000	13,82,00,000	-	-
		28,20,20,000	28,20,20,000	-	-
I+II	Total Long Term Borrowings	2,23,47,27,698	2,36,53,00,667	12,47,91,860	10,41,19,120

I Nature of Security for Secured Loans:

A. Term Loans from banks and others are secured by:

- i) First mortgage and charge of all the borrower's immovable properties, present and future.
- ii) First charge by way of hypothecation of
 - a. all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - b. Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - c. All intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - d. Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - e. Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - f. Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

B. Term Loans – Subordinated Debt from IDFC is secured by:

- i) Second mortgage and charge of all the borrower's immovable properties, present and future.
- ii) Second charge by way of hypothecation of
 - a. all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - b. Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - c. All intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - d. Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - e. Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - f. Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.



II. Terms of repayment of Secured Loans

- The Senior Debt from banks and others, amounting to ₹2,33,57,00,000/-, is repayable in 29 unequal half yearly installments ranging from 1.68% to 7.38% commencing from 15th December 2011 till 15th December 2025.
- The Subordinate Debt availed from Infrastructure Development Finance Company Ltd. amounting to ₹19,00,00,000/- is repayable in 30 unequal half yearly installments ranging from 1.50% to 10.08% commencing from 15th June 2012 till 15th December 2026.
- In case of surplus cash flows, the Company has to accelerate the repayments pro-rata amongst Senior and Sub-Debt.
- Additional funds received, if any, from NHAI as damages towards cost escalation will be utilized towards acceleration of the loan repayment to the extent of escalation in Interest on Term Loans.

III. Terms of repayment of Unsecured Loans

- The Company shall repay the principal amount of the Shareholders' Loan in one lump sum installment after the expiry of the tenor of the loans.
- Subject to the Lenders' approval, the Company has a right to advance the repayment of the Shareholders' Loan in the event of the cash flows of the Company are adequately in surplus for such advancement as determined by the subscriber or on successful refinancing of the loans as determined by the subscriber.

6. PROVISIONS

S.No	Particulars	Long Term Provisions		Short Term Provision	
		As on 31.03.2015	As on 31.03.2014	As on 31.03.2015	As on 31.03.2014
	Other Provisions				
1	Provision for Periodic Maintenance	3,09,31,727	-	25,50,47,000	22,94,86,430
2	Provision for Expenses	-	-	19,82,879	20,18,736
	Total	3,09,31,727	-	25,70,29,879	23,15,05,166

Provision for periodic maintenance amounting to ₹ 5,64,92,297/- has been provided in accounts for the period ended 31.03.2015, in terms of clause 5.1 of the Operation and Maintenance Agreement with Gayatri Projects Limited.

7. TRADE PAYABLES

S.No	Particulars	As on 31.03.2015 (₹)	As on 31.03.2014 (₹)
1	Operation & Maintenance expenses payable	1,27,93,900	1,21,85,320
	Total	1,27,93,900	1,21,85,320

8. OTHER CURRENT LIABILITIES

S.No	Particulars	As on 31.03.2015 (₹)	As on 31.03.2014 (₹)
1	Current maturities of long-term borrowings (Note No 5)	12,47,91,860	10,41,19,120
2	Interest Accrued and due	33,03,398	17,74,571
3	Interest Accrued but not due	23,49,240	24,57,575
4	Independent Consultant Fee payable	3,35,382	3,57,438
5	EPC Work bill payable	30,53,469	30,53,469
6	Consultancy charges payable	3,44,034	6,88,068
7	Statutory Liabilities		
	TDS payable	4,05,696	1,34,540
	Professional Tax Payable	400	200
8	Retention Money payable	-	45,46,417
9	Salaries & Wages Payable	1,94,907	2,47,000
10	Audit Fee payable	2,70,650	2,65,900
11	Other Payables	72,14,427	50,15,656
	Total	14,22,63,463	12,26,59,954



URL - Notes to the Provisional Financial Statements for the year ended 31st March 2015

