

September 02, 2021

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

**Sub: Annual Report for Financial Year 2020-21 of Gayatri Projects Limited ('Company')**

This is in furtherance to our AGM Notice dated September 02, 2021 wherein the Company had informed that the 32nd Annual General Meeting ('AGM') of the Company will be held on Friday, September 24, 2021 at 03.30 p.m. (IST) via two-way Video Conference / Other Audio-Visual Means only, in accordance with the General Circular issued by the Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and SEBI Circular dated May 12, 2020 and January 15, 2021.

Please find enclosed herewith the 32nd Annual Report of Gayatri Projects Limited for the Financial Year 2020-21 along with the Notice of the 32nd AGM ('Annual Report'). The Annual Report is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Annual Report is available on the website of the Company at [https://www.gayatri.co.in/pdf/yrly/AR%20GPL-2020\\_21.pdf](https://www.gayatri.co.in/pdf/yrly/AR%20GPL-2020_21.pdf). This is submitted pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and records.

Thanking you.

Yours faithfully

**Gayatri Projects Limited**

*Chetan Kumar Sharma*

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



Encl.: As Above



**GAYATRI**

**GAYATRI PROJECTS LIMITED**

Staying on the Road Ahead  
**RESOLUTELY**

ANNUAL REPORT 2020-21



The recent years have been challenging for the company. However we continue to exhibit the tenacity to fulfill our vision to be a key stakeholder in building the emerging India's infrastructure.

Gayatri is a hymn of knowledge and insight to resolutely stay ahead.

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## KEY HIGHLIGHTS OF THE YEAR

₹ **3,900** crores

Revenue + 14% Year on Year

During the year, we delivered a strong topline growth of 14% and surpassed our guidance of a flattish revenue growth. Our full year revenues crossed INR 3,900 crores and our EBITDA crossed INR 440 crores.

**24%**

Reduction in long – terms debt

Reduced our long-term debt by 24% to INR 519

₹ **12,300**

Orderbook as on 30 June, 2021



# MESSAGE FROM THE MANAGING DIRECTOR

## Dear Shareholders,

FY21 has been an exceptionally challenging year for us in many ways. We faced many macro and micro challenges on account of Covid-19 pandemic and tight liquidity, but I am happy to report that we were able to overcome these challenges to deliver a strong operating and financial performance.

During the year, we delivered a strong topline growth of 14% and surpassed our guidance of a flattish revenue growth. Our full year revenues crossed INR 3,900 crores and our EBITDA crossed INR 440 crores. Our strong operating performance was largely driven by the strong rate of execution across our project sites. Our key project of Purvanchal expressway in UP was almost completed during the year and will be handed over to the authorities soon. Similarly, our other project site in Mumbai and Andhra saw a strong pace of execution.

This year, we also made significant progress on de-leveraging and strengthening our balance sheet. During the end of last calendar, we received a sum of INR 208 crores by way of monetisation of arbitration claim. Similarly, we also received a sum of INR 70 cr from arbitration claims awarded by way of Conciliation with NHAI. Proceeds

from these settlements were used towards repayment of debt repayments and we successfully reduced our long-term debt by 24% to INR 519 crore this year. Despite, such a successful debt reduction, we continued facing liquidity crisis on account of delayed repayments from states governments, as a result company was unable to service its debt liability, in a timely manner, to some banks.

Stepping into FY 2022, we were approached by a strategic investor, bullish on India's Infra story, for an equity infusion in the company. I am happy to report that after much deliberation and discussion, we have signed a definitive agreement with Interups USA and Board has approved a preferential allotment of 75 million equity shares of Rs 2 each, which translates to an infusion of INR 337 crore in the company. Post the allotment, the strategic Investors and promoters will have a combined holding of 59% in the Company, on the expanded capital base. This equity infusion will help company partially pay its long-term debt and bring down the debt to a negligible level. This deal is subject to shareholder and regulatory approval, and we are working towards closing the same at the earliest.

We are maintaining our strong focus on

building as asset light business model and have a pure play EPC book of INR 130 billion as of 31 March'21. This translates into a book to bill of 3.4x – One of the highest in the industry and gives us a strong revenue visibility.

### **Outlook**

We are confident that FY22 will another significant year for the company, as we move towards our strategic goal of becoming a debt free company. We are taking all the steps in that direction and are confident of achieving this status soon. Our business outlook remains positive as we move ahead on executing our pending order book and delivering projects at a faster pace. I would also like to take this opportunity to thank our entire stakeholder for their immense support and patience. We are at the far end of our transition journey and Gayatri 2.0 is well poised to emerge as a leading EPC company in the Country.

Regards

**T. V Sandeep Kumar Reddy**  
Managing Director



# DIRECTORS' PROFILE



## T. Indira Reddy

T. Indira Reddy, wife of T. Subbarami Reddy, is the Promoter cum Non-Executive Chairperson of Gayatri Projects and director cum chairperson in several companies within Gayatri Group. She has an impeccable track record of guiding, advising and steering Gayatri Group. T. Indira Reddy has over 30 years of experience in the construction industry and has been a director in our Company since March 8, 1996.



## T. V Sandeep Kumar Reddy

T. V. Sandeep Kumar Reddy, son T. Subbarami Reddy, is the Promoter cum Managing Director of Gayatri Projects Limited and director in several companies in Gayatri Group. He has been associated with Gayatri Projects since its incorporation in the year 1989. T. V. Sandeep Kumar Reddy has over 30 years of experience in the Construction Industry. Under his able leadership and skill in the infrastructure sector, Gayatri Projects was awarded official appreciation for the construction of Eastern Peripheral Expressway from National Highways Authority of India (NHAI) through the hands of Shri. Nitin Gadkari, Union minister for Road Transport and Highways.

He has taken the Group to newer heights, diversifying into owning and operating of infrastructural assets like major roads, power plants, and renewable energy assets. His other ambitious forays include Hospitality, Real Estate and Bio-organics.

He holds a Master's Degree in Construction Engineering and Management from University of Michigan at Ann Arbor, USA and also holds a Bachelor Degree in Civil Engineering from Purdue University. T. V. Sandeep Kumar Reddy is responsible for overseeing the day to day affairs of our Company. GPL has been engaged in construction activities for more than 40 years and has completed more than 8,000 lane kms of road construction over this period under his leadership.

All the decisions in the Company are taken under his leadership. He spear heads the Gayatri Group. He envisions the Gayatri Group becoming the leading business house of Modern India.



## J. Brij Mohan Reddy

Mr. J. Brij Mohan Reddy, aged 80 years, is our Company's executive director vice chairman, is a Post-Graduate in Engineering from the University of California, Berkley, United States. J. Brij Mohan Reddy has over 54 years of experience in the Heavy Engineering Construction and the harbour engineering industries. He has been associated with our Company since 1989 and has been a whole - time director in our Company since March 30, 1994.

He is having vast experience in the areas of Marine works, Bridges and Off-shore works and has qualified Bachelor of Science in Industrial Engineering from The University of Montana from U.S.A. in 1964. He is recognized in Harbour Engineering (i.e. construction of Break Waters (BW), Piers, Wharf walls, Jetties etc.), RCC structures, Steel structures, and Highway projects and was responsible for the construction of the entire fisheries harbour at Chennai and major portion of recognized ORE -handling project for Chennai Port Trust, Off Shore Break Water at Pondicherry and the Break Water Marine works at Kakinada.



## Ch. Hari Vithal Rao

Sri. Ch. Hari Vithal Rao, aged 79 years, is our Company's Non-Executive and Independent Director is a CAIIB from Indian Institute of Bankers, and holds a Bachelor's Degree in Arts from Andhra University. Ch. Hari Vithal Rao has over 50 years of experience as a banker and was employed with Bank of Baroda and Naandi Foundation in the past. He has been associated with our Company since November 04, 2005.



#### **Dr. K.V. Ramana Chary**

Dr K.V. Ramana Chary, (IAS) Retd, started his career as lecturer in Chemistry at Osmania University. He joined as Probationary Dy. Collector in 1977 and Worked as District Collector, Kadapa during the year 1993-94 and held various positions in the state of United Andhra Pradesh such as worked in Quli Qutub Shah Urban Development Authority, Hyderabad as Administrator for 9 years. He has been P.R.O to Chief Ministers in the state of united Andhra Pradesh. He has also served as Commissioner, Information & Public Relation Dept. & Ex-Officio Secretary to Govt. in the years 1995, 1999 & 2004 during the regime of various Chief Ministers. He retired as Prl. Secretary to Government, Revenue (Endowments) Department in the year 2011. He served as Advisor, Department of Culture during 2012-13. He is renowned for his administration skills and humble nature. Presently, he is on advisory capacity to the Government of Telangana.



#### **Sreeramakrishna Grandhi**

Mr.Sreeramakrishna Grandhi, has 37 years of experience in leadership role at State Bank of India and retired as Chief General Manager. He has been on the boards of prestigious Government of India and Public Limited Companies including in Audit Committees. At SBI, he handled diverse roles but predominantly focused on credit and handled portfolio of over 4,000 crores with zero NPA status during his tenure. Besides handling roles in improving Bank's customer relationship, he was a problem solver and decision maker roles in the bank's Human Resources Management and giving clear oversight and direction in expansion of business. Possess distinct ability to direct and manage crucial financial roles with focus on diagnosing and solving complex problems. Held several key assignments in banking for 37 years at one of the best banks in the world and have exposure to diverse industries from MSME to Very Large Corporates. He has been both a coach and mentor to promoters, in planning, execution of financial decisions and in some cases in retrieval from financial unplanned situations.



#### **Rama Devi Nanduri**

Smt. Rama Devi Nanduri, has more than 40 years of experience as banker, joined SBI in 1974 as a probation officer after majoring in physics from Osmania University. She has held several posts across several aspects of banking including retail and corporate credit, international business, inspection and audit, etc. Her 4 decade long career in the Bank culminated in a stint in The State Bank Staff College which is an apex training institution set up for imparting leadership and credit skills to mostly middle and senior level managers of the Bank and several other public and private sector banks as well as some international banks. She was also a member of committees involved in change management in the areas of corporate and agricultural credit.



#### **Man Mohan Gupta**

Shri. Man Mohan Gupta, aged 57 years, is our Company's Non-Executive and Nominee Director (Bank of Baroda). He holds degree in Business Administration (M.B.A) and CAIB from Indian Institute of Bankers. He has a rich experience of 13 years in Bank of Baroda, presently designated as General Manager, Hyderabad-Zone. He Has a Strong knowledge of Banking & Finance, especially in matters Credit. With his shrewd yet tactful outlook, he has managed to garner business from all sectors in every job location and designation awarded to him. He has diligently strived to be the best. As a leader, he has the patience and confidence that help to bring out the best from his team. He has been appointed as a Director (as a Nominee of Bank of Baroda) w.e.f 15.06.2021.



# FINANCIAL HIGHLIGHTS

₹ in Lakhs

DESCRIPTION	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Turnover	390,052	342,733	346,315	291,231	211,535	181,221	160,114	181,253	202,220	180,190
Profit Before Tax	5,122	(39,022)	23,570	18,255	10,946	6,969	3,509	8,248	10,201	6,984
Profit After Tax	5,658	(38,457)	21,077	18,809	7,043	5,801	2,205	4,761	6,309	4,597
EBITDA	44,907	42,661	54,497	46,767	30,503	25,946	20,757	26,969	26,605	19,994
Equity Capital	3,744	3,744	3,744	3,744	3,545	3,545	3,023	3,023	3,023	2,397
Reserves & Surplus	96,301	90,489	129,219	108,560	70,555	81,057	65,231	63,574	59,520	49,225
Net Worth	100,045	94,233	132,963	112,304	74,100	84,602	68,254	66,596	62,543	51,622
Gross Block	88,540	87,325	76,517	65,799	57,937	47,219	46,203	45,432	45,069	44,618
Net Block	33,008	39,420	37,633	33,497	30,925	22,686	20,812	22,936	24,738	27,394
Book Value (₹) Per Share of ₹ 2/- each	53.44	50.34	71.03	59.99	41.81	47.32	45.16	42.06	41.38	43.08
EPS (₹) Basic	3.02	(20.54)	11.26	10.58	3.97	3.46	1.46	3.15	24.53	37.83

## Turnover (₹ in lakhs)

<b>FY 20-21</b>	390,052
<b>FY 19-20</b>	342,733
<b>FY 18-19</b>	346,315
<b>FY 17-18</b>	291,231
<b>FY 16-17</b>	211,535

## EBITDA (₹ in lakhs)

<b>FY 20-21</b>	44,907
<b>FY 19-20</b>	42,661
<b>FY 18-19</b>	54,497
<b>FY 17-18</b>	46,767
<b>FY 16-17</b>	30,503

## PBT (₹ in lakhs)

<b>FY 20-21</b>	5,122
<b>FY 19-20</b>	(39,022)
<b>FY 18-19</b>	23,570
<b>FY 17-18</b>	18,255
<b>FY 16-17</b>	10,946

## PAT (₹ in lakhs)

<b>FY 20-21</b>	5,658
<b>FY 19-20</b>	(38,457)
<b>FY 18-19</b>	21,077
<b>FY 17-18</b>	18,809
<b>FY 16-17</b>	7,043

# CORPORATE INFORMATION

## Board of Directors

Smt. T. Indira Reddy	-	Chairperson	(DIN: 00009906)
Sri T.V. Sandeep Kumar Reddy	-	Managing Director	(DIN: 00005573)
Sri. J. Brij Mohan Reddy	-	Executive Vice Chairman	(DIN: 00012927)
Sri. Ch. Hari Vithal Rao	-	Independent Director	(DIN: 00012970)
Sri.G. Sreeramakrishna	-	Independent Director	(DIN: 06921031)
Sri. K.V. Ramanachary	-	Independent Director	(DIN: 08658826)
Smt. N. Ramadevi	-	Independent Director	(DIN: 08699570)

## Company Secretary & Compliance Officer

CS Chetan Kumar Sharma

## Chief Financial Officer

CA P. Sreedhar Babu

## Statutory Auditors

M O S & Associates LLP  
501, Lahari Benz Apartments,  
Somajiguda, Hyderabad – 500 082

## Bankers

Bank of Baroda  
Bank of Maharashtra  
Canara Bank  
The Federal Bank Limited  
IDBI Bank Limited  
Indian Overseas Bank  
Punjab National Bank  
State Bank of India  
Union Bank of India

## Registered & Corporate Office

B-1, T.S.R. Towers, 6-3-1090  
Raj Bhavan Road, Somajiguda  
Hyderabad – 500 082  
CIN: L99999TG1989PLC057289  
Tel: 040 – 23314284,  
Fax: 040 – 23398435  
Email: gplhyd@gayatri.co.in  
Website: www.gayatri.co.in

## Registrars & Transfer Agents

KFin Technologies Pvt. Ltd.  
Selenium Tower B, Plot 31 & 32,  
Financial District, Nanakramguda,  
Serilingampally Mandal,  
Hyderabad - 500 032, Telangana  
Toll free number - 1- 800-309-4001  
Email: einward.ris@kfintech.com  
Website: <https://www.kfintech.com>

# AGM NOTICE

**NOTICE** is hereby given that the 32<sup>nd</sup> ANNUAL GENERAL MEETING of **M/s. Gayatri Projects Limited** will be held on Friday the 24<sup>th</sup> September 2021 at 03.30 P.M (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses:

## ORDINARY BUSINESS:

- 1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2021 together with the reports of the Auditors thereon and of the Board of Directors thereon.**

(a) **“RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

(b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

- 2. To appoint a Director in place of Mrs. T. Indira Reddy, who retires by rotation, and being eligible, offers herself for re-appointment.**

**“RESOLVED THAT** Mrs. T. Indira Reddy (DIN 00009906), who retires by rotation in terms of section 152(6) of the Companies Act 2013, and being eligible offers herself for reappointment, be and is hereby re-appointed as a Director of the Company.”

## SPECIAL BUSINESS:

- 3. Ordinary Resolution for ratification of remuneration payable to M/s. N.S.V. KRISHNA RAO & CO., appointed as Cost Auditors of the Company for the F.Y 2021-22**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Record and Audit) Rules, 2014, **M/s. N.S.V. KRISHNA RAO & CO,** Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2021-22 for a remuneration of Rs. 1,15,000 (Rupees One Lakh Fifteen Thousand) per annum plus applicable service tax and out of pocket expenses that may be incurred be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

- 4. Re-appointment of Sri. J. Brij Mohan Reddy as Whole Time Director designated as Executive Vice Chairman**

To consider and if thought fit to pass with or without modifications the following resolution as a **SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to provisions of sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the Act), as amended or re-enacted from time to time, the members hereby approves the re-appointment of Mr. J. Brij Mohan Reddy as Whole Time Director designated as Executive Vice Chairman of the Company for a period of three years commencing from October 1, 2021 to September 30, 2024 with the following terms and conditions:

- 1) **Period:** For a period of 3 years commencing from October 01, 2021 to September 30, 2024
- 2) **Nature of Duties:** Sri J. Brij Mohan Reddy shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such

powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board and/or subsidiaries or any other executive body or any committee of such a Company

- 3) Remuneration: Salary of Rs. 11,00,000/- per month and other perquisites as applicable to the senior management of the Company. The remuneration may be reviewed by the Nomination and Remuneration Committee from time to time.
- 4) The terms and conditions of the appointment of the appointee may be altered and varied from time to time by the Board/Committee as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board/Committee and the appointee, subject to such approvals as may be required.

**Minimum Remuneration:**

**RESOLVED FURTHER THAT** in pursuance of the provisions of Section 197(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed there under Mr. J. Brij Mohan Reddy as Whole Time Director designated as Executive Vice Chairman of the Company, may be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term in accordance with the provisions of Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** any one of the Directors of the Company, be and are hereby severally authorized to sign and file such forms or documents as may be required to be filed with Ministry of Corporate Affairs or Registrar of Companies or such other authority as may be required, to settle any doubt or question arising with regards to the aforesaid appointment and to do all such acts, deeds, matters and things as may be necessary to give full effect to the foregoing resolution.”

By order of the Board  
For **GAYATRI PROJECTS LIMITED**

Sd/-  
**CHETAN KUMAR SHARMA**  
Company Secretary &  
Compliance Officer

Place: Hyderabad  
Date: June 14, 2021

**NOTES:**

1. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') with respect to Item Nos. 3 to 4 forms part of this Notice. Additional information, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment as well as director proposed to be re-appointed at this Annual General Meeting ('Meeting' or 'AGM') is furnished as an annexure to the Notice.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its General Circulars No.14/2020 dated April 08, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020 and No. 10/2021 dated June 23, 2021 (collectively referred to as 'MCA Circulars') has permitted the holding of the AGM through Video Conferencing ('VC') / Other Audio Visual means ('OAVM'), without the physical presence of the members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the AGM of the Company is being held through Video Conferencing ('VC'). The deemed venue for the AGM shall be the Registered Office of the Company. The deemed venue for the 32nd AGM will be 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad – 500082.
3. An Explanatory Statement pursuant to the provisions of Section 102 (1) of the Companies

Act, 2013 (“Act”) read with the relevant rules made thereunder, setting out the material facts and reasons in respect of Item provided in the Notice of AGM (‘Notice’), is annexed and forms part of this Notice.

4. The Company has appointed KFin Technologies Private Limited (KFIN), Registrar and Transfer Agent of the Company, to provide the VC facility for conducting the AGM and for voting through remote evoting or through e-voting at the AGM. The procedure for participating in the meeting through VC/ OAVM is explained in this notes and is also available on the website of the Company at [www.gayatri.co.in](http://www.gayatri.co.in) .
5. Since the AGM is being held through VC, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by Members is not available, as provided in the MCA Circulars and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Pursuant to the provisions of Sections 112 and 113 of the Act, representatives of the Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting at the AGM through e-voting facility.
7. Body corporates are entitled to appoint authorized representative(s) to attend the AGM through VC and to cast their votes through remote e-voting/ e-voting at the AGM. In this regard, the body corporates are required to send a latest certified copy of the Board Resolution/ Authorization Letter/ Power of Attorney authorising their representative(s) to attend the meeting and vote on their behalf through e-voting. The said resolution/ letter/ power of attorney shall be sent by the body corporate through its registered e-mail id to the Scrutinizer by email through its registered email address to [scrutinizer@gayatri.co.in](mailto:scrutinizer@gayatri.co.in) with a copy marked to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) (KFIN’s id).
8. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

**ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT :**

1. In accordance with the MCA Circulars read with the SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and SEBI Circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 (the ‘SEBI Circulars’): Notice of the AGM is being sent to the Members, trustees of debenture holders and to all other persons so entitled in electronic mode only, whose email addresses has been registered with the Company/ Depository Participants (‘DPs’)/ Depository/ KFIN. Members are requested to verify/ update their details such as email address, mobile number etc. with their DPs, in case the shares are held in electronic form and with KFIN, in case the shares are held in physical form.
2. The AGM Notice is available on the Company’s website [www.gayatri.co.in](http://www.gayatri.co.in) and on the website of KFin at <https://evoting.kfintech.com> and also on those of the BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com).
3. Members who have still not registered their email IDs are requested to do so at the earliest.
  - Members holding shares in electronic mode can get their email ID registered by contacting their respective Depository Participant.
  - Members holding shares in physical mode are requested to register their email ID with the Company or KFin, for receiving the AGM Notice. Requests can be email or by logging into <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.

We urge Members to support this Green Initiative effort of the Company and get their email ID registered.

**PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:**

4. Members will be able to attend the AGM through VC / OAVM or view the live webcast of the AGM at [https:// emeetings.kfintech.com/](https://emeetings.kfintech.com/) by using their remote e-voting login credentials and selecting the ‘Event’ for Company’s AGM. Members who do not have the User ID and Password for evoting

or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the AGM Notice. Further, Members can also use the OTP based login for logging into the e-voting system.

5. Members may join the AGM through laptops, smartphones, tablets or ipads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Mozilla Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches. Members will be required to grant access to the web-cam to enable two-way video conferencing.
6. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the AGM. Members will be able to participate in the AGM through VC / OAVM on a first-come-firstserve basis. Large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction of first-come first-serve basis.
7. Institutional Members are encouraged to participate at the AGM through VC / OAVM and vote thereat.
8. Members, holding shares as on the cut-off date i.e. 17.09.2021 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers at <https://emeetings.kfintech.com> and clicking on "Speaker Registration" during the period from Monday September 20, 2021 (9:00 a.m. IST) upto Tuesday, September 21, 2021 (05.00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to speak / express their views / ask questions during the AGM. The Company reserves the right to restrict

the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

Alternatively, Members holding shares as on the cut-off date may also visit <https://emeetings.kfintech.com> and click on the tab 'Post Your Queries' and post their queries/ views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window will close at 5.00 p.m. (IST) on Tuesday, September 21, 2021.





9. Members who need assistance before or during the AGM, relating to use of technology, can contact KFin at 1800 309 4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).

#### **PROCEDURE FOR REMOTE E-VOTING AND VOTING DURING THE AGM:**

10. Members are requested to attend and participate at the ensuing AGM through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during AGM.
11. The facility of e-voting during the AGM will be available to those Members who have not cast their vote by remote e-voting. Members, who cast their vote by remote e-voting, may attend the AGM through VC / OAVM, but will not be entitled to cast their vote once again on the resolutions. If a Member casts votes by both modes i.e. voting at AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
12. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements, in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to to [cs@gayatri.co.in](mailto:cs@gayatri.co.in).
13. In case of any query and / or assistance required, relating to attending the AGM through VC / OAVM mode, Members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC / OAVM' user manual available at the download Section of <https://evoting.kfintech.com> or contact Mr. K. Anandan , KFin at the email ID

evoting@kfintech.com or call KFin's toll free No.: 1800 309 4001 for any further clarifications / technical assistance that may be required.

14. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/ P/2020/242 dated 9th December, 2020 relating to 'e-voting Facility Provided by Listed Entities' ("SEBI e-voting Circular"), the Company is pleased to provide to Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means through e-voting services arranged by KFin. Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting").
15. The remote e-voting period commences on Tuesday, September 21, 2021 . (9:00 a.m. IST) and ends on Thursday, September 23, 2021. (5:00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in demat form, as on the cut-off date i.e. Friday, September 17, 2021 may cast their vote by remote e-voting.  
  
The remote e-voting module shall be disabled by KFin for voting thereafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cutoff date.
16. Any person holding shares in physical form and non-individual shareholders holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. In case they are already registered with KFin for remote e-voting, they can use their existing User ID and password for voting.
17. In terms of SEBI e-voting Circular, e-voting process has been enabled for all 'individual demat account holders', by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participant(s) ("DP").
18. Individual Members having demat account(s) would be able to cast their vote without having to register again with the e-voting service provider ("ESP") i.e. KFin, thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-voting process. Members are advised to update their mobile number and e-mail ID with their DPs to access the e-voting facility.
19. The process and manner for remote e-voting and joining and voting at the AGM are explained below:  
  
Step 1 : Access to Depositories e-voting system in case of individual Members holding shares in demat mode.  
  
Step 2 : Access to KFin e-voting system in case of Members holding shares in physical and non-individual Members in demat mode.  
  
Step 3 : Access to join the AGM on KFin systems and to participate and vote thereat  
  
l) Login for remote e-voting for Individual Members holding equity shares in demat mode.

Type of shareholders	Login Method
Individual Members holding securities in demat mode with <b>NSDL</b>	<p><b>Existing Internet-based Demat Account Statement (“IDeAS”) facility Users:</b></p> <ol style="list-style-type: none"> <li>1. Visit the e-services website of NSDL <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile.</li> <li>2. On the e-services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. Thereafter enter the existing user id and password.</li> <li>3. After successful authentication, Members will be able to see e-voting services under ‘Value Added Services’. Please click on “Access to e-voting” under e-voting services, after which the e-voting page will be displayed.</li> <li>4. Click on company name i.e. ‘GAYATRI PROJECTS LIMITED’ or e-voting service provider i.e. KFin.</li> <li>5. Members will be re-directed to KFin’s website for casting their vote during the remote e-voting period and voting during the AGM.</li> </ol> <p><b>Those not registered under IDeAS:</b></p> <ol style="list-style-type: none"> <li>1. Visit <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> for registering.</li> <li>2. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3. Visit the e-voting website of NSDL <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a>.</li> <li>4. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open.</li> <li>5. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen.</li> <li>6. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</li> <li>7. Click on company name i.e ‘GAYATRI PROJECTS LIMITED’ or e-voting service provider name i.e KFin after which the Member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the AGM.</li> <li>8. Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="392 1391 655 1507" style="border: 1px solid black; padding: 5px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">   </div> <div style="text-align: center;">   </div> </div> </div>



Type of shareholders	Login Method
Individual Members holding securities in demat mode with <b>CDSL</b>	<p><b>1. Existing user who have opted for Electronic Access To Securities Information (“Easi / Easiest”) facility:</b></p> <ul style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Click on New System Myeasi.</li> <li>iii. Login to MyEasi option under quick login.</li> <li>iv. Login with the registered user ID and password.</li> <li>v. Members will be able to view the e-voting Menu.</li> <li>vi. The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication.</li> </ul> <p><b>2. User not registered for Easi / Easiest</b></p> <ul style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> for registering.</li> <li>ii. Proceed to complete registration using the DP ID, Client ID (BO ID), etc.</li> <li>iii. After successful registration, please follow the steps given in point no. 1 above to cast your vote.</li> </ul> <p><b>3. Alternatively, by directly accessing the e-voting website of CDSL</b></p> <ul style="list-style-type: none"> <li>i. Visit <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Provide demat Account Number and PAN</li> <li>iii. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account.</li> <li>iv. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. ‘GAYATRI PROJECTS LIMITED’ or select KFin.</li> <li>v. Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.</li> </ul>
Individual Members login through their demat accounts / Website of Depository Participant	<ul style="list-style-type: none"> <li>i. Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility.</li> <li>ii. Once logged-in, Members will be able to view e-voting option.</li> <li>iii. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature.</li> <li>iv. Click on options available against GAYATRI PROJECTS LIMITED or KFin.</li> <li>v. Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.</li> </ul>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites

Login type	Helpdesk details
Securities held with <b>NSDL</b>	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with <b>CDSL</b>	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**Details on Step 2 are mentioned below:**

ii) Login method for e-voting for Members other than Individual's Members holding shares in demat mode and Members holding securities in physical mode.

(A) Members whose email IDs are registered with the Company / Depository Participants(s), will receive an email from KFin which will include details of e-voting Event Number (EVEN), USER ID and password.

**They will have to follow the following process:**

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a Member is registered with KFin for e-voting, they can use their existing User ID and password for casting the vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. Members will now reach password change Menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt the Member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that Members do not share their password with any other person and that they take utmost care to keep their password confidential.
  - v. Members would need to login again with the new credentials.
  - vi. On successful login, the system will prompt the Member to select the "EVEN" i.e., 'GAYATRI PROJECTS LIMITED - AGM' and click on "Submit"
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, a Member may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed the total shareholding as mentioned herein above. A Member may also choose the option ABSTAIN. If a Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
  - ix. Voting has to be done for each item of the notice separately. In case a Member does not desire to cast their vote on any specific item, it will be treated as abstained.
  - x. A Member may then cast their vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once a Member has voted on the resolution (s), they will not be allowed to modify their vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (B) Members whose email IDs are not registered with the Company/ Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced will have to follow the following process:

- i. Members who have not registered their email address, thereby not being in receipt of the Annual Report, Notice of AGM and e-voting instructions, may temporarily get their email address and mobile number submitted with KFin, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.
  - ii. Members are requested to follow the process as guided to capture the email address and mobile number for receiving the soft copy of the AGM Notice and e-voting instructions along with the User ID and Password. In case of any queries, Members may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - iii. Alternatively, Members may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the request letter, duly signed, providing their email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
  - iv. After receiving the e-voting instructions, please follow all the above steps to cast your vote by electronic means.
- ii. After logging in, click on the Video Conference tab and select the EVEN of the Company.
  - iii. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that Members who do not have the user id and password for e-voting or have forgotten the same may retrieve them by following the remote e-voting instructions mentioned above.

**Other Instructions:**

- I. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- II. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cutoff date i.e. 17.09.2021.
- III. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 17.09.2021 may obtain the User ID and Password in the manner as mentioned below:
  - a. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWDE-voting Event Number + Folio No. or DP ID Client ID to +91 9212993399  
  
Example for NSDL: MYEPWD IN12345612345678  
  
Example for CDSL: MYEPWD 1402345612345678  
  
Example for Physical: MYEPWD XXX1234567890

**Details on Step 3 are mentioned below:**

- III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-voting during the meeting.
  - i. Members will be able to attend the AGM through VC / OAVM platform provided by KFin. Members may access the same at <https://emeetings.kfintech.com/>

- b. If email ID of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click 'Forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Members may call KFin toll free number 1800 309 4001.
- d. Members may send an email request to: [evoting@kfintech.com](mailto:evoting@kfintech.com).

If the Member is already registered with the KFin e-voting platform then such Member can use his / her existing User ID and password for casting the vote through remote e-voting.

- IV. The Board of Directors has appointed Mr. Y Koteswara Rao (ACS3785; C.P. No. 7427) as the Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.
- V. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC/OAVM. The e-voting window shall be activated upon instructions of the Chairman of the AGM during the AGM. E-voting during the AGM is integrated with the VC/ OAVM platform and no separate login is required for the same.
- VI. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to the AGM) and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- VII. The results declared along with the Scrutinizer's report will be forwarded to BSE Limited and National Stock Exchange of India Limited; be displayed at the Registered Office of the Company and simultaneously uploaded on the Company's website viz. [www.gayatri.co.in](http://www.gayatri.co.in) and that of KFin viz. <https://evoting.kfintech.com>.

# **ANNEXURE TO NOTICE**

## **EXPLANATORY STATEMENT**

Pursuant to Section 102 of the Companies Act, 2013

### **Item No.3:**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. N.S.V. KRISHNA RAO & CO, Cost Accountants, Hyderabad (Membership No. 17143) as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors has to be subsequently ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in this item of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2021-22.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this resolution. The Board of Directors recommends the resolution at Item No. 03 for Member's approval.

### **Item No.4**

Mr. J. Brij Mohan Reddy, aged 80 years, is an Engineering Graduate from Berkley University in U.S.A. He has specialized in Harbour Engineering (i.e., construction of break waters, piers, wharf walls, jetties etc.), RCC structures, Steel structures and Highway projects. He joined as Director in the Board of GPL in the year 1994. He is having vast experience in the areas of Marine works, Bridges and Off-shore works.

He was responsible for construction of the entire fisheries harbour at Chennai and major portion of mechanized ORE-handling project for Chennai Port Trust. He is also Director in Board of Indore Dewas Tollways Limited., Gayatri Jhansi Roadways Ltd., Gayatri Lalitpur Roadways Ltd., Balaji Highway Holdings Pvt. Ltd.

Considering his experience, the Board recommends to extend his appointment as Whole Time Director designated as Executive Vice- Chairman for further 3 years without any change in remuneration and present designation, i.e from October 01, 2021 to September 30, 2024 subject to the approval of the members in the ensuing Annual General Meeting.

Re-appointment and remuneration proposed to be paid to Mr. J. Brij Mohan Reddy as Whole Time Director designated as Executive Vice- Chairman has also been recommended by the Nomination and Remuneration Committee. The remuneration will be within the limits permissible under Companies Act, 2013 read with Schedule V to the Act.

Except Mr. T. V. Sandeep Kumar Reddy, Mrs. T. Indira Reddy and Mr. J. Brij Mohan Reddy (as relatives) none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution. The Board recommends the above resolution at Item No. 04 for approval of the members by way of special resolution.

By order of the Board  
For **GAYATRI PROJECTS LIMITED**

Sd/-  
**CHETAN KUMAR SHARMA**  
Company Secretary &  
Compliance Officer

Place: Hyderabad  
Date: June 14, 2021

Information of Directors to be appointed and the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in accordance with provisions of Companies Act, 2013 and Secretarial Standards, as on the date of Notice

Name of the Director	J Brij Mohan Reddy	Mrs. T. Indira Reddy
Director Identification No	00012927	00009906
Date of Birth	20.08.1941	13.03.1951
Date of appointment	30.03.1994	08.03.1996
Occupation	Industrialist	Industrialist
Relationship between directors inter-se	Father in law of Mr. T.V. Sandeep Kumar Reddy	Mother of Mr. T. V. Sandeep Kumar Reddy
Nature of expertise in specific functional area	58 years of experience in the Heavy engineering and Construction industry	30 years of experience in the construction industry
Last drawn remuneration	Rs. 1.32 Crores per annum	NIL (only sitting fees is paid for attending Board Meeting)
Directorship in other Listed Entities	Nil	1. Gayatri Sugars Limited (Non Executive & Non Independent Director) 2. Gayatri Tissue & Papers Limited (Non Executive & Non Independent Director)
Shareholding in the Company	2250 Equity Shares	56350213 Equity shares

#### DIRECTORSHIP IN OTHER LISTED ENTITIES

J. Brij Mohan Reddy	NIL
T. Indira Reddy	Gayatri Sugars Limited Gayatri Tissue And Papers Limited

#### MEMBERSHIP IN COMMITTEES OF OTHER ENTITIES

Mr. J. Brij Mohan Reddy	Member of the Audit Committee in Indore dewas Tollways Limited, Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited
Mrs. T. Indira Reddy	Member of Audit Committee and Nomination and Remuneration Committee of Gayatri Tissue and Papers Limited Member of Nomination and Remuneration Committee of Gayatri Sugars Limited

#### CHAIRMANSHIP IN COMMITTEES OF OTHER ENTITIES

J. Brij Mohan Reddy	NIL
Mrs. T. Indira Reddy	NIL

# BOARD'S REPORT

## To the Members,

Your Directors have pleasure in presenting before you the 32<sup>nd</sup> Board's Report of the Company together with the summary of standalone and consolidated financial Statements for the year ended 31<sup>st</sup> March, 2021.

## Financial Results:

₹ In Lakhs

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	3,90,051.89	3,42,733.36	3,90,051.89	3,43,862.30
Profit Before Interest, Depreciation, Exceptional Items and Taxes	44,907.32	42,660.77	44,239.67	38,621.86
Less: Financial Cost	32,072.18	28,574.69	32,074.58	33,700.24
<b>Profit before Depreciation, Exceptional Items and Taxes</b>	<b>12,835.14</b>	<b>14,086.08</b>	<b>12,165.09</b>	<b>4,921.62</b>
Less: Depreciation and Amortisation Expenses	8,450.16	9,091.61	8,450.16	9,091.61
Add : Other Income	736.60	517.42	736.83	542.63
<b>Profit before Exceptional Items and Taxes</b>	<b>5,121.58</b>	<b>5,511.89</b>	<b>4,451.76</b>	<b>(3,627.36)</b>
Less: Exceptional Items (Net)	-	(44,533.89)	-	-
<b>Profit Before Tax</b>	<b>5,121.58</b>	<b>(39,022.00)</b>	<b>3,773.97</b>	<b>(6,376.05)</b>
Provision for Tax	(536.26)	(564.78)	(536.26)	(564.78)
<b>Profit After Tax</b>	<b>5,657.84</b>	<b>(38,457.22)</b>	<b>4,310.23</b>	<b>(5,811.27)</b>
Other Comprehensive income/(losses) for the Year	155.05	(273.29)	155.05	(20,500.56)
<b>Total comprehensive income for the year</b>	<b>5,812.89</b>	<b>(38,730.51)</b>	<b>4,465.28</b>	<b>(26,311.83)</b>
<b>Paid up Capital</b>	<b>3,743.97</b>	<b>3,743.97</b>	<b>3,743.97</b>	<b>3,743.97</b>

## Review of Operations:

Beating all odds, your Company, Gayatri Projects has achieved revenue of ₹ 3900.52 crores in FY2021 as against ₹ 3427.33 crores in the previous year on a standalone basis. In spite of being a challenging year, the revenue from operations has been on a record high with an increase in revenue by 14% in when compared to the last year. On the operational front, there has been a dip in EBITDA margin ratio at 11.51 % for the year compared to 12.45% in the previous year, mainly due to lagged indexation of material cost inflation and Covid-19 pandemic led disruptions to labour availability in first quarter of FY 2021, although the construction sector was allowed to resume operations amidst lockdown after April 20, 2020, but it was subjected to certain guidelines, shortage of manpower and logistical issues severely impacted margins. The company believes that margins should improve to normalised levels of 13-15%+ from FY22 onwards once the raw material

prices stabilizes and the same is accounted by way of indexation in subsequent quarters.

Your Company, Gayatri Projects Limited, has posted net profit after tax at ₹ 56.58 crores during FY2021 as compared to net loss of 387.31 crores in the previous FY 2020 due to exceptional loss item of ₹ 445.34 crores in FY 2020. Going forward, the Company expects to improve on margins once price of raw material stabilizes and Covid pandemic disruptions are managed.

COVID –19 Pandemic impact and lockdown restrictions caused temporary stress on the working capital management. As stated above, the company is mainly executing government related works, it is estimated that there will be no defaults in receivables of the company and there will be no cancellation / suspension of works allotted to the company. In view of the above, the COVID–19 pandemic impact on the business operations of the company is temporary in nature and it will not impact the continuity of the business

operations of the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact on the financial statements.

During the year, the Company has bagged new work order in road construction sector worth ₹ 1323 Crores, water distribution works of ₹ 2485 Crores under Jal Jiwan mission in the State of Uttar Pradesh, others works of ₹ 287 crores. The Company mainly focusing to fast track the execution of the existing works on hand. The company is committed to the early realisation of contractual claims to reduce its debt levels.

Gayatri Projects work orders are diversified both geographically and sector wise and 55% of the company's projects come from the roads & highways sector, 22% comes from irrigation projects, 19% from water distribution projects and remain 3% consisting of industrial, mining and other works. In terms of geographical spread of order book, Uttar Pradesh is the key contributor at 38%, followed by Andhra Pradesh-14%, Odilsha-12%, Maharashtra-10%, Telangana-9% and Other States -17%.

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2021 and the date of this report.

#### Future Outlook:

In the Union Budget 2021, the government allocated ₹ 60,241 crore for road works and ₹ 57,350 crore for the National Highways. The government plans to construct 8,500-kms road by March 2022. Moreover, an additional 11,000 kms of National Highway corridors will be completed by March 2022. The Government announced an outlay of ₹ 118,101 crore for the Ministry of Road Transport and Highways. Also, the government, under the Bharatmala Pariyojana, has awarded a projects worth ₹ 5.35 lakh crore including construction of 13,000 kms of roads worth ₹ 3.3 lakh crore. The Ministry of Road Transport & Highways announced that it achieved a milestone by constructing 13,298 kms of National Highways, with construction of 37 kms per day in FY21. The Government is giving utmost priority to infrastructure development and has set a target of road construction of worth ₹ 15 lakh crore in the next two years.

The Indian construction industry is expected to register growth of 13% in real terms in 2021 - following a decline of 12.4% in 2020. The outbreak of the Coronavirus

(COVID-19) pandemic and subsequent lockdown restrictions weighed on the industry's output last year. On a positive note, government investment on infrastructure development aided the industry's recovery in the final quarter of the year.

Your Company, Gayatri Projects Ltd is having strong order book, capability to execute large infra projects and machinery to execute the work are in advantageous position for getting new orders in future. Therefore, we strongly believe that the future order book, turnover, profitability position of the company will be much stronger and reliable.

#### Dividend:

For the financial year 2020-21, the Company has not declared any dividend considering the fact that cash flow position of your Company remained tight in the FY 2020-21. Therefore, due to continued financial stress in the Company, which has aggravated due to delayed receipt in receivables from various projects, your Board of Directors does not recommend any dividend for the Financial Year ended March 31, 2021. Therefore, the Board of Directors has decided to retain the entire amount of profit for the financial year 2021 for the business purposes and contingencies.

#### Management Discussion & Analysis:

Management Discussion and Analysis Report, as required in terms of SEBI (LODR) Regulation, is annexed which forms part of this Report as **Annexure -1**.

#### Dividend Distribution Policy:

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') the Board of Directors of the Company (the 'Board') formulated and adopted the Dividend Distribution Policy ('Policy'). In compliance of the SEBI Listing Regulations, the Policy is annexed as **Annexure - 2** and is also available on the Company's website at: [https://www.gayatri.co.in/pdf/GPL\\_Dividend\\_Distribution\\_Policy.pdf](https://www.gayatri.co.in/pdf/GPL_Dividend_Distribution_Policy.pdf)

#### Share Capital:

During the period there were no changes in the share capital of the Company. The Authorised share capital of the company is ₹ 80,00,00,000 divided into 40,00,00,000 equity shares of ₹ 2/- each and the paid-up share capital of the Company is ₹ 37,43,97,370 divided in to 18,71,98,685 Equity shares of ₹ 2/- each.



