

August 31, 2020

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

Dear Sir(s)/Madam(s),

Sub: Submission of Presentation to be made to Analysts/Investors

Please find enclosed herewith the presentation to be made to Analysts/Investors on the Results for the quarter ended June 30, 2020. This presentation is being submitted in compliance with Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

This is for your information and records.

Yours faithfully

Gayatri Projects Limited

Chetan kr Sharma
Chetan Kumar Sharma
Company Secretary &
Compliance Officer



Encl: As Above

Regd. & Corp. Office :

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

T +91 40 2331 0330 / 4284 / 4296
F +91 40 2339 8435

E gplhyd@gayatri.co.in
www.gayatri.co.in



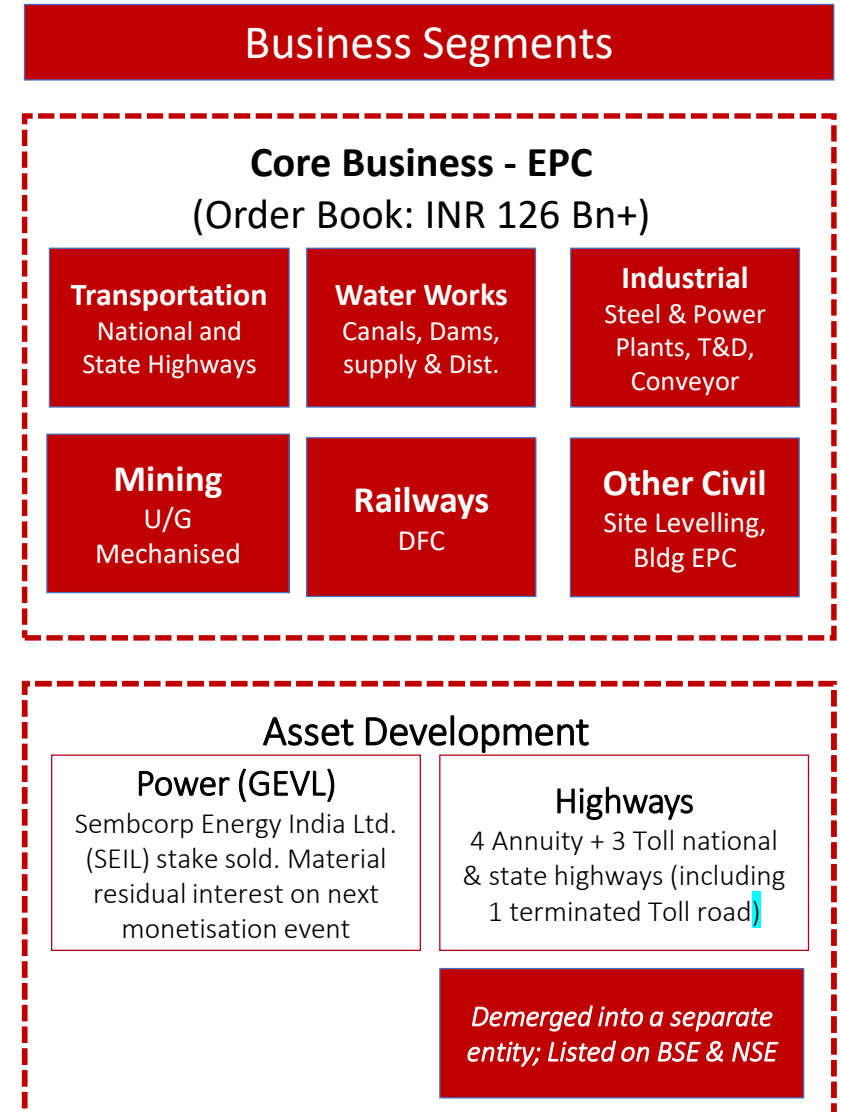
Gayatri Projects Limited

Investor Presentation

GPL: Amongst India's leading Asset – Light EPC Companies



- One of India's leading construction and infrastructure companies with dedicated focus on asset-light EPC work
- 5 decades of experience in execution of major civil works, diversified across geographies & infrastructure segments
 - Pan India operations spread across 19 states
 - Transportation, Waterworks & Industrial construction projects
 - Marquee client list: NHAI, KNNL, PWD (Mizoram), MSRDC, BSRDC, CIDCO (Maharashtra) & CAD (AP, Telangana) etc.
- Strong Execution track record
 - Completed more than 6,850 lane km of road construction over the last 25 years
 - Completed ~44 projects aggregating to INR 106 billion+ value in last 5 years
 - Own extensive fleet of more than 2,355 pieces of construction equipment
- Leading technology-led transformation in Indian construction space
 - Technology-driven efficient execution: IOT, Computer vision, UAVs, cloud-computing
 - Real-time reporting, higher transparency & faster execution using end-to-end digital project management
- High medium term revenue growth visibility driven by large order wins