9. FIXED ASSETS

a. Tangible Assets

S. No.	Particulars	Gross Block				Depreciation			Net Carrying Value	
		As at 01.04.2014	Additions during the Year	Adjusted against opening reserves	As at 31.03.2015	Upto 01.04.2014	For the Year	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
1	Office Equipments	67,090	-	-	67,090	67,090	-	67,090	-	-
2	Furniture and Fixtures	44,218	-	-	44,218	41,490	2,728	44,218	-	2,728
3	Computers & Software	3,13,924	-	-	3,13,924	3,13,924	-	3,13,924	-	-
4	Air Conditioner	25,400	-	-	25,400	23,540	1,860	25,400	-	1,860
5	Carrigeaway (Refer Footnote # 1)	2,67,98,93,908	66,63,265	-	2,68,65,57,173	52,97,96,939	16,54,28,459	69,52,25,399	1,99,13,31,774	2,15,00,96,969
	Total	2,68,03,44,540	66,63,265	-	2,68,70,07,805	53,02,42,983	16,54,33,047	69,56,76,030	1,99,13,31,774	2,15,01,01,557
	Previous year figures	2,40,70,25,975	-	-	2,40,70,25,975	24,13,22,325	14,44,37,333	38,57,59,659	2,02,12,66,316	2,16,57,03,650

Footnote # 1: Carrigeaway represents the project asset under Concession Agreement signed between M/s Gayatri Lalitpur Roadways Limited and NHAI on September 29, 2006 for Design, Construction, Development, Finance, Operation and maintenance of Km 49.700 to Km 99.005 on National Highway No.26 in the state of Uttar Pradesh on BOT (Annuity) basis (UP - 3 Package). The company has been set up to design, construct, develop, finance, operate and maintain the road under BOT annuity basis. The above said project shall be handed over to NHAI at the end of concession period, in accordance with clause 33.1 of Concession Agreement.



9. b. CAPITAL WORK IN PROGRESS

S.No	Particulars	As on 31.03.2015 (₹)	As on 31.03.2014 (₹)
A	Opening Balance	19,11,300	25,70,55,626
B	Add: Expenditure incurred during the year		
1	EPC cost	66,63,265	-
2	Consultation Fee	-	22,93,560
3	NHAI IC Fee	-	46,19,246
4	Labour Cess	-	1,12,61,433
5	Utility expenses	-	1,00,19,306
C	Total (A+B)	85,74,565	28,52,49,171
D	Less Pre-Operative Income		
1	Utility receipts	-	1,00,19,306
		85,74,565	27,52,29,865
	Transferred to Carriageway	(66,63,265)	(27,33,18,565)
	Balance as at the end of the year	19,11,300	19,11,300

10. LONG TERM LOANS AND ADVANCES

S.No	Particulars	As on 31.03.2015 (₹)	As on 31.03.2014 (₹)
1	Unsecured, Considered good Loans and Advances to Related Party- Gayatri Projects Limited		
	Special Advance (Refer footnote below)	28,35,94,725	28,35,94,725
	Total	28,35,94,725	28,35,94,725

Footnote: The amount of Special Advance paid to the EPC Contractor to meet the escalation in EPC Cost of the project is classified as Long Term Loans and Advances under Non Current Assets as the same is due from the EPC Contractor.

11. TRADE RECEIVABLES

S.No	Particulars	As on 31.03.2015 (₹)	As on 31.03.2014 (₹)
	Unsecured, considered good Recoverable from NHAI		
1	Outstanding for a period exceeding six months from the date due for payment	44,221	-
2	Outstanding for a period less than six months from the date due for payment	23,99,44,973	24,00,17,645
	Total	23,99,89,194	24,00,17,645

12. CASH AND BANK BALANCES

S.No	Particulars	As on 31.03.2015 (₹)	As on 31.03.2014 (₹)
1	Cash and cash equivalents		
a	Balances with banks		
	- On current accounts	25,00,60,843	16,83,50,397
b	Cash on hand	27,141	14,905
	Total	25,00,87,984	16,83,65,302