**Material Changes and Commitments affecting the Financial Position of the Company:**

In view of the COVID-19 pandemic situation, the operations of the company are affected and there are delays in receivables from various State Governments. Due to this your company is facing severe cash flow mismatch and finding it difficult to pay the lenders dues. As a result of this, the account with major banks are in SMA-2 status and there are devolment of BG/LC in the banks. Your Company is putting all efforts to improve the cash flows and regularize the lenders account at the earliest. Your company is confident to overcome the present financial crisis.

NHAI vide its letter dated 10.06.2021 has declared our company, Gayatri Projects Limited (GPL), as non-performer for the period till the defects are not completely rectified in the Sultanpur to Varanasi PKG- I and II and prohibited for the bidding ongoing/ future projects of NHAI till the notified defects are satisfactorily cured. Your Company is discussing with the relevant project authorities and have raised their objections citing certain technical difficulties at the site. Also your company is in the process of rectifying the defects pointed out by the department and putting all efforts to removal of the restraining order of NHAI at the earliest.

There is no change in the nature of business of the Company during the year under review.

**Board Meetings:**

The Board of Directors met 4 times in the Financial Year 2020–21 on June 30, 2020, August 27, 2020, November 05, 2020 and February 05, 2021.

**Directors**

Reappointment of Director retiring by rotation - In terms of provisions of the Companies Act, 2013, Mrs. T. Indira Reddy (DIN: 00009906), Chairperson and Non-Executive Director of the Company, retires at the ensuing Annual General Meeting and being eligible, seeks reappointment.

Reappointment of Whole time Director on completion of tenure - Mr. J. Brij Mohan Reddy, Whole time Director and Vice Chairman of the Company, was reappointed for a period of 3 (three years) w.ef October 01, 2018 through September 30, 2021. On recommendations of the Nomination and Remuneration Committee (NRC), the Board of Directors has proposed to reappoint him for a further period of 3 (three year) from October 01, 2021 to September 30, 2024.

The necessary resolution for re-appointment of Mrs. T. Indira Reddy and Mr. J. Brij Mohan Reddy forms part of the Notice convening the AGM scheduled to be held on Friday, September 24, 2021. The profile and particulars of experience of the above proposed existing director for Board membership, are disclosed in the said Notice.

**Directors and Key Managerial Personnel:**

During the year the following changes took place in the Directors and Key Managerial Personnel of the Company:

Name	Nomination & Appointment	Withdrawal
Shri. P. Sreenivas (DIN: 08775649)	Shri. P. Sreenivas, Nominee Director was nominated by Bank of Baroda (Lead Banker of the Consortium) as per the Master Restructuring Agreement executed between the Company and Lenders in 2015 and amended from time to time and was appointed on the Board of the Company w.e.f July 01, 2020.	Bank of Baroda (Lead Banker for the Consortium) had withdrawn Mr. P. Sreenivas as Nominee Director on the Board of the Company due to his retirement by superannuation. Accordingly, he ceased to be a director on the Board of the Company w.e.f November 01, 2020.

However after the closure of financial year Bank of Baroda (Lead Banker for the Consortium) had communicated their decision to nominate Mr. Man Mohan Gupta, Zonal head of Bank of Baroda, as Nominee Director on behalf of Consortium and accordingly, after completing all necessary formalities, he was formally appointed on Board of the Company w.e.f June 15, 2021 by the Board of Directors at their meeting held on June 14, 2021.

During the FY 2020-21, Mr. P. Sreedhar Babu, Chief Financial Officer of the Company, attained the age of superannuation as per the policy of the Company. However, on the recommendations of the Nomination and Remuneration Committee, Board of Directors decided and approved to continue availing his services for a period of 1 year.

The Company has received the necessary declarations from each Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he / she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as independent directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

#### **Composition of Audit Committee:**

The Company has constituted a Audit Committee as per the requirement of Companies Act, 2013 and SEBI Listing Regulations. The Audit Committee of the Board of Directors is as follows:

<b>Name of the Member</b>	<b>Designation</b>
Mr. Ch. Hari Vithal Rao	Chairman
Mr.T. V. Sandeep Kumar Reddy	Member (Appointed as member w.e.f 04.01.2020)
Mr. G. Sreeramakrishna	Member (Appointed as member w.e.f 04.01.2020)
Mrs. N. Ramadevi	Member (Appointed as member w.e.f 05.11.2020)

**The details of Audit Committee meeting and other details are given in corporate governance report. The Board has accepted all the recommendations of the Audit Committee made during the year.**

#### **Policy laid down by the Nomination and Remuneration Committee for Remuneration of Directors, KMP & Other Employees:**

The Remuneration policy of the Company is performance driven and is structured to motivate Employees. Recognize their merits and achievements and promote excellence in their performance.

The salient features of the Policy are:

- It ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- It lays down Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- It formulates a criteria for determining qualifications, positive attributes and independence of a Director.
- It contains guidelines for determining that the remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management

During the year under review, there has been no change to the Policy. The Nomination Remuneration and Evaluation Policy of the company is available at website of the Company at [https://www.gayatri.co.in/pdf/Remuneration\\_Policy\\_06-02-2021.pdf](https://www.gayatri.co.in/pdf/Remuneration_Policy_06-02-2021.pdf).

#### **Manner in which formal Annual Evaluation has been made by the Board of its Own Performance and that of its Committees and Individual Directors:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out evaluation of (i) its own performance, (ii) the directors individually and (iii) working of its Committees. The manner in which the evaluation was carried out as detailed below:

#### **(a) Nomination & Remuneration Committee:**

Pursuant to the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has formulated the criteria for evaluation of directors and evaluated every director. A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment,

safeguarding the interests of the company etc., and accordingly the evaluation was made. The Members of the Committee evaluated the individual directors at its meeting held on 05.02.2021.

The Nomination and Remuneration Committee decided that since the performance of the directors has been excellent, it is decided to continue with the term of the directors, the Managing Director and the Executive Director.

**(b) Separate Meeting of Independent Directors:**

The Independent directors of the Company at its meeting held on 31.03.2021 (a) reviewed the performance of the non-independent directors and Board, (b) reviewed the performance of the Chairperson of the Company and (c) assessed the quality, quantity and timeliness of flow of information between the company management and the Board. All the Independent Directors attended the meeting.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the company etc., and accordingly, the evaluation was made. The independent directors evaluated the non-Independent directors.

The Independent Directors decided that since the performance of the Non-Independent Directors (including Managing Director and Whole time Director) is excellent, the term of their appointment be continued.

The Independent Directors after review of the performance of the Chairman decided that the Chairman has good experience, knowledge and understanding of the Board's functioning and her performance is excellent. The Independent Directors decided that the information flow between the Company's Management and the Board is excellent.

**(c) Evaluation by Board:** The Board has carried out the annual performance evaluation of Independent Directors individually. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, effectiveness in developing Corporate governance structure

to fulfil its responsibilities, execution and performance of specific duties etc. The Board decided that the performance of Independent directors is excellent.

**Director's Responsibility Statement:**

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

**Subsidiaries Associates and Joint Ventures:**

The Company has 2 (Two) subsidiary companies (including step down subsidiary) and 1 (one) associate company as on 31st March, 2021 as per the Companies Act, 2013. During the year under review, the Board of Directors reviewed the affairs of material unlisted subsidiary.

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary Companies/ Associate Companies/Joint Ventures is prepared in Form AOC-1 are given in **Annexure- 3**.

In accordance with the provisions of Section 136 of the Act and the amendments thereto, read with the SEBI Listing Regulations the audited Financial Statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies are available on our website [www.gayatri.co.in](http://www.gayatri.co.in).

The company has adopted the policy for determining 'material' subsidiaries and the same has been placed on the website of the company at [https://www.gayatri.co.in/pdf/Policy\\_For\\_Determining\\_Material\\_Subsiidiaries.pdf](https://www.gayatri.co.in/pdf/Policy_For_Determining_Material_Subsiidiaries.pdf)

#### Annual Return:

The Annual Return for financial year 2020-21 as per provisions of the Act and Rules thereto, is available on the Company's website at [https://www.gayatri.co.in/pdf/annual-return/MGT\\_7\\_2020-21.pdf](https://www.gayatri.co.in/pdf/annual-return/MGT_7_2020-21.pdf)

#### Consolidated Financial Statements:

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the provisions of Section 129(3) and other applicable provisions of the Companies Act, 2013 and Ind AS-110 and other applicable Accounting Standards, your Directors have pleasure in attaching the consolidated financial statements for the financial year ended March 31, 2021, which forms part of the Annual Report.

#### Statutory Auditors and Their Report:

At the 29th AGM held on September 28, 2018 the Members approved appointment of M/s. M O S & Associates LLP, Chartered Accountants, (Firm Registration No. 001975S/S200020) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 34th AGM.

In terms of the provisions relating to statutory auditors forming part of the Companies Amendment Act, 2017, notified on May 7, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. Accordingly, the Notice convening the ensuing AGM does not carry any resolution on ratification of appointment of Statutory Auditors.

The Auditor's Report to the members of the Company for the Financial Year ended March 31, 2021 does not contain any qualification(s). The report of the Statutory Auditors forms part of this report. During the year under review, the Statutory Auditors did not report any

matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act.

#### Secretarial Audit:

As per the provisions of the Section 204(1) of the Companies Act, 2013, the Company has appointed Mr. Y. Koteswara Rao, Practicing Company Secretary to conduct Secretarial Audit of the records and documents of the Company, The Secretarial Audit Report for the Financial Year ended 31st March, 2021 in Form No. MR-3 is annexed to the Directors Report as **Annexure - 4** and forms part of this Report. The Secretarial Auditors' Report to the Members of the Company for the Financial Year ended March 31, 2021 does not contain any qualification(s) or adverse observations.

#### Disclosures:

##### a) Deposits

Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013

##### b) Conservation of energy

The Company's main line of activity is civil construction which is not power intensive. However the Company is taking all efforts to conserve the usage of power.

- (i) Use of alternate sources of energy is not applicable to the Company.
- (ii) Capital investment on energy conservation equipment for its main line of activity is not applicable to the Company.

##### c) R & D Technology absorption

The Company main line of activity is civil construction and hence R & D and technology absorption is not applicable to the Company.

##### d) Foreign Exchange Earnings - NIL

##### e) Foreign Exchange Outgo

Sr No	Nature of Payment	Amount in ₹ Lakhs
1	Consultancy & Technical Fees	1772.61
2	Purchase of Capital Goods	280.62
3	Purchase of Spares & Materials	1759.73

#### Details of Adequacy of Internal Financial Controls:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the Company's

policies and internal financial controls laid down by the Company.

**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. Also, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the particulars of Loans/Advances given to Subsidiaries have been disclosed in the notes to the Financial Statements.

**Risk Management:**

The Company has a risk management committee in place. The Company has been addressing various risks impacting the Company and developed risk policy and procedures to inform Board members about the risk assessment and minimization procedures.

**Whistle Blower Policy/Vigil Mechanism:**

Pursuant to Section 177 of the Companies Act, 2013 and the Rules framed there under and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has established a mechanism through which all the stakeholders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle Blower Policy which has been approved by the Board of Directors of the Company has been hosted on the website of the Company at <https://www.gayatri.co.in/pdf/Whistle%20Blower%20Policy.pdf>

**Disclosure as per Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

**Complaints received, disposed and pending during the year:**

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

**Corporate Social Responsibility:**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-5** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company at <https://www.gayatri.co.in/pdf/CorporateSocialResponsibilityPolicy.pdf>

**Significant & Material Orders Passed by the Regulators:**

There has been no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations. However, Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

**Contracts or Arrangements with Related Parties:**

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Act. Also, there were no material related party contracts entered into by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for financial year 2020-21 and hence does not form part of this report.

Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone / consolidated financial statements forming part of this Annual Report.

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at <https://www.gayatri.co.in/pdf/Related%20Party%20Transaction%20Policy.pdf>.

**Deposits:**

Your Company has not accepted or renewed any deposit from public during the year under review.

Further, no amount on account of principal or interest on deposit from public or interest on deposits from public was outstanding as on the date of the balance sheet.

#### Cost Audit:

In terms of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act.

M/s. N.S.V. KRISHNA RAO & Co. Cost Auditors were appointed as cost auditor to audit the cost records of the Company for the F.Y 2020-21 and re-appointed for the F.Y 2021-22 by the Board of Directors on the recommendations of the Audit Committee. He has been conducting the Audit of the cost records of the Company for the past several years. In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration of ₹ 1.15 lakhs plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the Members of the Company. Accordingly, a resolution to this effect forms part of the Notice convening the AGM.

#### Particulars of Employees:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure 6**.

In terms of the provisions of Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits as set out in the said Rules forms part of this report.

#### Listing with Stock Exchanges:

The Company confirms that it has paid the Annual

Listing Fees for the year 2021-2022 to National Stock Exchange of India Limited and BSE Limited where the Company's Shares are listed.

#### Corporate Governance and Shareholders Information:

Your Company has taken adequate steps to adhere to all the stipulations laid down in Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report as **Annexure -7**. Certificate from the practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under aforesaid regulations is attached to Corporate Governance Report.

#### Business Responsibility Report

As per Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Business Responsibility Report covering the principle wise performance of the Company on the nine principles as per National Voluntary Guidelines (NVGs) forms a part of the Annual report of the Company annexed as **Annexure -8**.

#### Secretarial Standards

The company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

#### Acknowledgement:

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders – clients, financial institutions, Banks, Central and State Governments, the Companies' valued investors and all other business partners for their continued co-operation and excellent support received during the year.

Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

For and on behalf of the Board

**T. INDIRA REDDY**

Chairperson

DIN: 00009906

**T.V.SANDEEP KUMAR REDDY**

Managing Director

DIN: 00005573

Place: Hyderabad.

Date: 14.06.2021

**P. SREEDHAR BABU**

Chief Financial Officer

**CHETAN KUMAR SHARMA**

Company Secretary & Compliance Officer

# ANNEXURE – 1

## MANAGEMENT DISCUSSION AND FINANCIAL ANALYSIS

### INDIAN ECONOMY

The world has endured a year of the unexpected onslaught by the novel COVID-19 virus - SARS-CoV-2 - first identified in Wuhan city of China in December 2019. The virus has posed an unprecedented challenge for policy making, globally and nationally. Most of the countries experienced their subsequent waves within a period of 2-3 months of crossing their first peak. These second waves have been more lethal in terms of number of cases. The second wave of Covid-19 in India was four times worse than the first wave in terms of infections and deaths seen in the country

The World Bank projected India's economy to grow at 8.3 per cent in 2021 and 7.5 per cent in 2022, even as its recovery is being hampered by an unprecedented second wave of the COVID-19. In the opinion of National Council of Applied Economic Research (NCAER), the Indian economy is likely to grow 8.4-10.1% for the current financial year as against a contraction of 7.3% in the last fiscal year.

Through this year, as India bravely fought the global pandemic, it charted its own unique trajectory – showing remarkable resilience, be it fighting the virus or ensuring economic recovery. The Indian economy turned a corner this month and began regaining momentum in June, ultra-high frequency data indicate, though subdued consumer sentiment is expected to limit the pace of recovery in Asia's third largest economy. This comes as states gradually ease curbs on business activity, keeping in mind the decline in the number of fresh Covid cases.

### INFRASTRUCTURE SECTOR IN INDIA

Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports. In order to boost the construction of buildings in the country, the Government of India has decided to come up with a single window clearance facility to accord speedy approval of construction projects.

In the road's sector, the Government's policy to increase private sector participation has proved to be a boon for the infrastructure industry as many private players are entering the business through the public-private partnership (PPP) model. According to a leading analysis forecast, India is expected to become the third largest construction market globally by 2022.

In the Union Budget 2021, the government allocated Rs. 60,241 crore for road works and Rs. 57,350 crore for the National Highways. The government plans to construct 8,500-kms road by March 2022. Moreover, an additional 11,000 kms of National Highway corridors will be completed by March 2022. The government announced an outlay of Rs. 118,101 crore for the Ministry of Road Transport and Highways. Also, the government, under the Bharatmala Pariyojana, has awarded a project worth Rs. 5.35 lakh crore including construction of >13,000 kms of roads worth Rs. 3.3 lakh crore. The Ministry of Road Transport & Highways announced that it achieved a milestone by constructing 13,298 kms of National Highways, with construction of 37 kms per day in FY21. In May 2021, Minister for Road Transport & Highways and Micro, Small and Medium Enterprises stated that the government is giving utmost priority to infrastructure development and has set a target of road construction of worth Rs. 15 lakh crore (US\$ 206 billion) in the next two years.

According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDIs in the construction development sector (townships, housing, built up infrastructure and construction development projects) and construction (infrastructure) activities stood at US\$ 26.08 billion and US\$ 24.72 billion, respectively, between April 2000 and March 2021. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion.

The Indian construction industry is expected to register growth of 13% in real terms in 2021 - following a decline of 12.4% in 2020. The outbreak of the Coronavirus (COVID-19) pandemic and subsequent lockdown restrictions weighed on the industry's output last year. On a positive note, government investment on infrastructure development aided the industry's

recovery in the final quarter of the year.

### **GAYATRI PROJECTS**

Gayatri Projects Ltd (GPL), founded in 1963, is one of the oldest & most experienced pure-play EPC companies within the Indian Infrastructure space. It has over five decades of experience in execution of major civil works and is diversified across geographies & infrastructure segments. The company has pan India operations spread across 12 states & operates within several infrastructure verticals like roads, irrigation works, water distribution works, mining works & industrial construction projects.

Gayatri Projects works largely with State Government entities, NHAI, MORTH and other companies & mostly executing the EPC projects. Gayatri Projects has successfully completed Construction / Maintenance/ Widening of more than 2,000 Kms of highways, 1,250 Kms of Irrigation projects along with several other projects of dams & reservoir and industrial buildings etc. GPL has developed the requisite experience and expertise to execute and deliver a diverse range of infra projects in different regions and difficult terrains across various states in India over the past five decades. Our execution capabilities under EPC and BOT models include roads, tollways, bridges, highways, dams, reservoirs, ports, civil work for industrial establishments, power transmission lines, airport runways, mining, water distribution works, railway lines, hotels and multiplexes. GPL owns a fleet of construction equipment's comprising of heavy earth moving machines such as hydraulic excavators, loaders, dozers, earth compacter etc. GPL has qualified and experienced skilled manpower including Engineers and Engineering Diploma Holders, Masters in Business Management, Chartered Accountants and Company Secretaries etc.

GPL is having comfortable order book of Rs 13,090 crores as at 31st March 2021 and order book mainly consisting of road works of Rs 7243 crores, irrigation works of Rs 2897, water distribution works of Rs 2499 and other works of Rs 450 crores. GPL is committed to strengthen the order book by tendering new orders in FY2021-22 and further on.

### **OPERATIONAL & FINANCIAL REVIEW**

Gayatri Projects has achieved revenue of Rs 3900.52 crores in FY2021 as against Rs 3427.33 crores in the previous year on a standalone basis. In spite of being a challenging year, the revenue from operations has been on a records high with an increase in revenue by 14% in when compared to the last year. On the

operational front, there has been a dip in EBITDA margin ratio at 11.51 % for the year compared to 12.45% in the previous year, mainly due to lagged indexation of material cost inflation and Covid-19 pandemic led disruptions to labour availability in first quarter of FY 2021, although the construction sector was allowed to resume operations amidst lockdown after April 20, 2020, but it was subjected to certain guidelines, shortage of manpower and logistical issues severely impacted margins. The company believes that margins should improve to normalised levels of 13-15%+ from FY22 onwards once the raw material prices stabilizes and the same is accounted by way of indexation in subsequent quarters.

Your Company, Gayatri Projects Limited, has posted net profit after tax at Rs 56.58 crores during FY2021 as compared to net loss of 387.31 crores in the previous FY 2020 due to exceptional loss item of Rs 445.34 crores in FY 2020. Going forward, the Company expects to improve on margins once price of raw material stabilizes and Covid pandemic disruptions are managed.

COVID –19 Pandemic impact and lockdown restrictions caused temporary stress on the working capital management. The company is mainly executing government related works, therefore there will be any defaults in receivables of the company and there will be not be cancellation / suspension of works allotted to the company on account of Covid pandemic. The COVID–19 pandemic impact on the business operations of the company is temporary in nature and it will not impact the continuity of the business operations of the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact on the financial statements.

During the year, the Company has bagged new work order in road construction sector worth Rs. 1323 Crores, water distribution works of Rs 2485 Crores under Jal Jiwan mission in the State of Uttar Pradesh, others works of Rs 287 crores. The Company mainly focusing to fast track the execution of the existing works on hand. The company is committed to the early realisation of contractual claims to reduce its debt levels.

Gayatri Projects work orders are diversified both geographically and sector wise and 55% of the company's projects come from the roads & highways sector, 22% comes from irrigation projects, 19% from water distribution projects and remain 3% consisting of industrial, mining and other works. In



terms of geographical spread of order book, Uttar Pradesh is the key contributor at 38%, followed by Andhra Pradesh-14%, Odisha-12%, Maharashtra-10%, Telangana-9% and Other States -17%.

### **FUTURE PLANS**

The company has drawn three broad priorities for the current year as explained below:

- a. Gayatri Projects is focusing on the execution and completion of the current order book of Rs 13,089 crores to improve the cash flows and to maintain repayment track record.
- b. Gayatri is aiming to reduce the debt and de-leverage the balance sheet and minimise the finance cost. In order to achieve this company is exploring the opportunities to raise equity through QIP or Preferential route.
- c. Gayatri Projects is expediting the monetisation and realisation process of its claims & arbitrations outstanding. The company along with its subsidiaries, has been awarded claims & arbitrations worth Rs 381 Crores by different arbitrators/courts. Additionally, Gayatri Projects, with its subsidiaries has claims under process amounting to Rs 505 Crores in different arbitral tribunals/courts. The current year will see the company finalizing resolutions for these claims and use the proceeds to de-leveraging of its balance sheet and to improve working capital margin.
- d. Gayatri Projects accelerated the business development plans and aiming to get new orders of Rs 5000 crores in the current year to strengthen the current order book and to generate required cash flows for the operations.

### **KEY FINANCIAL RATIOS:**

Despite the Covid-19 pandemic, the company achieved turnover of Rs 3900.52 crores in FY2021 as against Rs 3427.33 crores in the previous year on a standalone basis, registered YOY growth of 14%. The Company has registered EBITA margins at 11.70% in FY2021 as against 12.60% in FY 2020. The Company has posted net profit after tax at Rs 56.58 crores during FY2021 as compared to net loss of 387.31 crores in the previous FY 2020 due to exceptional loss item of Rs 445.34 crores in FY 2020. The Debt Equity ratio is at 1.93 times and Return on net worth is at 5.66% in FY 2021.

### **RISKS & CONCERNS**

#### **a) Construction and Completion Risk**

**Cost of Construction** - Clearly, the cost of completion will be fundamental to the financial viability of the project as the financial assumptions and ratios are all dependent on the assumed cost of construction of the project. The need some mechanism to manage the risk if the project company's cost of completion increases as compared with that anticipated at financial close. Further, the company will also need to lock in certain critical costs such as costs of commodities, as early as possible in the project, so as to limit price escalation.

**Delay** - Completion represents the end of the construction phase of the project. The construction contractor will be liable for liquidated damages for late completion, therefore the delays in completion of projects will have a large impact on the construction contractor's risk.

**Performance** - The Company need to ensure that completion requires the works to be in a condition sufficient to merit release of the construction contractor from delay liquidated damages liability. The works will therefore be subject to certain technical tests and demonstration of performance capacity before completion is achieved. The company need to ensure quality work as per standards specified by the client with in the given time lines.

**Mitigation:** GPL has developed the requisite experience and expertise to execute and deliver a diverse range of infra projects in different regions and difficult terrains across various states in India over the past five decades. Our execution capabilities under EPC and BOT models include roads, toll ways, bridges, highways, dams, reservoirs, ports, civil work for industrial establishments, power transmission lines, airport runways, railway lines, hotels and multiplexes. GPL owns a fleet of construction equipments comprising of heavy earth moving machines such as hydraulic excavators, loaders, dozers, earth compacters, concreting plants such as batching plants, concrete mixers, transit mixers, concrete pavers, road equipment such as vibratory tandem rollers, electric paver finishers, mechanical paver finishers, hot mix plants, static rollers etc. Gayatri has a qualified and experienced skilled manpower including Engineers and Engineering Diploma Holders. In addition, we have casual and temporary contract labour in the project sites.

## Operating Risks

As noted under Certainty of Revenue Stream, the financial model and assumptions to viability of the project are dependent on the projected costs of operations. If there is something in the cost of the operation that increases, the company need to be protected to the extent that it will impact the revenue stream. The cost can be locked in, to some extent, through hedging and futures contract and through input agreements.

The operating Risks includes the following specific risks:

**Raw Material Risks:** Timely availability of key raw materials for construction purposes is very important for proper execution of projects. Volatility in the prices or supply of these raw materials can impact project financing and cash flows.

**Labour Risks:** Labourers at every project location form the most valuable asset for any construction company. Any extraordinary attrition can lead to loss in operations.

**Capital Risks:** Due to the capital-intensive nature of the infrastructure industry, access to capital for project completion is key. With the recent NBFC crisis, liquidity in the system has dried up to a very large extent, thus proving detrimental to project completion.

**Political and Regulatory Risks:** As the market for infrastructure development has expanded into developing countries, concerns about political risk have grown. Key risks that arise are the decision by a government to cancel a project or to change the terms of the contract or not to fulfil its obligations, political or regulatory risk in failing to implement the tariff increases agreed upon in the contract etc.

**Force Majeure and Change of Law Risks:** It is important to note that the financing agreements will not include force majeure or change in law provisions. The obligation to complete the project will continue in the event of force majeure or change in law.

**Mitigation:** Gayatri has setup a base of operation capitalizing on our local experience, established contracts with local clients and suppliers and also familiarity with local working conditions. In pursuing our strategies, we seek to identify markets where we believe we can provide cost and operational advantages to our clients. In order to expand our operation we also identify and associate with Joint Venture partners whose resources, capabilities and strategies are complementary to and are likely to

increase our business operations. Gayatri is focusing on the EPC contracts business with an order book of Rs 13,040 crores mainly consisting of EPC business only. Our major clients are NHAI and MORTH. We also execute some EPC works from State Governments, PSU and Private Companies. We have diversified into Mining, Railways and Transmission & Distribution works. Most of contracts with clients are having escalation clause to cover the cost overrun of major raw material and labour to mitigate the cost escalation risks. Further the Force Majeure is also included in our major contracts with the clients to mitigate the changes in the laws and unforeseen natural calamities such as Covid pandemic. The Company has maintained long-standing relationships with its suppliers to ensure cost reduction. It ties up with several local contractors in its area of operation to ensure smooth availability of material on long term basis.

## HUMAN RESOURCES

The company's processes and systems are designed to empower employees and enable innovation within the workplace. Gayatri Projects is committed to providing an environment that encourages employees to perform to full potential and allows them to grow professionally as well as personally. The company continuously invests in the development of its human resources through measures aimed at talent acquisition, development, motivation and retention. As a supportive gesture, the company has also taken personal accident insurance for all its employees.

## INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The company has a well-defined and elaborate Risk Management procedure, which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. The Risk Management Committee monitors the key risks in the various business segments and evaluates strategies to mitigate these. It also reviews each tender carefully for any potential risks before the bidding process begins. The Company's internal control systems are commensurate with the nature of its business. They are tested periodically and certified by Statutory as well as Internal Auditors. The Audit Committee reviews the adequacy and effectiveness of our internal control environment and monitors the implementation of audit recommendations. The company has a qualified and independent audit committee, where majority of directors are independent.

## **ANNEXURE - 2**

### **DIVIDEND DISTRIBUTION POLICY**

This Policy will regulate the process of dividend declaration and its pay-out by **Gayatri Projects Limited** (“the Company”) in accordance with the provisions of Companies Act, 2013 read with the applicable Rules framed there under, as may be in force for the time being (“Companies Act”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the amendments made thereto [“SEBI (LODR)”] and / or other applicable Legislations, Rules and Regulations as may be in force at the relevant time.

#### **Objective**

The objective of this policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will refer to the policy while declaring/recommending dividends on behalf of the Company. Through this policy, the Company would endeavor to maintain a consistent approach to dividend pay-out plans. The Company shall put in necessary efforts to ensure that apart from Dividend the other benefits such as Scrip Dividend (Bonus Issue) Buy Back of Shares, Stock Split etc., are extended to the shareholders subject to compliance of the applicable regulations both stipulated under the Companies Act, 2013, SEBI Regulations and other applicable enactments / regulations. The Company believes that it operates in an Industry/ Environment where Working Capital requirements are high.

#### **Category of Dividends**

The Companies Act provides for two forms of Dividend- Final & Interim. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit. The Board may, at its sole discretion, declare / recommend a Special Dividend under certain circumstances such as

extraordinary profits from sale of any major asset(s) or any special occasion or significant event.

#### **Factors to be considered while recommending / declaring Dividend**

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among the shareholders and amount of profit to be retained in business. The Board of Directors will endeavour to take a decision with an objective to enhance shareholders wealth and market value of the shares. The Dividend pay-out decision of any company depends upon certain internal and external factors.

#### **Internal Factors:-**

The Board will take into account various internal factors while recommending / declaring Dividend, which inter alia will include

- i) Profits earned during the year;
- ii) Present & future Capital requirements of the existing businesses;
- iii) Expansion/ Modernization of existing businesses;
- iv) Additional investments in subsidiaries/associates of the Company;
- v) Fresh investments into external businesses;
- vi) Business Acquisitions (if any);
- vii) Any other factor as deemed fit by the Board.

#### **External Factors:-**

Apart from the various internal factors aforementioned the Board will take into account the various external factors while recommending / declaring dividend which inter alia include the following-

- State of Economy- in case of uncertain or recessionary economic and business conditions, Board will endeavour to retain larger part of profits to build up reserves to absorb future shocks.
- Capital Markets- when the markets are favourable, dividend pay-out can be liberal. However, in case of unfavourable market conditions, Board may

resort to a conservative dividend pay-out in order to conserve cash outflows.

- Statutory Restrictions- the Board will keep in mind the restrictions imposed under the applicable legislations and the covenants stipulated by Lenders, if any with regard to recommendation and /or declaration of dividend.

### **Dividend Range**

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors,

the Board will endeavor to maintain a Dividend pay-out in the range of 15% to 30% of the profits after tax (PAT) on standalone financials. As mentioned above, for computing the PAT for purposes of determining the Dividend, the Board may at its discretion, subject to the provisions of the law, exclude any or all of (i) extraordinary charges (ii) exceptional charges (iii) one off charges on account of change in applicable law or rules or accounting policies or accounting standards (iv) provisions or write offs on account of impairment in investments (long term or short term) (v) non-cash charges pertaining to amortization or ESOP or resulting from change in accounting policies or accounting standards. Further, the Board may amend the pay-out range, whenever considered appropriate by it, keeping in mind the various factors having a bearing on the dividend payout decision.

# ANNEXURE - 3

## FORM AOC-1

(Pursuant to first proviso to Sub Section (3) of section 129 Read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

### Part A: Subsidiaries

₹ in Lakhs

S. No	Name of the Subsidiary	Date of the Subsidiary acquired	Reporting period of the Subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment (Other than Subsidiary)	Turnover (including other income)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1.	Gayatri Energy Ventures Pvt Ltd	10.02.2009	31.03.2021	652.40	27362.65	44529.64	16514.58	31969.35	0.23	(651.21)	-	(651.21)	-	100%
2.	Bhandara Thermal Power Corporation Limited	25.03.2011	31.03.2021	498.33	(1162.05)	7941.14	8604.85	-	-	(1.71)	-	(1.71)	-	100%

### Part B : Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No	Name of the Associate/ Joint Venture	Date of which Associate or Joint Venture Acquired	Latest Audited Balance Sheet date	Shares of the Associates / Joint Ventures held by the company on the year end (in lakhs)			Description of how there is significant influence	Reason why the Associate / Joint Venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/ Loss for the year	
				No.	Amount of Investment in Associate/ Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
A	Associate Companies										
1	Gayatri Highways Limited	31.03.2017	31.3.2021	624.00	1248.00	26	Associate Company	Considered for consolidation	33.89	-	-
B	Joint Ventures										
1.	Gayatri- RNS Joint Venture	07.04.2007	31.3.2021	-	-	60	Joint Venture	Considered for consolidation	-	-	-
2.	IJM Gayatri Joint Venture	21.12.1998	31.3.2021	-	-	40	Joint Venture	Considered for consolidation	-	-	-
3.	Gayatri-GDC Joint Venture	17.09.2004	31.3.2021	-	-	70	Joint Venture	Considered for consolidation	-	-	-
4.	Gayatri-BCBPL Joint Venture	19.01.2008	31.3.2021	-	-	60	Joint Venture	Considered for consolidation	-	-	-
5.	Jaiprakash Gayatri Joint Venture	19.10.2004	31.3.2021	-	-	49	Joint Venture	Considered for consolidation	5.54	-	-
6.	Gayatri ECI Joint Venture	18.08.2005	31.3.2021	-	-	50	Joint Venture	Considered for consolidation	69.80	-	-
7.	Maytas-Gayatri Joint Venture	17.06.2010	31.3.2021	-	-	37	Joint Venture	Considered for consolidation	-	-	-
8.	Gayatri – Ratna Joint Venture	28.08.2008	31.3.2021	-	-	80	Joint Venture	Considered for consolidation	-	-	-

S. No	Name of the Associate/ Joint Venture	Date of which Associate or Joint Venture Acquired	Latest Audited Balance Sheet date	Shares of the Associates / Joint Ventures held by the company on the year end (in lakhs)			Description of how there is significant influence	Reason why the Associate / Joint Venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/ Loss for the year	
				No.	Amount of Investment in Associate/ Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
9.	Meil- Gayatri –ZVS-ITT Consortium	28.01.2009	31.3.2021	-	-	48.44	Joint Venture	Considered for consolidation	-	-	
10.	Gayatri- JMC Joint venture	08.12.2008	31.3.2021	-	-	75	Joint Venture	Considered for consolidation	-	-	
11.	Viswanath-Gayatri Joint Venture	29.09.2010	31.3.2021	-	-	50	Joint Venture	Considered for consolidation	-	-	
12.	GPL-RKTCPL Joint Venture	27.06.2013	31.3.2021	-	-	51	Joint Venture	Considered for consolidation	-	-	
13.	Gayatri-SPL Joint Venture	10.04.2013	31.3.2021	-	-	51	Joint Venture	Considered for consolidation	-	-	
14.	Vishwa – Gayatri Joint Venture	29.07.2015	31.3.2021	-	-	49	Joint Venture	Considered for consolidation	-	-	
15.	Gayatri-RNS-SIPL Joint Venture	29.11.2016	31.3.2021	-	-	70	Joint Venture	Considered for consolidation	-	-	
16.	SOJITZ-LNT-GAYATRI Joint Venture	21.08.2015	31.3.2021	-	-	8.97	Joint Venture	Considered for consolidation	-	-	
17.	Gayatri PTPS Joint Venture	17.05.2016	31.3.2021	-	-	70	Joint Venture	Considered for consolidation	-	-	
18.	Gayatri KMC Joint Venture	21.08.2017	31.3.2021	-	-	70	Joint Venture	Considered for consolidation	-	-	
19.	Gayatri - Ojsc Sibmost Joint Venture	18.04.2018	31.3.2021	-	-	74	Joint Venture	Considered for consolidation	-	-	
20.	Gayatri Projects Limited-Crescent EPC Projects&Tech Services Limited (Jv)	02.01.2018	31.3.2021	-	-	74	Joint Venture	Considered for consolidation	-	-	
21.	Gayatri -Ramky Joint Venture	13.07.2020	31.3.2021	-	-	80	Joint Venture	Considered for consolidation	-	-	
22.	GPL -SPML Joint Venture	14.05.2020	31.3.2021	-	-	80	Joint Venture	Considered for consolidation	-	-	

For and on behalf of the Board

**T. INDIRA REDDY**  
Chairperson  
DIN: 00009906

**P. SREEDHAR BABU**  
Chief Financial Officer

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

**CHETAN KUMAR SHARMA**  
Company Secretary & Compliance Officer

Place: Hyderabad.  
Date: 14.06.2021

# ANNEXURE - 4

## FORM NO- MR-3

### Secretarial Audit Report

For The Financial Year Ended 31st March, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members

**M/s. GAYATRI PROJECTS LIMITED**  
Hyderabad, Telangana State.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. GAYATRI PROJECTS LIMITED** (CIN: L99999TG1989PLC057289) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31<sup>st</sup> March, 2021** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. GAYATRI PROJECTS LIMITED** for the period ended on **31<sup>st</sup> March, 2021** according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas

Direct Investment and External Commercial Borrowings;

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 (Applicable w.e.f 15<sup>th</sup> May, 2015);
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28<sup>th</sup> October, 2014 (**Not Applicable during the audit period**);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable during the audit period**);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 (**Not Applicable during the audit period**) and;

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 **(Not Applicable during the audit period);**

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified from time to time.
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the year under review except, Sri. P. Sreenivas, Nominee of Bank of Baroda, who was appointed w.e.f July 01, 2020, has resigned from the board w.e.f November 01, 2020, pursuant to withdrawal of Nomination by Bank of Baroda.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda was sent in advance except when board meetings were called by giving less than seven days notice in accordance with the provisions of section 173 of the act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out and are recorded in the minutes of the meeting of the Board of Directors or Committee of the Board as the case may be and majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**I further report that** as far as possible, there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Y. KOTESWARA RAO**

ACS No. 3785

Place: Hyderabad

C.P. No.: 7427

Date : 14.06.2021

UDIN: A003785C000459735

**Note:** This report is to be read with my letter of even date which is annexed as **Annexure - A** and forms an integral part of this report.

**'ANNEXURE A'**

To,  
The Members

**M/s. GAYATRI PROJECTS LIMITED**

Hyderabad, Telangana State.

My report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
- I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that, I have followed has provided a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Y. KOTESWARA RAO**

ACS No. 3785

C.P. No.: 7427

Place: Hyderabad

Date : 14.06.2021

UDIN: A003785C000459735



# ANNEXURE - 5

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

### 1. Brief outline on CSR Policy of the Company

Our CSR initiatives are guided by our CSR Policy ('Policy'). Our CSR activities focus on hunger, poverty, education, gender equality, environmental sustainability, rural development projects, ecological balance and are in alignment with our CSR Policy.

### 2. Composition of Corporate Social Responsibility (CSR) Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
1.	Mrs. T. Indira Reddy	Chairperson (Non Executive Director)	1	1
2.	Mr. T V Sandeep Kumar Reddy	Member (Managing Director)	1	1
3.	Mr. Harivital Rao Chintalapati	Member (Independent Director)	1	1

### 3. The web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company are provided below:

The composition of the CSR Committee	<a href="https://www.gayatri.co.in/compositionofcommittees.html">https://www.gayatri.co.in/compositionofcommittees.html</a>
CSR Policy	<a href="https://www.gayatri.co.in/pdf/CorporateSocialResponsibilityPolicy.pdf">https://www.gayatri.co.in/pdf/CorporateSocialResponsibilityPolicy.pdf</a>
CSR Projects as approved by the Board	<a href="https://www.gayatri.co.in">https://www.gayatri.co.in</a>

### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

### 5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

Sl. No.	Financial	Amount available for set-off from preceding set-off for the financial years (in ₹)	Amount required to be financial year, if any
6.	Average net profit of the Company as per Section 135(5) of the Companies Act, 2013:	Not Applicable	934.25 Lakhs
7.	(a) Two percent of average net profit of the Company as per Section 135(5) of the Companies Act, 2013:		18.69 lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:		Nil
	(c) Amount required to be set-off for the financial year, if any:		Nil
	(d) Unspent CSR Amount carried Forward from the FY 2019-20:		126.34 Lakhs

(e)	Total CSR obligation for the financial year (7a+7b-7c+7d):	145.03 Lakhs
-----	--	--------------

**8.(a) CSR amount spent or unspent for the financial year:**

Amount Unspent (in ₹ Lakhs)

Total Amount Spent for the financial year (in ₹ lakhs)	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
145.25	Nil	NA	NA	Nil	NA

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹ Lakhs)	Amount spent in the current financial Year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
NIL												
<b>TOTAL</b>												

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration Number
1.	Health care and Sanitation for the poor people	Promoting Health care including preventive health care	Yes	Andhra Pradesh	Visakhapatnam	2.29	No	Balaji Charitable Trust	NA
2.	Donations to poor students for education and studies	Promotion of education, including special education	Yes	Andhra Pradesh	Visakhapatnam	42.26	No	T. Subbarami Reddy Foundation	NA
3.	Donations to poor students for education and studies	Promotion of education, including special education	Yes	Maharashtra	Pune	100.00	No	JITO Educational and Medical Trust	NA
<b>TOTAL</b>						145.25			

- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 145.25 Lakhs

(g) Excess amount for set off, if any : NIL

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per Section 135(5) for the FY 2020-21	18.69
(ii)	Total amount spent for the Financial Year 2020-21	18.91
(iii)	Amount spent from unspent CSR Amount carried Forward from the FY 2019-20:	126.34
(iv)	Excess amount spent for the financial year [(ii)-(i)]	0.22
(v)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(vi)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9.(a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **NIL**

(a) Date of creation or acquisition of the capital asset(s): **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

**Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable**

Place: Hyderabad  
Date: 14.06.2021

Sd/-  
**T. INDIRA REDDY**  
Chairperson CSR Committee  
DIN: 00009906

Sd/-  
**T.V.SANDEEP KUMAR REDDY**  
Managing Director  
DIN:00005573

## ANNEXURE - 6

### Report on remuneration to Directors and Employees in terms of Rule 5(1) of the Companies (Appointment and Remuneration Rules) 2014.