 - Order book of INR 126 bn+
 - Book-to-Bill of 4x: high growth visibility for next 3-4 years
- Re-focused business on "Asset-Light" Model over last 4 years
 - Reduced, restructured, monetized exposure to Asset Development Business
 - Significant improvement in balance-sheet leverage (2.4x to 1.65x in last 4 years) and free cash flow generation (FCF of Rs 367 Mn, post interest payment).
 - On track for low to mid 20s RoE & RoCE, strong cash-flow generation and D/E below 0.5x in next 2-3 years



Impact of Covid – 19 Pandemic



Operational Impact

- Executions across the project sites were temporarily suspended from 22nd March on account of nation-wide lockdown
- From 20th April, Operations were resumed wherever allowed depending upon the project site location, availability of labour and raw material. Operations were resumed to a considerable levels by June
- Currently, execution is around 50-60% levels



Financial Impact

- Profitability of Q1FY20 was impacted on account of interruption in execution due to nationwide lockdown & shortfall of labour & raw material post lockdown.
- The company opted for loan moratorium from March 2020 to August 2020 to conserve the liquidity.



Outlook

- In Q1FY20 company's execution remained at 50% - 60% due to shortage of labour and raw materials
- In Q2FY21 execution will be impacted due to monsoon; execution to pickup materially from H2FY21

Q1FY21 Results Update



Operational and Financial Snapshot: Q1FY21

Projects Execution Status

- Purvanchal expressway is running in line/a bit ahead of scheduled (adjusted for COVID-19 related delays)
- Telangana irrigation projects (PLIS package 18 & Kaleswaram Project) has picked up pace and the company currently expects to finish execution over next 3-4 quarters
- All the other projects are on track, adjusted for COVID related delays

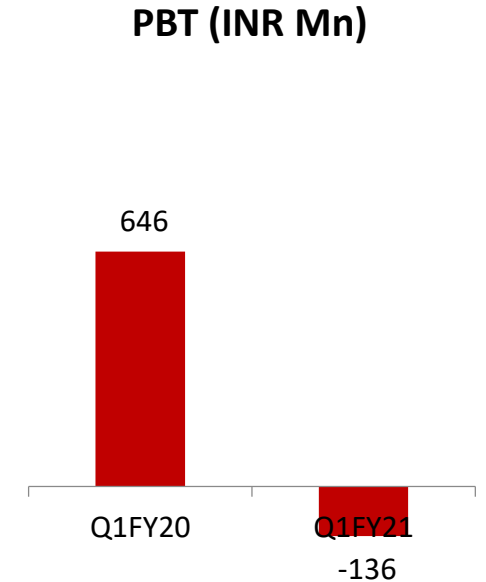
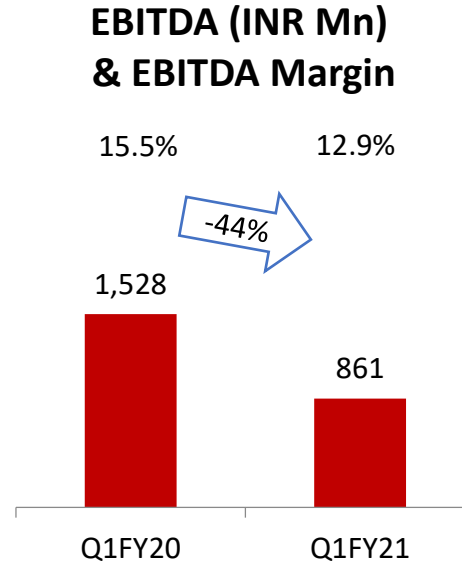
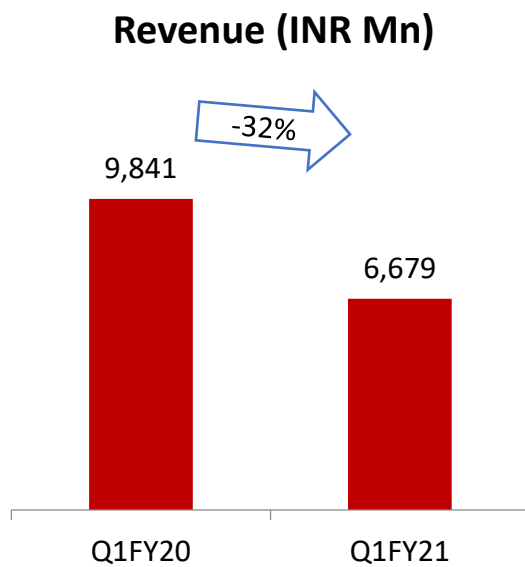
Order Pick Up Slow