13. SHORT-TERM LOANS AND ADVANCES

S.No	Particulars	As on 31.03.2015 (₹)	As on 31.03.2014 (₹)
1	Loans and advances to Related Party (Unsecured, considered good) Gayatri Projects Ltd.		
	a. Gayatri Projects Ltd (HO)	22,38,646	-
	b. Works Contract Tax recoverable	1,22,22,810	1,82,22,810
2	Works Contract Tax recoverable – Utility Bills	2,72,342	8,05,921
3	Prepaid Expenses	1,32,370	1,32,370
4	Prepaid Insurance	2,29,385	2,29,385
5	Tax Deducted at Source Receivable	2,61,27,574	2,13,13,624
	Total	4,12,23,127	4,07,04,110



Footnotes:

- Company's claims against NHAI for additional scope of work, utility shifting and SDBC overlay are accounted for as and when received.
- Contractor's claims regarding additional scope of work, utility shifting and SDBC overlay are admissible and accounted for when related claims of the Company are received from NHAI.

14. OTHER CURRENT ASSETS

S.No	Particulars	As on 31.03.2015 (₹)	As on 31.03.2014 (₹)
1	Withheld money by NHAI - Utility Bills	5,456	5,456
	Total	5,456	5,456

15. REVENUE FROM OPERATIONS

S.No	Particulars	For the Year Ended 31.03.2015 (₹)	For the Year ended 31.03.2014 (₹)
1	Revenue from Sale of Services – Annuity from NHAI	47,90,00,000	47,90,28,451
	Total	47,90,00,000	47,90,28,451

16. OTHER INCOME

S.No	Particulars	For the Year Ended 31.03.2015 (₹)	For the Year ended 31.03.2014 (₹)
1	Interest Income		
	Interest on Income Tax Refund	-	7,23,431
2	Dividend		
	Dividend from Mutual Funds	1,62,67,233	1,28,38,979
3	Provisions Written off	-	19,306
	Total	1,62,67,233	1,35,81,716

17. EMPLOYEE BENEFITS EXPENSE

S.No	Particulars	For the Year Ended 31.03.2015 (₹)	For the Year ended 31.03.2014 (₹)
1	Salaries	21,21,112	18,07,034
	Total	21,21,112	18,07,034

18. FINANCE COSTS

S.No	Particulars	For the Year Ended 31.03.2015 (₹)	For the Year ended 31.03.2014 (₹)
1	Interest on Term Loans	24,32,99,667	25,59,28,014
2	Other Borrowing Costs		
	a Bank Commission and other charges	1,18,654	1,82,590
	b Security Trustee Fee	5,61,800	5,61,800
	c Lenders' Agent Fee	5,61,800	5,61,800
	d Credit Rating Fee	1,12,360	2,24,720
	e Upfront fee	-	8,42,700
	f Credit Rating Fee for NCD's	-	20,44,952
	Total	24,46,54,281	26,03,46,576

19. DEPRECIATION

S.No	Particulars	For the Year Ended 31.03.2015 (₹)	For the Year ended 31.03.2014 (₹)
1	Depreciation for the year	16,54,33,047	14,44,83,324
	Total	16,54,33,047	14,44,83,324

20. OPERATIONS AND MAINTENANCE EXPENSES

Operations and Maintenance Expenditure of ₹ 3,38,94,958/- (Previous Year ₹2,86,99,612/-) comprises of accounts paid/payable to the O&M Contractor, M/s Gayatri Projects Ltd.



21. PERIODIC MAINTENANCE EXPENSES

Provision for periodic maintenance amounting to ₹ 5,64,92,297/- (Previous year ₹ 5,09,81,465/-) has been provided in accounts for the period ended 31.03.2015, in terms of clause 5.1 of the Operation and Maintenance Agreement with Gayatri Projects Limited.