**A. Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company and % increase in remuneration of Director/KMP of the Company for the Financial Year:**

Name of Director	Remuneration for FY 2020-21 (₹ In lakhs)	% increase in remuneration	Ratio of remuneration to median remuneration of all employees <sup>1</sup>
<b>Non-Executive Director</b>			
Mrs. T. Indira Reddy	1.20	-	-
Mr. P Sreenivas	NIL	-	-
<b>Independent Director</b>			
Mr. Ch. Harivithal Rao	2.20	-	-
Mr. G. Sreeramakrishna	2.20	-	-
Mr. K V Ramana Chary	1.20	-	-
Mrs. N Ramadevi	1.40	-	-
<b>Executive Director/KMP</b>			
Mr. T V Sandeep Kumar Reddy	528.00	0	229.16
Mr. J Brij Mohan Reddy	132.00	0	57.29
Mr. P Sreedhar Babu	55.33	0	23.94
Mr. Chetan Kumar Sharma	11.88	40.38%	5.06

Note: <sup>1</sup>Non-Executive directors are only paid sitting fees, hence ratio and percentage increase in remuneration is not considered.

1. A. The ratio of remuneration to median remuneration is based on remuneration paid during the period April 1, 2020 to March 31, 2021.
- B. The percentage increase in the median remuneration of employees in the financial year: 1.7%
- C. The number of permanent employees on the rolls of company: 2578 Employees
- D. During the year, the average percentage increase in salary of the Company's employees, excluding the Key Managerial Personnel ('KMP') was 3.55%
- E. Affirmation that the remuneration is as per the remuneration policy of the company.- Yes

**Part B: Statement of Disclosure Pursuant to Section 197 of Companies Act, 2013.**

[Read with Rules 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**A Names of Top 10 employees in terms of remuneration drawn during the Financial Year 2020-21:**

S. No.	Name of the employee	Designation of the employee	Remuneration received (Rs. In Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of employee	The percentage of equity shares held by the employee in the company	Relative to any director or manager of the company	Last Employment held
1.	T.V. Sandeep Kumar Reddy	Managing Director	528.00	Whole time	Masters Degree in Construction Engineering and Management from University of Michigan at Ann Arbor, USA and also holds a Bachelor Degree in Civil Engineering from Purdue University and having 31 years of experience in the construction industry	04.11.2005	53 years	14.43	Son of Mrs. T. Indira Reddy – Chairperson cum Non Executive Non Independent Director and Son in Law of J. Brij Mohan Reddy, Executive Vice-Chairman	N.A
2.	J. Brij Mohan Reddy	Executive Vice-Chairman	132.00	Whole time	Bachelors Degree in engineering from Montana State University and Post- Graduate in Engineering from the University of California, Berkeley, United States and having 51 years of experience	30.03.1994	78 years	--	Father in Law of T.V. Sandeep Kumar Reddy, Managing Director	N.A
3.	Sudhakar Lolla	Vice President	113.10	Whole time	Post Graduate in Mining from India School Of Mines, Dhanbad, responsible for overall Mining Division Business operations, working on most advanced and modernized techniques (longwall technologies)	23.09.2015	52 Years	--	No	Coastal Projects Limited

S. No.	Name of the employee	Designation of the employee	Remuneration received (Rs. in Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of employee	The percentage of equity shares held by the employee in the company	Relative to any director or manager of the company	Last Employment held
4.	Tikkavarapu Rajiv Reddy	Vice President	100.10	Whole time	Graduated in Industrial Engineering from University of Illinois, USA	01.07.2014	31 Years	<b>0.28%</b>	Son of T. V. Sandeep Kumar Reddy, Managing Director	N.A
5.	K Seshu Reddy	Sr. Vice President	84.45	Whole time	Post Graduate from Birla Institute of Technology & Science and comes with 32+ yrs of Industrial expertise, responsible for overall Project Management, Cost Control and compliance management of Transportation projects.	02.05.2016	60 Years	--	No	L&T Constructions Limited
6	Ch. V. Rama Krishna Rao	Sr. Vice President	67.0	Whole time	Post Graduate from Birla Institute of Technology & Science and comes with 20+ yrs of Industrial expertise,	01.04.2018	57 years	--	No	NHAI
7	P Sreedhar Babu	CFO	55.15	Whole time	Member of Institute of Chartered Accountants of India and comes with 30+ yrs of experience in Corporate Business Finance in Infrastructure Industry.	01.01.1995	61 Years	--	No	N.A
8	G Venkateswar Rao	Sr. Vice President	51.91	Whole time	BTech degree in Civil Engineering. He is responsible for overall Operations of Irrigation Division	06.03.2009	56 years	--	No	State Irrigation Project Department

S. No.	Name of the employee	Designation of the employee	Remuneration received (Rs. in Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of employee	The percentage of equity shares held by the employee in the company	Relative to any director or manager of the company	Last Employment held
9	Mummana Viswa Suresh	Sr.Vice President	33.00	Whole time	Btech degree in Civil Engineering and comes with 20 + yrs in Major Highway and construction design	07.03.2005	51 Years	--	No	N.A
10	KBRC Murthy	Sr.Vice President	30.74	Whole time	Post Graduation in HR & LLB comes with 20 + Yrs. Experience in Human Resources Transformation strategy, culture and capability building, Employee Engagement, Performance Management, Compensation and Benefits, setting up people best practices, Compliance Management Mergers & Acquisition, Industrial Relations etc.	07.09.2017	48 Years	--	No	SGD Pharma Limited

**B. Names of employees (apart from Key Managerial Personnel) who are in receipt of aggregate remuneration not less than rupees one crore and two lakh during the Financial Year 2020-21:**

S. No.	Name of the employee	Designation of the employee	Remuneration received (₹ in Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of employee	The percentage of equity shares held by the employee in the company	Relative to any director or manager of the company
1.	Sudhakar Lolla	Vice President	113.10	Whole time	Post Graduate in Mining from India School Of Mines, Dhanbad, responsible for overall Mining Division Business operations, working on most advanced and modernized techniques (longwall technologies)	23.09.2015	52 Years	--	No

# ANNEXURE - 7

## CORPORATE GOVERNANCE REPORT

(As required by Regulation 34 read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### A. MANDATORY REQUIREMENTS

#### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Fruitful Corporate Governance practices build an organisation that thrives for generations. Company's philosophy on corporate governance encompasses not only regulatory and legal requirements, such as the terms of listing agreements with stock exchanges, but also several voluntary practices aimed at a high level of business ethics, best business practices, building effective business strategies and supervision and enhancement of value for all ever increasing and more involved stakeholders. Since its incorporation, Gayatri Projects Limited is committed to doing business in a manner which is beneficial for all stakeholders yet ethical. Corporate governance at Gayatri Projects is now a well informed and responsible practice. Organisation wide, all the leaders and stakeholders have inculcated a feeling of effective practice of corporate governance which has gone beyond compliance and involves a company-wide commitment. This perspective has become an integral part of our way of doing business which commits fairness, transparency and integrity of the management. Good corporate governance provides an appropriate framework for the Board, its committees and the executive management to carry out the purposes that are in the best interest of the Company and the Stakeholders.

Company has adopted Code of Conduct which articulates the values, ethics and business principles and serves as a guide to the Company, its directors and employees supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the said Code. The Company is in full compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Gayatri Projects responsibility as an organisation towards its ultimate stakeholders is reflected in the Company's code of conduct. The company's core philosophy on the code of corporate governance ensures the following:

- Sustainable yet ethical and transparent business practices.
- Accountability for performance of the organisation.
- Compliance of applicable statute in law as well in spirit
- Transparent and timely dissemination of financial and management information.
- Evaluation performance of board and taking follow up action on decisions. Balanced Board with a mix of high bar in parameters like qualifications, experience and commitment.

**The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance.**

#### **GPL Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('SEBI Insider Trading Regulations'), as amended from time to time, the Board of Directors of the Company has adopted the GPL Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

**Mr. Chetan Kumar Sharma, Company Secretary & Compliance Officer of the Company is the 'Compliance Officer' in terms of this Code.**



## II. BOARD OF DIRECTORS

The Board of Directors serves as the anchor for best corporate governance practices and oversees the management so that interests of all the stakeholders are protected. The Board is well informed and ensures that highest level of corporate governance. Detailed profile of our directors is available on our website <https://www.gayatri.co.in/board-of-directors.html>. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. As on date of this report, none of our Directors serve as Director in more than ten public companies or as IDs in more than seven listed companies and none of the EDs serve as IDs on any listed company. Further, none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an ID. In terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence and fulfil the conditions specified under as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations read with schedule V Para C (1)(i) and that they are independent of the management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The Company has issued formal letters of appointment to the IDs. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on our website at [https://www.gayatri.co.in/pdf/T&C\\_of\\_Appointment\\_of\\_Ind\\_Dir.pdf](https://www.gayatri.co.in/pdf/T&C_of_Appointment_of_Ind_Dir.pdf).

During the Financial Year 2020-21, none of our Directors acted as Member in more than 10 committees or as Chairperson in more than 5 committees across all listed entities where they serve as a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

### COMPOSITION

- As on 31st March, 2021, the Company has 7 directors. 2 Executive Directors and 5 Non-executive Directors (4 of them are Independent Directors). The Company immensely benefits from the professional expertise of the independent Directors. The Board has an adequate combination of Executive, Non-Executive and Independent Directors. Four Board Meetings were held during the year under review. The meetings were held on 30.06.2020, 27.08.2020, 05.11.2020 and 05.02.2021. The necessary quorum was present for all the meetings.

The Composition of the Board, the number of Directorships and Committee Memberships held by them in other companies and the attendance of Directors at Board Meetings and at the Annual General Meeting (AGM) held during the year under review is given below. Other Directorships do not include alternate Directorships and of Companies incorporated outside India.

**Table A: Composition of the Board and Directorships held as on March 31, 2021**

Name of the Director	No. of directorship in other Indian Public Companies (*)		No. of Board Committee positions in other Indian Public Companies (\$)		Directorship in other listed entity (Category of Directorship)
	Chairperson	Member	Chairperson	Member	
<b>Non-Executive, Non-Independent Directors</b>					
Mrs. T. Indira Reddy (Chairperson and promoter) (DIN: 00009906)	2	4	-	1	a) Gayatri Sugars Limited^ b) Gayatri Tissue and Papers Limited^
<b>Nominee director</b>					
Mr. P Sreenivas (Nominee Director)@ (DIN: 08775649)	-	-	-	-	-
<b>Executive Directors</b>					
Mr. T V Sandeep Kumar Reddy (Managing Director) (DIN: 00005573)	-	7	1	5	a) Gayatri Sugars Limited^ b) Gayatri Bioorganics Limited^
Mr. J. Brij Mohan Reddy (DIN: 00012927) Independent Directors	-	4	-	3	(Whole Time Director)
<b>Independent Directors</b>					
Mr. G. Sree Ramakrishna (DIN: 06921031)	-	4	1	4	a) Ravileela Granites Limited # b) Alufluoride Ltd# c) Everest Organics Limited#
Mr. Harivithal Rao Chintalapati (DIN: 00012970)	-	8	3	6	-
Mrs. N Ramadevi (DIN: 08699570)	-	-	-	-	-
Mr. K. V. Ramanachary (DIN: 08658826)	-	-	-	-	-

**Notes:**

@ Mr. P Sreenivas was appointed as Nominee Director on behalf of Bank of Baroda (Lead banker of the Consortium for lenders) on the Board of the Company w.e.f July 01, 2020 as per the master restructuring agreement signed with the consortium as amended from time to time. However his Nomination was withdrawn w.e.f November 01, 2020 due to retirement by superannuation. As on date of Board Report, Mr. Man Mohan Gupta, Zonal Head of Bank of Baroda, was appointed by the Board on its meeting held on June 14, 2021 as nominee Director on behalf of Bank of Baroda (Lead banker of the Consortium) on the Board of the Company w.e.f June 15, 2021.

^ Non Executive Non Independent Director

# Non Executive Independent Director

\* Directorships in other Indian Public Companies (listed and unlisted) excludes Gayatri Projects Limited, foreign companies and Section 8 companies.

\$ In terms of Regulation 26(1)(b) of the SEBI Listing Regulations, the disclosure includes chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee in other Indian Public companies (listed and unlisted) excluding Gayatri Projects Limited. Further, membership includes position as Chairperson of committees.

**Table B: Attendance details of Directors for the year ended March 31, 2021 are given below:**

Name of the Director	Category*	No. of Meetings held during tenure	No. of Meetings attended
Mrs. T Indira Reddy	NED	4	4
Mr. T V Sandeep Kumar Reddy	ED	4	4
Mr. J Brij Mohan Reddy	ED	4	3
Mr. Harivithal Rao Chintalapati	ID	4	4
Mr. K V Ramana Chary	ID	4	4
Mr. G Sreeramakrishna	ID	4	4
Mrs. N Ramadevi	ID	4	4
Mr. P. Sreenivas**	ND	1	0

\*NED- Non Executive & Non Independent Director, ED- Executive Director, ID- Non Executive & Independent Director, ND- Nominee Director

\*\*ceased to be a director w.e.f. November 01, 2020

**Table C: Key information pertaining to Directors as on 31<sup>st</sup> March, 2021**

Category	Mrs. T. Indira Reddy	Mr. T. V. Sandeep Kumar Reddy	Mr. J. Brij Mohan Reddy	Mr. G. Sree Rama Krishna	Mr. K. V. Ramana chary	Mr. Harivithal Rao Chintalapati	Mrs. N. Ramadevi	Mr. P. Sreenivas*
	Chairperson Promoter Director	Managing Director	Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Non-Executive Director (Nominee Director)
Date of appointment	08.03.1996	15.09.1989	30.03.1994	04.01.2020	04.01.2020	04.11.2005	14.02.2020	01.07.2020
Attendance at the last AGM held on September 29, 2020	No	Yes	No	Yes	Yes	Yes	Yes	Yes
No. of Shares Held as on 31/03/2021	56350213	26843494	2250	-	-	50	-	-
Inter-se relationship	Mother of Mr. T. V. Sandeep Kumar Reddy	Son of Mrs. T. Indira Reddy & Son in law of Mr. J Brij Mohan Reddy	Father in law of Mr. T. V. Sandeep Kumar Reddy	-	-	-	-	-

\*ceased to be a director on the board w.e.f November 01, 2020

- All new directors appointed on the Board are given a formal orientation about the management, operations and group structure. Formal familiarisation programmes are also conducted. Details of the familiarization programmes imparted to Independent Directors are disclosed in the company's website: [https://www.gayatri.co.in/pdf/Familirisation\\_Programmes\\_for\\_Independent\\_Directors.pdf](https://www.gayatri.co.in/pdf/Familirisation_Programmes_for_Independent_Directors.pdf)
- The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:**

**Table D: Director Skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions**

	Areas of Skills/Expertise/Competence						
	Leadership	Strategy	Operations	Technology	Finance	Governance	Government/ Regulatory Affairs
Mrs. T. Indira Reddy	*	*	*	*		*	*
Mr. T.V. Sandeep Kumar Reddy	*	*	*	*	*	*	*
Mr. J. Brij Mohan Reddy	*	*	*	*		*	*
Mr. G. Sree Ramakrishna	*	*	*		*	*	*
Mr. K. V. Ramanachary	*	*			*	*	*
Mr. Harivithal Rao Chintalapati	*	*			*	*	*
Mrs. N. Ramadevi	*	*	*	*	*	*	*
Mr. P. Sreenivas					*		*

**BOARD MEETINGS**

Our Secretarial Department in consultation with the Key Managerial Personnels, Executive Directors and with Board of Directors decided the dates on Board Meetings, the schedule of Board Meeting and Board Committee Meetings are communicated in advance to all the Directors to enable them to schedule their meetings.

Our Board met 4 times in the Financial Year 2020–21 on 30<sup>th</sup> June 2020, 27<sup>th</sup> August 2020, 05<sup>th</sup> November 2020 and 05<sup>th</sup> February 2021.

The Company Secretary prepares the Agenda and Explanatory notes, in consultation with the Chairman and Managing Director for each meeting and circulates the same in advance to the Directors. A tentative annual calendar for the meetings of the Board and Audit Committee to be held in each quarter has been circulated to facilitate and assist the Directors to plan their schedules for the meetings for meaningful, informed and focused decisions. Every Director is free to suggest the inclusion of items on the agenda. The Board meets at least once in every quarter to

review the quarterly results and other items on the agenda. The Board is given presentation covering industry environment, project implementation, project financing and operations of the Company. Additional meetings are held, when necessary. The draft minutes of the proceedings of the Board of Directors are circulated in advance and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. Senior executives are invited to provide additional inputs at the Board Meeting for the items being discussed by the Board of Directors, as and when necessary.

The Company has an effective post meetings follow up, review and reporting process mechanism for the decisions taken by the Board/Committees. Action taken report on decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the members.

The Company Secretary while preparing the agenda notes, minutes etc., of the meeting is responsible for and is required to ensure adherence to all applicable laws, rules, regulations including the Companies Act, 2013 read with rules made there under.

**Information of Directors to be appointed and the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in accordance with provisions of Companies Act, 2013 and Secretarial Standards, as on the date of Notice**

<b>Name of the Director</b>	<b>J Brij Mohan Reddy</b>	<b>Mrs. T. Indira Reddy</b>
Director Identification No	00012927	00009906
Date of Birth	20.08.1941	13.03.1951
Date of appointment	30.03.1994	08.03.1996
Occupation	Industrialist	Industrialist
Relationship between directors inter-se	Father in law of Mr. T.V. Sandeep Kumar Reddy	Mother of Mr. T. V. Sandeep Kumar Reddy
Nature of expertise in specific functional area	58 years of experience in the Heavy engineering and Construction industry	30 years of experience in the construction industry
Last drawn remuneration	Rs. 1.32 Crores per annum	NIL (only sitting fees is paid for attending Board Meeting)
Directorship in other Listed Entities	Nil	1. Gayatri Sugars Limited (Non Executive & Non Independent Director) 2. Gayatri Tissue & Papers Limited (Non Executive & Non Independent Director)
Shareholding in the Company	2250 Equity Shares	56350213 Equity shares

**DIRECTORSHIP IN OTHER LISTED ENTITIES**

J. Brij Mohan Reddy	NIL
T. Indira Reddy	Gayatri Sugars Limited Gayatri Tissue And Papers Limited

**MEMBERSHIP IN COMMITTEES OF OTHER ENTITIES**

Mr. J. Brij Mohan Reddy	Member of the Audit Committee in Indoredewas Tollways Limited, Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited
Mrs. T. Indira Reddy	Member of Audit Committee and Nomination and Remuneration Committee of Gayatri Tissue and Papers Limited Member of Nomination and Remuneration Committee of Gayatri Sugars Limited

**CHAIRMANSHIP IN COMMITTEES OF OTHER ENTITIES**

J. Brij Mohan Reddy	NIL
Mrs. T. Indira Reddy	NIL

**III. AUDIT COMMITTEE**

The Audit Committee of the Company is constituted in line with the Regulations 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

**Powers of Audit Committee:**

The Audit Committee shall have powers, which includes the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee:**

The role of the Audit Committee includes the following:

1. Oversight of the company's financial reporting process and the disclosure of

- its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
  3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
    - b. Changes, if any, in accounting policies and practices and reasons for the same.
    - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
    - d. Significant adjustments made in the financial statements arising out of audit findings.
    - e. Compliance with listing and other legal requirements relating to financial statements.
    - f. Disclosure of any related party transactions.
    - g. Qualifications in the draft audit report.
  5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
  8. Approval or any subsequent modification of transactions of the company with related parties.
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the Whistle Blower mechanism;
  19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or

discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**Review of information by Audit Committee**

The Audit Committee shall mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

**The Composition of the Audit Committee:**

Name of the Member	Designation
Mr. Harivithal Rao Chintalapati	Chairman
Mr.T. V. Sandeep Kumar Reddy	Member
Mr. G. Sreeramakrishna	Member
Mrs. Nanduri Rama Devi	Member (appointed as member of Audit Committee w.e.f 05.11.2020)

**a) Meetings and Attendance:**

Five Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows: 30<sup>th</sup> June, 2020, 27<sup>th</sup> August, 2020, 16<sup>th</sup> of October, 2020 and 05<sup>th</sup> November, 2020 and 05<sup>th</sup> February, 2021. The maximum gap between any two meetings was not more than 120 except there was a gap of more than 120 days between Audit Committee meeting held on

14<sup>th</sup> February, 2020 and 30<sup>th</sup> June, 2020 which was allowed as per the relaxation provided as per the laws and regulations applicable on the Company.

Name of the Member	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Harivithal Rao Chintalapati – Chairman	5	5
Mr. T. V. Sandeep Kumar Reddy - Member	5	5
Mr. G. Sreeramakrishna - Member	5	5
Mrs. N. Ramadevi – Appointed as a member on 05.11.2020	1	1

The necessary quorum was present at all the meetings. All the decisions at the Audit Committee meetings were taken unanimously. Mr. Harivithal Rao Chintalapati, Chairperson of the Audit Committee was present at the AGM of the Company held on Tuesday, September 29, 2020.

**IV. NOMINATION AND REMUNERATION COMMITTEE**

**The broad terms of reference of the Nomination and Remuneration Committee are as under:**

- a) To ensure that the level and composition of remuneration is reasonably and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay.
- b) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- c) To identify persons who may be appointed in senior management in accordance with the criteria laid down.

- d) To carry out evaluation of every director's performance and recommend to the board his/her appointment and removal based on the performance.

The Committee has formulated Remuneration Policy for Directors, KMPs and all other employees of the Company and the same is available on Company's website [https://www.gayatri.co.in/pdf/Remuneration\\_Policy\\_06-02-2021.pdf](https://www.gayatri.co.in/pdf/Remuneration_Policy_06-02-2021.pdf).

**The composition of the Committee and the attendance details of the Members for the year ended March 31, 2021 are given below:**

Name of the Members	No. of Meetings held during tenure	No. of Meetings Attended
Mr. G. Sreeramakrishna (Chairperson)	2	2
Mr. Harivithal Rao Chintalapati	2	2
Mrs. T. Indira Reddy	2	1

The Committee met on 27th August, 2020 and 05th February, 2021. **Mr. G Sreeramakrishna Chairperson of the NRC was present at the AGM of the Company held on September 29, 2020.**

#### V. Remuneration and sitting fees paid to the Directors during 2020-2021

(₹ in Lakhs)

Category	Mrs. T. Indira Reddy	Mr. T. V. Sandeep Kumar Reddy	Mr. J. Brij Mohan Reddy	Mr.G. Sree Rama Krishna	Mr. K.V. Ramana chary	Mr. Harivithal Rao Chintalapati	Mrs. N. Ramadevi	Mrs P. Sreenivas
	Chairperson Promoter and Non Executive and Non Independent Director	Managing Director	Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Nominee Director
Relationship with directors	Yes	Yes	Yes	None	None	None	None	None
Salary	-	528.00	132.00	-	-	-	-	-
Allowances	-	-	-	-	-	-	-	-
Commission/ Incentives	-	-	-	-	-	-	-	-
Other Annual Compensation	-	-	-	-	-	-	-	-
Deferred Benefits	-	-	-	-	-	-	-	-
Sitting fees	1.20	-	-	2.20	1.20	2.20	1.40	-

#### Performance Evaluation Criteria for Independent Directors

The Board has carried out the annual performance evaluation of Independent Directors individually.

A structured questionnaire was prepared after taking into consideration various aspects such as adequacy of the composition of the Independent Directors, effectiveness in developing corporate governance structure to fulfil its responsibilities, execution and performance of specific duties etc. The Board decided that the performance of independent directors is excellent.



**VI. STAKEHOLDER'S RELATIONSHIP COMMITTEE**

**a) A Stakeholders Relationship Committee of Directors reviews the following:**

- Transfer/transmission of shares / debentures
- Issue of duplicate share certificates
- Review of shares dematerialized and all other relevant matters
- Monitors expeditious redressal of investor's grievances
- Non receipt of Annual Reports and declared dividend
- All other matters related to shares/ debentures

**The composition of the Committee and the attendance details of the Members for the year ended March 31, 2021 are given below:**

Name of the Members	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Harivithal Rao Chintalapati – Chairperson	1	1
Mr. J. Brij Mohan Reddy	1	1
Mrs. T. Indira Reddy	1	1

Stakeholders Relationship Committee met on 31<sup>st</sup> March, 2021 during the financial year 2020-21. Mr. Harivithal Rao Chintalapati, Chairman of the Stakeholders Relationship Committee was present at the Annual General Meeting held on September 29, 2020.

**b) Name and Address of Compliance Officer  
CHETAN KUMAR SHARMA**

Company Secretary & Compliance Officer  
6-3-1090, TSR Towers, Rajbhavan Road,  
Somajiguda, Hyderabad – 500 082  
Tel: +91 40 2331 0330 Fax: +91 40 2339 8435  
E Mail: cs@gayatri.co.in

**c) Details of complaints/requests received and redressed :**

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	NIL	NIL	NIL

**VII. MEETING OF INDEPENDENT DIRECTORS:**

Pursuant to Schedule IV of the Act, the Independent Directors met on March 31, 2021 without the presence of Non-Independent Directors and Members of the Management. The meetings of Independent Directors was chaired by Mr. G Sreeramakrishna, Independent Director and Chairperson of the Nomination and Remuneration Committee.

The Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board after taking into account the views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

The Company had also further during the year, conducted Familiarization programmes for Independent Directors of the Company and the details of such familiarization programmes are disseminated on the website of the Company at [http://www.gayatri.co.in/pdf/Familiarisation\\_Programmes.pdf](http://www.gayatri.co.in/pdf/Familiarisation_Programmes.pdf).

## VIII. GENERAL BODY MEETINGS

### a) Annual General Meeting

- Location, date and time of last three Annual General Meetings (AGMs) and Special Resolutions passed there at:

Year	Location	Date and Time	Special Resolution passed
2017-18	KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004	28/09/2018 04.00 PM	Revision in remuneration of Sri T.V.SandeepKumar Reddy as Managing Director.  Re-appointment of Sri. J. Brij Mohan Reddy as Executive Vice Chairman.
2018-19	KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004	30/09/2019 03.00PM	<ol style="list-style-type: none"> <li>1. Re-appointment of Sri T. V. Sandeep Kumar Reddy as Managing Director of the company w.e.f. 1<sup>st</sup> October 2019 till 30<sup>th</sup> September, 2024.</li> <li>2. Appointment of Ms. Gayathri Ramachandran as a Director and as an Independent Director.</li> <li>3. Appointment of Sri K. Jairaj as a Director and as an Independent Director.</li> <li>4. Re-appointment of Sri Harivithal Rao Chintalapati (holding DIN 00012970) as an Independent Director.</li> </ol>
2019-20	Registered office through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	29/09/2020 12.00PM	<ol style="list-style-type: none"> <li>1. Waiver of recovery of excess managerial remuneration paid to Shri. T. V. Sandeep Kumar Reddy, Managing Director for the financial year ended March 31, 2020</li> <li>2. Payment of remuneration to Shri. T. V. Sandeep Kumar Reddy, Managing Director for the period April 01, 2020 to September 30, 2024 or for such shorter period as may be prescribed under applicable laws</li> <li>3. Payment of remuneration to Shri. J. Brij Mohan Reddy, Executive Vice-Chairman for the period April 01, 2019 to September 30, 2021 or for such shorter period as may be prescribed under applicable laws</li> <li>4. Appointment of Shri. G. Sreeramakrishna (DIN: 06921031) as an Independent Director of the Company</li> <li>5. Appointment of Shri. K.V. Ramana Chary (DIN: 08658826) as an Independent Director of the Company</li> <li>6. Appointment of Smt. N. Ramadevi (DIN: 08699570) as an Independent Director of the Company</li> </ol>

**b) Extra-Ordinary General Meeting: Nil**

**c) Postal Ballot:**

- a) **No special resolution passed last year through postal ballot.**
- b) **No special resolution is proposed to be conducted through postal ballot**

**d) Subsidiary Companies**

Company has one unlisted material subsidiary viz.. M/s. Gayatri Energy Ventures Private Limited and the company has appointed independent director on the Board of a unlisted material subsidiary company as per the SEBI (LODR) Regulations, 2015. The Audit Committee of the company regularly reviews the financial statements, and the investments made by the unlisted material subsidiary company. The minutes of the Board meetings and a statement of all significant transaction and arrangements entered into by the unlisted material subsidiary company are placed at the Board meeting of the company. M/s. Bhandara Thermal Power Corporation Limited is a Step down subsidiary of the company.

**e) DISCLOSURES**

**(i) Disclosure of material, financial and commercial transactions where management has personal interest that may have a potential conflict with the interest of the company at large.**

During the year 2020-21, no transactions of material nature had been entered into by the Company with the Management or their relatives that may have a potential conflict with interest of the Company. None of the Non-Executive Directors have any pecuniary material relationship or material transactions with the Company for the year ended 31st March, 2021, and have given undertakings to that effect.

Registers under Section 188 / 189 of the Companies Act, 2013 are maintained and particulars of transactions are entered in the Register, wherever applicable.

Such transactions are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.

- (ii) Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

-NIL-

**(iii) Disclosure relating to Whistle Blower policy and affirmation that no personnel have been denied access to the audit committee.**

Company has established a Vigil Mechanism System/ Whistle blower policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. Further, as per the provisions of the Companies Act, 2013 the Audit Committee of the company shall oversee the Vigil Mechanism System/ Whistle blower policy in the company and no personnel has been denied access to the audit committee.

**(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.**

The Company has complied with all the mandatory requirements of corporate governance and are being reviewed from time to time and adoption of non-mandatory items are separately disclosed in this report.

**(v) Web link where policy for determining material subsidiaries and policy on dealing with related party transactions.**

The Company has formulated a Policy for Determining material Subsidiaries and the same is available on the Company's website [https://www.gayatri.co.in/pdf/Policy\\_For\\_Determining\\_Material\\_Subsidiaries.pdf](https://www.gayatri.co.in/pdf/Policy_For_Determining_Material_Subsidiaries.pdf). During the year, the Company has one Indian unlisted material subsidiary M/s. Gayatri Energy Ventures Private Limited. The Company is in compliance with the provisions governing material subsidiaries.

**(vi) Disclosure of commodity price risks and commodity hedging activities.**

Nil

**(vii) Risk Management:**

The Risk Management Committee has been formed to identify risks and then manage threats that could severely impact or bring down the organization and identifying potential threats to the organization and the likelihood of their occurrence, and then taking appropriate actions to address the most likely threats.

**The company has constituted a Risk Management Committee with the following directors**

Name of the Member	Designation
T.V. Sandeep Kumar Reddy	Chairman
T. Indira Reddy	Member
Harivithal Rao Chintalapati	Member
P. Sreedhar Babu	Member

During the year Risk Management Committee met on 05th February, 2021.

**Term of Reference:**

- To consider the Company's risk management strategies;
- To consider, review and approve risk management policies and guidelines;
- To decide on risk levels, risk appetite and related resource allocation;
- To approve major decisions affecting the Company's risk profile or exposure and give such directions as it considers appropriate.
- To approve major risk management activities such as hedging transactions.
- To review the Company's approach to risk management and approve changes or improvements to key elements of its processes and procedures;
- Provide any information/reports as and when required by the Board.
- To review cyber security risk
- And any other matters as per the risk policy of the Company.

**(viii) As required under Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by Y. KOTESWARA RAO, Practising Company**

**Secretary, regarding compliance of conditions of corporate governance, is annexed to this report.**

**A certificate has been received from Y. KOTESWARA RAO, Practising Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.**

**(ix) CEO and CFO certification**

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, Managing Director and Chief Financial Officer have given appropriate certifications to the Board of Directors.

**(x) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

A	number of complaints filed during the financial year	NIL
B	number of complaints disposed of during the financial year	NA
C	number of complaints pending as on end of the financial year	NIL

**(x) The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:**

**The company has complied the regulations of SEBI (LODR) as stated below:**

Regulation	Particulars of Regulation Compliance Status	(Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stake Holders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes

Regulation	Particulars of Regulation Compliance Status	(Yes/No)
24	Corporate Governance requirement with respect of Subsidiary of Listed entity	Yes
25	Obligation with respect to Independent Director	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirement	Yes
46 (2) (b) to (i)	Website	Yes

- (xi) The Company Complied with the requirements of the Schedule V Corporate Governance report sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**f) MEANS OF COMMUNICATION**

**Quarterly Results, Press Releases, presentations and Publications:**

Our quarterly results are generally published in widely circulated national newspaper Business Standard and in one vernacular Language newspaper Andhra Prabha (Telugu Daily). Also the half yearly and Annual Audited Financial Results are published in the same manner.

The results, official news releases and presentation made to the analysts are also displayed on the Company's web site www.gayatri.co.in. Official news releases, presentations made to media are displayed are also displayed on the Company's website.

Management Discussion and Analysis a detailed report forms part of this Annual Report.

**g) GENERAL SHAREHOLDER INFORMATION**

**a) Annual General Meeting :**

Financial Year : 2020 – 2021

Date : 24.09.2021

Time : 03:30 pm

Venue: In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs has vide its various circulars permitted the holding of the Annual General Meeting

(‘AGM’) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations, and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue of the AGM shall be B1, TSR Towers, 6-3-1090, Somajiguda, Raj Bhawan Road, Hyderabad - 520082

**b) Financial Calendar (tentative): Financial Year 1st April, 2021 to 31st March, 2022**

**Table: M Calendar for Reporting**

Quarter Ending	Release of Results
June 30, 2021	August 14, 2021
September 30, 2021	November 14, 2021
December 31, 2021	February 14, 2022
March 31, 2022	May 30, 2022*

\*instead of publishing quarterly results, the Company has to publish Audited Annual Accounts within 60 days from the end of the financial year as per SEBI (LODR) Regulations 2015.

**c) Dates of Book Closure :**

The Books shall be closed from September 17, 2021 to September 24, 2021 (both days inclusive).

**d) Listing on Stock Exchanges:**

The shares of the Company are listed on The BSE Limited and National Stock Exchange of India Ltd.

The Company confirms that it has paid annual listing fees to the stock exchanges for the financial year 2021-2022.

**e) Stock Code:**

**(i) Trading Symbol**

Exchange	Scrip Code	Scrip ID
BSE Limited	532767	GAYAPROJ
National Stock Exchange of India Limited		GAYAPROJ

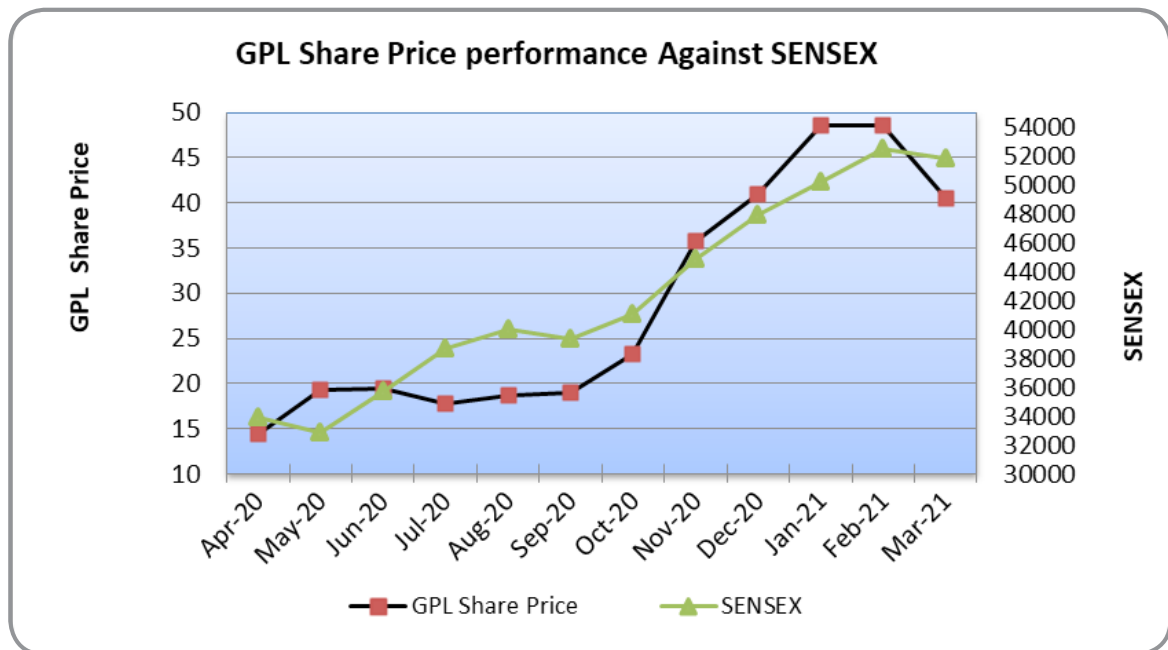
- (ii) Depository for Equity Shares : **NSDL and CDSL**

- (iii) Demat ISIN Number : **INE336H01023**

## f) Stock Market Price Data:

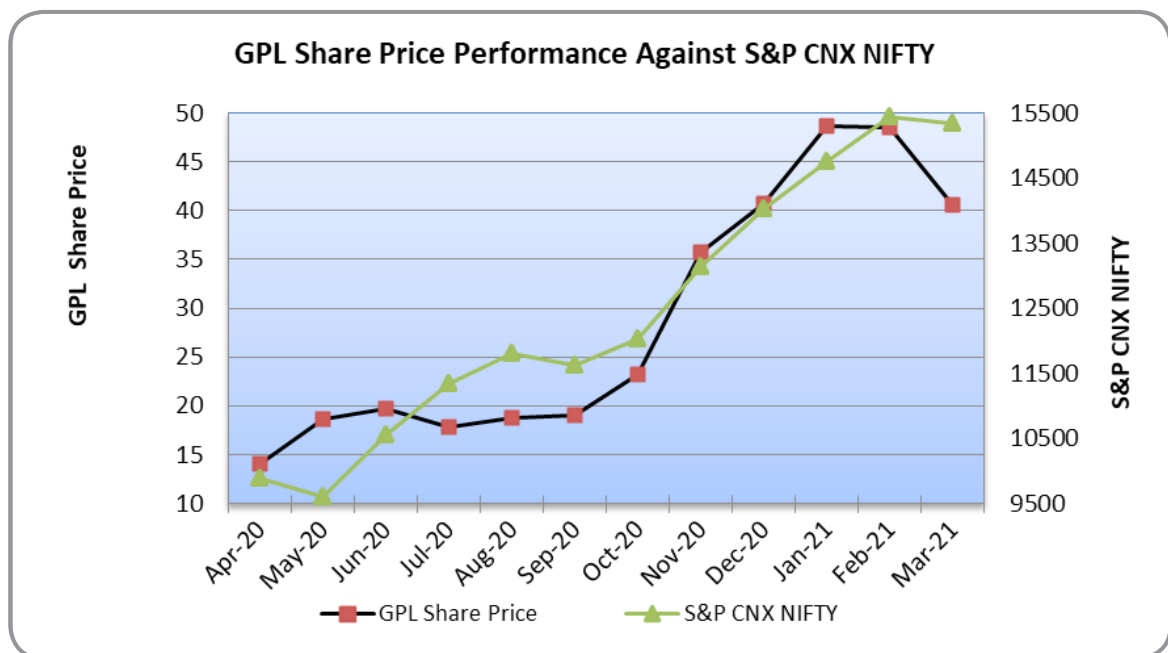
BSE SHARE PRICE			BSE SENSEX	
Month	High Price	Low Price	High	Low
Apr-20	14.40	8.17	33887.25	27500.79
May-20	19.21	12.15	32845.48	29968.45
Jun-20	19.50	14.11	35706.55	32348.10
Jul-20	17.70	14.15	38617.03	34927.20
Aug-20	18.74	14.00	40010.17	36911.23
Sep-20	19.05	15.05	39359.51	36495.98
Oct-20	23.30	17.10	41048.05	38410.20
Nov-20	35.75	17.90	44825.37	39334.92
Dec-20	41.00	30.45	47896.97	44118.10
Jan-21	48.60	38.25	50184.01	46160.46
Feb-21	48.55	37.55	52516.76	46433.65
Mar-21	40.45	28.00	51821.84	48236.35

## g) Stock Price Performance in comparison with BSE SENSEX



**h) Stock Price Performance in comparison with NSE NIFTY**

NSE SHARE PRICE			NSE NIFTY	
Month	High Price	Low Price	High	Low
Apr-20	14.10	8.40	9889.05	8055.80
May-20	18.60	12.35	9598.85	8806.75
Jun-20	19.70	14.00	10553.15	9544.35
Jul-20	17.85	14.45	11341.40	10299.60
Aug-20	18.70	14.25	11794.25	10882.25
Sep-20	19.10	15.20	11618.10	10790.20
Oct-20	23.25	17.20	12025.45	11347.05
Nov-20	35.75	18.20	13145.85	11557.40
Dec-20	40.70	30.40	14024.85	12962.8
Jan-21	48.65	38.20	14753.55	13596.75
Feb-21	48.50	37.50	15431.75	13661.75
Mar-21	40.50	28.05	15336.30	14264.40



**i) Registrar and Transfer Agents : (RTA)**

KFin Technologies Pvt. Ltd.  
 Unit : Gayatri Projects Limited  
 Selenium Tower B, Plot 31 & 32,  
 Financial District, Nanakramguda, Serilingampally Mandal,  
 Hyderabad - 500 032, Telangana  
 Toll free number - 1- 800-309-4001  
 Email: einward.ris@kfintech.com  
 Website: <https://www.kfintech.com>

**j) Share Transfer System :**

During the Financial Year 2020-21, the SEBI and MCA have mandated the existing members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialised form. Therefore, Members holding shares in physical form were requested to consider converting their shareholding to dematerialised form. Share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/purchase transaction

from the broker, shareholders should approach the Depository Participant ('DP') with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the Company to register these share transfers. Shareholders should communicate with Kfin Technologies Private Limited, the Company's Registrars and Transfer Agent ('RTA') quoting their folio number or Depository Participant ID ('DP ID') and Client ID number, for any queries to their securities.

**a. (i) Distribution of shareholding as on 31<sup>st</sup> March, 2021:**

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
From 1 - 5000	27135	94.57	8316583	16633166.00	4.44
5001 - 10000	748	2.61	2828633	5657266.00	1.51
10001 - 20000	364	1.27	2703948	5407896.00	1.44
20001 - 30000	119	0.41	1472937	2945874.00	0.79
30001 - 40000	65	0.23	1182596	2365192.00	0.63
40001 - 50000	41	0.14	980991	1961982.00	0.52
50001 - 100000	95	0.33	3526904	7053808.00	1.88
100001 & ABOVE	125	0.44	166186093	332372186.00	88.78
<b>TOTAL</b>	<b>28692</b>	<b>100.00</b>	<b>187198685</b>	<b>374397370.00</b>	<b>100.00</b>

**(ii) Categories of shareholders as on 31<sup>st</sup> March, 2021:**

S.No	Category	No. of Cases	Total Shares	% To Equity
1	MUTUAL FUNDS	1	1197961	0.64
2	FOREIGN PORTFOLIO - CORP	30	34297977	18.32
3	FOREIGN INSTITUTIONAL INVESTORS	1	11567064	6.18
4	PROMOTERS & DIRECTORS	6	83718607	44.72
5	RESIDENT INDIVIDUALS	27111	37512636	20.04
6	NON RESIDENT INDIANS	239	8408565	4.49
7	CLEARING MEMBERS	85	2013356	1.08
8	FOREIGN PORTFOLIO INVESTORS	1	5000	0.00
9	BANKS	1	25	0.00
10	DIRECTORS	1	50	0.00
11	NON RESIDENT INDIAN NON REPATRIABLE	102	2490648	1.33
12	BODIES CORPORATES	145	3748987	2.00
13	I E P F	1	7844	0.00
14	H U F	386	2229965	1.19
	<b>Total:</b>	<b>28110</b>	<b>187198685</b>	<b>100.00</b>

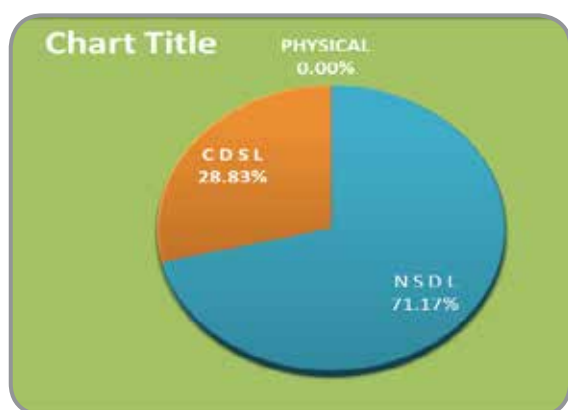


**k) Dematerialization of Shares and Liquidity:**

As on 31<sup>st</sup> March, 2021, 100% of the paid up equity capital of the Company has been dematerialized and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialization.

As on 31<sup>st</sup> March, 2021 the Equity shares of the Company are dematerialized as follows:

Sl. No	Category	Total No. of Shares	% To Equity
1	Physical	205	0.00
2	Dematerialized	187,198,480	100.00
<b>Total</b>		187,198,685	100%



**l) Commodity price risk or foreign exchange risk and hedging activities:**

The company business is limited to India and hence not exposed to fluctuations in

foreign exchange rates. The ECB loan availed by the company was closed in the FY 2019-20. The commodity price risks are, by and large, managed contractually through price variation clauses.

**m) Address for Correspondence:**

**CHETAN KUMAR SHARMA**  
 Company Secretary & Compliance Officer  
 6-3-1090, T.S.R. Towers  
 Raj Bhavan Road, Somajiguda,  
 Hyderabad – 500 082  
 Tel: +91 40 2331 0330 Fax: +91 40 2339 8435  
 Email: cs@gayatri.co.in;

**n) Unpaid / Unclaimed dividend**

Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by Company to the Investor Education and Protection Fund, established by the Central Government under the provisions of Section 125 of the Companies Act, 2013.

Shareholders of the Company who have either not received or have not encashed their dividend warrants, for the financial year 2013-14 , 2014-15 and 2015-16 are requested to claim the unpaid/unclaimed dividend from the Company before transfer to the above mentioned fund.

Financial Year	Rate of Dividend	Date of Declaration	Unclaimed Amount (Rs.)	Due for transfer to IEPF on
2013-14	20%	September 23, 2014	79,302.00	November 30,2021
2014-15	10%	September 22, 2015	10,617.00	December 01,2022
2015-16	20%	September 22, 2016	48,750.00	December 04,2023

Separate letters have been sent to the Shareholders who are yet to encash the Dividend indicating that Dividend yet to be encashed by the concerned shareholders and that the amount remaining unpaid will be transferred as per the above dates. Members are requested to utilize this opportunity and get in touch with Company's Registrar and Share Transfer Agent, M/s. **Kfin Technologies Private Limited** Hyderabad for encashing the unclaimed Dividend standing to the credit of their account.

After completion of seven years as per the above table, no claims shall lie against the said Fund or against the Company for the amounts of Dividend so transferred nor shall any payment be made in respect of such claims.

**o) Transfer of unpaid or unclaimed dividend/ shares to Investor Education and Protection Fund (IEPF):**

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends pertaining to 2012-13 of Rs. 78,522 on 24.11.2020 and further, 2924 corresponding shares were transferred 09.12.2020 as per the requirements of IEPF rules

**p) Dividend Distribution policy**

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires that the top 1000 listed companies based on the market capitalisation to formulate Dividend Distribution Policy. In compliance of the said requirement, the company has formulated its Dividend Distribution Policy is annexed as **Annexure 1** and is also available on the Company's website at: [https://www.gayatri.co.in/pdf/GPL\\_Dividend\\_Distribution\\_Policy.pdf](https://www.gayatri.co.in/pdf/GPL_Dividend_Distribution_Policy.pdf)

**q) Code of Conduct :**

The company has laid down a code of conduct for all Board members and senior management personnel. The Code of Conduct is available on the website of the company [www.gayatri.co.in](http://www.gayatri.co.in).

**r) SEBI Complaints Redress System (SCORES):**

The investor complaints are processed in a centralised web based complaints redressal

system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

**s) Credit Ratings**

The Company has not issued any debt instruments. Neither the Company has any fixed deposit programme nor any scheme or proposal of the listed entity involving mobilization of funds, whether in India nor abroad.

**t) Plant Locations**

The Company is an Infrastructure Company with its registered and Corporate Office at B1, 6-3-1090, TSR Towers, Somajiguda, Hyderabad – 500082. The Company, thus have no plants.

**u) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity.**

Company has no outstanding GDRs/ ADRs/ Warrants or any other Convertible instruments and as such there is no impact on the equity share capital of the company.

**v) Consolidated Fees paid to Statutory Auditors**

During the Financial Year 2020-21, the total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to MOS & Associates, Statutory Auditors of the Company is as under:

Consolidated fees paid to statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

Particulars	Amount (₹ In Lakhs)
Services as Statutory Auditors for the Company and its subsidiaries	56,25,000
For taxation matters	-
Other services	7,50,000
Out of pocket expenses	-
<b>Total</b>	<b>63,75,000</b>

**w) Reconciliation of Share Capital Audit**

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') (collectively 'Depositories') and the total issued and listed capital. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories). The Audit Report is disseminated to the Stock Exchanges on quarterly basis.

**B. COMPLIANCE REPORT ON DISCRETIONARY REQUIREMENTS**

**1. The Board – Chairperson's Office**

The Chairperson of the Company is a Non-Executive Promoter Director and is not maintaining any office and has not incurred any expenses during the year.

**2. Shareholders rights**

We display our quarterly and half yearly results on our web site, www.gayatri.co.in and also publish our results in widely circulated newspapers. We did not send half yearly results to each household of the shareholders in the financial year 2020-21.

**3. Audit Qualifications**

There are no audit qualifications by the statutory auditors in our company and its subsidiaries as at 31st March 2021.

**4. Reporting of internal auditor:**

The Internal Auditor of the company directly reports to the Audit Committee.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

To  
The Members of Gayatri Projects Limited

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31<sup>st</sup> March, 2021.

**For Gayatri Projects Limited**

sd/-

**T.V. Sandeep Kumar Reddy**

Managing Director

DIN: 00005573

Place: Hyderabad

Date: 14.06.2021

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015** read with regulation 34(3) of the said Listing Regulations).

To,

The Members

**M/s. GAYATRI PROJECTS LIMITED**

Hyderabad, Telangana State.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gayatri Projects Limited having CIN L99999TG1989PLC057289 and having registered office at TSR Towers, B-1 6-3-1090, Rajbhavan Road, Somajiguda Hyderabad -500082 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No.	Name	DIN	Date of Appointment
	T. INDIRA REDDY	00009906	08/03/1996
	T.V. SANDEEP KUMAR REDDY	00005573	15/09/1989
	J. BRIJ MOHAN REDDY	00012927	30/03/1994
	K.V. RAMANACHARY	08658826	04/01/2020
	Ch. HARI VITHAL RAO	00012970	04/11/2005
	G. SREERAMAKRISHNA	06921031	04/01/2020
	N. RAMA DEVI	08699570	14/02/2020

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Y. KOTESWARA RAO**

Practicing Company Secretary

ACS No. 3785

C.P. No.: 7427

UDIN: A003785C000459669

Place : Hyderabad

Date : 14.06.2021

# CERTIFICATE ON CORPORATE GOVERNANCE

To, The Members  
M/s. GAYATRI PROJECTS LIMITED  
Hyderabad, Telangana State.

I have examined the compliance of conditions of Corporate Governance by M/s. Gayatri Projects Limited (CIN: L99999TG1989PLC057289) ('the Company'), for the year ended 31<sup>st</sup> March 2021, as stipulated in Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period April 1, 2020 to March 31, 2021.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examinations has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable

I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**Y. KOTESWARA RAO**

ACS No.: 3785 C.P. No.: 7427

UDIN: A003785C000459592

Place: Hyderabad

Date: 14.06.2021

# CEO & CFO CERTIFICATION

To  
The Board of Directors  
**GAYATRI PROJECTS LIMITED**

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of GAYATRI PROJECTS LIMITED ("the Company"), to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the applicable accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) There were no significant changes in internal control over financial reporting during the year;
  - ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

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

**P. SREEDHAR BABU**  
Chief Financial Officer

Place: Hyderabad  
Date: 14.06.2021

# ANNEXURE – 8

## BUSINESS RESPONSIBILITY REPORT

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY:

1.	Corporate Identity Number (CIN) of the Company.	L99999TG1989PLC057289
2.	Name of the Company	Gayatri Projects Limited
3.	Registered address	TSR Towers, B-1 6-3-1090, Rajbhavan Road, Somajiguda Hyderabad 500082
4.	Website	www.gayatri.co.in
5.	E-mail id	cs@gayatri.co.in
6.	Financial Year reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Road Projects (42101) Industrial Projects (N.A) Power Projects (42201)
8.	List three key products/services that the Company manufactures /provides (as in balance sheet)	Road Projects Industrial Projects Power Projects
9.	Total number of locations where business activity is undertaken by the Company	50
	(a) Number of International Locations (Provide details of major 5)	Nil
	(b) Number of National Locations	50
10.	Markets served by the Company – Local /State/ National/International	State / National

### SECTION B: FINANCIAL DETAILS OF THE COMPANY:

1.	Paid up Capital (INR)	₹ 37,43,97,370
2.	Total Turnover (INR)	₹ 3,90,051.89 Lakhs
3.	Total profit after taxes (INR)	₹ 5,657.84 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%).	₹ 145.03 Lakhs The Company has spent 15.52 % of the average net profits of the last three financial years
5.	List of activities in which expenditure in 4 above has been incurred:-	Health care and Sanitation, Promoting Education, Promoting gender equality and empowering women and Providing shelter, clothing and education for poor girls

**SECTION C: OTHER DETAILS**

	Does the Company have any Subsidiary Company/ Companies?	Yes, as on 31 <sup>st</sup> March, 2021, the company has 2 subsidiaries.
	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).z	Yes, through their own Business Responsibility initiatives.
	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].	No

**SECTION D: BR INFORMATION**

## 1. Details of Director/Directors responsible for BR.

## a) Details of the Director/Directors responsible for implementation of the BR policy/policies.

No.	Particulars	Details
1.	DIN Number	00005573
2.	Name	T.V. Sandeep Kumar Reddy
3.	Designation	Managing Director

## b) Details of the BR head

No.	Particulars	Details
1.	DIN Number (if applicable)	00005573
2.	Name	T.V. Sandeep Kumar Reddy
3.	Designation	Managing Director
4.	Telephone number	040-23310330/123
5.	e-mail id	sandeepreddy@gayatri.co.in

## 2. Principle-wise (as per NVGs) BR Policy/policies

## a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Policies formulated after internal consultation covering all functional areas								
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Policies conform to statutory provisions								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes the policies were approved by the Board of Directors and the Managing Director and the Executive Director have been authorised to take necessary steps for complying with the BRR requirements								



5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes. Managing Director
6.	Indicate the link for the policy to be viewed online?	Policies hosted on the Company's website: <a href="http://www.gayatri.co.in/corporate-governance.html">http://www.gayatri.co.in/corporate-governance.html</a>
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. Communicated to all internal stakeholders
8.	Does the company have in-house structure to implement the policy/ policies.	Yes.
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes.
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes. Internal evaluation

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: **Not Applicable**

3. Governance related to BR

a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Annually
b.	Does the Company publish a BR or a Sustainability Report?	Yes
c.	What is the hyperlink for viewing this report?	<a href="http://www.gayatri.co.in/corporate-governance.html">http://www.gayatri.co.in/corporate-governance.html</a>
d.	How frequently it is published?	Annually

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

1	Coverage of policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?	The policy is basically applicable to the Company. The group Companies have adopted similar policies.
2	How many stakeholder complaints have been received in the past financial year?	NIL

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Road Projects Industrial Projects Power Projects
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.)	The Company is not engaged in the business of manufacturing goods and consumer products. The company however takes necessary steps to ensure efficient use of the raw materials and goods required for execution of the projects including in relation to energy, water, raw material etc.
3.	Does the company have procedures in place for sustainable sourcing?	Yes
4.	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	Yes. During the execution of the projects awarded to the Company, the Company to the extent possible / permitted under the contracts awarded procures raw materials including bricks, aggregates, sand etc from local & small producers / suppliers. The company also utilizes the services of locals to the extent possible / permitted under the contracts awarded to it.
5.	Does the company have a mechanism to recycle products and waste?	Recycling of the products is not applicable as the company is not engaged in manufacturing activities. Hazardous wastes are disposed off as per the statutory provisions.

**Principle 3: Businesses should promote the wellbeing of all employees**

1.	Please indicate the Total number of employees.	2578		
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	793		
3.	Please indicate the Number of permanent women employees.	19		
4.	Please indicate the Number of permanent employees with disabilities	2		
5.	Do you have an employee association that is recognized by management.	No		
6.	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable		
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	NIL		
	No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
	1.	Child labour/forced labour/ involuntary labour	Nil	Nil
	2.	Sexual harassment	Nil	Nil
	3.	Discriminatory employment	Nil	Nil
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	Not Applicable		
	(a) Permanent Employees			
	(b) Permanent Women Employees			
	(c) Casual/Temporary/Contractual Employees			
	(d) Employees with Disabilities			

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

1.	Has the company mapped its internal and external stakeholders? Yes/No	Yes
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders ?	Yes
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.	Yes

**Principle 5: Businesses should respect and promote human rights**

1.	Does the policy of the company on human rights cover only the company or extend to the Group / Joint / Ventures / Suppliers / Contractors/NGOs/Others?	The policy is basically applicable to the Company. Same is extended to the group Companies
2.	How many stakeholder complaints have been received in the past financial year?	NIL
3.	What percent was satisfactorily resolved by the management?	Not Applicable as the company has not received any complaints

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

1.	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.	The policy is basically applicable to the company. The group Companies have adopted similar policies
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	Yes. The company addresses issues such as climate change, Global warming through conservation of natural resources. To protect the environment hazardous wastes are disposed off as per the statutory provisions
3.	Does the company identify and assess potential environmental risks? Y/N	The company addresses the issues through the Environment, Health and Safety (EHS) Policy and also holds the ISO certification in respect of Environment, Health and Management System
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Wherever the projects awarded to the Company permit adoption of Clean Development Mechanism, the Company strictly adheres to the same.
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Not Applicable
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes. Complied to the extent applicable
7.	Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	1.Construction Federation of India 2.Builders Association of India 3.Confederation of Indian Industry 4.National Highway Builders Federation50
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? if yes specify the broad areas	Whenever Policy guidelines are issued, the company has been providing its suggestions to the Government and above Trade / Chamber Associations. Company officials have also attended Seminars / workshops organized by the apex organizations for facilitating views on the policies.

**Principle 8: Businesses should support inclusive growth and equitable development**

1.	Does the company carried on programmes / initiatives/projects in pursuit of support inclusive growth and equitable development?	Yes. The Company has adopted the CSR policy pursuant to Section 135/Schedule VII of the Companies Act, 2013. The details of the CSR projects under taken by the Company is provided in the annexure 7 to the Directors' Report
2.	Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?	External agencies / in-house / charitable organization
3.	What is your company's direct contribution to community development projects?	No formal assessment done
4.	Have you done any impact assesment of your initiatives?	No impact assessment done
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the Community?	Yes

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	Nil
2.	Does the company display product information on the product label, over and above what is mandated as per local laws?	Not Applicable
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.	No
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	Not Applicable

# INDEPENDENT AUDITOR'S REPORT

To the Members of **Gayatri Projects Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the Standalone Financial Statements of **Gayatri Projects Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021, and the Profit and other comprehensive Income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report.

We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other

ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### Emphasis of Matters

(Note No's. referred hereunder are with reference to respective Notes forming part of the Standalone Financial Statements)

We draw attention to the following matters:

- i) As stated in Note No.33.17, the Investee Company in which the Company has invested by way of Compulsorily Convertible Cumulative Preference Shares ("CCCPS"), has incurred considerable losses, there has been significant erosion of Networth and further, business operations of the investee company are severely impacted due to COVID – 19 Pandemic. No provision for diminution / impairment for carrying value of the investment is provided for the year ended 31<sup>st</sup> March, 2021 and the financial statements of the said investee Company have been prepared on going concern basis for the detailed reasons stated in the said note.
- ii) As stated in Note No.33.18, regarding the status and recoverability of the investments, unsecured loan/subordinate debt infused by the company in an associate company which has been incurring operating losses during the past few years, the financial statements of the said associate Company have been prepared on going concern basis for the detailed reasons stated in the said note.
- iii) As stated in Note No.33.19, the Inter Corporate Loan grouped under 'Non-current Loans' and accumulated interest thereon long pending for recovery.
- iv) As stated in Note No.33.20, the recovery of trade receivables is delayed for the detailed reasons stated in the said note, the road project was terminated by the NHAI and the toll rights were handed over to the NHAI. As per the information and explanation give to us, the termination

payment calculated by the NHAI is very low as compared to the expected termination payment. Further, as stated in the same note, the company has given an irrevocable and unconditional corporate guarantee to a subsidiary of the associate Company, which has defaulted in repayment of dues to the lenders.

- v) As stated in Note No.33.21, the amount receivable from the erstwhile associate Company is long pending for recovery as the same is based on the receipt of claims by the said erstwhile associate Company.
- vi) As stated in Note No.33.22, the work advances in respect of certain contract works given to a sub-contractor grouped under 'Other Current Assets' which are long pending for recovery.
- vii) As stated in the Note No. 33.23, as per the agreement dated 14<sup>th</sup> September, 2020, the Company and Gayatri Highways Limited ("GHL") – an Associate Company jointly and severally agreed to repay the loan availed by GHL from

IL&FS Financial Services Limited (IL&FS) and repaid amount of ₹ 34.42 crores since September, 2020. The repayment of remaining loan installments are pending since January, 2021.

- viii) As stated in the Note No.33.24, wherein it is explained the COVID – 19 Pandemic effects and impact on the business operations of the company and however, the actual effect will be known based on the future developments.

Our opinion is not modified in respect of these matters.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2021. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Audit Process
1	<p><b>Revenue recognition and measurement of contract Assets in respect of unbilled amounts</b></p> <p>The management of the Company has applied significant judgement in determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.</p> <p>Revenue is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted.</p> <p>When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs.</p>	<p>We have obtained the procedure and process involved in estimating the percentage of completion of the projects.</p> <p>We have also obtained and verified the costs incurred on the project/works up to the reporting date for the revenues accounted in respect of works on sampling basis.</p> <p>We have also obtained the certified copies (i.e percentage of completed work approved by the relevant authorities) of works executed till the reporting date in respect of revenues accounted on sampling basis.</p> <p>We have also performed analytical procedures for reasonableness of revenues recognised.</p> <p>We have also verified the reasonableness of the estimation of remaining costs to be incurred to complete the project / work and profit / loss estimated in the project / work.</p> <p>Reviewed the delivery and collection history of customers against whose contracts un-billed revenue is recognised</p> <p>Tested relevant contracts for measurement of work completed during the period for unbilled revenue.</p>

	<p>The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract. Further at the reporting date, revenue is accrued for costs incurred against work performed and which are not billed and further measurement of work completed/cost incurred during the period for recognition of unbilled revenue.</p>	
<p><b>2</b></p>	<p><b>Defaults in repayment of loans / borrowings and Debt Resolution Plan:</b></p> <p>As stated in note no. 17.6 &amp; 20.5, the company has defaulted in repayment of certain loans / borrowings and also defaulted in payment of interest dues.</p> <p>As stated in note no. 33.26, the company has been facing severe liquidity constraints over the last few months due to cash flow mismatches which have resulted in delayed repayments and interest payments to its lenders consortium. In this regard, the company has proposed a Debt Resolution Plan to the lending consortium which essentially involves sources to meet the repayment of debt service obligations through monetization of arbitral awards, monetization of Claims under process either through a Conciliation &amp; Settlement Mechanism, disposing of non-core Assets and cash flows from normal operations of the Company. As a part of the resolution process, the lending consortium has signed an Inter-Creditor Agreement (ICA) on 18<sup>th</sup> March, 2021.</p> <p>We have determined the above area as a key audit matter in view of the implementation of the above submitted resolution plan involves approval from consortium lenders and monetization of claims and arbitral awards is based on the requisite approvals of govt. authorities and fulfilment of terms and conditions related thereto. Further, mis-match in cash flow will affect the working capital cycle and there by affects the business operations of the company and leads to default in repayments of loan / borrowing dues and interest thereon.</p>	<p>We have reviewed the borrowings status and default status as on the Balance Sheet date.</p> <p>We have reviewed the outstanding status of various statutory and other dues.</p> <p>We have obtained and verified the following documents / information with regard to the progress achieved by the Company as stated in the note no.33.26:</p> <ul style="list-style-type: none"> <li>i) Copy of the Resolution Plan submitted to the lending consortium.</li> <li>ii) Copies of GOI Circulars and NHAI policy guidelines.</li> <li>iii) Copies of Bank Guarantee sanction letters received by the company.</li> <li>iv) Copy of the Inter Creditor Agreement.</li> </ul>

**Information Other than the Standalone Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Boards Report including annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does

not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and those Charged with Governance for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these

matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 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, the Statement of Profit and Loss including other Comprehensive Income, the Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a Director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating

effectiveness of such controls, refer to our separate Report in "Annexure B".

- g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has paid or provided for managerial remuneration for the year ended 31<sup>st</sup> March 2021 in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with schedule V to the Act.
- h) 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:
- i. As stated in Note no. 33.1(a), of the Standalone Financial Statements, the Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.
  - ii. As per the information and explanations given by the Company, the Company did not have any long-term contracts including derivative contracts for which there were any material for eeseeable losses.
  - iii. As per the information and explanations given by the Company, there has been no delay in transferring the amounts which are required to be transferred to Investor Education & Protection Fund.

for **M O S & Associates LLP**

Chartered Accountants

Firm Registration No.: 001975S/S200020

**Oommen Mani**

Partner

Place: Hyderabad

Membership Number: 234119

Date: 14<sup>th</sup> June, 2021

UDIN: 21234119AAAABW5338

## ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2021, we report that:

- (i) In respect of Fixed Assets:
  - a. In our opinion and as per the information and explanations given to us, the Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets
  - b. The management of the company has verified the Fixed Assets at reasonable intervals during the year. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records, which in our opinion were not material, have been properly dealt with.
- (iii) According to information and explanations given to us, the Company has granted unsecured Loans of ₹ 25,370.48 lakhs to parties covered in the Register maintained under section 189 of the Companies Act, 2013. In respect of such loans,
  - a. In our opinion and according to information and explanations given to us, the terms and conditions of such loans given by the Company are not prima facie prejudicial to the interest of the company.
  - b. The Schedule of repayment of the principal and interest has not been stipulated as the principal amount is repayable on demand.

- c. There is no repayment schedule and therefore there is no overdue amount.
- (iv) According to the information and explanations given to us and in our opinion, the company has complied with the provisions of sections of 185 and 186 of the Act, to the extent applicable, in respect of grant of loans, making investments and providing guarantees and securities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues
- a. According to the information and explanations given to us, and based on our examination of records of the Company, the company has been generally regular in depositing amounts deducted/ accrued in the books of accounts in respect of statutory dues including provident fund, value added tax, cess and other material statutory dues except income tax and goods and service tax for which there have been delay in few cases.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, goods and service tax, duty of custom, duty of excise, value added tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except as given below;

<b>Name of the statute</b>	<b>Nature of Dues</b>	<b>F.Y. to which the amount relates</b>	<b>Amount involved (₹ in Lakhs)</b>
Income Tax Act, 1961	TDS	2020-21	572.98
Goods and Service Tax Act, 2017	GST dues	2020-21	882.88
Provident Fund	PF dues	2020-21	87.98
Professional Tax	PT dues	2020-21	0.72

- c. According to the information and explanation given to us, there are no dues of Sales tax, Income Tax, Wealth Tax, Service Tax, Customs Duty, Goods and Service Tax, and Cess which have not been deposited as on 31st March, 2021 on account of any dispute, except the following:

Sl. No.	Name of the Statute	Name of the Tax Due	Forum where Dispute is pending	Amount ₹ in Lakhs	Financial Years
1	Central Sales Tax Act, 1956 and Sales Tax Acts of Various States	Sales Tax/Vat	Appeals pending before High Courts of respective states and Appellate Tribunals and other appropriate authorities.	1,403.60	2001-02, 2004-05 to 2009-10, 2011-12 and 2016-17
2	Central Excise Act, 1944	Service Tax	Appeals pending before various Authorities	1,760.09	2007-08 to 2011-12
3	Goods and Service Tax Act, 2017	GST Dues	Appeal filed before the Commissioner (Appeal), Guwahati	186.66	2017-18
4	Income Tax Act, 1961	Income Tax	Appeal Filed before Appellant Authority	3985.62	2017-18

- (viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has defaulted in repayment of loans or borrowings to Bank, Financial Institutions / Non Banking Financial Corporation's (NBFC's) during the year and as on the Balance Sheet date.

The details of the defaults / over dues which were not paid as at the balance sheet date are as follows:

#### Non-Current borrowings

₹ in Lakhs

Particulars	Principal				Interest			
	0-30 days	31-60 days	61-90 days	91-120 days	0-30 days	31-60 days	61-90 days	91-120 days
<b>Banks</b>								
Andhra Bank	189.20	189.20	189.20	-	25.50	23.13	19.70	-
Bank Of Baroda	451.51	335.53	333.62	-	109.41	100.29	107.80	-
Bank Of Maharashtra	28.00	-	-	-	5.40	-	-	-
Canara Bank	44.80	44.80	44.80	-	46.52	34.63	34.17	-
IDBI Bank Ltd	265.40	265.40	265.40	-	78.38	70.12	76.69	-
Indian Overseas Bank	187.07	187.07	187.07	-	102.01	90.85	98.84	-
Punjab National Bank	52.00	-	-	-	6.31	5.70	6.28	-
State Bank Of India	28.00	-	-	-	2.59	-	-	-
Union Bank Of India	62.00	62.00	62.00	-	8.08	7.16	7.77	-
United Bank Of India	174.38	174.38	174.38	-	104.08	93.10	100.94	-
<b>Financial Institutions/NBFCs</b>								
Shriram Transport Finance	11.65	11.44	1.97	1.90	2.30	2.52	0.57	0.28
SREI Equipment Finance Ltd.	233.13	227.89	225.62	224.50	63.67	68.91	71.17	59.32
Sundaram Finance Ltd.	32.37	31.27	30.99	3.36	7.66	8.76	9.04	1.98
<b>Total</b>	<b>1,759.51</b>	<b>1,528.98</b>	<b>1,515.05</b>	<b>229.76</b>	<b>561.91</b>	<b>505.17</b>	<b>532.97</b>	<b>61.58</b>
<b>Total</b>				<b>5,033.30</b>				<b>1,661.63</b>

**Current Borrowings – Secured Working Capital Facilities**

₹ In Lakhs

Name of the Bank				Interest		
	0-30 days	31-60 days	61-90 days	0-30 days	31-60 days	61-90 days
Andhra Bank	18.14	21.1	-	18.86	9.37	9.68
Bank Of Baroda	354.85	358.33	-	367.73	10.22	10.53
Bank Of Maharashtra	52.77	59.50	59.50	2.20	-	-
Canara Bank	759.50	-	-	137.69	-	-
Corporation Bank	73.18	73.45	73.45	53.83	2.74	2.88
Federal Bank	17.35	17.04	-	17.15	-	-
IDBI Bank Ltd	212.94	212.94	-	218.77	58.06	2.36
Indian Overseas Bank	-	-	-	97.99	97.99	-
Punjab National Bank	250.98	251.32	251.32	118.26	66.69	72.73
State Bank of India	444.69	-	-	57.13	-	-
Syndicate Bank	1073.68	-	-	142.99	-	-
Union Bank Of India	22.36	22.28	-	50.94	-	-
<b>Inter Corporate Deposits</b>						
Kakinada Seaports Limited	-	-	-	12.57	-	-
Gajraj Infrastructure Pvt. Ltd.	-	-	-	2.00	-	-
<b>Total</b>	<b>3,280.44</b>	<b>1,016.05</b>	<b>384.27</b>	<b>1298.11</b>	<b>245.07</b>	<b>98.18</b>
<b>Total</b>			<b>4,680.76</b>			<b>1641.36</b>

- (ix) According to information and explanations given to us, the company has not raised moneys by way of public offer (including debt instruments). Based on our audit procedures and according to the information and explanations given to us, in our opinion, the Term loans availed by the Company were, prima facie, applied for the purpose for which they were obtained.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
- (xi) In our opinion and according to the information and explanations given to us, the company has paid or provided for managerial remuneration for the year ended 31<sup>st</sup> March 2021 in accordance with the requisite approvals mandated by the provisions under Section 197 of the Act read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company, provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on examination of records of the Company, transactions with related parties are in compliance of Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the company.
- (xv) According to the information and explanations given to us and based on examination of records of the Company, the Company has not entered into any non-cash transaction with directors or persons connected with them. Hence, Clause 3(xv) of the Order is not applicable for the current year under report.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

for **M O S & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 001975S/S200020

**Oommen Mani**  
Partner

Place: Hyderabad  
Date: 14<sup>th</sup> June, 2021

Membership Number: 234119  
UDIN: 21234119AAAABW5338

## **ANNEXURE - B TO THE AUDITORS' REPORT**

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our main audit report)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Gayatri Projects Limited ("the Company") as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection

of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us read together with our observations under paragraph Emphasis of Matter of our main report, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **M O S & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 001975S/S200020

**Oommen Mani**  
Partner

Place: Hyderabad  
Date: 14<sup>th</sup> June, 2021

Membership Number: 234119  
UDIN: 21234119AAAABW5338

# STANDALONE BALANCE SHEET

AS AT 31<sup>ST</sup> MARCH, 2021

₹ in Lakhs

Particulars	Note No.	As at 31 <sup>ST</sup> March, 2021	As at 31 <sup>ST</sup> March, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment	3a	33,008.31	39,420.14
(b) Capital Work in Progress	3b	2,260.53	1,093.35
<b>(c) Financial Assets</b>			
(i) Investments	4	56,209.10	55,937.28
(ii) Loans	5	33,978.90	34,519.34
(iii) Trade Receivables	6	21,602.89	23,078.44
(iv) Other Financial Assets	7	20,296.72	18,549.10
(d) Deferred Tax Asset (Net)	8	954.04	501.06
<b>Total Non-Current Assets</b>		<b>168,310.49</b>	<b>173,098.71</b>
<b>Current assets</b>			
(a) Inventories	9	81,468.57	62,377.98
<b>(b) Financial Asset</b>			
(i) Trade receivables	10	151,837.20	127,876.83
(ii) Cash and cash equivalents	11a	8,368.79	11,828.26
(iii) Other bank balances	11b	20,563.43	21,093.07
(iv) Loans	12	11,775.80	8,505.18
(c) Current Tax Assets (net)	13	20,272.50	19,910.18
(d) Other Current Assets	14	103,171.78	133,904.50
<b>Total Current Assets</b>		<b>397,458.07</b>	<b>385,496.00</b>
<b>TOTAL ASSETS</b>		<b>565,768.56</b>	<b>558,594.71</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	15	3,743.97	3,743.97
(b) Other Equity	16	96,301.45	90,488.56
<b>Total Equity</b>		<b>100,045.42</b>	<b>94,232.53</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	17	27,800.01	56,478.42
(ii) Other Financial liabilities	18	91,930.75	133,992.01
(b) Provisions	19	790.26	768.69
<b>Total Non-Current Liabilities</b>		<b>120,521.02</b>	<b>191,239.12</b>
<b>Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	20	142,561.07	116,201.16
(ii) Trade payables	21	143,640.13	108,940.63
(iii) Other Financial Liabilities	22	48,005.91	37,739.84
(b) Other Current Liabilities	23	10,899.90	10,110.31
(c) Provisions	24	95.11	131.12
<b>Total Current Liabilities</b>		<b>345,202.12</b>	<b>273,123.06</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>565,768.56</b>	<b>558,594.71</b>
Significant Accounting Policies	2		
Other Notes forming part of the Financial Statements	33		

As per our Report attached  
**For M O S & Associates LLP**  
 Chartered Accountants

For and on behalf of the Board

**Oommen Mani**  
 Partner

**T. Indira Reddy**  
 Chair person  
 DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
 Managing Director  
 DIN : 00005573

Place: Hyderabad  
 Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
 Chief Financial Officer

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



# STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

₹ in Lakhs

Particulars	Note No.	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
(I) Revenue from operations	25	390,051.89	342,733.36
(II) Other Income	26	736.60	517.42
<b>(III) Total Income (I+II)</b>		<b>390,788.49</b>	<b>343,250.78</b>
<b>(IV) Expenses</b>			
(a) Cost of Materials Consumed and Cost of Purchases & Services	27	152,474.39	120,393.96
(b) Work Expenditure	28	180,740.41	173,097.04
(c) Changes in Work in Progress	29	(13,057.02)	(18,933.50)
(d) Employee benefits expenses	30	15,050.51	14,921.05
(e) Finance costs	31	32,072.18	28,563.70
(f) Depreciation and amortization expense	3	8,450.16	9,091.61
(g) Other Expenses	32	9,936.28	10,605.03
<b>Total Expenses (IV)</b>		<b>385,666.91</b>	<b>337,738.89</b>
<b>V Profit / (Loss) before Exceptional items and Tax (III-IV)</b>		5,121.58	5,511.89
<b>VI Exceptional items</b>		-	(44,533.89)
<b>VII Profit/(Loss) before Tax</b>		5,121.58	(39,022.00)
<b>VIII Tax Expenses</b>	33.8	(536.26)	-
<b>IX Profit / (Loss) for the year (VII-VIII)</b>		<b>5,657.84</b>	<b>(38,457.22)</b>
<b>X Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss :</b>			
i) Changes in fair value of equity investment		255.84	(386.88)
ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits		(17.50)	(33.21)
iii) Income tax relating to Items that will not be reclassified to profit or loss		(83.29)	146.80
<b>Total Other Comprehensive Income / (Loss) (X)</b>		155.05	(273.29)
<b>XI Total Comprehensive Income/(Loss) for the Year (IX+X)</b>		<b>5,812.89</b>	<b>(38,730.51)</b>
<b>XII Earning per Share (of ₹ 2/- each)</b>	33.7		
Basic and Diluted (₹)		3.02	(20.54)
Significant Accounting Policies	2		
Other Notes forming part of the Financial Statements	33		

As per our Report attached  
**For M O S & Associates LLP**  
Chartered Accountants

For and on behalf of the Board

**Oommen Mani**  
Partner

**T. Indira Reddy**  
Chair person  
DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
Managing Director  
DIN : 00005573

Place: Hyderabad  
Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
Chief Financial Officer

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

# STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
<b>A Cash Flow from Operating Activities:</b>		
Profit before Tax excluding extraordinary and exceptional items	5,121.58	5,511.89
<b>Adjustments for:</b>		
Depreciation and amortization	8,450.16	9,091.61
Interest and other Income	(3,195.45)	(3,469.40)
Expected credit loss	4,496.53	4,792.01
(Profit)/Loss on sale of Property, Plant and Equipment	(458.74)	141.60
Finance Costs	35,143.03	31,813.25
Changes in Fair Value of Equity Investment	(15.98)	25.62
<b>Operating Profit before working Capital Changes</b>	<b>49,541.13</b>	<b>47,906.58</b>
<b>Adjustments for:</b>		
(Increase) / Decrease in Trade Receivables	(23,960.37)	18,100.03
(Increase) / Decrease in non-current financial asset	(1,006.20)	(1,705.89)
(Increase) / Decrease in current financial asset	(4,055.04)	10,929.31
(Increase) / Decrease in Other current assets	27,932.86	(12,752.43)
(Increase) / Decrease in Inventory & Work in Progress	(19,090.59)	(26,636.56)
Increase / (Decrease) in current financial liabilities	895.41	3,589.93
Increase / (Decrease) in non-current financial liabilities	(42,093.20)	(18,439.83)
Increase / (Decrease) in Trade Payables	34,699.50	17,617.19
<b>Cash (used in) / generated from Operating Activities</b>	<b>22,863.50</b>	<b>38,608.33</b>
Direct Taxes paid (Net)	-	-
<b>Net Cash (used in)/ generated from Operating Activities (A)</b>	<b>22,863.50</b>	<b>38,608.33</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment including capital work-in-progress	(2,746.77)	(12,067.47)
Net investments in bank deposits (having original maturity of more than three months)	529.64	(1,077.73)
Interest and other income received	3,195.45	3,469.40
<b>Net Cash (used in)/ generated from Investing Activities (B)</b>	<b>978.32</b>	<b>(9,675.80)</b>
<b>C Cash Flow from Financing Activities</b>		
Net Proceeds from / (Repayment of) Long term borrowings	(18,101.39)	(21,072.52)
Net Proceeds from / (Repayment of) Short term borrowings	26,370.17	20,204.12
Net Proceeds from / (Repayment of) Inter Corporate Loans	(10.26)	1,010.26
Finance Costs	(35,559.81)	(29,895.99)
<b>Net Cash (used in)/ generated from Financing Activities (C)</b>	<b>(27,301.29)</b>	<b>(29,754.13)</b>
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(3,459.47)	(821.60)
Cash and Cash Equivalents at the beginning of the year	11,828.26	12,649.86
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>8,368.79</b>	<b>11,828.26</b>

As per our Report attached  
**For M O S & Associates LLP**  
 Chartered Accountants

For and on behalf of the Board

**Oommen Mani**  
 Partner

**T. Indira Reddy**  
 Chair person  
 DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
 Managing Director  
 DIN : 00005573

Place: Hyderabad  
 Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
 Chief Financial Officer

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

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

### A. Equity Share Capital and Other Equity

₹ in Lakhs

Particulars	Equity Share Capital (Note No. 14)	Other Equity					Total Other Equity
		Reserves & Surplus					
		Capital Reserve	General Reserve	Securities Premium Account	Retained earnings	Other Comprehensive Income	
<b>As at 1<sup>st</sup> April, 2019</b>	<b>3,743.97</b>	<b>143.40</b>	<b>12,300.00</b>	<b>37,683.67</b>	<b>79,226.19</b>	<b>(134.19)</b>	<b>129,219.07</b>
Surplus / (Deficit) for the year	-	-	-	-	(38,457.22)	-	(38,457.22)
Other Comprehensive Income for the Year	-	-	-	-	-	(273.29)	(273.29)
<b>As at 1<sup>st</sup> April, 2020</b>	<b>3,743.97</b>	<b>143.40</b>	<b>12,300.00</b>	<b>37,683.67</b>	<b>40,768.97</b>	<b>(407.48)</b>	<b>90,488.56</b>
Surplus / (Deficit) for the year	-	-	-	-	5,657.84	-	5,657.84
Other Comprehensive Income for the Year	-	-	-	-	-	155.05	155.05
<b>As at 31<sup>st</sup> March, 2021</b>	<b>3,743.97</b>	<b>143.40</b>	<b>12,300.00</b>	<b>37,683.67</b>	<b>46,426.81</b>	<b>(252.43)</b>	<b>96,301.45</b>

As per our Report attached  
**For M O S & Associates LLP**  
 Chartered Accountants

For and on behalf of the Board

**Oommen Mani**  
 Partner

**T. Indira Reddy**  
 Chair person  
 DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
 Managing Director  
 DIN : 00005573

Place: Hyderabad  
 Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
 Chief Financial Officer

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

## 1. CORPORATE INFORMATION

Gayatri Projects Limited (“GPL”, “the Company”) is one of the largest infrastructure company executing works in several high growth sectors within the infrastructure space such as Roads, Irrigation, Rail, Airports Development, Power, Mining and Industrial works.

The Company is a public limited Company, which is listed in two recognized stock exchanges in India. The registered office of the Company is located at B1, 6-3-1090, TSR Towers, Rajbhawan Road, Somajiguda, Hyderabad 500 082.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Compliance with Indian Accounting Standards (Ind AS)

The Company’s Financial statements have been prepared to comply with generally accepted accounting principles in accordance with the Indian Accounting Standards (herein after referred to as “Ind AS”) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016.

### 2.2 Basis of Preparation and Presentation of Financial Statements

The Financial statements are prepared on accrual basis following the historical cost convention except in case of certain financial instruments which are measured at fair values. The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed under Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Indian Accounting Standard (Ind AS) - 7 on “Statement of Cash Flows”. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with other notes required to be disclosed under the notified Ind AS and the Listing Agreement. 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 viz. SEBI guidelines override the same requiring a different treatment. Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy used previously.

Fair value for measurement adopted in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 116, Net Realizable value as per Ind AS 2 or value in use in Ind AS 36. Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are other than quoted prices included with in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the Asset or Liability.

### 2.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the management of the Company to make 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 on the date of the financial statements. Actual results may differ from these estimates. The Company evaluates these estimations and assumptions on a continuous basis based on the historical experience and other factors including expectation of future events believed to be reasonable. 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, estimation of costs as a proportion to the total costs, etc.,. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances. Difference, if

any, between the actual results and estimates is recognized in the period in which the results are known/ materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, are disclosed in the Notes to Account.