22. OTHER EXPENSES

S.No	Particulars	For the Year Ended 31.03.2015 (₹)	For the Year ended 31.03.2014 (₹)
1	Insurance Expenses	2,60,017	2,60,017
2	Rent	11,75,908	11,24,537
3	Audit Fee	2,80,900	2,80,900
4	Conveyance	96,000	96,420
5	Legal & Professional charges	25,26,715	7,87,531
6	Travelling expenses	2,71,069	1,39,841
7	Site office expenses	12,88,214	10,18,072
8	Printing & Stationery	36,150	51,203
9	Other Expenses	54,30,119	46,62,862
10	NHAI IC Fee	39,58,545	-
	Total	1,53,23,637	84,21,383

23. Contingent Liabilities:

a. Claims against the Company not acknowledged as debts are as follows.

S.No	Particulars	For the Year Ended 31.03.2015 (₹)	For the Year ended 31.03.2014 (₹)
1	Claims Made by DFO, Lalitpur towards transit fee on Forest Produce disputed by the Company *	23,54,36,252	23,54,36,252
	Total	23,54,36,252	23,54,36,252

In accordance with the EPC Agreement entered into with the EPC Contractor, inter-alia, the EPC Contractor has agreed to "indemnify and save harmless the Employer from and against all claims, liabilities, expenses, costs and losses suffered or incurred by the Employer which may arise out of or in connection with the execution of the Works".

Accordingly, even in case the abovesaid amount of ₹23,54,36,252/- is demanded from the Company by NHAI, the same can be recovered from the EPC Contractor as per the above covenant(s) of the EPC Agreement. However, the EPC Contractor has obtained stay order against above claims from Hon'ble Supreme Court.

24. Capital and Other Commitments**a. Capital Commitments:**

Estimated amount of contracts remaining to be executed on Capital Account are ₹ 5,98,13,688/- (As at 31.03.2014 ₹ 5,98,13,688/-).

b. Other Commitments:

The Company has firm commitment of Operations & Maintenance (O&M) Service Fee in terms of the O&M Agreement dated 14th May 2007 entered into with M/s Gayatri Projects Ltd.

25. In terms of provisions of Accounting Standard 22 issued by ICAI, no deferred tax asset/ liability has been recognized as the tax on timing difference between accounting income and taxable income that arise during the year is reversing during the tax holiday period, which the Company is eligible to avail under section 80IA of the Income Tax Act, 1961.
26. There are no amounts payable to entities covered under the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 as on 31st March 2015.
27. The Payment of Gratuity Act, 1972 and Employees Provident fund and Miscellaneous Provisions Act, 1952 are not applicable to the Company as the Company does not have requisite number of employees on its rolls. The Company has no policy of encashment of leaves. Accordingly, no provision has been made in respect of employee benefits in terms of AS-15 "Employee Benefits".
28. The Company is engaged only in the business of Constructing and Operating the BOT Project. Further, the Company is carrying its business in only one geographical segment.



29. Related Party Disclosures:

- i. List of Related parties
 - a. Gayatri Projects Ltd – The Ultimate Holding Company.
 - b. Gayatri Infra Ventures Limited – Holding Company.
 - c. India Infrastructure Fund – Entity having substantial interest (more than 20% interest in the voting power).
- ii. Key Management personnel
 - a. T.V.Sandeep Kumar Reddy
 - b. J.Brij Mohan Reddy – Director
 - c. Sachin Raj P. - Chief Financial Officer
 - d. S. Ravi Kumar - Company Secretary
- iii. Relatives of Key Management personnel
 - a. T. Subbarami Reddy
 - b. T. Indira Reddy
- iv. List of Enterprises in which Key Management personnel and /or their relatives have significant influence
 - a. Gayatri Projects Limited – Enterprise in which the Key Management personnel have significant influence
 - b. Gayatri Lalitpur Roadways Limited – Fellow Subsidiary
- v. Details of transactions with related parties as on 31st March 2015:

S.No	Particulars	Amount of Transaction	Dabit Balance as on 31.03.2015	Credit Balance as on 31.03.2015
I	Gayatri Infra Ventures Limited Subscription of Equity *			16,21,79,000 (16,21,79,000)
	Unsecured loan			14,38,20,000 (14,38,20,000)
II	Gayatri Projects Ltd.			
A	Subscription of Equity *			1,000 (1,000)
B	Capital Work in Progress			
1	EPC Work	66,63,265		30,53,469 (30,53,469)
2	Retention Money	-		-
		(-)		(45,46,417)
3	O & M Expenses	3,38,94,958 (2,86,99,612)		1,27,93,900 (1,21,85,320)
4	Utility Shifting Expenses	-		16,20,384 (16,20,384)
5	Reimbursement of Site Expenses	-		7,32,932 (7,32,932)
6	Reimbursement of HO Expenses	(45,00,000)	22,38,646	-
7	Special Advance **	-	28,35,94,725 (28,35,94,725)	(21,71,354)
III.	India Infrastructure Fund			
1	Subscription of Equity			12,40,00,000 (12,40,00,000)
2	Unsecured loan			13,82,00,000 (13,82,00,000)
IV.	Remuneration to Key Management Personnel			
1	Salary to Chief Financial Officer	3,15,000	-	-
		(-)	(-)	(-)
2	Salary to Company Secretary	6,60,000	-	-
		(6,30,000)	(-)	(-)

* These shares are pledged in favour of the project lenders.

** This amount has been advanced to M/s Gayatri Projects Ltd. against a Corporate Guarantee for Rs.30 Crores.

Figures in brackets relate to previous year.



30. EARNINGS PER SHARE

Basic and Diluted earnings per share are calculated as per Accounting Standard 20 "Earnings per Share" issued by the Institute of Chartered Accountants of India.

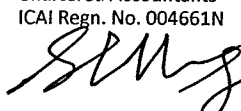
S.No	Particulars	For the Year Ended 31.03.2015 (₹)	31.03.2014 (₹)
1	Net Profit/(Loss) after tax attributable to Equity shareholders :: A	(2,26,52,099)	(21,29,227)
2	Weighted Average number of Equity Shares outstanding :: B	3,17,98,006	3,17,98,006
	Basic and Diluted Earnings (Loss) per share of Rs.10/- each :: A / B	(0.71)	(0.07)


31. REMUNERATION PAID TO AUDITORS:

S.No	Particulars	For the Year Ended 31.03.2015 (₹)	For the Year ended 31.03.2014 (₹)
1	For Statutory Audit (incl. Service Tax)	2,24,720	2,24,720
2	For Tax Audit (incl. Service Tax)	56,180	56,180
3	For Other Services (incl. Service Tax)	37,641	25,843
	Total	3,18,541	3,06,743

32. Earnings and Expenditure in Foreign Currency: ₹ Nil (Previous Year ₹ Nil)
33. C.I.F value of imports ₹ Nil (Previous Year ₹ Nil)
34. Based on the review of the future discounted cash flow, the recoverable amount of the project facility is more than its carrying account. Accordingly, no provision for the impairment is made in the books of accounts.
35. In the opinion of the Board, assets other than fixed assets and non-current investments have a value in the ordinary course of business at least equal to the amount at which they are stated.
36. Balances of loans and advances, suppliers and contractors are subject to confirmation and reconciliation.
37. Previous Year figures have been regrouped/reclassified to conform to the classification adopted in the current year.


For Gianender & Associates
Chartered Accountants
ICAI Regn. No. 004661N



SHASHANK AGRAWAL
Partner
Membership No. 536670

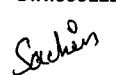


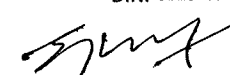
Place:
Date: May 20, 2015

For and on behalf of the Board


J. BRIJ MOHAN REDDY
Chairman
DIN:00012927


SACHIN JOHRI
Director
DIN: 01181852


SACHIN RAJ P.
Chief Financial Officer


S. RAVI KUMAR
Company Secretary