## **2.4 Revenue Recognition**

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when the it becomes unconditional.

The management of the company has applied significant judgement in determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation and determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

The specific revenue recognition policy adopted

is as follows:

### **A. Revenue from Operations**

#### **a. Revenue from Construction activity:**

- i) Income is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs.
- ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract.
- iii) Price escalation and other variations in the contract work are included in contract revenue only when:
  - a) Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim and
  - b) The amount that is probable will be accepted by the customer and can be measured reliably.
- iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:
  - a) The contract has sufficiently advanced such that it is probable that the specified performance standards will be met; and
  - b) The amount of the incentive payment can be measured

reliably.

- v) Contract Claims raised by the company which can be reliably measured and have reached an advanced stage of arbitration and claims pending in High Courts have been recognized as income including eligible interest thereon.

**b. Contract Revenue from supply of materials:**

Revenue from supply of materials is recognized when substantial risk and rewards of ownership are transferred to the buyer and invoice for the same is raised.

**c. Revenue receipts from Joint Venture Contracts**

- i) In work sharing Joint Venture arrangements, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.
- ii) In Jointly Controlled Entities, the share of profits or losses is accounted as and when dividend/ share of profit or loss are declared by the entities.

**d. Other Operational Revenue:**

- i) All other revenues are recognized only when collectability of the resulting receivable is reasonably assured and related goods / services are transferred to the customer.
- ii) Revenue is reported net of discounts, if any.

**B. Other Income**

- i) Interest income is accounted on accrual basis as per applicable interest rates and on time proportion basis taking into account the amount outstanding.
- ii) Dividend income is accounted in the year in which the right to receive the same is established.
- iii) Insurance claims are accounted for on cash basis.

**2.5(a) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation thereon. Expenditure which are capital in nature are capitalized at cost, which comprise of purchase price (net of rebates and discounts), import duties, levies, financing costs and all other expenditure directly attributable to bringing the asset to its working condition for its intended use.

Any gain/loss on the disposal of the Property, Plant and Equipment is recognized in the Statement of Profit & Loss account and is determined as the difference between the sales proceeds and the carrying amount of the asset.

**(b) Capital work in progress**

Property, Plant and Equipment which are purchased but not yet installed and not ready for their intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress". Cost of materials used in the process of erection/ installation of an asset but not yet completed as on the reporting date is also disclosed as "Capital Work-in-Progress".

**2.6 Depreciation and amortization**

In respect of Property, Plant & Equipment (other than Land and Capital Work in Progress) depreciation / amortization is charged on a straight-line basis over the useful lives as specified in Schedule II to the Companies Act, 2013.

Assets individually costing ₹ 20,000/- or less and temporary structures are fully depreciated in the year of acquisition.

The residual values and useful lives are reviewed at the end of the reporting period.

**2.7 Impairment of Non-Financial Assets**

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

**Recoverable amount is determined:**

- In case of an individual asset, at the higher

of the Assets' fair value less cost to sell and value in use; and

- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.
- In assessing Value in Use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified with the asset. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through the Statement of Profit and Loss.

## 2.8 Financial Instruments

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities (other than Financial Assets and Financial Liabilities at fair value through profit or loss) are added to or deducted from the fair value of the Financial Assets or Financial Liabilities, as appropriate, on initial recognition.

## 2.9 Financial Assets

Financial Asset is any Asset that is -

- (a) Cash
- (b) Equity Instrument of another Entity,
- (c) Contractual right to -
  - i. receive Cash / another Financial Asset from another Entity, or
  - ii. exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

Investment in Equity Shares issued by Subsidiary, Associate and Joint Ventures are carried at cost less impairment.

Investment in preference shares are classified as debt instruments and carried at Amortized cost if they are not convertible into equity instruments and are not held to collect contractual cash flows. Other Investment in preference shares which are classified as Debt instruments are mandatorily carried at Fair value through Profit & loss Account (FVTPL).

All investments in equity instruments other than as classified above under Financial Assets are initially carried at fair value. The Company has adopted to measure the fair value of equity instruments through FVTPL Fair value changes on an equity instrument are recognized in the Statement of Profit & Loss.

Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.

A Financial Asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance

based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

### **Financial Liabilities**

Financial liabilities are recognized at fair value net of transaction costs and are subsequently held at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit and loss are measured at fair value with changes in fair value recognized in the profit and loss account. Interest bearing bank loans are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

### **De-recognition of Financial Instruments**

A Financial Asset is derecognized when the right to receive cash flows from the asset have expired or the company has transferred substantially all the risks and rewards or the right to receive the

cash flows under a contractual arrangement or has transferred the asset.

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. In the case where the existing liability is replaced by another liability either from the same lender or otherwise such an exchange is treated as de-recognition of the original liability and recognition of a new liability. Any change in the carrying amount of a liability is recognized in the Statement of Profit and Loss.

### **2.10 Inventories and Work in Progress**

Raw Materials, Construction Materials and Stores & Spares are valued at lower of weighted average cost or net realizable value. Cost includes Direct Material, Work Expenditure, Labour Cost and appropriate overheads excluding refundable duties and taxes.

Cost of materials utilised in the contract work, which is not reached certain level, not quantified, and qualified for billing is considered as work in progress at the end of the reporting period.

### **2.11 Cash & Cash Equivalents**

Cash and Cash Equivalents are short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of change in value and have maturities of three months or less.

### **2.12 Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation in respect of which reliable estimate can be made as on the balance sheet date.

Contingent Liabilities are present obligations arising from a past event, when it is not probable / probability is remote that an outflow of resources will be required to settle the obligation and they are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements except where it has become virtually certain that an inflow of economic benefit will arise, the asset and the related income are recognized in financial



statements of the period in which the change occurs Provisions for Contingent Liabilities and Contingent Assets are reviewed at the end of Balance Sheet date.

### **2.13 Foreign Currency Transactions and Translation**

The reporting currency of the company is Indian Rupee. Foreign Currency Transactions are translated at the functional currency spot rates prevailing on the date of transactions.

Monetary assets and current liabilities related to foreign currency transactions remaining unsettled are translated at the functional currency spot rates prevailing on the balance sheet date. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss.

Non-monetary foreign currency items are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

### **2.14 Employee Benefits**

Payments to Defined Contribution schemes are charged as an expense as they fall due. Company's contribution to provident fund in respect of certain employees is made to a government administrated fund and charged as an expense to the Statement of Profit and Loss.

Liability for employee benefits, both short and long term, for present and past service which are due as per the terms of employment are recorded in accordance with Indian Accounting Standard 19 "Employee Benefits" issued by the Companies (Accounting Standard) Rules, 2015. Remeasurement gains /losses on post-employment defined benefits comprising gains/ losses is reflected immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which it arises.

#### **i) Gratuity**

In accordance with the Payment of Gratuity Act, 1972 the Company provides for Gratuity covering eligible employees. The liability on account of Gratuity is provided on the basis of valuation of the liability by an independent actuary as at the year end.

#### **ii) Provident Fund**

In accordance with applicable local laws, eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan to which both the employee and employer contributes monthly at a determined rate (currently up to 12% of an employee's salary). These contributions are either made to the respective Regional Provident Fund Commissioner, or the Central Provident Fund under the State Pension Scheme, and are recognized as expenses incurred.

#### **iii) Compensated Absences**

The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

### **2.15 Deferred Revenue Expenditure**

Projects and other related expenditure incurred up to 31st March, 2021, the benefit of which is spread over more than one year is accounted as Project Promotion Expenses grouped under Other Advances and is amortized over the period in which benefits would be derived.

### **2.16 Leases**

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of

the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

## 2.17 Earnings per Share (EPS)

In arriving at the EPS, the Company's Net Profit After Tax, is divided by the weighted average number of equity shares outstanding. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS, the net profit after tax, referred above, is divided by the weighted average number of equity shares, as computed above and the weighted average number of equity share that could have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The date(s) of issue of such potential shares determine the amount of the weighted average number of potential equity shares.

## 2.18 Taxation

### i) Current Tax

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and provisions of Income Tax Act, 1961 as at the balance sheet date and any adjustments to taxes in respect of the previous years, penalties if any related to income tax are included in the current tax expense.

### ii) Deferred Taxes

Deferred Tax is the tax expected to be payable or recoverable on differences between the carrying amount of the assets and liabilities for financial reporting purpose and the corresponding tax bases used in computation of taxable profit. Deferred tax assets are recognized and carried forward only 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.

Current and deferred tax is recognized in profit or loss, except to the extent that it related to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

## 2.19 Commitments

Commitments are future liabilities for contractual expenditure.

Commitments are classified and disclosed as follows:

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b. Uncalled liability on shares and other investments partly paid;
- c. Funding related commitment to subsidiary, associate and joint venture companies and
- d. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/ procurements made in the normal course of business are not disclosed to avoid excessive details.

## 2.20 Operating cycle for current and non-current classification

Operating cycle for the business activities of the Company covers the duration of the specific project/contract including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

### **2.21 Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- i. transactions of a non-cash nature;
- ii. any deferrals or accruals of past or future operating cash receipts or payments;
- iii. items of income or expense associated from investing or financing cash flows; and

Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows.

### **2.22 Exceptional Items:**

Items of income and expenditure within profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as Exceptional Items.

### **2.23 Borrowing Cost**

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

## 3a. Property, Plant &amp; Equipment

₹ in Lakhs

Particulars	Gross Carrying amount as at April 1, 2020	Additions/ Adjustment during the year	Deletions/ Retirement during the year	Gross Carrying amount as at Mar 31, 2021	Accumulated Depreciation as at April 1, 2020	Depreciation for the year	Deductions/ Adjustment during the year	Accumulated Depreciation as at Mar. 31, 2021	Net Carrying amount as at Mar. 31, 2021	Net Carrying amount as at March 31, 2020
Land	25.37	-	-	25.37	-	-	-	-	25.37	25.37
Land for Borrow Area (Project Work)	827.32	558.62	1,193.06	192.88	-	-	-	-	192.88	827.32
Plant and Equipment	77,028.46	2,414.88	923.99	78,519.35	43,277.16	6,686.95	822.73	49,141.38	29,377.97	33,751.30
Furniture and Fixtures	682.18	2.87	-	685.05	396.56	48.12	-	444.68	240.37	285.62
Vehicles	4,226.46	74.25	-	4,300.71	2,917.64	274.31	-	3,191.95	1,108.76	1,308.82
Right of Use of Assets (Refer Note No. 33.6)	4,534.97	282.03	-	4,817.00	1,313.26	1,440.78	-	2,754.04	2,062.96	3,221.71
<b>Total</b>	<b>87,324.76</b>	<b>3,332.65</b>	<b>2,117.05</b>	<b>88,540.36</b>	<b>47,904.62</b>	<b>8,450.16</b>	<b>822.73</b>	<b>55,532.05</b>	<b>33,008.31</b>	<b>39,420.14</b>
<b>Previous Year</b>	<b>76,516.99</b>	<b>11,296.98</b>	<b>489.21</b>	<b>87,324.76</b>	<b>38,883.95</b>	<b>9,091.61</b>	<b>70.94</b>	<b>47,904.62</b>	<b>39,420.14</b>	<b>37,633.04</b>

## 3b. Capital work in Progress

₹ in Lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Opening Balance</b>		46.19
Additions during the year	1,093.35	1,052.66
Less : Capitalisation / Adjustments during the year	2,260.53	(5.50)
<b>Capital work in Progress</b>	<b>2,260.53</b>	<b>1,093.35</b>

**4. Investments**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Non-Trade investments</b>		
<b>Unquoted</b>		
<b>A. Investment in Subsidiary Companies</b>		
(i) 65,24,030 (As at 31 <sup>st</sup> March 2020 : 65,24,030) Equity Shares of ₹ 10/- each, fully paid in Gayatri Energy Ventures Pvt. Ltd., (Refer Note No.4.1)	63,983.29	63,983.28
Less : impairment of Investment	(44,533.89)	(44,533.89)
(ii) 25,500 (As at 31 <sup>st</sup> March 2020 : 25,500) Equity Shares of ₹ 10/- each, fully paid in Bhandara Thermal Power Corporation Ltd. - Step down Subsidiary (Refer Note No.4.2)	2.55	2.55
<b>B. Other Investments</b>		
<b>a) Investment in Other Companies</b>		
i) 7,82,87,796 (As at 31 <sup>st</sup> March 2020 : 7,82,87,796) 4% Compulsorily Convertible Cumulative Preferential Shares (CCCPS) of ₹ 10/- each, fully paid in Gayatri Hitech Hotels Ltd. (Refer Note No.4.3 and 33.17)	19,571.95	19,571.95
<b>b) Investment in Associate Companies</b>		
ii) 16,77,00,300 (As at 31 <sup>st</sup> March 2020 : 16,77,00,300) 9% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each, fully paid in Gayatri Highways Ltd (Formerly Gayatri Domicile Pvt. Ltd) (Refer Note No.4.4 and 33.18)	16,770.03	16,770.03
<b>Quoted</b>		
<b>a) Investment in Associate Companies</b>		
i) 6,24,00,000 (As at 31 <sup>st</sup> March 2020 : 6,24,00,000) Equity Shares of ₹ 2/- each, fully paid in Gayatri Highways Ltd (formerly Gayatri Domicile Pvt.Ltd) (Refer Note No.4.5)	1,248.00	1,248.00
Changes in Fair Valuation of Investments	(854.88)	(1,110.72)
<b>b) Investment in Other Companies</b>		
(i) 11,63,607 (As at 31 <sup>st</sup> March 2020 : 11,63,607) Equity Shares of ₹ 10/- each in Gayatri Sugars Ltd. (Refer Note No.4.6)	293.10	293.10
(ii) 273 (As at 31 <sup>st</sup> March 2020 : 1,728 (Syndicate Bank) Equity Shares of ₹ 10/- each in Canara Bank	0.86	0.86
Changes in Fair Valuation of Investments	(271.91)	(287.88)
<b>Total</b>	<b>56,209.10</b>	<b>55,937.28</b>

- 4.1) 48,27,482 Equity shares have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.
- 4.2) 25,500 Equity shares of Bhandara Thermal Power Corporation Limited have been pledged to IL & FS is yet to be released by the IL & FS as the loan is repaid by the step-down subsidiary company.
- 4.3) 7,82,87,796 4% Compulsorily Convertible Cumulative Preferential Shares held by the Company in Gayatri Hi-Tech Hotels Ltd have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.
- 4.4) 16,77,00,300 9% Non Convertible Cumulative Redeemable Preference Shares held by the Company in M/s. Gayatri Highways Limited (formerly Gayatri Domicile Pvt.Ltd) have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.
- 4.5) 6,23,00,000 Equity shares of Gayatri Highways limited (GHL) (formerly Gayatri Domicile Pvt.Ltd) have been pledged to IL&FS Securities Services Limited (Security Trustee) for the credit facilities availed by GHL from IL&FS Financial Services Limited.
- 4.6) 11,63,607 Equity Shares held by the company in Gayatri Sugars Limited have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.

**5. Loans (Non-current)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Security Deposit with Govt. Depts and Others	30.80	32.23
Loans to Related Parties - Unsecured, Considered Good		
Loans to Associate Company (Refer Note No.33.18)	17,967.01	17,967.01
Less : Provision for Expected Credit Loss	(2,695.05)	(2,156.04)
<b>To Others - Unsecured, Considered Good</b>		
- Inter Corporate Loan (Refer Note No.33.19)	18,676.14	18,676.14
<b>Total</b>	<b>33,978.90</b>	<b>34,519.34</b>

**6. Trade Receivables (Non-current)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Unsecured, Considered Good</b>		
From Related Parties		
- Receivables from Subsidiary of Associate Company (Refer Note No.33.20)	24,472.04	24,472.04
Less : Provision for Expected Credit Loss	(3,677.81)	(2,942.25)
- Receivables from Joint Ventures	808.67	1,548.65
<b>Total</b>	<b>21,602.90</b>	<b>23,078.44</b>

**7. Other Financial Assets (Non-current)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Accumulated Interest (Refer Note No.33.19)	20,296.72	18,549.10
<b>Total</b>	<b>20,296.72</b>	<b>18,549.10</b>

**8. Deferred Tax Asset (Net)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(a) Deferred Tax (Asset) on timing differences:		
i) on account of Gratuity and Leave Encashment	87.51	75.76
ii) on account of IND AS Adjustments	65.09	65.09
(b) Deferred Tax Liability on timing differences:		
i) Other Comprehensive Income	106.30	189.59
ii) Depreciation	695.14	170.62
<b>Total</b>	<b>954.04</b>	<b>501.06</b>

**9. Inventories**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(a) Construction materials, Stores and Spares	32,427.95	26,394.38
(b) Work in Progress	49,040.62	35,983.60
<b>Total</b>	<b>81,468.57</b>	<b>62,377.98</b>

**10. Trade Receivables (Current)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(a) Secured, considered good	-	-
(b) Unsecured, considered good		
- Related Parties: Companies in which KMP's are interested	326.68	326.68
- Others	132,807.76	100,529.19
- Retention Money Receivable from Contractees	18,704.40	27,022.60
	151,838.84	127,878.47
Less : Provision for Expected Credit Loss	(1.64)	(1.64)
<b>Total</b>	<b>151,837.20</b>	<b>127,876.83</b>

**11a) Cash and cash equivalents**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(i) Balances with banks		
In current accounts	6,006.16	8,251.60
In deposit accounts	2,337.17	3,536.82
(ii) Cash in hand	25.46	39.84
<b>Total</b>	<b>8,368.79</b>	<b>11,828.26</b>

**11b) Other Bank Balances (having maturity more than three months)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Margin money for Bank Guarantees / LCs	20,563.43	21,093.07
<b>Total</b>	<b>20,563.43</b>	<b>21,093.07</b>

**12. Loans (Current)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>To Related Parties - Unsecured, Considered Good</b>		
Loans to Subsidiaries	591.99	578.55
Loans to Associates (Refer Note No.33.18)	6,811.48	2,383.04
<b>To Others - Unsecured, Considered Good</b>		
Loan (including accumulated interest) (Refer Note No.33.21)	6,460.18	6,847.02
Less : Provision for Expected Credit Loss	(2,087.85)	(1,303.43)
<b>Total</b>	<b>11,775.80</b>	<b>8,505.18</b>

Note : Loans to Subsidiaries and associates are unsecured and have no fixed repayment schedule.

**13. Current Tax Assets (Net)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Income Tax Refund receivable	5,499.23	10,646.70
MAT Credit Entitlement	3,458.48	2,563.63
VAT refund Receivable	927.23	1,386.75
GST Input Credit	10,387.56	5,313.10
<b>Total</b>	<b>20,272.50</b>	<b>19,910.18</b>

**14. Other current assets**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Deposits with Govt. Dept & Others	2,442.33	2,287.44
Other receivable (Refer Note No.33.16)	865.45	2,082.19
Claims receivable (Refer Note No.2.4.A(a)(v) 33.27)	35,966.01	69,421.58
Project mobilisation Expenditure (Deferred)	3,299.46	4,042.40
Prepaid Expenses	2,835.16	2,218.09
<b>Advances - Unsecured, considered Good</b>	-	-
- Advances to Suppliers	3,441.22	301.42
- Advances to Sub-Contractors (Refer Note No.33.22)	59,103.10	55,704.99
Less : Provision for Expected Credit Loss	(4,875.03)	(2,437.49)
- Advance to staff	94.08	283.88
<b>Total</b>	<b>103,171.78</b>	<b>133,904.50</b>

**15. Equity Share Capital**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital				
Equity shares of ₹ 2/- each (As at 31 <sup>st</sup> March 2020 : ₹ 2/- each)	400,000,000	8,000.00	400,000,000	8,000.00
(ii) Issued Share Capital				
Equity shares of ₹ 2/- each (As at 31 <sup>st</sup> March 2020 : ₹ 2/- each)	187,198,685	3,743.97	187,198,685	3,743.97
(iii) Subscribed and fully paid up Share Capital				
Equity shares of ₹ 2/- each (As at 31 <sup>st</sup> March 2020 : ₹ 2/- each)	187,198,685	3,743.97	187,198,685	3,743.97
<b>Total</b>	<b>187,198,685</b>	<b>3,743.97</b>	<b>187,198,685</b>	<b>3,743.97</b>

**15(a) Terms / Rights, Preferences and restrictions attached to Equity Shares:**

The company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.



**15 (b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹ 2/- each with voting rights				
At the beginning of the year	187,198,685	3,743.97	187,198,685	3,743.97
<b>Add:</b> Shares issued during the year	-	-	-	-
Outstanding at the end of the year	<b>187,198,685</b>	<b>3,743.97</b>	<b>187,198,685</b>	<b>3,743.97</b>

**15 (c) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil**
**15 (d) Details of shares held by each shareholder holding more than 5% shares:**

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹ 2/- each with voting rights:				
Indira Reddy Tikkavarapu	56,350,213	30.10	57,050,213	30.48
Sandeep Kumar Reddy Tikkavarapu	26,993,494	14.42	26,993,494	14.42
GMO Emerging Markets Fund	11,567,064	6.18	16,772,852	8.96
GMO Emerging Domestic Opportunities Fund	3,904,869	2.09	11,052,457	5.90
Government of Singapore	6,995,874	3.74	9,432,140	5.40

**16. Other Equity**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>(a) Capital Reserve</b>		
Opening balance	143.40	143.40
Add : Additions to Reserve during the year	-	-
Closing balance	143.40	143.40
<b>(b) General Reserve</b>		
Opening balance	12,300.00	12,300.00
Less: Utilised during the year	-	-
Closing balance	12,300.00	12,300.00
<b>(c) Securities Premium Account</b>		
Opening balance	37,683.67	37,683.67
Add: Premium received on Shares issued during the year	-	-
Closing balance	37,683.67	37,683.67
<b>(d) Retained earnings</b>		
Opening balance	40,768.97	79,226.19
Add : Surplus / (Deficit) for the year	5,657.84	(38,457.22)
Closing balance	46,426.81	40,768.97
<b>(e) Other Comprehensive Income (OCI)</b>		
Opening balance	(407.48)	(134.19)
Add: Movement in OCI (Net) during the year	155.05	(273.29)
Closing balance	(252.43)	(407.48)
<b>Total (a+b+c+d+e)</b>	<b>96,301.45</b>	<b>90,488.56</b>

**17 Borrowings**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
<b>Secured</b>				
<b>i) Term Loans from Banks</b>				
i. Equipment Loans (Refer Note No.17.1 & 17.4)	2,496.17	3,105.60	4,302.76	3,699.70
ii. Term Loans (Refer Note No.17.2 & 17.4)	20,290.03	16,789.81	44,235.05	8,381.31
iii. Vehicle Loans	11.86	4.29	-	-
<b>ii) Term Loans from others</b>				
i. Equipment Loans (Refer Note No.17.1 & 17.4)	3,977.25	5,189.45	5,787.36	2,425.23
ii. Vehicle Loans (Refer Note No.17.3 & 17.4)	12.40	48.44	76.63	54.33
<b>iii) Other Loans</b>				
Lease Liability (Refer Note No.33.6)	1,012.30	1,296.54	2,076.62	1,323.04
<b>Total</b>	<b>27,800.01</b>	<b>26,434.13</b>	<b>56,478.42</b>	<b>15,883.61</b>

**17.1 Equipment Loans from Banks and Others**

The Equipment loans are secured by hypothecation of specific equipments acquired out of the said loans and all these loans are guaranteed by the promoter directors. The rate of interest on these loans varies between 11% to 15%.

**17.2 Term loans**

The secured term loans are secured by hypothecation of construction equipments not specifically charged to other banks, equitable mortgage of immovable properties of group companies, pledge of unencumbered equity shares of promoters in Gayatri Projects Ltd and personal guarantees of the promoter Directors. The rate of interest varies between 11% to 13% with an average yield of 12.04% p.a.

**17.3 Vehicle Loans:**

The Vehicle loans availed are secured by hypothecation of specific vehicles purchased out of the said loans. The vehicle loans carry interest rate between 11% to 15% p.a.

**17.4 Maturity Profile of long term borrowings is set out below:**

₹ in Lakhs

Particulars	2022-23	2023-24	2024-25	2025-26 onwards
Equipment loans from Banks	1,401.16	1,095.01	-	-
Term Loans from Banks	10,984.07	9,305.96	-	-
Vehicle Loans from Banks	4.63	5.01	2.21	-
Equipment & Vehicle loans from Others	2,497.17	1,263.54	228.95	-
Lease Finance	741.46	270.84	-	-
<b>Total</b>	<b>15,628.49</b>	<b>11,940.36</b>	<b>231.16</b>	<b>-</b>

**17.5** Current Maturities of long term borrowings to be repaid within next twelve months have been disclosed under the head "Other Current Liabilities" (Refer Note No.22).

**17.6 Details of amounts due as on Balance Sheet date:**

**a) Principal Amount**

₹ in Lakhs

Name of the Bank / Financial Institution	0-30 days	31-60 days	61-90 days	91-120 days
<b>To Banks</b>				
Andhra Bank	189.20	189.20	189.20	-
Bank of Baroda	451.51	335.53	333.62	-
Bank of Maharashtra	28.00	-	-	-
Canara Bank	44.80	44.80	44.80	-
IDBI Bank Ltd	265.40	265.40	265.40	-
Indian Overseas Bank	187.07	187.07	187.07	-
Punjab National Bank	52.00	-	-	-
State Bank of India	28.00	-	-	-
Union Bank of India	62.00	62.00	62.00	-
United Bank of India	174.38	174.38	174.38	-
<b>To Others</b>				
Shriram Transport Finance Ltd.	11.65	11.44	1.97	1.90
Srei Equipment Finance Ltd.	233.13	227.89	225.62	224.50
Sundaram Finance Ltd	32.37	31.27	30.99	3.36
<b>Total</b>	<b>1,759.51</b>	<b>1,528.98</b>	<b>1,515.05</b>	<b>229.76</b>
<b>Grand Total</b>				<b>5,033.30</b>

**b) Interest Amount**

₹ in Lakhs

Name of the Bank / Financial Institution	0-30 days	31-60 days	61-90 days	91-120 days
<b>To Banks</b>				
Andhra Bank	25.50	23.13	19.70	-
Bank of Baroda	109.41	100.29	107.80	-
Bank of Maharashtra	5.40	-	-	-
Canara Bank	46.52	34.63	34.17	-
IDBI Bank Ltd	78.38	70.12	76.69	-
Indian Overseas Bank	102.01	90.85	98.84	-
Punjab National Bank	6.31	5.70	6.28	-
State Bank of India	2.59	-	-	-
Union Bank of India	8.08	7.16	7.77	-
United Bank of India	104.08	93.10	100.94	-
<b>To Others</b>				
Shriram Transport Finance Ltd.	2.30	2.52	0.57	0.28
Srei Equipment Finance Ltd.	63.67	68.91	71.17	59.32
Sundaram Finance Ltd	7.66	8.76	9.04	1.98
<b>Total</b>	<b>561.91</b>	<b>505.17</b>	<b>532.97</b>	<b>61.58</b>
<b>Grand Total</b>				<b>1,661.63</b>

**18. Other Financial Liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Advances from Contractees	89,079.87	131,141.13
Margin Money Deposits received	2,850.88	2,850.88
<b>Total</b>	<b>91,930.75</b>	<b>133,992.01</b>

**19. Provisions**

₹ in Lakhs

Employee Benefits	790.26	768.69
<b>Total</b>	<b>790.26</b>	<b>768.69</b>

**20. Borrowings**

₹ in Lakhs

<b>Loans repayable on demand</b>		
Secured Working Capital Facilities from Banks (Refer Note No. 20.1)	136,712.77	115,190.90
Short Term Loan (Refer Note No. 20.2)	4,680.80	-
Secured Inter Corporate Loan from Others	1,000.00	1,010.26
Un-secured Inter Corporate Loan from Others	167.50	-
<b>Total</b>	<b>142,561.07</b>	<b>116,201.16</b>

**Nature of Security and Terms of Repayment****20.1 Working Capital Facilities (Secured)**

The working capital facilities from the consortium of Banks are secured by:

- Hypothecation against first charge on stocks, book debts and other current assets of the Company both present and future ranking paripassu with consortium banks.
- Hypothecation against first charge on all unencumbered fixed assets of the Company both present and future ranking paripassu with consortium banks.
- Equitable mortgage of properties belonging to promoters, directors, group companies.
- Personal guarantee of promoter directors and relatives. Corporate guarantees of entities in which KMPs are interested.

**20.2 Short Term Loan (COVID FITL)**

- Hypothecation against first charge on stocks, book debts and other current assets of the Company both present and future ranking paripassu with consortium banks.
- Hypothecation against first charge on all unencumbered fixed assets of the Company both present and future ranking paripassu with consortium banks.
- Equitable mortgage of properties belonging to promoters, directors, group companies.
- Personal guarantee of promoter directors and relatives. Corporate guarantees of entities in which KMPs are interested.

**20.3 Secured Inter Corporate Loan from Others**

The secured Intercompany loans are secured by equitable mortgage of Land of Group Company and personal guarantees of the Managing Director. The rate of interest is 16.00% p.a.

**20.4 Un-secured Inter Corporate Loan from Others**

The unsecured Intercompany loans rate of interest is 18.00% p.a.

**20.5 Details of amounts due as on Balance Sheet date:**

**a) Principal Amount**

₹ in Lakhs

Name of the Bank	0-30 days	31-60 days	61-90 days
Andhra Bank	18.14	21.19	-
Bank of Baroda	354.85	358.33	-
Bank of Maharashtra	52.77	59.50	59.50
Canara Bank	759.50	-	-
Corporation Bank	73.18	73.45	73.45
Federal Bank	17.35	17.04	-
IDBI Bank Ltd	212.94	212.94	-
Punjab National Bank	250.98	251.32	251.32
State Bank of India	444.69	-	-
Syndicate Bank	1,073.68	-	-
Union Bank of India	22.36	22.28	-
<b>Total</b>	<b>3,280.44</b>	<b>1,016.05</b>	<b>384.27</b>

**Interest Amount**

₹ in Lakhs

Name of the Bank / Others	0-30 days	31-60 days	61-90 days
<b>Banks</b>			
Andhra Bank	18.86	9.37	9.68
Bank of Baroda	367.73	10.22	10.53
Bank of Maharashtra	2.20	-	-
Canara Bank	137.69	-	-
Corporation Bank	53.83	2.74	2.88
Federal Bank	17.15	-	-
Idbi Bank Ltd	218.77	58.06	2.36
Indian Overseas Bank	97.99	97.99	-
Punjab National Bank	118.26	66.69	72.73
State Bank of India	57.13	-	-
Syndicate Bank	142.99	-	-
Union Bank of India	50.94	-	-
<b>Intercorporate Deposits</b>			
Kakinada Seaports Limited	12.57	-	-
Gajraj Infrastructure P Ltd	2.00	-	-
<b>Total</b>	<b>1,298.11</b>	<b>245.07</b>	<b>98.18</b>

**21. Trade Payables:**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Micro, Small and Medium Enterprises		
Others	143,640.13	108,940.63
<b>Total</b>	<b>143,640.13</b>	<b>108,940.63</b>

**22. Other Financial liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Current maturities of Long Term Borrowings		
- Term, Equipment, Vehicle Loans and ECB Loans	19,720.02	11,516.16
- Principal Default on Term, Equipment and Vehicle Loans	5,417.57	3,044.41
- Lease Liability	1,296.54	1,323.04
Interest accrued but not due on Borrowings from Banks & Financial Institutions	-	1,228.78
Interest accrued and due on Borrowings from Banks & Financial Institutions	3,302.21	2,490.20
Deposits from Sub-contractors (SD/Withhold)	18,218.59	18,036.13
Amortization of Finance Cost	49.95	98.95
Unpaid Dividends	1.03	2.17
<b>Total</b>	<b>48,005.91</b>	<b>37,739.84</b>

**23. Other Current Liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Salaries Payable	2,444.51	2,022.07
Provision / Payables for Expenses and Services	1,355.85	1,466.26
Statutory Dues	7,099.54	6,621.98
<b>Total</b>	<b>10,899.90</b>	<b>10,110.31</b>

**24. Provisions**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Employee Benefits	95.11	131.12
<b>Total</b>	<b>95.11</b>	<b>131.12</b>

**25. Revenue from Operations**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Construction / Contract Revenue	390,051.89	342,733.36
<b>Total</b>	<b>390,051.89</b>	<b>342,733.36</b>

**26. Other income**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Interest income from Deposits & Others	124.60	219.85
Other Miscellaneous Income	612.00	297.57
<b>Total</b>	<b>736.60</b>	<b>517.42</b>

**27. Cost of Materials Consumed and Cost of Purchases & Services**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Steel	28,986.01	30,020.55
Cement	23,086.12	16,072.88
Bitumen	9,336.39	5,451.90
Metal	50,982.48	39,092.51
Sand & Gravel	6,860.66	3,225.65
Electrical Materials	674.77	174.77
Consumable Stores	3,367.98	2,173.73
RCC & GI Pipes	3,032.68	1,288.97
HSD Oils & Lubricants	23,007.20	18,318.69
Mining work Materails	234.69	1,120.60
Admixer	2,343.57	1,661.72
Other Materials	561.84	1,791.99
<b>Total</b>	<b>152,474.39</b>	<b>120,393.96</b>

**28. Work Expenditure**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Departmental Recoveries	14,380.29	13,558.29
Work executed by sub contractors	44,921.86	40,902.12
Earth Work	39,231.27	39,886.98
Concrete Work	32,596.74	31,326.25
Transport Charges	3,965.58	4,339.83
Hire Charges	7,930.12	7,272.45
Road work	16,456.57	9,691.32
Repairs and Maintenance	3,665.73	3,140.63
Mining work expenditure	4,497.33	4,845.38
Royalty and Seigniorage charges	2,145.15	1,107.06
Taxes and Duties	1,390.37	1,495.94
Insurance	1,275.19	1,055.21
Project Promotion Expenses writtenoff	1,892.81	7,114.34
Utility Shifting Work	3,125.44	3,105.73
Security Charges	1,350.78	1,012.25
Other Work Expenditure	1,915.18	3,243.26
<b>Total</b>	<b>180,740.41</b>	<b>173,097.04</b>

**29. Change in Work-in-Progress**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Opening Work in Progress	35,983.60	17,050.10
Less : Closing Work in Progress	(49,040.62)	(35,983.60)
<b>Changes in Work in Progress</b>	<b>(13,057.02)</b>	<b>(18,933.50)</b>

**30. Employee benefits expense**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Salaries & Wages	13,135.06	12,834.61
Director's Remuneration	660.00	660.00
Staff Welfare Expenses	933.09	1,099.55
Contribution to Statutory Funds	322.36	326.89
<b>Total</b>	<b>15,050.51</b>	<b>14,921.05</b>

**31. Finance costs**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Interest on Term Loans	6,354.22	8,148.19
Interest on Working Capital Facilities	18,315.71	13,714.18
Interest on Equipment Loans & Others	2,581.16	2,624.78
Interest on Lease Finance (Refer Note No. 33.6)	332.44	419.55
Interest on Other Credit Facilities	904.76	705.27
Interest on ECB Loan	-	68.19
Effect of application of effective interest rate on borrowings	(49.00)	(123.72)
Bank Guarantee & Other Financial Charges	6,703.74	6,256.81
<b>Sub Total</b>	<b>35,143.03</b>	<b>31,813.25</b>
Less : Interest on BG/LC Margin Money Deposits	(1,052.56)	(1,255.78)
Interest on Loans & Advances	(2,018.29)	(1,993.77)
<b>Total</b>	<b>32,072.18</b>	<b>28,563.70</b>



### 32. Other expenses

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Advertisement expenses	32.39	21.04
Audit fee	70.00	60.00
Donations	36.50	7.00
CSR Expenditure (Refer Note No. 33.25)	145.25	186.52
Insurance charges	25.99	105.26
Consultancy & professional charges	2,184.44	1,973.49
General Expenses	583.15	154.29
Power & fuel	324.80	249.77
Miscellaneous expenses	201.02	611.58
Printing & stationery	143.68	169.08
Rent	1,050.45	922.57
Taxes & licenses	401.00	325.81
Tender Expenses	163.79	68.29
Telephone	73.84	78.66
Traveling, Conveyance & Stay expenses	461.43	701.45
Forex Loss	16.74	10.99
Loss /(Gain)on Fair Market Value of Investment	(15.98)	25.62
Expected Credit Loss	4,496.53	4,792.01
Loss /(Gain)on sale of assets / Impairment of assets	(458.74)	141.60
<b>Total</b>	<b>9,936.28</b>	<b>10,605.03</b>

### 33. OTHER NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### 33.1 Contingent Liabilities and Commitments

The details of the Contingent Liabilities and Commitments to the extent not provided are as follows:

##### a. Contingent Liabilities

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
i) Guarantees given by the Banks towards performance & Contractual Commitments	1,33,441.95	1,48,066.79
ii) Corporate Guarantees given to Banks and other financial institutions for loans availed by the:		
• Associate Companies	12,500.00	12,500.00
• Subsidiary to Associate Companies	2,47,148.00	2,47,148.00
• Companies in which KMP or their relatives are interested	9,169.00	8,000.00
• Other Companies	1,360.00	1,360.00
iii) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	7,335.97	3,096.87

##### b. Commitments

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Commitments towards investments in Subsidiaries, Joint Ventures and Associates	Nil	Nil

### 33.2 Related Party Transactions pursuant to Indian Accounting Standard (Ind AS)-24

#### Details of related parties:

<b>Subsidiary Company</b>	<b>Step-down Subsidiary Company</b>
Gayatri Energy Ventures Pvt. Ltd	Bhandara Thermal Power Corporation Ltd
<b>Associate Company</b>	
Gayatri Highways Limited (formerly Gayatri Domicile Private Limited)	
<b>Companies in which the Company has substantial Interest.</b>	<b>Key Management Personnel and their Relatives</b>
Gayatri Lalitpur Roadways Ltd *	Mr. T.V. Sandeep Kumar Reddy (MD)
Gayatri-Jhansi Roadways Ltd *	Mr. J. Brij Mohan Reddy (Vice Chairman)
Sai Matarani Tollways Limited *	Mrs. T. Indira Reddy (Chairperson)
Hyderabad Expressways Limited *	Mr. T. Rajiv Reddy (Vice President)
HKR Roadways Limited *	Mr. T. Anirudh Reddy
Balaji Highways Holding Limited *	Mr. P. Sreedhar Babu (CFO)
Indore Dewas Tollways Limited *	Mr. Chetan Kumar Sharma (CS & CO)
*Subsidiary/Associate of Associate Company	
<b>Entities in which KMP or their relatives are interested</b>	<b>Joint Ventures</b>
Deep Corporation Pvt. Ltd	Gayatri- RNS Joint Venture
Indira Constructions Pvt. Ltd	IJM Gayatri Joint Venture
Gayatri Tissue & Papers Ltd	Gayatri Ranjit Joint Venture
Gayatri Sugars Ltd	Gayatri - GDC Joint Venture
Gayatri Hi-Tech Hotels Ltd	Gayatri – BCBPPL Joint Venture
Gayatri Property Ventures Pvt. Ltd.	Jaiprakash Gayatri Joint Venture
Gayatri Hotels & Theaters Pvt. Ltd	Gayatri ECI Joint Venture
GSR Ventures Pvt. Ltd.	Maytas-Gayatri Joint Venture
T.V.Sandeep Kumar Reddy & Others	Gayatri – Ratna Joint Venture
Gayatri Bio-Organics Limited	MEIL-GAYATRI-ZVS-ITT Consortium
T. Subbarami Reddy Foundation	Gayatri-SPL Joint Venture
Dr.T. Subbarami Reddy (HUF)	Gayatri-JMC Joint Venture
Balaji Charitable Trust	Viswanath - Gayatri Joint Venture
TSR Lalitakala Parishad	GPL-RKTCPL Joint Venture
Invento Labs Private Limited	Vishwa-Gayatri Joint Venture
Yamne Power Private Limited	Gayatri-RNS-SIPL Joint Venture
Gayatri Hotel Ventures Pvt. Ltd.	SOJITZ-LNT-GAYATRI Joint Venture
Flynt Mining LLP	Gayatri PTPS Joint Venture
Indira Energy Holdings Private Limited	Gayatri KMB Joint Venture
	HES GAYATRI NCC Joint Venture
	Gayatri - Ojsc Sibmost Joint Venture
	Gayatri Projects Limited-Crescent EPC Projects & Tech Services Limited (Jv),
	Gayatri – SPML JV
	GPL-Ramkey JV

**Transactions with the related parties:**

₹ in Lakhs

Sl. No.	Description	Year	Subsidiary & Step-down Subsidiaries	Associate Companies	Entities in which KMP are interested	Joint ventures	KMP & their Relatives
1	Contract Receipts	2020-21	-	1,545.48	-	92,390.57	-
		2019-20	-	1,515.17	-	91,682.94	-
2	Contract payments	2020-21	-	-	539.41	-	-
		2019-20	-	-	405.87	-	250.00
3	Office Rent & Maintenance	2020-21	-	-	333.02	-	-
		2019-20	-	-	267.05	-	-
4	Remuneration to CFO, CS, and others	2020-21	-	-	-	-	166.92
		2019-20	-	-	-	-	179.52
5	Interest Received	2020-21	-	-	-	-	-
		2019-20	-	244.09	-	19.68	-
6	Donations & CSR expenses	2020-21	-	-	78.75	-	-
		2019-20	-	-	186.52	-	-
7	Remuneration and Commission Paid	2020-21	-	-	-	-	660.00
		2019-20	-	-	-	-	660.00
8	Contract other Advances received/ (given)	2020-21	-	-	2,138.32	7,414.50	-
		2019-20	-	-	-	6,763.16	-
9	Net unsecured loans given/ (Recovered)	2020-21	13.44	4,428.44	-	-	-
		2019-20	(12,506.99)	1,358.00	-	-	-
10	Closing balances – Debit	2020-21	591.99	46,838.74	2,737.45	57,059.81	10.39
		2019-20	578.55	47,126.44	529.23	40,080.06	-
11	Closing balances – Credit	2020-21	-	1,776.92	105.36	37,727.82	95.93
		2019-20	-	1,625.81	72.32	39,880.09	206.28

**Disclosure of transactions, which are more than 10% of the total transactions of the same type with related parties during the year.**

₹ in Lakhs

Name of the Entity	Nature of Transaction	2020-21	2019-20
Gayatri - ECI Joint Venture	Contract Receipts	778.22	2,899.89
Jaiprakash-Gayatri Joint Venture	Contract Receipts	-	440.23
MEIL-Gayatri-ZVS-ITT Consortium	Contract Receipts	2,683.68	2,152.94
Gayatri-RKTCPL Joint Venture	Contract Receipts	-	147.70
Maytas –Gayatri Joint Venture	Contract Receipts	-	26,702.41
Vishwa – Gayatri Joint Venture	Contract Receipts	1,953.12	4,724.18
Gayatri-RNS-SIPL Joint Venture	Contract Receipts	14,156.74	13,228.99
Gayatri – PTPS Joint Venture	Contract Receipts	24,480.36	11,932.32
Gayatri-KMB Joint Venture	Contract Receipts	16,940.35	17,614.96
HES GAYATRI NCC JV	Contract Receipts	18,777.24	6,034.26
GAYATRI-OJSC “SIBMOST” (JV)	Contract Receipts	5,034.97	4,990.57
GAYATRI-CRESCENT EPC Pro-jects & Technical Services Ltd (JV)	Contract Receipts	5,152.23	-
GAYATRI-CRESCENT EPC Pro-jects & Technical Services Ltd (JV)	Contract Adv./ Other Adv.	-	4,743.15
Gayatri-KMB Joint Venture	Contract Adv./ Other Adv.	6.42	1,238.48

### 33.3 Impairment of Non-Financial Assets

In the opinion of the management, there are no impaired assets requiring provision for impairment loss as per the Ind AS 36 on "Impairment of Non-Financial Assets". The recoverable amount of building, plant and machinery, furniture and fixtures and vehicles has been determined on the basis of 'Value in use' method.

### 33.4 Disclosure pursuant to Indian Accounting Standard (Ind AS) – 19 "Employee's Benefits":

The summarized position of Post-employment benefits and long-term employee benefits recognized in the statement of Profit & Loss and Balance Sheet as required in accordance with Indian Accounting Standard – 19 are as under: -

- i) Employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both, the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributed ₹ 301.83 Lakhs and ₹ 305.65 Lakhs during the years ended 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2020 respectively and the same has been recognized in the Statement of Profit and Loss under the head employee benefit expense.

#### ii) (a) Changes in the Benefit Obligations:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2020-21	2019-20	2020-21	2019-20
Present Value of Obligation as at the beginning of the year	619.77	488.20	280.03	336.39
Interest Cost	42.14	37.35	18.29	25.73
Current Service Cost	91.62	81.48	(76.11)	(56.35)
Benefits Paid	(89.59)	(20.47)	(22.02)	(9.73)
Actuarial loss / (gain) on Obligations	17.50	33.21	3.73	(16.00)
Present Value of Obligation at year end	681.45	619.77	203.92	280.03

#### (b) Amount Recognized in Balance Sheet:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2020-21	2019-20	2020-21	2019-20
Estimated Present Value of obligations as at the end of the year	681.45	619.77	203.92	280.03
Fair value of Plan Assets as at the end of the year	-	-	-	-
Net Liability recognized in Balance Sheet	681.45	619.77	203.92	280.03

#### (c) Expenses recognized in Statement of Profit & Loss / Other Comprehensive Income (OCI): ₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2020-21	2019-20	2020-21	2019-20
Current Service Cost	91.62	81.48	(76.11)	(56.35)
Interest Cost	42.14	37.35	18.29	25.73
Net Actuarial (Gain)/Loss recognized in Statement of Profit & Loss.	-	-	3.73	(16.00)
Net Actuarial (Gain)/Loss recognized in Statement of Other Comprehensive Income.	17.50	(33.21)	-	-
Total expenses recognized in Statement of Profit & Loss/OCI	151.26	85.62	(54.09)	46.62

**(d) Principal Actuarial Assumption:**

Particulars	Gratuity		Leave Encashment	
	2020-21	2019-20	2020-21	2019-20
Discount Rate	6.80%	6.80%	6.80%	6.80%
Salary Escalation Rate	4%	4%	4%	4%
Retirement Age	60	60	60	60
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Attrition Rate	1%	1%	1%	1%

**(e) The entire present value of funded obligation at the year-end is unfunded and hence, fair value of assets is not furnished.**

**33.5 Segment Reporting**

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Ind AS – 108. During the year under report, the Company's business has been carried out only in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

**33.6 Leases**

The Company has taken on lease various assets such as, plant & equipment, and vehicles.

Details in respect of right of use of assets:

₹ in Lakhs

Class of asset	Depreciation for the year		Additions	During the year		Carrying amount	
	2020-21	2019-20		2020-21	2019-20	2020-21	2019-20
Plant & Machinery	1,245.12	1,188.88	-3.01	4,226.67	1,789.64	3,037.79	
Vehicles	195.64	124.38	285.05	308.30	273.32	183.92	
<b>Total</b>	<b>1,440.76</b>	<b>1,313.26</b>	<b>282.04</b>	<b>4,534.97</b>	<b>2,062.96</b>	<b>3,221.71</b>	

- i. Interest expenses on lease liabilities amounts to ₹ 332.44 Lakhs (Previous year: ₹ 419.55 Lakhs)
- ii. The Amounts not included in the measurement of the lease liability and recognised as expense in the Statement of Profit and Loss during the year are as follows:
  - a. Low value leases: ₹ Nil (Previous year: ₹ Nil)
  - b. Short-term Leases: ₹ Nil (Previous year: ₹ 101.70 Lakhs)
- iii. Total cash outflow for leases amounts to ₹ 1,705.39 Lakhs (Previous year: ₹ 1,656.55 Lakhs) including cash outflow of short term and low value leases.

**33.7 Earnings Per Share (EPS)**

₹ in Lakhs

Particulars	2020-21	2019-20
Profit After Tax for calculation of Basic EPS (₹ in Lakhs)	5,657.84	(38,457.22)
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	5,657.84	(38,457.22)
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	1,871.99	1,871.99
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	1,871.99	1,871.99
Basic EPS (₹)	3.02	(20.54)
Diluted EPS (₹)	3.02	(20.54)

**33.8 Tax Expenses:**

₹ in Lakhs

Particulars	2020-21	2019-20
Current Tax	894.85	-
MAT Credit Entitlement	(894.85)	-
Deferred Tax Liability / (Asset)	(536.26)	(564.78)
<b>Total Tax Expenses</b>	<b>(536.26)</b>	<b>(564.78)</b>

**33.9 Dues to Micro and Small Enterprises:**

On the basis of information available with the Company, there are no dues outstanding for more than 45 days to Small Scale Industrial Undertaking (SSI). The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.

**33.10** There are no amounts due and outstanding to be credited to Investors Education & Protection Fund as on 31-03-2021 and amounts which are required to be transferred to such funds have been transferred.

**33.11 Disclosure pursuant to Indian Accounting Standard – 115 "Revenue from Contracts with Customers"**

₹ in Lakhs

S. No.	Particulars	2020-21	2019-20
1	Contract revenue recognized for the year ended	3,90,051.89	3,42,733.36
2	Contract cost incurred and recognized profits, less losses	3,64,138.11	3,21,472.27
3	Amount of advances received till date, net of recoveries	89,079.87	1,31,141.13
4	Gross amount due from customers for contract works	1,51,838.84	1,27,878.47

Income is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs.

**33.12 Additional Information pursuant to Schedule III of the Companies Act, 2013.****i) CIF value of Imports**

₹ in Lakhs

Sl. No.	Particulars	2020-21	2019-20
1	Purchase of Capital Goods	280.62	293.41
2	Materials & Spares	1,759.73	1,885.27

**ii) Expenditure / (Income) in Foreign Currency:**

₹ in Lakhs

Sl. No.	Particulars	2020-21	2019-20
1	Travelling Expenses	-	2.14
2	Interest on ECB Loan	-	68.19
3	Consultancy & Technical Fees	1,772.61	2,425.94

**iii) Details of major raw materials consumption**

₹ in Lakhs

Particulars	2020-21		2019-20	
	Value	%	Value	%
Metal	50,982.48	33.44%	39,092.51	32.47%
Steel	28,986.01	19.01%	30,020.55	24.94%
Cement	23,086.12	15.14%	16,072.88	13.35%
HSD Oils & Lubricants	23,007.20	15.09%	18,318.69	15.22%
Bitumen	9,336.39	6.12%	5,451.90	4.53%
Sand & Gravel	6,860.66	4.50%	3,225.65	2.68%
Consumable Stores	3,367.98	2.21%	2,173.73	1.81%
RCC & GI Pipes	3,032.68	1.99%	1,288.97	1.07%
Admixer	2,343.57	1.54%	1,661.72	1.38%
Electrical Materials	674.77	0.44%	174.77	0.15%
Other Materials	561.84	0.37%	1,791.99	1.49%
Mining work Materails	234.69	0.15%	1,120.60	0.93%
<b>Total:</b>	<b>1,52,474.39</b>		<b>1,20,393.96</b>	

**33.13 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with other entities in the industry, the Company monitors its capital using the gearing ratio which is net debt divided by total equity.

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Debt:</b>		
i) Non-Current Borrowings	27,800.01	56,478.42
ii) Current Maturities of Non-Current Borrowings	26,434.13	15,883.61
iii) Current / Short term Borrowings	1,42,561.07	1,16,201.16
iv) Accrued Interest	3,302.21	3,718.98
v) Less: Cash and Cash Equivalents	(8,368.79)	(11,828.26)
<b>Net Debt:</b>	<b>1,91,728.63</b>	<b>1,80,453.91</b>
<b>Equity:</b>		
i) Equity Share capital	3,743.97	3,743.97
ii) Other Equity	96,301.45	90,488.56
<b>Total Equity:</b>	<b>1,00,045.42</b>	<b>94,232.53</b>
Total net debt to equity ratio (Gearing ratio)	<b>1.92</b>	<b>1.91</b>

**33.14 Financial Instruments:****A. Financial Instruments by category.**

Financial Assets and Financial Liabilities are the categories of Financial Instruments.

**B. Fair value hierarchy**

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly: and

Level 3 inputs are unobservable inputs for the asset or Liability.

**C. Financial Assets:**

₹ in Lakhs

Particulars	Fair Value Hierarchy	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>EQUITY INVESTMENTS:</b>			
<b>Measured at fair value through profit or loss (FVTPL):</b>			
Equity Investments in Associates	Level-1	393.12	137.28
Equity Investments in Other Entities	Level-1	22.05	6.08
<b>Measured at Cost:</b>			
Investments in Equity Instruments of Subsidiaries	Level-2	19,451.94	19,451.94
<b>INVESTMENTS IN PREFERENCE SHARES:</b>			
<b>Measured at Fair value through profit or loss (FVTPL):</b>			
Compulsorily Convertible Cumulative Preferential Shares in Other Entity	Level-2	19,571.95	19,571.95
<b>Measured at Cost:</b>			
Non- Convertible redeemable cumulative preferential Shares in Associates	Level-2	16,770.03	16,770.03

**Financial Liabilities:**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Measured at amortized cost:</b>		
Financial Liabilities i.e Borrowings	2,00,097.42	1,92,282.17



**Certain Financial Assets and Financial Liabilities that are not measured at Fair Value but Fair value disclosures are required:**

₹ in lakhs

Particulars	As at 31 <sup>st</sup> March, 2021 (Carrying Value & Fair Value)	As at 31 <sup>st</sup> March, 2020 (Carrying Value & Fair Value)
<b>Fair Value Hierarchy (Level - 2)</b>		
<b>Financial Assets:</b>		
Non- Current Loans	33,978.90	34,519.34
Non-Current Receivables	21,602.89	23,078.44
Other Financial Assets	Nil	Nil
Current Investments	Nil	Nil
Trade Receivables	1,33,132.80	1,00,854.23
Deposits with Contractees	18,704.40	27,022.60
Other Bank Balances	20,563.43	21,093.07
Current Loans	11,775.80	8,505.18
<b>Financial Liabilities:</b>		
Borrowings	1,70,361.08	1,72,679.58
Trade Payables	1,43,640.13	1,08,940.63
Other Financial Liabilities	1,39,936.66	1,71,731.85

**33.15 Financial risk management objectives and policies**

The Company's activities expose to a variety of financial risks like market risk, credit risk and liquidity risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**(i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk, includes loans and borrowings.

**a. Interest rate risk**

Majority of the Non-current (Long Term) borrowings of the Company bear fixed interest rate, thus interest rate risk is limited for the Company.

**b. Foreign Currency Risk:**

- The Company's foreign Currency exposure details are as follows:

Particulars	Hedged/ Un-hedged	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
		Foreign Currency USD in Millions	₹ Equivalent in Lakhs	Foreign Currency USD in Millions	₹ Equivalent in Lakhs
<b>Amount payable in Foreign Currency:</b>					
Recognised foreign currency liabilities	<b>Un-hedged</b>	1.58	1162.67	2.33	1,756.46
Foreign LC	<b>Un-hedged</b>	0.37	273.28	3.20	2,410.22

The Company undertakes transactions foreign currencies; consequently, exposures to exchange rate fluctuations arise. Transactions in foreign currency are recorded at the exchange rates prevailing

on the date of transaction. Foreign currency monetary items outstanding at the balance sheet date are restated at the prevailing year-end rates. The resultant gain/loss upon such restatement along with gain / loss on account of foreign currency transactions are accounted in the Statement of Profit and Loss.

- Foreign Currency sensitivity analysis**

The above exposures when subjected to a sensitivity of 5% have the following impact:

₹ in Lakhs

Particulars	Impact on Profit after tax with increase in rate by 5%		Impact on Profit after tax with decrease in rate by 5%	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
US Dollar	71.80	208.35	(71.80)	(208.35)

**(ii) Credit risk management**

Credit risk is the risk that a customer or a counterparty to a financial instrument fails to perform or pay amounts causing financial loss to the company. The maximum exposure of the financial assets is contributed by trade receivables, work-in-progress/ unbilled revenue, cash and cash equivalents and receivables/loans from group companies.

Credit risk on trade receivables, work in progress/unbilled revenue is limited as the customers of the company mainly consist of the Government promoted entities, having strong credit worthiness. The company takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers. During the current year the company had identified credit risk on certain financial instruments as below and has made the necessary provision for the same:

₹ in Lakhs

Sl. No	Particulars	Balance As at 31 <sup>st</sup> March 2021	Accumulated Expected credit loss Amount
1	Trade receivables	24,518.72	3,677.81
2	Loans /advances	77,149.33	9,657.93

**(iii) Liquidity Risk:**

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's management and finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

**The following are the details regarding contractual maturities of Significant Financial Liabilities:**

**a) As at 31<sup>st</sup> March, 2021**

₹ in Lakhs

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	1,42,561.07	25,137.59	26,787.71	-	1,94,486.37
Trade Payables	1,43,640.13	-	-	-	1,43,640.13
Interest Accrued	3,302.21	-	-	-	3,302.21
Other Financial Liabilities	-	51,145.04	39,342.34	1,443.37	91,930.75
Lease Liability	-	1,296.54	1,012.30	-	2,308.84
<b>Total</b>	<b>2,89,503.41</b>	<b>77,579.17</b>	<b>67,142.35</b>	<b>1,443.37</b>	<b>4,35,668.30</b>

**b) As at 31<sup>st</sup> March, 2020**

₹ in Lakhs

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	1,16,201.16	15,883.61	56,478.42	-	1,88,563.19
Trade Payables	1,06,407.51	-	-	-	1,06,407.51
Interest Accrued	2,490.20	1,228.78	-	-	3,718.98
Other Financial Liabilities	15,736.94	24,916.81	53,995.92	39,342.34	1,33,992.01
Lease Liability	-	1,323.04	2,076.62	-	3,399.66
<b>Total</b>	<b>2,40,835.81</b>	<b>43,352.24</b>	<b>1,12,550.96</b>	<b>39,342.34</b>	<b>4,36,081.35</b>

**33.16** Pursuant to the introduction of the Goods and Service Tax (GST), applicable indirect taxes have got subsumed into GST. The company has executed various Construction Contracts/projects of NHAI /other state and central government Departments and in majority of the cases, the work orders for these contracts were issued under the erstwhile previous tax laws and the additional impact on account of GST was recognized in the previous years as other receivables under “Other Current Assets” note. During the year the company has recovered substantial amount of GST dues and the balance amount will also be recovered in the due course.

**33.17** The company has investment in Gayatri Hi-tech Hotels Limited (“Investee Company”) in the form of 4% Compulsorily Convertible Cumulative Preferential Shares (“CCCPS”) amounting to ₹ 19,571.95 Lakhs as at 31<sup>st</sup> March, 2021. The financial statements of Investee Company are prepared on a going concern basis though, it has incurred considerable losses and there has been significant erosion in the Net worth of the investee company as per the latest available financial statements of the investee company.

The ongoing Covid 19 pandemic and implementation of lockdown in the county has significantly affected the operations of the investee company and the extent to which the COVID – 19 pandemic shall effect the operations of the investee company are depended on future developments which are uncertain. However, the fair valuation of the investment done by the registered valuer is not lower than the actual investment made by the company and further the management of the company is very confident that business operations of the investee company will get normalized at the earliest and generate sufficient cash flows. The

CCCPS will be converted into equity shares of the investee company during the financial years 2027-28, which is very long period for realisation of investment or to analyse the actual investment value. Hence, considering the tenure of the investment and nature of the investment, the management of the company is of the view that no provision for diminution / impairment for carrying value of the investments is required to be made for the current financial year.

**33.18** Gayatri Highways Limited, an associate company in which the company has investment of ₹ 16,770.03 Lakhs in the form of Non-Convertible Preference Shares (“NCPS”), Equity Share Capital Investment of ₹ 1,248.00 Lakhs and also funded an amount of ₹ 24,778.49 Lakhs in the form of unsecured loan / subordinate debt as at 31<sup>st</sup> March, 2021. Further, as stated in the audited financial statements of the said Associate Company, it has been incurring operating losses during past few years. However, the financial statements of said associate company have been prepared on going concern basis as the promoters of the associate company have guaranteed support to the company and its management believes its investments in road projects will generate sufficient cash flows to support the company in foreseeable future. As at 31<sup>st</sup> March, 2021 the associate company has holding portfolio in seven Road Projects. The management of the company is of the opinion that considering the future cash flows of the company from the said road projects on account of various claims filed, annuities and Toll collections receivable will be sufficient to recover the amounts invested / advanced to the associate company and hence, in the opinion of the management no provision is required to be made for the NCPS investments made by the company and unsecured loan/subordinate

debt receivable by the company from the said associate company for the year ended 31<sup>st</sup> March, 2021.

**33.19** In the ordinary course of business, the Company had given Contract Advances to a sub-contractor which on mutual consent have been converted into interest bearing inter corporate loan. The said inter corporate loan of ₹ 18,676.14 Lakhs and interest thereon of ₹ 20,296.72 Lakhs is pending for recovery as at 31<sup>st</sup> March, 2021. 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. Further, as per the information available with the company, the said sub-contractor is going to recover the money from sale of immovable properties assigned to it and also assured the company that the sale proceeds will be utilised for repayment of dues to the company. In view of this, no provision for the same is required to be made in the financial statements of the company for the year ended 31<sup>st</sup> March, 2021.

**33.20** One of the subsidiary of the associate company (herein after called as "concessionaire company" or "SMTL"), which has been awarded a Build-Operate-Transfer (BOT) work for construction of Four Laning of Panikoili-Rimuli section of NH-215 Road. The Company has to receive an amount of ₹ 24,472.04 Lakhs towards EPC cost from the said concessionaire company as on 31<sup>st</sup> March, 2021. Further, the company has given an irrevocable and unconditional Corporate Guarantee of ₹ 1,82,735.00 Lakhs to the lenders of the concessionaire company.

The Concessionaire Company has given termination notice to National Highways Authority of India (NHAI) due to irreparable loss of toll revenue from the road project and requested for termination payment of ₹ 2,29,667.00 Lakhs. Apart from the above said termination payment, the Concessionaire Company had filed claims with the NHAI under "Concessionaire's right to recover losses/ damages from the Authority on account of material default of the Authority for

an amount of ₹ 97,449.00 Lakhs towards cost overrun claims attributable to the NHAI, which includes claims against EPC Escalation made on NHAI from EPC Contractor (GPL) for ₹ 51,752.00 Lakhs.

SMTL Road Project was terminated by the NHAI on 28<sup>th</sup> January, 2020 and toll collection rights were handed over to the NHAI from 30<sup>th</sup> January, 2020. The Concessionaire Company has requested the NHAI for referring the disputes such as Termination Payment and Claims to the Conciliation Committee of Independent Experts ("CCIE") as per NHAI policy. Further, the Concessionaire Company had filed petition on 21<sup>st</sup> December, 2019 against the NHAI before the Hon'ble High Court of Delhi, New Delhi requesting NHAI to deposit 90% of the Debt Due by the said Concessionaire Company.

In these circumstances, the NHAI vide its letter dated 31.03.2021 has calculated the termination payment as ₹ 58,421.00 Lakhs unilaterally as against termination payment of ₹ 2,29,667.00 Lakhs and released total amount of ₹ 44,575.00 Lakhs to Escrow Bank Account of the lenders of said Concessionaire Company and retained ₹ 13,846.00 Lakhs with it towards various counter claims and statutory deductions etc.,

The Concessionaire Company has utterly disagreed with the termination payment calculated by the NHAI unilaterally and disputed the termination payment. The dispute pertaining to the termination payment along with the claims submitted by the Concessionaire Company are pending before the CCIE Committee.

As per the information and explanations given by the concessionaire company and based on the legal opinion obtained by it, the said concessionaire company will receive significant amount of compensation so as to settle dues to the lenders and the company. As per the available information and based on the discussions held with the lenders, the management is of the view that the possibility of invocation of Corporate Guarantee is remote. In view of this, the management is of the opinion that no provision is required to be made in respect of receivables and Corporate Guarantee on the financial statements for the year ended 31<sup>st</sup> March, 2021.

**33.21** An amount of ₹ 3,620.49 Lakhs as on 31<sup>st</sup> March, 2021 is receivable from M/s Western UP Tollways Limited ('Erstwhile Associate Company or WUTPL') 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. During the year, The Arbitration Tribunal has pronounced arbitration award of ₹ 12,443.03 lakhs which includes interest thereon of ₹ 6,405.15 lakhs and extension of concession period by 348 days. At the request of the M/s Western UP Tollways Limited, the above claims and the termination payment have been referred to the Conciliation Committee of Independent Experts ("CCIE") as per NHAI policy. The Management of WUTPL is very confident of getting the claims amounts from NHAI and assured the company by way of agreement, to pay the company its share upon receipt of claims and accordingly, in the opinion of the management of the company, no provision is required to be made in respect of amounts receivable from the said erstwhile associate company in the audited financial statements for the year ended 31<sup>st</sup> March, 2021.

**33.22** The Advances to Suppliers, Sub-contractors and others as at 31<sup>st</sup> March, 2021, includes an amount of ₹ 15,328.33 Lakhs given to one sub-contractor in the normal course of business. The recovery of this advance is delayed due to certain extraneous factors not attributable to the subcontractor. During the previous financial year, the company has recovered an amount of ₹ 15,199.00 Lakhs from the said sub-contractor. In view of this, the management is confident to recover the entire advances from the sub-contractor in due course and hence, no provision is required to be made in the financial statements for the year ended 31<sup>st</sup> March, 2021.

**33.23** As per the Settlement and Supplementary Agreement dated 14<sup>th</sup> September, 2020 made between Gayatri Projects Limited ("the Company"), Gayatri Highways Limited ("GHL") – an Associate Company and IL&FS Financial Services Limited (IL&FS); the Company and GHL

jointly and severally agreed to repay the balance principal loan amount of ₹ 8,409.10 Lakhs and Additional Interest of ₹ 865.00 Lakhs towards loan availed by GHL along with interest in eleven monthly instalments commencing from 15<sup>th</sup> September, 2020 and the entire amount to be paid on or before 15<sup>th</sup> July, 2021. The company & GHL have jointly paid an amount of ₹ 34.42 crores till date and the repayment of remaining loan instalments are pending since January, 2021.

**33.24** The Company is mainly engaged in the execution of road works allotted by the National Highways Authority of India and Irrigation related works given by various state governments. Due to various covid related lock down restrictions imposed across the country during the year, the work at major sites had got disrupted, however post relaxation of lockdown restrictions, the works have resumed and the company is recovering from the economic after effects of COVID-19 and works at various major sites are progressing well.

COVID –19 Pandemic impact and lockdown restrictions caused temporary stress on the working capital management. As stated above, the company is mainly executing government related works, it is estimated that there will be no defaults in receivables of the company and there will be no cancellation / suspension of works allotted to the company. In view of the above, the COVID–19 pandemic impact on the business operations of the company is temporary in nature and it will not impact the continuity of the business operations of the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact on the financial statements.

**33.25 Corporate Social Responsibility:**

Amount required to be spent by the Company as per the provisions of section 135(5) of Companies Act, 2013 on Corporate Social Responsibility (CSR) related activities during the year is ₹ 18.69 Lakhs (previous year: ₹ 312.86 Lakhs).

The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is ₹ 145.25 Lakhs (previous year: ₹ 186.52 Lakhs), which comprises: -

a. **Amount spent during the year is:** ₹ in Lakhs

Particulars	Paid	Provided	Total
1. Construction/acquisition of any asset	-	-	-
	(-)	(-)	(-)
2. On Other Expenses			
• Shown under CSR Expenditure in Other Expenses (Note no. 32)	145.25	-	145.25
	(186.52)	(-)	(186.52)

(Amounts in bracket indicate previous year's numbers.)

b. **Details of related party transactions:** ₹ in Lakhs

Particulars	2020-21	2019-20
Contribution to a trust controlled by KMP or their relatives		
• Balaji Charitable Trust	2.99	39.70
• T. Subbarami Reddy Foundation	42.26	146.82
<b>Total</b>	<b>45.25</b>	<b>186.52</b>

**33.26 Debt Resolution Plan: -**

The company is facing severe liquidity constraints over the last few months on account of cash flow mismatch. In view of this, the company has proposed a resolution plan to the lending consortium, which essentially involves sources to meet the repayment debt service obligations through monetization of arbitral awards, monetization of Claims under process either through a Conciliation & Settlement Mechanism, disposing of non-core assets and cash flows from normal operations of the Company. As part of the resolution plan, the lending consortium has signed an Inter-Creditor Agreement (ICA) on 18<sup>th</sup> March, 2021.

**33.27** The Cabinet Committee on Economic Affairs (CCEA) vide its "measure to revive construction sector – reg" had approved partial (75%) interim payment of challenged arbitral awards by the Government entities to contractors/concessionaires against a bank guarantee. Pursuant to such measures announced, the company had received a sum of ₹ 21,044.83 lakhs as partial (75%) interim payment towards an arbitration amount and the amount so received during the current financial year has been reduced from the outstanding claims receivables disclosed in other current assets.

**33.28** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

**33.29** Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of loans and advances in the nature of loans:

₹ in lakhs

Name of the Company	Relationship	Balances as at		Maximum outstanding	
		31.03.2021	31.03.2020	2020-21	2019-20
Gayatri Energy Ventures Pvt. Ltd	Subsidiary	591.98	578.55	591.98	14,695.58
Gayatri Highways Ltd	Associate	24,778.49	20,350.05	24,778.49	20,350.05

**33.30** Previous year figures are regrouped/reclassified to match with the current year presentation.

**33.31** All amounts are rounded off to nearest Thousands.

**For M O S & Associates LLP**  
Chartered Accountants

**For and on behalf of the Board**

**Oommen Mani**  
Partner

**T. Indira Reddy**  
Chair person  
DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
Managing Director  
DIN : 00005573

Place: Hyderabad  
Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
Chief Financial Officer

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

# INDEPENDENT AUDITOR'S REPORT

To the Members of **Gayatri Projects Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **Gayatri Projects Limited** (hereinafter referred to as the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), its associate and Joint Ventures which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2021, and the consolidated statement of Profit and Loss (including Other Comprehensive loss), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on separate financial statements and the other financial information of subsidiary company, associate company and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and Joint Ventures as at 31<sup>st</sup> March, 2021, of consolidated Profit, consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's

Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We are independent of the Group, its associate and Joint Ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Emphasis of Matter

(Note Nos. referred hereunder are with reference to respective notes forming part of consolidated financial statements)

We draw attention to the following matters:

- i) As stated in Note No.32.15, the Investee Company in which the Company has invested by way of Compulsorily Convertible Cumulative Preference Shares ("CCCPS"), has incurred considerable losses, there has been significant erosion of Networth and further, business operations of the investee company are severely impacted due to COVID – 19 Pandemic. No provision for diminution / impairment for carrying value of the investment is provided for the year ended 31<sup>st</sup> March, 2021 and the financial statements of the said investee company have been prepared on going concern basis for the detailed reasons stated in the said note.
- ii) As stated in Note No.32.16, regarding the status and recoverability of the investments, unsecured loan/subordinate debt infused by the company in an associate company which has been incurring operating losses during the past few years, the financial statements of the said associate company have been prepared on going concern basis for the detailed reasons stated in the said note.
- iii) As stated in Note No.32.17, the Inter Corporate Loan grouped under 'Non-current Loans' and



accumulated interest thereon long pending for recovery.

- iv) As stated in Note No. 32.18, the recovery of trade receivables is delayed for the detailed reasons stated in the said note, the road project was terminated by the NHAI and the toll rights were handed over to the NHAI. As per the information and explanation give to us, the termination payment calculated by the NHAI is very low as compared to the expected termination payment. Further, as stated in the same note, the company has given an irrevocable and unconditional corporate guarantee to a subsidiary of the associate company, which has defaulted in repayment of dues to the lenders.
- v) As stated in Note No. 32.19, the amount receivable from the erstwhile associate company is long pending for recovery as the same is based on the receipt of claims by the said erstwhile associate company.
- vi) As stated in Note No. 32.20, the work advances in respect of certain contract works given to a sub-contractor grouped under 'Other Current Assets' which are long pending for recovery.
- vii) As stated in the Note No.32.21, as per the agreement dated 14<sup>th</sup> September, 2020, the Company and Gayatri Highways Limited ("GHL") – an Associate Company jointly and severally agreed to repay the loan availed by GHL from IL&FS Financial Services Limited (IL&FS) and repaid amount of ₹ 34.42 crores since September, 2020.

The repayment of remaining loan installments are pending since January, 2021.

- viii) As stated in the Note No.32.22, wherein it is explained the COVID – 19 Pandemic effects and impact on the business operations of the company and however, the actual effect will be known based on the future developments.
- ix) As stated in the Note No. 32.25, regarding amount payable by the subsidiary company to holders of Optionally Fully Convertible Debentures.
- x) As stated in the Note No. 32.26, regarding exit agreement entered by the subsidiary company in respect of investments/ advances/ share application money made in certain power projects and long pending recovery of the same.
- xi) As stated in the Note No. 32.27, regarding contract advances given by the step down subsidiary company which are long pending for recovery.

Our opinion is not modified in respect of these matters.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2021. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Audit Process
1	<p><b>Revenue recognition and measurement of contract assets in respect of unbilled amounts</b></p> <p>The management of the holding company has applied significant judgement in determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.</p> <p>Revenue is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted.</p>	<ul style="list-style-type: none"> <li>• We have obtained the procedure and process involved in estimating the percentage of completion of the projects.</li> <li>• We have also obtained and verified the costs incurred on the project/works up to the reporting date for the revenues accounted in respect of works on sampling basis.</li> <li>• We have also obtained the certified copies (i.e percentage of completed work approved by the relevant authorities) of works executed till the reporting date in respect of revenues accounted on sampling basis.</li> <li>• We have also performed analytical procedures for reasonableness of revenues recognised.</li> </ul>

	<p>When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs.</p> <p>The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract. Further at the reporting date, revenue is accrued for costs incurred against work performed and which are not billed and further measurement of work completed/cost incurred during the period for recognition of unbilled revenue.</p>	<ul style="list-style-type: none"> <li>• We have also verified the reasonableness of the estimation of remaining costs to be incurred to complete the project / work and profit / loss estimated in the project / work.</li> <li>• Reviewed the delivery and collection history of customers against whose contracts unbilled revenue is recognised.</li> <li>• Tested relevant contracts for measurement of work completed during the period for unbilled revenue.</li> </ul>
2	<p><b>Defaults in repayment of loans / borrowings and Debt Resolution Plan:</b></p> <p>As stated in note no. 16.7&amp;19.5, the company has defaulted in repayment of certain loans / borrowings and also defaulted in payment of interest dues.</p> <p>As stated in note no. 32.23, the company has been facing severe liquidity constraints over the last few months due to cash flow mismatches which have resulted in delayed repayments and interest payments to its lenders consortium. In this regard, the company has proposed a Debt Resolution Plan to the lending consortium which essentially involves sources to meet the repayment of debt service obligations through monetization of arbitral awards, monetization of Claims under process either through a Conciliation &amp; Settlement Mechanism, disposing of non-core assets and cash flows from normal operations of the Company. As a part of the resolution process, the lending consortium has signed an Inter-Creditor Agreement (ICA) on 18<sup>th</sup> March, 2021.</p> <p>We have determined the above area as a key audit matter in view of the implementation of the above submitted resolution plan involves approval from consortium lenders and monetization of claims and arbitral awards is based on the requisite approvals of govt. authorities and fulfilment of terms and conditions related thereto. Further, mis-match in cash flow will affect the working capital cycle and there by affects the business operations of the company and leads to default in repayments of loan / borrowing dues and interest thereon.</p>	<p>We have reviewed the borrowings status and default status as on the balance sheet date.</p> <p>We have reviewed the outstanding status of various statutory and other dues.</p> <p>We have obtained and verified the following documents / information with regard to the progress achieved by the company as stated in the note no.32.23:</p> <ul style="list-style-type: none"> <li>i) Copy of the Resolution Plan submitted to the lending consortium.</li> <li>ii) Copies of GOI Circulars and NHA policy guidelines.</li> <li>iii) Copies of Bank Guarantee sanction letters received by the company.</li> <li>iv) Copy of the Inter Creditor Agreement.</li> </ul>

<p><b>3</b></p>	<p><b>Carrying Value of Investments in NCC Infrastructure Holdings Limited (NCCIHL) held by the subsidiary company.</b></p> <p>The management regularly reviews whether there are any indicators of impairment on unquoted investments made by the company.</p> <ul style="list-style-type: none"> <li>Accordingly, the management had identified impairment indicators in NCCIHL, associate of the company with an equity investment of ₹ 28,969.35 Lakhs. (Refer Note 32.29 of the Consolidated Financial Statements).</li> </ul> <p>As per Ind AS 36 - 'Impairment of Assets' the standard is applicable to financial assets classified as Associates.</p> <p>In case of NCCIHL, the existence of an impairment indicator is significantly influenced by whether there is an impairment to the underlying investment in infra project made by the said company. This assessment involves significant judgment especially in relation to determination of expected future economic benefits.</p> <p>Accordingly, the evaluation of impairment of investments in NCCIHL held by the subsidiary company was determined to be a key audit matter as reported in the Auditor's Report of the said Subsidiary Company.</p>	<ul style="list-style-type: none"> <li>Obtained and read the financial statements of NCCIHL to identify if any disclosure is made for impairment of assets in its financial statements.</li> <li>Obtained the details of Risk assessment conducted by the management.</li> <li>We have obtained the management's understanding with regard to impairment of the investments made in loss making associate company.</li> </ul>
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**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Boards Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements**

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive loss, consolidated changes in equity and consolidated cash flows of the Group including its associate, Joint Ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and its joint ventures 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group, its associate and Joint Ventures is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, its associate and Joint Ventures are also responsible for overseeing the financial reporting process of the Group and of its associate and Joint Ventures.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its Associates and Joint Ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its associate entities and Joint Ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in: (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that

a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

We did not audit the financial statements of one associate in which the share of Group's loss of ₹ Nil included in consolidated financial statements. This financial statements/financial information have been audited by other auditor whose audit report have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of the associate and our report in terms of subsection (3) and (11) of section 143 of the Act, in so far as it relates to the associate, is solely based on such reports of the other auditors.

We have relied on the unaudited (management certified) financial statements / financial information of nineteen joint ventures in which the share of profit of Group's ₹ 14.94 Lakhs included in the consolidated financial Statements. In respect of unaudited (management certified) financial statements, our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, is based solely on such unaudited financial statements/financial information.

The financial statements of three joint ventures are not available for consolidation and in the opinion of the management the share of Profit / Loss from these Joint Ventures is very negligible and will have no significant impact in the consolidated financial results.

Our Opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of other auditor and financial statements/ financial information certified by the Management.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group, its associate entities and Joint Ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditors' reports of the holding company, subsidiary company and associate company and joint ventures. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- (g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has paid or provided for managerial remuneration for the year ended 31<sup>st</sup> March 2021 in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with schedule V to the Act.
- (h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- (i) As stated in note no. 32.1 of the consolidated financial statements, the Group and its associate disclosed the impact of pending litigations on the consolidated financial position of the Group, its associate entities and joint ventures in its consolidated financial statements.
  - (ii) As per the information and explanations given by the Company, the Group and its associate entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) As per the information and explanations given to us, there has been no delay in transferring the amounts which are required to be transferred to Investor Education & Protection Fund by the Group and its associate entities wherever applicable.

for **M O S & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 001975S/S200020

**Oommen Mani**  
Partner

Place: Hyderabad  
Date: 14<sup>th</sup> June, 2021

Membership Number: 234119  
UDIN: 21234119AAAABX5520

## **ANNEXURE - A TO THE AUDITORS' REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Gayatri Projects Limited ("the Holding Company") and its subsidiary (collectively referred to as "the Group"), its Associate and Joint Ventures as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the consolidated financial statements of the Holding company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company, its subsidiary company, its associate company and Joint Ventures are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Holding Company, its subsidiary company, its associate company and joint venture's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we

comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company, its associate company and Joint Ventures have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by

the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one associate companies, which is company incorporated in India, is based on the corresponding report of the auditor of that associate company. Our opinion is not modified in respect of this matter.

for **M O S & Associates LLP**

Chartered Accountants

Firm Registration No.: 001975S/S200020

**Oommen Mani**

Partner

Place: Hyderabad

Date: 14<sup>th</sup> June, 2021

Membership Number: 234119

UDIN: 21234119AAAABX5520



# CONSOLIDATED BALANCE SHEET

AS AT 31<sup>st</sup> MARCH, 2021

₹ in Lakhs

Particulars	Note No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2a	39,229.46	45,641.29
(b) Capital Work in Progress	2b	2,907.13	1,739.95
(d) Financial Assets			
(i) Investments	3	56,517.45	57,194.21
(ii) Loans	4	33,978.90	34,519.34
(iii) Trade Receivables	5	21,602.90	23,078.44
(iv) Other Financial Assets	6	23,515.89	21,785.16
(e) Deferred Tax Asset (Net)	7	1,043.44	501.06
<b>Total Non-Current Assets</b>		<b>178,795.17</b>	<b>184,459.45</b>
<b>Current assets</b>			
(a) Inventories	8	81,468.57	62,377.98
(b) Financial Asset			
(i) Trade receivables	9	151,852.14	127,876.83
(ii) Cash and cash equivalents	10a	8,374.76	11,835.63
(iii) Other bank balances	10b	20,563.43	21,093.07
(iv) Loans	11	11,183.81	7,926.63
(c) Current Tax Assets	12	20,273.28	19,916.78
(d) Other Current Assets	13	104,465.00	135,825.68
<b>Total Current Assets</b>		<b>398,180.99</b>	<b>386,852.60</b>
<b>TOTAL ASSETS</b>		<b>576,976.16</b>	<b>571,312.05</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	3,743.97	3,743.97
(b) Other Equity	15	91,583.46	87,284.62
<b>Total Equity</b>		<b>95,327.43</b>	<b>91,028.59</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	42,700.48	71,378.89
(ii) Other Financial liabilities	17	91,930.75	133,992.01
(b) Provisions	18	790.26	768.69
<b>Total Non-Current Liabilities</b>		<b>135,421.49</b>	<b>206,139.59</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	142,561.07	116,201.16
(ii) Trade payables	20	143,640.13	108,940.63
(iii) Other Financial Liabilities	21	49,020.40	38,751.92
(b) Other Current Liabilities	22	10,910.53	10,119.04
(c) Provisions	23	95.11	131.12
<b>Total Current Liabilities</b>		<b>346,227.24</b>	<b>274,143.87</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>576,976.16</b>	<b>571,312.05</b>
Significant Accounting Policies	1		
Other Notes forming part of the Financial Statements	32		

As per our Report attached  
**For M O S & Associates LLP**  
Chartered Accountants

**For and on behalf of the Board**

**Oommen Mani**  
Partner

**T. Indira Reddy**  
Chair person  
DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
Managing Director  
DIN : 00005573

Place: Hyderabad  
Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
Chief Financial Officer

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

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

₹ in Lakhs

Particulars	Note No.	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
(I) Revenue from operations	24	390,051.89	343,862.30
(II) Other Income	25	736.83	542.63
<b>(III) Total Income (I+II)</b>		<b>390,788.72</b>	<b>344,404.93</b>
<b>(IV) Expenses</b>			
(a) Cost of Materials Consumed and Cost of Purchases & Services	26	152,474.39	120,393.96
(b) Work Expenditure	27	180,740.41	173,097.04
(c) Changes in Work in Progress	28	(13,057.02)	(18,933.50)
(d) Employee Benefits Expenses	29	15,050.51	14,922.30
(e) Finance Costs	30	32,074.58	33,700.24
(f) Depreciation and Amortization Expense	2	8,450.16	9,091.61
(g) Other Expenses	31	10,603.93	15,760.64
<b>Total Expenses (IV)</b>		<b>386,336.96</b>	<b>348,032.29</b>
<b>V Profit / (Loss) before Exceptional items and Tax (III-IV)</b>		4,451.76	(3,627.36)
<b>VI</b> a) Exceptional items (Net)		-	-
b) Share of Profit / (Loss) of Joint Ventures & Associates		(677.79)	(2,748.69)
<b>VII Profit / (Loss) Before Tax</b>		<b>3,773.97</b>	<b>(6,376.05)</b>
<b>VIII</b> Tax Expenses	32.8	(536.26)	(564.78)
<b>Total Tax Expenses</b>			
<b>IX Profit / (Loss) for the year (VII-VIII)</b>		<b>4,310.23</b>	<b>(5,811.27)</b>
<b>X</b> Non-controlling Interest		-	-
<b>XI Profit / (Loss) for the year (IX+X)</b>		<b>4,310.23</b>	<b>(5,811.27)</b>
<b>XII Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss :</b>			
i) Changes in fair value of equity investments		-	(20,614.15)
ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits		(17.50)	(33.21)
iii) Income tax relating to Items that will not be reclassified to profit or loss		6.11	146.80
<b>Total Other Comprehensive Income/(Loss) (XII)</b>		<b>(11.39)</b>	<b>(20,500.56)</b>
<b>XIII Total Comprehensive Income/(Loss) for the Year (XI+XII)</b>		<b>4,298.84</b>	<b>(26,311.83)</b>
<b>XIV</b> Earning per Share (of ₹ 2/- each)			
Basic and Diluted (₹)		2.30	(3.10)
<b>Significant Accounting Policies</b>	1		
<b>Other Notes forming part of the Financial Statements</b>	32		

As per our Report attached  
**For M O S & Associates LLP**  
 Chartered Accountants

For and on behalf of the Board

**Oommen Mani**  
 Partner

**T. Indira Reddy**  
 Chair person  
 DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
 Managing Director  
 DIN : 00005573

Place: Hyderabad  
 Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
 Chief Financial Officer

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

₹ in Lakhs

Particulars	For the Year ended 31 <sup>ST</sup> March, 2021	For the Year ended 31 <sup>ST</sup> March, 2020
<b>A Cash Flow from Operating Activities:</b>		
Profit before Tax excluding extraordinary and exceptional items	4,451.76	(3,627.35)
Adjustments for:		
Depreciation and amortization	8,450.16	9,091.61
Interest and other Income	(3,195.68)	(3,494.61)
Expected credit loss	5,154.59	6,511.73
Loss / (Profit) on sale of Property, Plant and Equipment	(458.74)	141.60
Finance Costs	35,145.43	36,949.78
Provision for doubtful advance/ Goodwill	-	3.00
Changes in Fair Value of Equity Investment	(15.98)	25.62
<b>Operating Profit before working Capital Changes</b>	<b>49,531.54</b>	<b>45,601.38</b>
Adjustments for:		
(Increase) / Decrease in Trade Receivables	(23,960.37)	18,100.03
(Increase) / Decrease in non-current financial asset	(1,006.20)	(1,705.89)
(Increase) / Decrease in current financial asset	(4,055.04)	10,929.31
(Increase) / Decrease in Other current assets	27,925.47	(12,640.35)
(Increase) / Decrease in Inventory	(19,090.59)	(26,636.56)
Increase / (Decrease) in current financial liabilities	895.41	3,310.77
Increase / (Decrease) in non-current financial liabilities	(42,093.20)	(18,439.83)
Increase / (Decrease) in Trade Payables	34,701.41	17,617.19
<b>Cash (used in) / generated from Operating activities</b>	<b>22,848.43</b>	<b>36,136.05</b>
Direct Taxes paid (Net)	-	-
<b>Net Cash (used in)/generated from Operating Activities (A)</b>	<b>22,848.43</b>	<b>36,136.05</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment including capital work-in-progress	(2,746.77)	(12,067.49)
Sale of Non-Current Investments	-	39,549.25
Net proceeds from in bank deposits (having original maturity of more than three months)	529.64	(581.77)
Recovery / (Payment) of Advances	-	741.33
Adjustment for opening cash equivalents balance of subsidiary derecognised	-	(5.32)
Interest and other income received	3,195.68	3,494.61
<b>Net Cash (used in)/ generated from Investing Activities (B)</b>	<b>978.55</b>	<b>31,130.61</b>
<b>C Cash Flow from Financing Activities</b>		
Net Proceeds from / (Repayment of) Long term borrowings	(18,101.39)	(40,447.46)
Net Proceeds from / (Repayment of) Short term borrowings	26,383.61	7,662.91
Net Proceeds from / (Repayment of) Inter Corporate Loans	(10.26)	1,010.26
Finance Costs	(35,559.81)	(36,477.01)
<b>Net Cash (used in)/ generated from Financing Activities (C)</b>	<b>(27,287.85)</b>	<b>(68,251.30)</b>
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(3,460.87)	(984.64)
Cash and Cash Equivalents at the beginning of the year	11,835.63	12,820.27
<b>Cash and Cash Equivalents at the end of the year</b>	<b>8,374.76</b>	<b>11,835.63</b>

As per our Report attached  
**For M O S & Associates LLP**  
Chartered Accountants

For and on behalf of the Board

**Oommen Mani**  
Partner

**T. Indira Reddy**  
Chair person  
DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
Managing Director  
DIN : 00005573

Place: Hyderabad  
Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
Chief Financial Officer

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

## A. Equity Share Capital and Other Equity

₹ in Lakhs

Particulars	Equity Share Capital (Note No. 14)	Other Equity						Total Other Equity
		Reserves & Surplus						
		Capital Reserve	General Reserve	Securities Premium Account	Equity Component of Compound Financial Instruments	Retained earnings	Other Comprehensive Income	
<b>As at 1<sup>st</sup> April, 2019</b>	<b>3,743.97</b>	<b>143.40</b>	<b>12,300.00</b>	<b>37,683.67</b>	<b>9,123.06</b>	<b>33,138.77</b>	<b>21,203.80</b>	<b>113,592.70</b>
Adjustment on account of subsidiary/ associate derecognition	-	-	-	-	-	3.75	-	3.75
Other Comprehensive Income	-	-	-	-	-	-	(20,500.56)	(20,500.56)
Surplus / (Deficit) for the year	-	-	-	-	-	(5,811.27)	-	(5,811.27)
<b>As at 1<sup>st</sup> April, 2020</b>	<b>3,743.97</b>	<b>143.40</b>	<b>12,300.00</b>	<b>37,683.67</b>	<b>9,123.06</b>	<b>27,331.25</b>	<b>703.24</b>	<b>87,284.62</b>
Adjustment on account of subsidiary/ associate derecognition	-	-	-	-	-	-	-	-
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-	-	(11.39)	(11.39)
Surplus / (Deficit) for the year	-	-	-	-	-	4,310.23	-	4,310.23
<b>As at 31<sup>st</sup> March, 2021</b>	<b>3,743.97</b>	<b>143.40</b>	<b>12,300.00</b>	<b>37,683.67</b>	<b>9,123.06</b>	<b>31,641.48</b>	<b>691.85</b>	<b>91,583.46</b>

As per our Report attached  
**For M O S & Associates LLP**  
 Chartered Accountants

For and on behalf of the Board

**Oommen Mani**  
 Partner

**T. Indira Reddy**  
 Chair person  
 DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
 Managing Director  
 DIN : 00005573

Place: Hyderabad  
 Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
 Chief Financial Officer

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

## **1. SIGNIFICANT ACCOUNTING POLICIES**

### **1.1 Compliance with Indian Accounting Standards (Ind AS)**

The Group's Consolidated Financial statements have been prepared to comply with generally accepted accounting principles in accordance with the Indian Accounting Standards (herein after referred to as "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016.

#### **1.2 a) Basis of Preparation and Presentation of Financial Statements**

The Consolidated Financial Statements are prepared on accrual basis following the historical cost convention except in case of certain financial instruments which are measured at fair values. The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss are prepared and presented in the format prescribed under Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Indian Accounting Standard (Ind AS) - 7 on "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with other notes required to be disclosed under the notified Ind AS and the Listing Agreement. 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 viz. SEBI guidelines override the same requiring a different treatment. Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy used previously.

Fair value for measurement adopted in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 116, Net Realizable value as per Ind AS 2 or value in use as per Ind AS 36. Fair value

measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### **b) Principles of Consolidation**

The consolidated financial statements have been prepared on the following basis:

##### **i. Investments in Subsidiaries:**

The Financial Statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Indian Accounting Standard - 110 "Consolidated Financial Statements" issued by Institute of Chartered Accountants of India.

##### **ii. Investments in Associates:**

Investments in associate companies have been accounted for, by using equity method "Accounting for Investments in Associates in Consolidated Financial Statements, whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post-acquisition change in the Company's share of net assets of the associate. The carrying amount of investment in associate companies is reduced to recognize any decline which is other than temporary in nature and such determination of decline in value, if any, is made for each investment individually. The unrealized profits/losses on transactions with associate companies are eliminated by reducing the carrying amount of investment".

**iii. Investments in Joint Ventures:**

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in Joint Venture are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in joint ventures includes goodwill identified on acquisition.

- iv. The financial statements are presented to the extent possible, in the same manner as the parent company's independent financial statements.
- v. On acquisition of Investment in a joint venture or associate, any excess of cost over investment over the fair value of the assets & liabilities of the joint venture is recognized as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognized directly in equity as capital reserve.

Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned directly or indirectly by the parent company.

- a) Non-controlling interest in the net assets of consolidated subsidiaries consists of:
  - i) The amount of equity not attributable to owners of parent company at the date on which investment in a subsidiary is made; and
  - ii) The Non-controlling share of

changes in the equity since the date the parent subsidiary relationship came into existence.

- b) Non-controlling interest in the net profit/(loss) for the year of consolidated subsidiaries is computed and adjusted against the net profit/(loss) after tax of the group.

Non-controlling interest in the net assets of the consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet under the head Total Equity group.

**1.3 Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management of the Group to make 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 on the date of the financial statements. Actual results may differ from these estimates. The Group evaluates these estimations and assumptions on a continuous basis based on the historical experience and other factors including expectation of future events believed to be reasonable. 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, estimation of costs as a proportion to the total costs, etc.,. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/ materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, are disclosed in the Notes to Accounts.

**1.4 Revenue Recognition**

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For

performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

The management of the company has applied significant judgement in determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation and determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

The specific revenue recognition policy adopted is as follows:

**A. Revenue from Operations**

**a. Revenue from Construction activity:**

- i) Income is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract

plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs.

- ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract.
- iii) Price escalation and other variations in the contract work are included in contract revenue only when:
  - a) Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim and
  - b) The amount that is probable will be accepted by the customer and can be measured reliably.
- iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:
  - a) The contract has sufficiently advanced such that it is probable that the specified performance standards will be met; and
  - b) The amount of the incentive payment can be measured reliably.
- v) Contract Claims raised by the company which can be reliably measured and have reached an advanced stage of arbitration and claims pending in High courts have been recognized as income including eligible interest thereon.

**b. Contract Revenue from supply of materials:**

Revenue from supply of materials is recognized when substantial risk and rewards of ownership are transferred to the buyer and invoice for the same are raised.

**c. Revenue receipts from Joint Venture Contracts**

- i) In work sharing Joint Venture arrangements, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.
- ii) In Jointly Controlled Entities, the share of profits or losses is accounted as and when dividend/ share of profit or loss are declared by the entities.

**d. Other Operational Revenue:**

- i) All other revenues are recognized only when collectability of the resulting receivable is reasonably assured and related goods / services are transferred to the customer.
- ii) Revenue is reported net of discounts, if any.

**B. Other Income**

- i) Interest income is accounted on accrual basis as per applicable interest rates and on time proportion basis taking into account the amount outstanding.
- ii) Dividend income is accounted in the year in which the right to receive the same is established.
- iii) Insurance claims are accounted for on cash basis.

**1.5 (a) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation thereon. Expenditure which are capital in nature are capitalized at cost, which comprise of purchase price (net of rebates and discounts), import duties, levies, financing costs and all other expenditure directly attributable to bringing the asset to its working condition for its intended use.

Any gain/loss on the disposal of the Property, Plant and Equipment is recognized in the Statement of Profit & Loss account and is determined as the difference between the sales proceeds and the carrying amount of the asset.

**(b) Capital Work in Progress**

Property, Plant and Equipment which are

purchased but not yet installed and not ready for their intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress". Cost of materials used in the process of erection/ installation of an asset but not yet completed as on the reporting date are also disclosed as "Capital Work-in-Progress".

**1.6 Depreciation and amortization**

In respect of Property, Plant & Equipment (other than Land and Capital Work in Progress) depreciation / amortization is charged on a straight line basis over the useful lives as specified in Schedule II to the Companies Act 2013.

Assets individually costing ₹ 20,000/- or less and temporary structures are fully depreciated in the year of acquisition.

The residual values and useful lives are reviewed at the end of the reporting period.

**1.7 Impairment of Non-Financial Assets**

As at each Balance Sheet date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

**Recoverable amount is determined:**

- In case of an individual asset, at the higher of the Assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.
- In assessing Value in Use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified with the asset. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transaction



can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through the Statement of Profit and Loss.

### **1.8 Financial Instruments**

Financial Assets and Financial Liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities (other than Financial Assets and Financial Liabilities at fair value through profit or loss) are added to or deducted from the fair value of the Financial Assets or Financial Liabilities, as appropriate, on initial recognition.

### **1.9 Financial Assets**

Financial Asset is any Asset that is -

- (a) Cash
- (b) Equity Instrument of another entity,
- (c) Contractual right to -
  - i) receive Cash / another Financial Asset from another entity, or
  - ii) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favorable to the Entity.

Investment in Equity Shares issued by Subsidiary, Associate and Joint Ventures are carried at cost less impairment.

Investment in preference shares are classified as

debt instruments and carried at Amortized cost if they are not convertible into equity instruments and are not held to collect contractual cash flows. Other Investment in preference shares which are classified as Debt instruments are mandatorily carried at Fair value through Profit & loss Account (FVTPL).

All investments in equity instruments other than as classified above under Financial Assets are initially carried at fair value. The Group has adopted to measure the fair value of equity instruments through FVPTL Fair value changes on an equity instrument are recognized in the Statement of Profit & Loss.

Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### **Impairment of Financial Assets**

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the Group

in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

### Financial Liabilities

Financial liabilities are recognized at fair value net of transaction costs and are subsequently held at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit and loss are measured at fair value with changes in fair value recognized in the profit and loss account. Interest bearing bank loans are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

### De-recognition of Financial Instruments

A Financial Asset is derecognized when the right to receive cash flows from the asset have expired or the Group has transferred substantially all the risks and rewards or the right to receive the cash flows under a contractual arrangement or has transferred the asset.

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expired. In the case where the existing liability is replaced by another liability either from the same lender or otherwise such an exchange is treated as de-recognition of the original liability and recognition of a new liability. Any change in the carrying amount of a liability is recognized in the Statement of Profit and Loss.

### 1.10 Inventories and Work in Progress

Raw Materials, Construction Materials and Stores & Spares are valued at lower of weighted average cost or net realizable value. Cost includes Direct

Material, work expenditure, labour cost and appropriate overheads excluding refundable duties and taxes.

Cost of materials utilised in the contract work, which is not reached certain level, not quantified, and qualified for billing is considered as work in progress at the end of the reporting period.

### 1.11 Cash & Cash Equivalents

Cash and Cash Equivalents are short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of change in value and have maturities of three months or less.

### 1.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation in respect of which reliable estimate can be made as on the balance sheet date.

Contingent Liabilities are present obligations arising from a past event, when it is not probable / probability is remote that an outflow of resources will be required to settle the obligation and they are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements except where it has become virtually certain that an inflow of economic benefit will arise, the asset and the related income are recognized in financial statements of the period in which the change occurs. Provisions for Contingent Liabilities and Contingent Assets are reviewed at the end of Balance Sheet date.

### 1.13 Foreign Currency Transactions and Translation

The reporting currency of the Group is Indian Rupee. Foreign Currency Transactions are translated at the functional currency spot rates prevailing on the date of transactions.

Monetary assets and current liabilities related to foreign currency transactions remaining unsettled are translated at the functional currency spot rates prevailing on the balance sheet date. The difference in translation of monetary assets and liabilities and realized gains and losses on

foreign exchange transactions are recognized in the Statement of Profit and Loss.

Non-monetary foreign currency items are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

#### **1.14 Employee Benefits**

Payments to Defined Contribution schemes are charged as an expense as they fall due. Company's provident fund in respect of certain employees is made to a government administrated fund and charged as an expense to the Statement of Profit and Loss.

Liability for employee benefits, both short and long term, for present and past service which are due as per the terms of employment are recorded in accordance with Indian Accounting Standard 19 "Employee Benefits" issued by the Companies (Accounting Standard) Rules, 2015. Remeasurement gains /losses on post-employment defined benefits comprising gains/ losses is reflected immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which it arises.

##### **i) Gratuity**

In accordance with the Payment of Gratuity Act, 1972 the Group provides for Gratuity covering eligible employees. The liability on account of Gratuity is provided on the basis of valuation of the liability by an independent actuary as at the year end.

##### **ii) Provident Fund**

In accordance with applicable local laws, eligible employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan to which both the employee and employer contributes monthly at a determined rate (currently up to 12% of an employee's salary). These contributions are either made to the respective Regional Provident Fund Commissioner, or the Central Provident Fund under the State Pension Scheme, and are recognized as expenses incurred.

##### **iii) Compensated Absences**

The employees are entitled to accumulate leave subject to certain limits, for future

encashment and availment, as per the policy of the Group.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

#### **1.15 Deferred Revenue Expenditure**

Projects and other related expenditure incurred up to 31<sup>st</sup> March, 2019, the benefit of which is spread over more than one year is accounted as Project Promotion Expenses grouped under Other Advances and is amortized over the period in which benefits would be derived.

#### **1.16 Leases**

Leases are accounted as per Ind AS 116 which has become mandatory from 1<sup>st</sup> April, 2019.

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the

lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognized as expense on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

### 1.17 Earnings per Share (EPS)

In arriving at the EPS, the Group's Net Profit After Tax, is divided by the weighted average number of equity shares outstanding. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS, the net profit after tax, referred above, is divided by the weighted average number of equity shares, as computed above and the weighted average number of equity share that could have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The date(s) of issue of such potential shares determine the amount of the weighted average number of potential equity shares.

### 1.18 Taxation

#### i) Current Tax

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and provisions of Income Tax Act, 1961 as at the balance sheet date and any adjustments to taxes in respect of the previous years, penalties if any related to income tax are included in the current tax expense.

#### ii) Deferred Taxes

Deferred Tax is the tax expected to be payable or recoverable on differences between the carrying amount of the assets and liabilities for financial reporting purpose and the corresponding tax bases used in computation of taxable profit. Deferred tax assets are recognized and carried forward only 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.

Current and deferred tax is recognized in profit or loss, except to the extent that it related to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

### 1.19 Commitments

Commitments are future liabilities for contractual expenditure.

Commitments are classified and disclosed as follows:

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b. Uncalled liability on shares and other investments partly paid;
- c. Funding related commitment to subsidiary, associate and joint venture companies and
- d. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/ procurements made in the normal course of business are not disclosed to avoid excessive details.

### 1.20 Operating cycle for current and non-current classification

Operating cycle for the business activities of the Group covers the duration of the specific project/contract including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

### 1.21 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- i. transactions of a non-cash nature;
- ii. any deferrals or accruals of past or future operating cash receipts or payments; and

- iii. items of income or expense associated from investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows

### **1.22 Exceptional Items:**

Items of income and expenditure within profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the period, the nature and amount of such items are disclosed separately as Exceptional Items.

### **1.23 Borrowing Cost**

Borrowing costs net of any investment income from the temporary investment of related

borrowings that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

₹ in Lakhs

**2a. Property, Plant & Equipment**

Particulars	Gross Carrying amount as at April 1, 2020	Additions/ Adjustment during the year	Deletions/ Retirement during the year	Gross Carrying amount as at March 31, 2021	Accumulated Depreciation as at April 1, 2020	Depreciation for the Year	Deductions/ Adjustment during the year	Accumulated Depreciation as at March 31, 2021	Net Carrying amount as at March 31, 2021	Net Carrying amount as at March 31, 2020
Land	6,246.52	-	-	6,246.52	-	-	-	-	6,246.52	6,246.52
Land - Borrow Area	827.32	558.62	1,193.06	192.88	-	-	-	-	192.88	827.32
Plant and Equipment	77,028.46	2,414.88	923.99	78,519.35	43,277.16	6,686.95	822.73	49,141.38	29,377.97	33,751.30
Furniture and Fixtures	682.18	2.87	-	685.05	396.56	48.12	-	444.68	240.37	285.62
Vehicles	4,226.46	74.25	-	4,300.71	2,917.64	274.31	-	3,191.95	1,108.76	1,308.82
Right of Use of Assets (Refer Note No. 32.6)	4,534.97	282.03	-	4,817.00	1,313.26	1,440.78	-	2,754.04	2,062.96	3,221.71
<b>Total</b>	<b>93,545.91</b>	<b>3,332.65</b>	<b>2,117.05</b>	<b>94,761.51</b>	<b>47,904.62</b>	<b>8,450.16</b>	<b>822.73</b>	<b>55,532.05</b>	<b>39,229.46</b>	<b>45,641.29</b>

**2b. Capital work in Progress**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Opening Balance</b>	1,739.95	702.55
Additions during the year	2,260.53	1,052.69
Less : Capitalisation / Adjustments during the year	(1,093.35)	(15.29)
<b>Closing Balance</b>	<b>2,907.13</b>	<b>1,739.95</b>

**2c. Intangible Asset**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Opening Goodwill on consolidation / Amalgamation	-	718
Additions during the year	-	-
Less : Amortisation of Goodwill	-	(7.18)
<b>Total</b>	<b>-</b>	<b>-</b>

### 3. Investments

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Non-Trade investments</b>		
<b>Unquoted</b>		
<b>A. Investment in Subsidiary Companies</b>		
i) 26,36,13,095 (as at 31 <sup>st</sup> March, 2020 : 26,36,13,095) Equity share of ₹ 10/- each fully paid - NCC Infrastructure Holdings Ltd.	17,153.42	17,846.15
ii) 16,77,00,300 (As at 31 <sup>st</sup> March 2020 : 16,77,00,300) 9% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each, fully paid in Gayatri Highways Ltd (formerly Gayatri Domicile Pvt. Ltd.) (Refer Note No.3.1 & Note No.32.16)	16,770.03	16,770.03
<b>B. Other Investments</b>		
<b>a) Investment in Other Companies</b>		
i) 7,82,87,796 (As at 31 <sup>st</sup> March 2020 : 7,82,87,796) - 4% Compulsorily Convertible Cumulative Preferential Shares (CCCPs) of ₹ 10/- each, fully paid in Gayatri Hitech Hotels Ltd. (Refer Note No. 3.2 & Note No.32.15)	19,571.95	19,571.95
ii) 2,74,49,989 (as at 31 <sup>st</sup> March, 2020 : 2,74,49,989) Equity shares of ₹ 10/- each fully paid up - Jinbhuvish Power Generation Pvt Ltd (Refer Note No.3.3 & Note No.32.26)	3,000.00	3,000.00
<b>Quoted</b>		
<b>a) Investment in Associate Companies</b>		
i) 6,24,00,000 (as at 31 <sup>st</sup> March, 2020 : 6,24,00,000) Equity Shares of ₹ 2/- each, fully paid in Gayatri Highways Ltd (formerly Gayatri Domicile Pvt.Ltd.) (Refer Note No.3.4 & 32.16)*	1,248.00	1,248.00
Less : Share of loss from Associate Company	(1,248.00)	(1,248.00)
<b>b) Investment in Other Companies</b>		
i) 11,63,607 (As at 31 <sup>st</sup> March 2020 : 11,63,607) Equity Shares of ₹ 10/- each in Gayatri Sugars Ltd. (Refer Note No. 3.5)	293.10	293.10
(ii) 273 (As at 31 <sup>st</sup> March 2020 : 1,728 (Syndicate Bank) Equity Shares of ₹ 10/- each in Canara Bank	0.86	0.86
Changes in Fair Valuation of Investments	(271.91)	(287.88)
<b>Total</b>	<b>56,517.45</b>	<b>57,194.21</b>

\*The carrying amount of the Investment in associate company has become Nil as per the principles of consolidation of Associate and hence, market value of the associate company is not considered.

- 3.1) 16,77,00,300-9% Non Convertible Cumulative Redeemable Preference Shares held by the Company in M/s. Gayatri Highways Limited (formerly Gayatri Domicile Pvt.Ltd) have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.
- 3.2) 7,82,87,796-4% Compulsorily Convertible Cumulative Preferential Shares held by the Company in Gayatri Hi-Tech Hotels Ltd have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.
- 3.3) 2,74,49,989 Equity Shares of Jinbhuvish Power Generation Pvt Ltd (JPGPL) held by Gayatri Energy Ventures Pvt. Ltd are pledged with the Escrow agent (ICICI Bank) in favour of JPGPL in terms of exit agreement.
- 3.4) 6,23,00,000 Equity shares of Gayatri Highways limited (GHL) (formerly Gayatri Domicile Pvt.Ltd) have been pledged to IL&FS Securities Services Limited (Security Trustee) for the credit facilities availed by GHL from IL&FS Financial Services Limited.
- 3.5) 11,63,607 Equity Shares held by the company in Gayatri Sugars Limited have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.

**4. Loans**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Security Deposit with Govt. Depts and Others	30.80	32.23
Loans to Related Parties - Unsecured, Considered Good		
Loan to Associates (Refer Note No.32.16)	17,967.01	17,967.01
Less : Provision for Expected Credit Loss	(2,695.05)	(2,156.04)
<b>To Others - Unsecured, Considered Good</b>		
Inter Corporate Loan (Refer Note No. 32.17)	18,676.14	18,676.14
<b>Total</b>	<b>33,978.90</b>	<b>34,519.34</b>

Note: Loans to Associates and others are unsecured and have no fixed repayment schedule.

**5. Trade Receivables - Non-Current**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Unsecured, Considered Good</b>		
- Receivables from Subsidiary of Associate Company (Refer Note No.32.18)	24,472.04	24,472.04
Less : Provision for Expected Credit Loss	(3,677.81)	(2,942.25)
- Receivables from Joint Ventures	808.67	1,548.65
<b>Total</b>	<b>21,602.90</b>	<b>23,078.44</b>

**6. Other Financial Assets**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Unsecured, Considered Good</b>		
Call option fee paid (Refer Note No.32.24)	2,125.56	2,125.56
Accumulated Interest (Refer Note No.32.17)	20,296.72	18,549.10
Advance to a Company where KMP having substantial interest (Refer Note No.32.27)	2,194.11	2,194.11
Less : Provision for Expected Credit Loss	(1,100.50)	(1,083.61)
<b>Total</b>	<b>23,515.89</b>	<b>21,785.16</b>

**7. Deferred Tax Liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(a) Deferred Tax (Asset) on timing Differences:		
i) on account of Gratuity and Leave Encashment	87.51	75.76
ii) on account of IND AS Adjustments	65.09	65.09
(b) Deferred Tax Liability on timing differences:		
i) Other Comprehensive Income	195.70	189.59
ii) Depreciation	695.14	170.62
<b>Total</b>	<b>1,043.44</b>	<b>501.06</b>



**8. Inventories**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(a) Construction materials, Stores and Spares	32,427.95	26,394.38
(b) Work in Progress	49,040.62	35,983.60
<b>Total</b>	<b>81,468.57</b>	<b>62,377.98</b>

**9. Trade Receivables**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Unsecured, considered good		
- Related Parties: companies in which KMP are Interested	327.95	326.68
- Others	132,821.43	100,529.19
- Retention Money Receivable from Contractees	18,704.40	27,022.60
	151,853.78	127,878.47
Less : Provision for Expected Credit Loss	(1.64)	(1.64)
<b>Total</b>	<b>151,852.14</b>	<b>127,876.83</b>

**10 a) Cash and cash equivalents**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(a) Balances with banks		
In current accounts	6,012.09	8,258.97
In deposit accounts	2,337.17	3,536.82
(b) Cash in hand	25.50	39.84
	<b>8,374.76</b>	<b>11,835.63</b>

**b) Other Bank Balances (having maturity more than three months)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Margin money for Bank Guarantees / LCs	20,563.43	21,093.07
	<b>20,563.43</b>	<b>21,093.07</b>
<b>Total</b>	<b>28,938.19</b>	<b>32,928.70</b>

**11. Loans**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>To Related Parties - Unsecured, Considered Good</b>		
- Loans to Associates (Refer Note No.32.16)	6,811.48	2,383.04
<b>To Others - Unsecured, Considered Good</b>		
- Loans (including accumulated interest) (Refer Note No.32.19)	6,460.18	6,847.02
Less : Provision for Expected Credit Loss	(2,087.85)	(1,303.43)
<b>Total</b>	<b>11,183.81</b>	<b>7,926.63</b>

Note: Loans to Associates and Others are unsecured and have no fixed repayment schedule.

**12. Current Tax Assets (Net)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Income Tax receivable	5,500.01	10,653.30
MAT Credit Entitlement	3,458.48	2,563.63
VAT refund Receivable	927.23	1,386.75
GST Input Credit	10,387.56	5,313.10
<b>Total</b>	<b>20,273.28</b>	<b>19,916.78</b>

**13. Other Current Assets**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Deposits with Govt. Dept & Others	2,442.33	2,287.44
Other receivable (Refer Note No.32.14)	865.45	2,082.19
Claims receivable (Refer Note No.1.4.A(a)(v) and 32.28)	35,966.01	69,421.58
Project mobilisation Expenditure (Deferred)	3,299.46	4,042.40
Prepaid Expenses	2,835.16	2,218.09
Share Application Money Given Pending for Allotment (Refer Note No.32.26)	1,564.67	1,544.46
Less: Provision for credit loss	(777.28)	(386.11)
<b>Advances - Unsecured, considered Good</b>		
- Advances to Suppliers	3,441.22	301.42
- Advances to Sub-Contractors (Refer Note No.32.17)	59,103.10	55,704.99
Less : Provision for Expected Credit Loss	(4,875.03)	(2,437.49)
- Staff Advances	94.08	283.88
- Advance for Purchase of Equity Shares (Refer Note No.32.26)	1,000.00	1,000.00
Less: Provision for credit loss	(500.00)	(250.00)
- Others Receivables	5.83	12.83
<b>Total</b>	<b>104,465.00</b>	<b>135,825.68</b>

**14. Equity Share capital**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital				
Equity shares of ₹ 2/- each	400,000,000	8,000.00	400,000,000	8,000.00
(ii) Issued Share Capital				
Equity shares of ₹ 2/- each	187,198,685	3,743.97	187,198,685	3,545.04
(iii) Subscribed and fully paid up Share Capital				
Equity shares of ₹ 2/- each	187,198,685	3,743.97	187,198,685	3,743.97
<b>Total</b>	<b>187,198,685</b>	<b>3,743.97</b>	<b>187,198,685</b>	<b>3,743.97</b>

**14 (a) Terms / Rights, Preferences and restrictions attached to Equity Shares:**

The company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

**14 (b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹ 2/- each :				
At the beginning of the period	187,198,685	3,743.97	187,198,685	3,743.97
<b>Add:</b> Shares issued during the year	-	-	-	-
Outstanding at the end of the period	<b>187,198,685</b>	<b>3,743.97</b>	<b>187,198,685</b>	<b>3,743.97</b>

**14 (c) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil**

**14 (d) Details of shares held by each shareholder holding more than 5% shares:**

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹ 2/- each				
Indira Subbarami Reddy Tikkavarapu	56,350,213	30.10	57,050,213	30.48
Sandeep Kumar Reddy Tikkavarapu	26,993,494	14.42	26,993,494	14.42
GMO Emerging Markets Fund	11,567,064	6.18	16,772,852	8.96
GMO Emerging Domestic Opportunities Fund	3,904,869	2.09	11,052,457	5.90
Government of Singapore	6,995,874	3.74	9,432,140	5.40

## 15. Other Equity

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>(a) Capital Reserve</b>		
Opening balance	143.40	143.40
Add : Additions to Reserve during the year	-	-
Closing balance	143.40	143.40
<b>(b) General Reserve</b>		
Opening balance	12,300.00	12,300.00
Add: Amount transferred from Statement of Profit and Loss	-	-
Closing balance	12,300.00	12,300.00
<b>(c) Securities Premium Account</b>		
Opening balance	37,683.67	37,683.67
Add: Premium received on Shares issued during the year	-	-
Closing balance	37,683.67	37,683.67
<b>(d) Equity Component of Compound Financial Instruments</b>		
Opening balance	9,123.06	9,123.06
Add : Changes during the year	-	-
Closing balance	9,123.06	9,123.06
<b>(e) Retained earnings</b>		
Opening balance	27,331.25	33,138.77
Add : Surplus / (Deficit) for the year	4,310.23	(5,811.27)
Less: Adjustment on account of subsidiary/associate derecognition	-	3.75
Closing balance	31,641.48	27,331.25
<b>(f) Other Comprehensive Income</b>		
Opening balance	703.24	21,203.80
Add: Movement in OCI (Net) during the year	(11.39)	(20,500.56)
Closing balance	691.85	703.24
<b>Total (a+b+c+d+e+f)</b>	<b>91,583.46</b>	<b>87,284.62</b>

## 16. Borrowings

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
<b>Secured</b>				
<b>(i) Non-Convertible Debentures at amortised cost</b>				
<b>ii) Term Loans from Banks</b>				
a. Equipment Loans (Refer Note No.16.2 & 16.3)	2,496.17	3,105.60	4,302.76	3,699.70
b. Other Term Loans (Refer Note No. 16.2 & 16.3)	20,290.03	16,789.81	44,235.05	8,381.31
c. Vehicle Loans	11.86	4.29	-	-
<b>iii) Term Loans from others</b>				
a. Equipment Loans (Refer Note No. 16.2 & 16.3)	3,977.25	5,189.45	5,787.36	2,425.23
b. Vehicle Loans (Refer Note No. 16.4)	12.40	48.44	76.63	54.33
<b>iv) Other Loans</b>				
Lease Liability (Refer Note No. 32.6)	1,012.30	1,296.54	2,076.62	1,323.04
<b>Un-secured</b>				
a. 0.01% Compulsorily Convertible Debentures (CCD'S) of Face Value of ₹ 1483/- each (Unlisted) (Refer Note 16.1)	14,900.47	-	14,900.47	-
<b>Total</b>	<b>42,700.48</b>	<b>26,434.13</b>	<b>71,378.89</b>	<b>15,883.61</b>

### 16.1 Terms of Compulsorily Convertible Debentures (CCD's) issued by the Subsidiary Company:

- 16,19,928 CCD's were issued by the subsidiary company during the previous years to NCC Infrastructure Holdings Ltd (NCCIHL) pursuant to purchase of Sembcorp Gayatri Power Limited (then) Shares from them.
- Issuer shall pay interest on CCD'S at 0.01%. Such interest shall accrue and be paid annually in arrears at purchasers discretion with previous communication to selling shareholder.
- CCD'S shall be compulsorily converted into 16,19,928 shares within a period of 5 years from the date of their issuance (Conversion ratio is 1:1).

### 16.2 Equipment Loans from banks and others

The Equipment loans are secured by hypothecation of specific equipments acquired out of the said loans and all these loans are guaranteed by directors. The rate of interest on these loans varies between 11% to 15%.

### 16.3 Term loans

The secured term loans are secured by hypothecation of construction equipments not specifically charged to other banks, immovable properties of group companies and personal guarantees of the Promoter Directors. The rate of interest varies between 11% to 13% with an average yield of 12.04% p.a.

### 16.4 Vehicle Loans:

The Vehicle loans availed are secured by hypothecation of specific vehicles purchased out of the said loans. The vehicle loans carry interest rate between 11% to 15% p.a.

**16.5 Maturity Profile of long term borrowings is set out below:**

₹ in Lakhs

Particulars	2022-23	2023-24	2024-25	2025-26 onwards
Equipment loans from Banks	1,401.16	1,095.01	-	-
Term Loans from Banks	10,984.07	9,305.96	-	-
Vehicle Loans from Banks	4.63	5.01	2.22	-
Equipment & Vehicle loans from Others	2,497.17	1,263.54	228.94	-
Lease Finance	741.46	270.84	-	-
<b>Total</b>	<b>15,628.49</b>	<b>11,940.36</b>	<b>231.16</b>	<b>-</b>

**16.6** Current Maturities of long term borrowings to be repaid within next twelve months have been disclosed under the head "Other Current Liabilities" (Refer Note No.21).

**16.7 Details of amounts due as on Balance Sheet date:****a) Principal Amount**

₹ in Lakhs

Name of the Bank / Financial Institution	0-30 days	31-60 days	61-90 days	91-120 days
<b>To Banks</b>				
Andhra Bank	189.20	189.20	189.20	-
Bank of Baroda	451.51	335.53	333.62	-
Bank of Maharashtra	28.00	-	-	-
Canara Bank	44.80	44.80	44.80	-
IDBI Bank Ltd	265.40	265.40	265.40	-
Indian Overseas Bank	187.07	187.07	187.07	-
Punjab National Bank	52.00	-	-	-
State Bank of India	28.00	-	-	-
Union Bank of India	62.00	62.00	62.00	-
United Bank of India	174.38	174.38	174.38	-
<b>To Others</b>				
Shriram Transport Finance Ltd.	11.65	11.44	1.97	1.90
Srei Equipment Finance Ltd.	233.13	227.89	225.62	224.50
Sundaram Finance Ltd	32.37	31.27	30.99	3.36
<b>Total</b>	<b>1,759.51</b>	<b>1,528.98</b>	<b>1,515.05</b>	<b>229.76</b>
<b>Grand Total</b>				<b>5,033.30</b>

**b) Interest Amount**

₹ in Lakhs

Name of the Bank / Financial Institution	0-30 days	31-60 days	61-90 days	91-120 days
<b>To Banks</b>				
Andhra Bank	25.50	23.13	19.70	-
Bank of Baroda	109.41	100.29	107.80	-
Bank of Maharashtra	5.40	-	-	-
Canara Bank	46.52	34.63	34.17	-
IDBI Bank Ltd	78.38	70.12	76.69	-
Indian Overseas Bank	102.01	90.85	98.84	-
Punjab National Bank	6.31	5.70	6.28	-
State Bank of India	2.59	-	-	-
Union Bank of India	8.08	7.16	7.77	-
United Bank of India	104.08	93.10	100.94	-
<b>To Others</b>				
Shriram Transport Finance Ltd.	2.30	2.52	0.57	0.28
Srei Equipment Finance Ltd.	63.67	68.91	71.17	59.32
Sundaram Finance Ltd	7.66	8.76	9.04	1.98
<b>Total</b>	<b>561.91</b>	<b>505.17</b>	<b>532.97</b>	<b>61.58</b>
<b>Grand Total</b>				<b>1,661.63</b>

**16.8 The Subsidiary Company has defaulted in redemption of debentures and interest thereon as follows:**

₹ in Lakhs

Debentures	Interest Due on Debentures		Debentures due for redemption	
	Period of Default (in days)	₹ in Lakhs	Period of Defaults (in days)	₹ in Lakhs
Optionally Fully Convertible Debentures (OFCD's)				
Capital Fortunes Private Limited	649.00	19.20	649.00	197.73
Capital Fortunes Ventures Private Limited	649.00	199.34	649.00	157.59
D.V.Chalam	649.00	22.86	649.00	37.17
<b>Total</b>		<b>241.40</b>		<b>392.49</b>

**17. Other Financial Liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Advances from Contractees	89,079.87	131,141.13
Margin Money Deposits received	2,850.88	2,850.88
<b>Total</b>	<b>91,930.75</b>	<b>133,992.01</b>

**18. Provisions**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Employee Benefits	790.26	768.69
<b>Total</b>	<b>790.26</b>	<b>768.69</b>

**19. Borrowings**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Loans repayable on demand		
Secured Working Capital Facilities from Banks (Refer Note No. 19.1)	136,712.77	115,190.90
Short Term Loans (COVID FITL)(Refer Note No. 19.2)	4,680.80	-
Secured Inter Corporate Loan from Others (Refer Note No. 19.3)	1,000.00	1,010.26
Un-secured Inter Corporate Loan from Others (Refer Note No. 19.4)	167.50	-
<b>Total</b>	<b>142,561.07</b>	<b>116,201.16</b>

**Nature of Security and Terms of Repayment****19.1 Working Capital Facilities (Secured)**

The working capital facilities from the consortium of Banks are secured by:

- Hypothecation against first charge on stocks, book debts and other current assets of the Company both present and future ranking paripassu with consortium banks.
- Hypothecation against first charge on all unencumbered fixed assets of the Company both present and future ranking paripassu with consortium banks.
- Equitable mortgage of properties belonging to promoters, directors, group companies.
- Personal guarantee of promoter directors and relatives. Corporate guarantees of entities in which KMPs are interested.

**19.2 Short Term Loan (COVID FITL)**

- Hypothecation against first charge on stocks, book debts and other current assets of the Company both present and future ranking paripassu with consortium banks.
- Hypothecation against first charge on all unencumbered fixed assets of the Company both present and future ranking paripassu with consortium banks.
- Equitable mortgage of properties belonging to promoters, directors, group companies.
- Personal guarantee of promoter directors and relatives. Corporate guarantees of entities in which KMPs are interested.

**19.3 Secured Inter Corporate Loan from Others**

The secured Inter corporate loans are secured by equitable mortgage of Land of Group Company and personal guarantees of the Managing Director. The rate of interest is 16.00% p.a.

**19.4 Un-secured Inter Corporate Loan from Others**

The unsecured Inter corporate loans rate of interest is 18.00% p.a.

**19.5 Details of amounts due as on Balance Sheet date:**



**a) Principal Amount**

₹ in Lakhs

Name of the Bank	0-30 days	31-60 days	61-90 days
Andhra Bank	18.14	21.19	-
Bank of Baroda	354.85	358.33	-
Bank of Maharashtra	52.77	59.50	59.50
Canara Bank	759.50	-	-
Corporation Bank	73.18	73.45	73.45
Federal Bank	17.35	17.04	-
IDBI Bank Ltd	212.94	212.94	-
Punjab National Bank	250.98	251.32	251.32
State Bank of India	444.69	-	-
Syndicate Bank	1,073.68	-	-
Union Bank of India	22.36	22.28	-
<b>Total</b>	<b>3,280.44</b>	<b>1,016.05</b>	<b>384.27</b>

**Interest Amount**

₹ in Lakhs

Name of the Bank / Others	0-30 days	31-60 days	61-90 days
<b>Banks</b>			
Andhra Bank	18.86	9.37	9.68
Bank of Baroda	367.73	10.22	10.53
Bank of Maharashtra	2.20	-	-
Canara Bank	137.69	-	-
Corporation Bank	53.83	2.74	2.88
Federal Bank	17.15	-	-
Idbi Bank Ltd	218.77	58.06	2.36
Indian Overseas Bank	97.99	97.99	-
Punjab National Bank	118.26	66.69	72.73
State Bank of India	57.13	-	-
Syndicate Bank	142.99	-	-
Union Bank of India	50.94	-	-
<b>Intercorporate Depsoits</b>			
Kakinada Seaports Limited	12.57	-	-
Gajraj Infrastructure P Ltd	2.00	-	-
<b>Total</b>	<b>1,298.11</b>	<b>245.07</b>	<b>98.18</b>

**20. Trade Payables:**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Micro, Small and Medium Enterprises	-	-
Others	143,640.13	108,940.63
<b>Total</b>	<b>143,640.13</b>	<b>108,940.63</b>

**21. Other Financial liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Current maturities of Long Term Borrowings		
- Term, Equipment, Vehicle Loans and ECB Loans	19,720.02	11,516.16
- Principal Default on Term, Equipment and Vehicle Loans	5,417.57	3,044.41
- Lease Liability	1,296.54	1,323.04
9% Optionally Fully Convertible Debentures due for redemption (Refer Note No. 16.8 & 32.25)	633.90	633.90
Interest accrued but not due on Borrowings from Banks & Financial Institutions *	7.21	1,233.58
Interest accrued and due on Borrowings from Banks & Financial Institutions (Refer Note No. 16.7 & 19.5)	3,302.21	2,490.20
Deposits from Sub-contractors (SD/Withhold)	18,218.59	18,036.13
Financial liability of compounded financial instrument	371.91	371.91
Amortisation of Finance Cost	49.95	98.95
Unpaid Dividends	1.03	2.17
Unsecured loan	1.47	1.47
<b>Total</b>	<b>49,020.40</b>	<b>38,751.92</b>

**22. Other Liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Salaries Payable	2,444.51	2,022.07
Provision / Payables for Expenses and Services	1,355.85	1,466.26
Statutory Dues	7,101.56	6,623.96
Other Payables	8.61	6.75
<b>Total</b>	<b>10,910.53</b>	<b>10,119.04</b>

**23. Provisions**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Employee Benefits	95.11	131.12
<b>Total</b>	<b>95.11</b>	<b>131.12</b>

**24. Revenue from Operations**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Construction / Contract Revenue	390,051.89	342,733.36
Gain on Sale of Equity Investment	-	1,128.94
<b>Total</b>	<b>390,051.89</b>	<b>343,862.30</b>

**25. Other income**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Interest income from Deposits & Others	124.83	245.06
Other Miscellaneous Income	612.00	297.57
<b>Total</b>	<b>736.83</b>	<b>542.63</b>

**26. Cost of Materials Consumed and Cost of Purchases & Services**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Steel	28,986.01	30,020.55
Cement	23,086.12	16,072.88
Bitumen	9,336.39	5,451.90
Metal	50,982.48	39,092.51
Sand & Gravel	6,860.66	3,225.65
Electrical Materials	674.77	174.77
Consumable Stores	3,367.98	2,173.73
RCC & GI Pipes	3,032.68	1,288.97
HSD Oils & Lubricants	23,007.20	18,318.69
Mining work Materials	234.69	1,120.60
Admixer	2,343.57	1,661.72
Other Materials	561.84	1,791.99
<b>Total</b>	<b>152,474.39</b>	<b>120,393.96</b>

**27. Work Expenditure**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Departmental Recoveries	14,380.29	13,558.29
Work executed by sub contractors	44,921.86	40,902.12
Earth Work	39,231.27	39,886.98
Concrete Work	32,596.74	31,326.25
Transport Charges	3,965.58	4,339.83
Hire Charges	7,930.12	7,272.45
Road work	16,456.57	9,691.32
Repairs and Maintenance	3,665.73	3,140.63
Mining work expenditure	4,497.33	4,845.38
Royalty and Seigniorage charges	2,145.15	1,107.06
Taxes and Duties	1,390.37	1,495.94
Insurance	1,275.19	1,055.21
Project Promotion Expenses writtenoff	1,892.81	7,114.34
Utility Shifting Work	3,125.44	3,105.73
Security Charges	1,350.78	1,012.25
Other Work Expenditure	1,915.18	3,243.26
<b>Total</b>	<b>180,740.41</b>	<b>173,097.04</b>

**28. Change in Work-in-Progress**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Opening Work in Progress	35,983.60	17,050.10
Less : Closing Work in Progress	(49,040.62)	(35,983.60)
<b>Changes in Work in Progress</b>	<b>(13,057.02)</b>	<b>(18,933.50)</b>

**29. Employee benefits expense**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Salaries & Wages	13,135.06	12,835.86
Director's Remuneration	660.00	660.00
Staff Welfare Expenses	933.09	1,099.55
Contribution to Statutory Funds	322.36	326.89
<b>Total</b>	<b>15,050.51</b>	<b>14,922.30</b>

**30. Finance costs**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Interest on Term Loans	6,354.22	8,148.19
Interest on Non Convertible Debentures	2.40	2,942.20
Interest on Working Capital Facilities	18,315.71	13,714.18
Interest on Equipment Loans	2,581.16	2,624.78
Interest on Lease Finance (Refer Note No. 32.6)	332.44	419.55
Interest on Margin Money Received	-	2,194.34
Interest on Other Credit Facilities	904.76	705.27
Interest on ECB Loan	-	68.19
Effect of application of effective interest rate on borrowings	(49.00)	(123.72)
Bank Guarantee & Other Financial Charges	6,703.74	6,256.81
	35,145.43	36,949.79
Less : Interest on BG/LC Margin Money Deposits	(1,052.56)	(1,255.78)
Interest on Loans & Advances	(2,018.29)	(1,993.77)
<b>Total</b>	<b>32,074.58</b>	<b>33,700.24</b>

**31. Other expenses**

₹ in Lakhs

Particulars	For the Year ended 31 <sup>st</sup> March, 2021	For the Year ended 31 <sup>st</sup> March, 2020
Advertisement expenses	32.39	21.04
Audit fee	74.42	64.42
Donations	36.50	7.00
CSR Expenditure	145.25	186.52
Insurance charges	25.99	105.26
Consultancy, Legal & professional charges	2,187.65	1,975.24
General Expenses	583.15	154.29
Power & fuel	324.80	249.77
Miscellaneous expenses	202.21	635.16
Printing & stationery	143.68	169.08
Rent	1,050.45	922.57
Taxes & licenses	401.77	328.28
Tender Expenses	163.79	68.29
Telephone	73.84	78.66
Traveling, Conveyance & Stay expenses	461.43	701.45
Exchange loss on ECB Loan	16.74	10.99
Loss /(Gain)on Fair Market Value of Investment	(15.98)	25.62
Expected Credit Loss	5,154.59	6,511.73
Loss /(Gain)on sale of assets / Impairment of assets	(458.74)	144.60
Subscription Fee	-	3,400.67
<b>Total</b>	<b>10,603.93</b>	<b>15,760.64</b>

**32. Other Notes forming part of the consolidated financial statements**
**32.1 Contingent Liabilities and Commitments**

The details of the Contingent Liabilities and Commitments to the extent not provided are as follows:

**a. Contingent Liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
i) Guarantees given by the Banks towards performance & Contractual Commitments	1,33,441.95	1,48,066.79
ii) Corporate Guarantees given to Banks and other financial institutions for loans availed by the:		
- Associate Companies	12,500.00	12,500.00
- Subsidiary to Associate Companies	2,47,148.00	2,47,148.00
- Companies in which KMP or their relatives are interested	9,169.00	8,000.00
- Corporate Guarantee given by the Subsidiary Company	Nil	16,969.00
- Other Companies	1360.00	1360.00
iii) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	7,335.97	3,895.28

**b. Commitments**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Commitments towards investment in subsidiaries, Joint Ventures and Associates	Nil	Nil

**32.2 Disclosure of particulars regarding Subsidiaries, Joint ventures and Associates.**

Subsidiaries, Joint Ventures and Associates considered for the Consolidated Financial statements are as follows:

S. No	Name of the Entity	Nature of the Entity	% of Holding	Country of Incorporation
1	Gayatri Energy Ventures Private Limited	Wholly own-ed Subsidiary	100	India
2	Gayatri Highways Limited (Formerly Gayatri Domicile Pvt. Ltd.)	Associate Company	26	India
3	IJM Gayatri Joint Venture	Joint Venture	40	India
4	Jaiprakash Gayatri Joint Venture	Joint Venture	49	India
5	Gayatri ECI Joint Venture	Joint Venture	50	India
6	Gayatri Ratna Joint Venture	Joint Venture	80	India
7	Gayatri – Ranjit Joint Venture	Joint Venture	60	India
8	Gayatri – GDC Joint Venture	Joint Venture	70	India
9	Gayatri – BCBPPL Joint Venture	Joint Venture	60	India
10	Gayatri – RNS Joint Venture	Joint Venture	60	India
11	Gayatri - JMC Joint Venture	Joint Venture	75	India
12	MEIL-Gayatri-ZVS-ITT Consortium	Joint Venture	48.44	India
13	Viswanath-Gayatri Joint Venture	Joint Venture	50	India
14	Maytas-Gayatri Joint Venture	Joint Venture	37	India
15	GPL-RKTCPL Joint Venture	Joint Venture	51	India
16	GPL-SPL Joint Venture	Joint Venture	51	India
17	Vishwa-Gayatri Joint Venture	Joint Venture	49	India
18	Gayatri-RNS-SIPL Joint Venture	Joint Venture	70	India
19	SOJITZ-L&T-GAYATRI Joint Venture	Joint Venture	8.96	India
20	Gayatri PTPS Joint Venture	Joint Venture	70	India
21	Gayatri KMB Joint Venture	Joint Venture	70	India
22	HES GAYATRI NCC Joint Venture	Joint Venture	29	India
23	Gayatri - Ojsc Sibmost Joint Venture	Joint Venture	74	India
24	GPL -SPML Joint Venture	Joint Venture	80	India
25	Gayatri-Ramkey Joint Venture	Joint Venture	80	India

### 32.3 Related Party Transactions pursuant to Indian Accounting Standard (Ind AS)-24

Associate Company	Key Management Personnel and their Relatives
Gayatri Highways Limited (formerly Gayatri Domicile Private Limited)	Mr. T.V. Sandeep Kumar Reddy (MD) Mr. J. Brij Mohan Reddy (Vice Chairman)
<b>Companies in which the Company has Substantial Interest.</b>	Mrs. T Indira Reddy (Chair Person)
Gayatri Lalitpur Roadways Ltd *	Mr. T. Rajiv Reddy (Vice President)
Gayatri-Jhansi Roadways Ltd *	Mr. T. Anirudh Reddy
Sai Matarani Tollways Limited *	Mr. P. Sreedhar Babu (CFO)
Hyderabad Expressways Limited *	Mr. Chetan Kumar Sharma (CS & CO)
HKR Roadways Limited *	
Balaji Highways Holding Limited *	
Indore Dewas Tollways Limited *	

\* Subsidiary/Associate of Associate Company

#### Entities in which KMP or their relatives are interested

Deep Corporation Pvt. Ltd	Gayatri Bio-Organics Limited
Indira Constructions Pvt. Ltd	T. Subbarami Reddy Foundation
Gayatri Tissue & Papers Ltd	Dr.T.Subbarami Reddy (HUF)
Gayatri Sugars Ltd	Balaji Charitable Trust
Gayatri Hi-Tech Hotels Ltd	TSR LalitakalaParishad
Gayatri Property Ventures Pvt. Ltd.	Invento Labs Private Limited
Gayatri Hotels & Theaters Pvt. Ltd	Indira Energy Holdings Private Limited
GSR Ventures Pvt. Ltd.	Yamne Power Private Limited
T.V.Sandeep Kumar Reddy & Others	Gayatri Hotel Ventures Pvt.Ltd.
Gayatri Fin Holdings Pvt.Ltd.	Flynt Mining LLP

#### Transactions with the related parties:

₹ in Lakhs

Sl. No.	Description	Year	Associate Companies	Entities in which KMP are interested	KMP & their Relatives
1	Contract Receipts	2020-21	1,545.48	-	-
		2019-20	1,515.17	-	-
2	Contract payments	2020-21	-	539.41	-
		2019-20	-	405.87	250.00
3	Office Rent & Maintenance	2020-21	-	333.02	-
		2019-20	-	267.05	-
4	Remuneration to CFO, CS, and others	2020-21	-	-	166.92
		2019-20	-	-	179.52
5	Interest Received	2020-21	-	-	-
		2019-20	244.09	-	-
6	Donations & CSR expenses	2020-21	-	78.75	-
		2019-20	-	186.52	-
7	Remuneration and Commission Paid	2020-21	-	-	660.00
		2019-20	-	-	660.00

Sl. No.	Description	Year	Associate Companies	Entities in which KMP are interested	KMP & their Relatives
8	Contract Advances received/(given)	2020-21	-	(2,138.32)	-
		2019-20	-	-	-
9	Receivable on sale of investment	2020-21	-	-	-
		2019-20	-	-	-
10	Net unsecured loans given/ (Recovered)	2020-21	4,428.44	-	-
		2019-20	1,358.00	-	-
11	Closing balances – Debit	2020-21	46,838.74	2,737.45	10.39
		2019-20	47,126.44	529.23	-
12	Closing balances – Credit	2020-21	1,776.92	105.36	95.93
		2019-20	1,625.81	72.32	206.28

### 32.4 Impairment of Non-Financial Assets

In the opinion of the management of the Group, there are no impaired assets requiring provision for impairment loss as per the Ind AS 36 on "Impairment of Non-Financial Assets". The recoverable amount of building, plant and machinery and furniture and fixtures has been determined on the basis of 'Value in use' method.

### 32.5 Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Ind AS – 108. During the year under report, the Company's business has been carried out only in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

### 32.6 Leases

The Company has taken on lease various assets such as, plant & equipment, and vehicles.

Details in respect of right of use of assets:

₹ in Lakhs

Class of asset	Depreciation for the year		Additions		During the year		Carrying amount	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Plant & Machinery	1,245.12	1,188.88	-3.01	4,226.67	1,789.64	3,037.79		
Vehicles	195.64	124.38	285.05	308.30	273.32	183.92		
<b>Total</b>	<b>1,440.76</b>	<b>1,313.26</b>	<b>282.04</b>	<b>4,534.97</b>	<b>2,062.96</b>	<b>3,221.71</b>		

- i. Interest expenses on lease liabilities amounts to ₹ 332.44 Lakhs (Previous year: ₹ 419.55 Lakhs)
- ii. The Amounts not included in the measurement of the lease liability and recognised as expense in the Statement of Profit and Loss during the year are as follows:
  - a. Low value leases: ₹ Nil (Previous year: ₹ Nil)
  - b. Short-term Leases: ₹ Nil (Previous year: ₹ 101.70 Lakhs)
- iii. Total cash outflow for leases amounts to ₹ 1,705.39 Lakhs (Previous year: ₹ 1,656.55 Lakhs) including cash outflow of short term and low value leases.



### 32.7 Earnings Per Share (EPS)

₹ in Lakhs

Particulars	2020-21	2019-20
Profit/(Loss) After Tax for calculation of Basic EPS (₹ in Lakhs)	4,310.23	(5,811.27)
Profit/(Loss) After Tax for calculation of Diluted EPS (₹ in Lakhs)	4,310.23	(5,811.27)
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	1,871.99	1,871.99
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	1,871.99	1,871.99
Basic EPS (₹)	2.30	(3.10)
Diluted EPS (₹)	2.30	(3.10)

### 32.8 Tax Expenses:

₹ in Lakhs

Particulars	2020-21	2019-20
Current Tax	894.85	-
MAT Credit Entitlement	(894.85)	-
Deferred Tax Liability / (Asset)	(536.26)	(564.78)
<b>Total Tax Expenses</b>	<b>(536.26)</b>	<b>(564.78)</b>

### 32.9 Dues to Micro and Small Enterprises:

On the basis of information available with the Group, there are no dues outstanding for more than 45 days to Small Scale Industrial Undertaking (SSI). The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.

### 32.10 Additional Information pursuant to Schedule III of the Companies Act, 2013.

#### i) CIF value of Imports

₹ in Lakhs

Sl. No.	Particulars	2020-21	2019-20
1	Purchase of Capital Goods	280.62	293.41
2	Materials & Spares	1,759.73	1,885.27

#### ii) Expenditure / (Income) in Foreign Currency:

₹ in Lakhs

Sl. No.	Particulars	2020-21	2019-20
1	Travelling Expenses	-	2.14
2	Interest on ECB Loan	-	68.19
3	Consultancy & Technical Fees	1,772.61	2,425.94

### 32.11 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize the cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with other entities in the industry, the Group monitors its capital using the gearing ratio which is total net debt divided by total capital.

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Debt:</b>		
i) Non-Current Borrowings	42,700.48	71,378.89
ii) Current Maturities of Non-Current Borrowings	26,434.13	15,883.61
iii) Current / Short term Borrowings	1,42,561.07	1,16,201.16
iv) Accrued Interest	3,309.42	3,723.78
v) Less: Cash and Cash Equivalents	(8,374.76)	(11,835.63)
<b>Total Net Debt:</b>	<b>2,06,630.34</b>	<b>1,95,351.81</b>
<b>Equity:</b>		
i) Equity Share capital	3,743.97	3,743.97
ii) Other Equity	90,891.61	86,581.38
<b>Total Equity:</b>	<b>94,635.58</b>	<b>90,325.35</b>
Total net debt to equity ratio (Gearing ratio)	<b>2.18</b>	<b>2.16</b>

**32.12 Financial Instruments:**

**A. Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period.**

**Financial Instruments by category.**

The Financial Assets and Financial Liabilities are the categories of Financial Instruments.

**Financial Assets:**

₹ in Lakhs

Particulars	Fair Value Hierarchy	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>EQUITY INVESTMENTS:</b>			
<b>Measured at fair value through profit or loss (FVTPL):</b>			
Equity Investments in Other Entities (Quoted)	Level-1	22.05	6.08
Equity Investments in Other Entities (Un-quoted)	Level-2	3,000.00	3,000.00
<b>Measured at fair value through OCI (FVTOCI):</b>			
Equity Investments in Other Entities (Un-Quoted)	Level-2	-	-
<b>Measured at Cost:</b>			
Investments in Equity Instruments of Subsidiaries, Associates	NA	17,153.42	17,846.15
<b>INVESTMENTS IN PREFERENCE SHARES:</b>			
<b>Measured at Fair value through profit or loss (FVTPL):</b>			
Compulsorily Convertible Cumulative Preferential Shares in Other Entity	Level-2	19,571.95	19,571.95
<b>Measured at Cost:</b>			
Non- Convertible redeemable cumulative preferential Shares in Associates	Level-2	16,770.03	16,770.03

**Financial Liabilities:**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Measured at amortized cost:</b>		
Financial Liabilities i.e Borrowings	2,15,640.47	2,07,822.81

**B. Fair value hierarchy**

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or Liability.

**Certain Financial Assets and Financial Liabilities that are not measured at Fair Value but Fair value disclosures are required:**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021 (Carrying Value & Fair Value)	As at 31 <sup>st</sup> March, 2020 (Carrying Value & Fair Value)
<b>Fair Value Hierarchy</b>	<b>(Level - 2)</b>	<b>(Level - 2)</b>
<b>Financial Assets:</b>		
Non- Current Loans	33,978.90	34,519.34
Non-Current Receivable	21,602.90	23,078.44
Other Financial Assets	Nil	Nil
Trade Receivables	1,33,147.74	1,00,854.23
Deposits with Contractees	18,704.40	27,022.60
Cash & Cash Equivalents and Other Bank balances	28,938.19	32,928.70
Current Loans	11,183.81	7,926.63
<b>Financial Liabilities:</b>		
Borrowings	1,85,261.55	1,87,580.05
Trade Payables	143,640.13	1,08,940.63
Other Financial Liabilities	49,020.40	38,751.92

**32.13 Financial risk management objectives and policies**

The Group's activities expose it to a variety of financial risks like market risk, credit risk and liquidity risks. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**(i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments which are affected by market risk include loans and borrowings.

**a. Interest rate risk**

Majority of the Non-current (Long Term) borrowings of the Group bear fixed interest rate, thus interest rate risk is limited for the Group.

**b. Foreign Currency Risk:**

The Group's foreign Currency exposure details are as follows: ₹ in Lakhs

Particulars	Hedged/ Un-hedged	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
		Foreign Currency USD in Millions	₹ Equivalent in Lakhs	Foreign Currency USD in Millions	₹ Equivalent in Lakhs
<b>Amount payable in Foreign Currency:</b>					
Recognised foreign currency liabilities	<b>Un-hedged</b>	1.58	1162.67	2.33	1,756.46
Foreign LC	<b>Un-hedged</b>	0.37	273.28	3.20	2,410.22

The Company undertakes transactions foreign currencies; consequently, exposures to exchange rate fluctuations arise. Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary items outstanding at the balance sheet date are restated at the prevailing year-end rates. The resultant gain/loss upon such restatement along with gain / loss on account of foreign currency transactions are accounted in the Statement of Profit and Loss.

**Foreign Currency sensitivity analysis**

The above exposures when subjected to a sensitivity of 5% have the following impact: ₹ in Lakhs

Particulars	Impact on Profit after tax with increase in rate by 5%		Impact on Profit after tax with decrease in rate by 5%	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
US Dollar	71.80	208.35	(71.80)	(208.35)

**(ii) Credit risk management**

Credit risk is the risk that a customer or a counterparty to a financial instrument fails to perform or pay amounts causing financial loss to the company. The maximum exposure of the financial assets is contributed by trade receivables, work-in-progress/ unbilled revenue, cash and cash equivalents and receivables/loans from group companies.

Credit risk on trade receivables, work in progress/unbilled revenue is limited as the customers of the company mainly consist of the Government promoted entities, having strong credit worthiness. The company takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers. During the current year the company had identified credit risk on certain financial instruments as below and has made the necessary provision for the same

₹ in Lakhs

Sl. No	Particulars	Balance As at 31 <sup>st</sup> March 2021	Accumulated Expected credit loss Amount
1	Trade receivables	24,518.72	3,677.81
2	Loans /advances	77,149.33	9,657.93

**(iii) Liquidity Risk:**

Liquidity Risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's management and finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

**The following are the details regarding contractual maturities of Significant Financial Liabilities:**

**a) As at 31<sup>st</sup> March, 2021**

₹ in Lakhs

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	1,42,955.05	25,137.59	50,811.24	-	2,18,903.88
Trade Payables	1,43,640.13	-	-	-	1,43,640.13
Interest Accrued	3,550.81	-	-	-	3,550.81
Other Financial Liabilities	-	51,145.04	39,342.34	1,443.37	91,930.75
Lease Liability	-	1,296.54	1,012.30	-	2,308.84
<b>Total</b>	<b>2,90,145.99</b>	<b>77,579.17</b>	<b>91,165.88</b>	<b>1,443.37</b>	<b>4,60,334.41</b>

**b) As at 31<sup>st</sup> March, 2020**

₹ in Lakhs

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	1,16,015.11	14,560.57	80,501.95	-	2,11,077.63
Trade Payables	1,06,407.51	-	-	-	1,06,407.51
Interest Accrued	2,736.40	1,228.78	-	-	3,965.18
Other Financial Liabilities	15,736.94	24,916.81	53,995.92	39,342.34	1,33,992.01
Lease Liability	-	1,323.04	2,076.62	-	3,399.66
<b>Total</b>	<b>2,40,895.96</b>	<b>42,029.20</b>	<b>1,36,574.49</b>	<b>39,342.34</b>	<b>4,58,841.99</b>

**32.14** Pursuant to the introduction of the Goods and Service Tax (GST), applicable indirect taxes have got subsumed into GST. The company has executed various Construction Contracts/projects of NHA /other state and central government Departments and in majority of the cases, the work orders for these contracts were issued under the erstwhile previous tax laws and the additional impact on account of GST was recognized in the previous years as other receivables under "Other Current Assets" note. During the year the company has recovered substantial amount of GST dues and the balance amount will also be recovered in the due course.

**32.15** The company has investment in Gayatri Hi-tech Hotels Limited ("Investee Company") in the form of 4% Compulsorily Convertible Cumulative Preferential Shares ("CCCPS") amounting to ₹ 19,571.95 Lakhs as at 31<sup>st</sup> March, 2021. The financial statements of Investee Company are prepared on a going concern basis though, it has incurred considerable losses and there has been significant erosion in the Net worth of the investee company as per the latest available financial statements of the investee company.

The ongoing Covid 19 pandemic and

implementation of lockdown in the county has significantly affected the operations of the investee company and the extent to which the COVID – 19 pandemic shall effect the operations of the investee company are depended on future developments which are uncertain. However, the fair valuation of the investment done by the registered valuer is not lower than the actual investment made by the company and further the management of the company is very confident that business operations of the investee company will get normalized at the earliest and generate sufficient cash flows. The CCCPS will be converted into equity shares of the investee company during the financial years 2027-28, which is very long period for realisation of investment or to analyse the actual investment value. Hence, considering the tenure of the investment and nature of the investment, the management of the company is of the view that no provision for diminution / impairment for carrying value of the investments is required to be made for the current financial year.

**32.16** Gayatri Highways Limited, an associate company in which the company has investment of ₹ 16,770.00 Lakhs in the form

of Non-Convertible Preference Shares ('NCPS'), Equity Share Capital Investment of ₹ 1,248.00 Lakhs and also funded an amount of ₹ 24,778.49 Lakhs in the form of unsecured loan / subordinate debt as at 31<sup>st</sup> March, 2021. Further, as said the audited financial statements of the said Associate Company, it has been incurring operating losses during past few years. However, the financial statements of said associate company have been prepared on going concern basis as the promoters of the associate company have guaranteed support to the company and its management believes its investments in road projects will generate sufficient cash flows to support the company in foreseeable future. As at 31<sup>st</sup> March, 2021 the associate company has holding portfolio in seven Road Projects. The management of the company is of the opinion that considering the future cash flows of the company from the said road projects on account of various claims filed, annuities and Toll collections receivable will be sufficient to recover the amounts invested / advanced to the associate company and hence, in the opinion of the management no provision is required to be made for the NCPS investments made by the company and unsecured loan/subordinate debt receivable by the company from the said associate company for the year ended 31<sup>st</sup> March, 2021.

**32.17** In the ordinary course of business, the Company had given Contract Advances to a sub-contractor which on mutual consent have been converted into interest bearing inter corporate loan. The said inter corporate loan of ₹ 18,676.14 Lakhs and interest thereon of ₹ 20,296.72 Lakhs is pending for recovery as at 31<sup>st</sup> March, 2021. 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. Further, as per the information available with the company, the said sub-contractor is going to recover the money from sale of immovable properties assigned to it and also assured the company that the sale proceeds will be utilised for repayment of dues

to the company. In view of this, no provision for the same is required to be made in the financial statements of the company for the year ended 31<sup>st</sup> March, 2021.

**32.18** One of the subsidiary of the associate company (herein after called as "concessionaire company" or "SMTL"), which has been awarded a Build-Operate-Transfer (BOT) work for construction of Four Laning of Panikoili-Rimuli section of NH-215 Road. The Company has to receive an amount of ₹ 24,472.04 Lakhs towards EPC cost from the said concessionaire company as on 31<sup>st</sup> March, 2021. Further, the company has given an irrevocable and unconditional Corporate Guarantee of ₹ 1,82,735.00 Lakhs to the lenders of the concessionaire company.

The Concessionaire Company has given termination notice to National Highways Authority of India (NHAI) due to irreparable loss of toll revenue from the road project and requested for termination payment of ₹ 2,29,667.00 Lakhs. Apart from the above said termination payment, the Concessionaire Company had filed claims with the NHAI under "Concessionaire's right to recover losses/ damages from the Authority on account of material default of the Authority for an amount of ₹ 97,449.00 Lakhs towards cost overrun claims attributable to the NHAI, which includes claims against EPC Escalation made on NHAI from EPC Contractor (GPL) for ₹ 51,752.00 Lakhs.

SMTL Road Project was terminated by the NHAI on 28<sup>th</sup> January, 2020 and toll collection rights were handed over to the NHAI from 30<sup>th</sup> January, 2020. The Concessionaire Company has requested the NHAI for referring the disputes such as Termination Payment and Claims to the Conciliation Committee of Independent Experts ("CCIE") as per NHAI policy. Further, the Concessionaire Company had filed petition on 21<sup>st</sup> December, 2019 against the NHAI before the Hon'ble High Court of Delhi, New Delhi requesting NHAI to deposit 90% of the Debt Due by the said Concessionaire Company.

In these circumstances, the NHAI vide its letter dated 31<sup>st</sup> March, 2020 has calculated the termination payment as ₹ 58,421.00 Lakhs unilaterally as against termination payment of ₹ 2,29,667.00 Lakhs and

released total amount of ₹ 44,575.00 Lakhs to Escrow Bank Account of the lenders of said Concessionaire Company and retained ₹ 13,846.00 Lakhs with it towards various counter claims and statutory deductions etc.,.

The Concessionaire Company has utterly disagreed with the termination payment calculated by the NHAI unilaterally and disputed the termination payment. The dispute pertaining to the termination payment along with the claims submitted by the Concessionaire Company are pending before the CCIE Committee.

As per the information and explanations given by the concessionaire company and based on the legal opinion obtained by it, the said concessionaire company will receive significant amount of compensation so as to settle dues to the lenders and the company. As per the available information and based on the discussions held with the lenders, the management is of the view that the possibility of invocation of Corporate Guarantee is remote. In view of this, the management is of the opinion that no provision is required to be made in respect of receivables and Corporate Guarantee for the year ended 31<sup>st</sup> March, 2021.

**32.19** An amount of ₹ 3,620.49 Lakhs as on 31<sup>st</sup> March, 2021 is receivable from M/s Western UP Tollways Limited ('Erstwhile Associate Company or WUTPL') 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. During the year, The Arbitration Tribunal has pronounced arbitration award of ₹ 12,443.03 lakhs which includes interest thereon of ₹ 6,405.15 lakhs and extension of concession period by 348 days. At the request of the M/s Western UP Tollways Limited, the above claims and the termination payment have been referred to the Conciliation Committee of Independent Experts ("CCIE") as per NHAI policy. The Management of WUTPL is very confident of getting the claims amounts from NHAI and assured the company by way of agreement, to pay the company its share upon receipt of claims and accordingly, in the opinion of the management of the company, no provision is required to be made in respect

of amounts receivable from the said erstwhile associate company in the audited financial statements for the year ended 31<sup>st</sup> March, 2021.

**32.20** The Advances to Suppliers, Sub-contractors and others as at 31<sup>st</sup> March, 2021, includes an amount of ₹ 15,328.33 Lakhs given to one sub-contractor in the normal course of business. The recovery of this advance is delayed due to certain extraneous factors not attributable to the subcontractor. During the previous financial year, the company has recovered an amount of ₹ 15,199.00 Lakhs from the said sub-contractor. In view of this, the management is confident to recover the entire advances from the sub-contractor in due course and hence, no provision is required to be made in the financial statements for the year ended 31<sup>st</sup> March, 2021.

**32.21** As per the Settlement and Supplementary Agreement dated 14<sup>th</sup> September, 2020 made between Gayatri Projects Limited ("the Company"), Gayatri Highways Limited ("GHL") – an Associate Company and IL&FS Financial Services Limited (IL&FS); the Company and GHL jointly and severally agreed to repay the balance principal loan amount of ₹ 8,409.10 Lakhs and Additional Interest of ₹ 865.00 Lakhs towards loan availed by GHL along with interest in eleven monthly instalments commencing from 15<sup>th</sup> September, 2020 and the entire amount to be paid on or before 15<sup>th</sup> July, 2021. The company & GHL have jointly paid an amount of ₹ 34.42 crores till date and the repayment of remaining loan instalments are pending since January, 2021.

**32.22** The company is mainly engaged in the execution of road works allotted by the National Highways Authority of India and Irrigation related works given by various state governments. Due to various covid related lock down restrictions imposed across the country during the year, the work at major sites had got disrupted, however post relaxation of lockdown restrictions, the works have resumed and the company is recovering from the economic after effects of COVID-19 and works at various major sites are progressing well.

COVID -19 Pandemic impact and lockdown restrictions caused temporary stress on the working capital management. As stated above, the company is mainly executing government related works, it is estimated that there will be no

defaults in receivables of the company and there will be no cancellation / suspension of works allotted to the company. In view of the above, the COVID-19 pandemic impact on the business operations of the company is temporary in nature and it will not impact the continuity of the business operations of the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact on the financial statements.

### 32.23 Debt Resolution Plan:

The company is facing severe liquidity constraints over the last few months on account of cash flow mismatch. In view of this, the company has proposed a resolution plan to the lending consortium, which essentially involves sources to meet the repayment debt service obligations through monetization of arbitral awards, monetization of Claims under process either through a Conciliation & Settlement Mechanism, disposing of non-core assets and cash flows from normal operations of the Company. As a part of the resolution plan, the lending consortium has signed an Inter-Creditor Agreement (ICA) on 18<sup>th</sup> March, 2021.

**32.24** During the previous financial years, the subsidiary company (i.e. GEVPL) had entered into Master Shareholders agreement with Sembcorp Utilities PTE Ltd (SUPL), Sembcorp Energy India Limited (formerly Thermal Power Corporation India Limited) (SEIL) and Sembcorp Gayatri Power Limited (SGPL). Pursuant to this agreement, the subsidiary company has an option to exercise the call option of purchasing 5.88% of shareholding of SEIL i.e, 30,33,30,925 shares. Further during the previous year, pursuant to the Share Purchase Agreement entered by the subsidiary company with the Sembcorp Utilities Pte. Ltd., the subsidiary company had sold its entire investment in SEIL. However pursuant to the Share Purchase Agreement, the subsidiary company is entitled for earnout on the call option shares and the same shall be payable by the purchaser only upon the occurrence of a Liquidity Event which is no later than 25<sup>th</sup> May, 2022.

**32.25** During the preceding financial years the subsidiary company (i.e. GEVPL) had issued

99,25,000 number of 9% OFCD's amounting to ₹ 992.50 Lakhs. During the previous year from the proceeds of sale of investment in M/s. Sembcorp Energy India Ltd (SEIL), the subsidiary company had paid an amount of ₹ 600.00 Lakhs to the debenture holders and the remaining amount payable as at 31<sup>st</sup> March, 2021 to the debenture holders as per the subsidiary company's books of accounts is ₹ 633.90 Lakhs. As the discussions are going on about full and final settlement amount, the interest on OFCDs has not been accounted for the financial year. In view of accumulated losses in the subsidiary company and its inability to realize the entire amount from sale of the investment in SEIL, the subsidiary company has initiated negotiation/discussion with Debenture holder to settle the final amounts payable to them and as at balance sheet date, the negotiations are inconclusive.

**32.26** During the preceding financial years, the subsidiary company (i.e. GEVPL) had made an investment/ advance/ share application money to Jimbhuvish Power Generation Private Limited and Jimbhuvish Power Project Limited to set up a coal-based power plant in Maharashtra and as on 31<sup>st</sup> March, 2021 the total amount infused in the form of investment/advance/ share application money is ₹ 5544.45 Lakhs. The Subsidiary Company had decided to exit from the said power project and in this regard entered into an Exit Agreement on 25<sup>th</sup> May, 2013, which was subsequently amended by various letter agreements and as per the latest agreement the company shall exit from the said power project by 31<sup>st</sup> October, 2021. Though there has been a significant delay in exiting from the above investments, the management is confident to recover the entire investment amount in the immediate subsequent financial year as per the Exit Agreement and hence, in the opinion of the management no provision is required to be made in the carrying value of the Investment. However, as a matter of prudence and in compliance with the Ind AS requirement, an amount of ₹ 1,272.28 Lakhs has been provided towards provision for credit loss of the advance amount & Share Application Money infused by the subsidiary company.

**32.27** During the preceding financial years, the step down subsidiary company (i.e. BTPCL), had given



Contract Advance of ₹ 2,155.05 Lakhs towards execution of road works at proposed Thermal Power Project site. As the said contract work was not executed due to various factors such as pending coal allotment and non-acquisition of complete proposed project land, etc, the Mobilisation Advance has not been adjusted / recovered. The management of the step-down subsidiary company considering the nature of advances and the long pending recovery of the same, had during the previous years provided an Expected Credit Loss (ECL) of ₹ 1,083.61 Lakhs and is in the process of estimating if any further ECL/provision is to be made regarding the said Contract Advance.

**32.28** The Cabinet Committee on Economic Affairs (CCEA) vide its “measure to revive construction sector – reg” had approved partial (75%) interim payment of challenged arbitral awards by the Government entities to contractors/ concessionaires against a bank guarantee. Pursuant to such measures announced, the company had received a sum of ₹ 21,044.83 lakhs as partial (75%) interim payment towards an arbitration amount and the amount so received during the current financial year has been reduced from the outstanding claims receivables disclosed in other current assets.

**32.29** During the previous years, pursuant to various agreements entered between the subsidiary company, Sembcorp Gayatri Power Ltd (SGPL), Sembcorp utilities Pte. Ltd (SUL), Sembcorp Energy India Ltd (SEIL) and NCC Infra Holding Ltd (NCCIHL) (associate company) for the reorganization of SembCorp group’s power portfolio in India to consolidate its beneficial holdings in SGPL, the subsidiary company had sold its partial investment in NCCIHL to NCC

Limited. Further, pursuant to the agreement, the subsidiary company had agreed to sell its remaining shares held in NCCIHL to NCC Limited on a mutually agreed price on receipt of “subsequent tranche letter” from NCC Limited. The subsidiary company is yet to receive the letter to sale the investment as at 31<sup>st</sup> March, 2020 and hence, the effect of transfer of shares will be recognized on transfer of shares. Further, the subsidiary company has invested in Equity Shares of ₹ 28,969.35 Lakhs in the associate company during the previous years and as per the audited financial statements of the associate company, it has been incurring losses during the past few years and accumulated losses have affected the net-worth of NCCIHL. The subsidiary company has conducted the Risk Assessment of its assets including its investment in NCCIHL. In accordance with the same, the management of the subsidiary company is of the opinion that no provision is required to be made for the diminution in the carrying value of the equity investments made by the subsidiary company for the year ended 31<sup>st</sup> March, 2021.

**32.30** The Code on Social Security, 2020 (“Code”) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

**32.31** Previous year figures are regrouped / reclassified to match with the current year presentation.

**32.32** All amounts are rounded off to the nearest Thousands.

**For M O S & Associates LLP**  
Chartered Accountants

**Oommen Mani**  
Partner

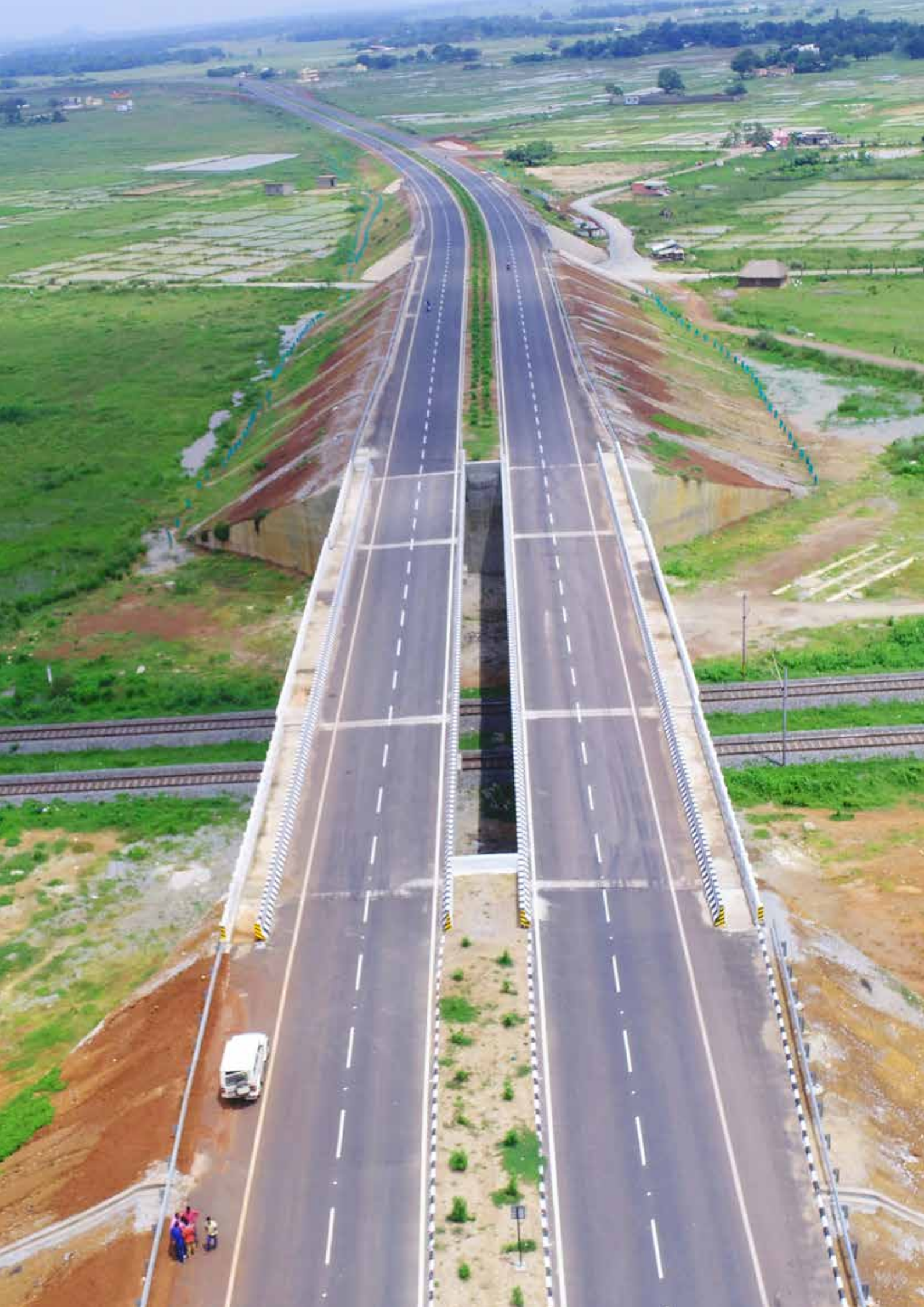
**T. Indira Reddy**  
Chair person  
DIN : 00009906

**T.V. Sandeep Kumar Reddy**  
Managing Director  
DIN : 00005573

Place: Hyderabad  
Date: 14<sup>th</sup> June, 2021

**P. Sreedhar Babu**  
Chief Financial Officer

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





**GAYATRI**

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