- Company won an irrigation order worth INR 1.45 bn under SWSM (State water & Sanitation Mission, Namami Ganga & Rural water supply department – Lucknow, UP) in Q1FY21
- Most of the new NHAI projects are HAM projects, in which company doesn't participate. The company noticed that very high level of competitive bidding in road projects and hence is going slow in bidding for new projects.

Debt Servicing

- The company is regular in its debt account as on March 20. The company has opted for moratorium and currently there is no default.
- The company is currently restructuring its debt with Banks. In the process of the same, the company has also signed ICA (Inter Credit Agreement).

Q1FY21 (YoY)– Financial Performance



Key Highlights

- Revenue – Revenue down, execution impacted due to lockdown restrictions imposed in March 2020 and further due to shortage of labour & raw material.
- Gross profit remained intact, However EBITDA & PBT impacted due to of high operating leverage in the business & lower COVID impacted sales.

Q1FY21 Income Statement - Snapshot

INR Mn	Q1FY21	Q1FY20	YoY(%)	FY20	FY19	YoY(%)
Revenue	6,679	9,841	-32%	34,273	34,631	-1%
Expenses	5,819	8,313	-30%	30,007	29,182	3%
EBITDA	861	1,528	-44%	4,266	5,450	-22%
<i>EBITDA Margin</i>	<i>12.9%</i>	<i>15.5%</i>		<i>12.4%</i>	<i>15.7%</i>	
Depreciation	217	192	13%	909	659	38%
Finance Cost	782	643	22%	2,857	2,513	14%
Other Income	3	16		52	79	
Pre Exceptional PBT	-136	708	-119%	551	2,357	-77%
<i>PBT Margin</i>	<i>-2.0%</i>	<i>7.2%</i>		<i>1.6%</i>	<i>6.8%</i>	
Exceptional*	-	-		(4,453)	-	
Tax Expense	(15)	160		(56)	249	-123%
PAT	(121)	548		(3,846)	2,108	-282%
Pre Exceptional PAT	(121)	548		608	2,108	-71%

Top Work Orders – Status Update – Q1FY21

Project Name	Location	Contract Value (INR Cr)	Balance work as on 01.7.2020 (INR Cr)	Mobilized on Site	Revenue Booking Start	Expected Completion of Project
Purvanchal Expressway Package 1	Eastern UP	1,483	946	Yes	Q3 19	Q3 22
Purvanchal Expressway Package 2	Eastern UP	1,276	712	Yes	Q3 19	Q3 22
Ghaghra Bridge to Varanasi Package 2	Varanasi, UP	741	174	Yes	Q3 17	Q4 21*
Ghaghra Bridge to Varanasi Package 3	Varanasi, UP	558	73	Yes	Q3 17	Q4 21*
Sultanpur - Varanasi Package 1	Varanasi, UP	986	332	Yes	Q3 17	Q4 21*
Sultanpur - Varanasi Package 2	Varanasi, UP	806	210	Yes	Q3 17	Q4 21*
Angul - Sambalpur Road work	Angul, Odisha	1,255	806	Yes	Q3 18	Q3 22
Cuttack - Angul PKG 1	Cuttak, Odisha	583	391	Yes	Q3 19	Q2 21
Cuttack - Angul PKG 2	Cuttak, Odisha	529	349	Yes	Q3 19	Q2 21
Rajamunda – Barkote	Barkote, Orissa	394	369	Yes	Q2 20	Q1 22^
Bihar Road (Patna - Gaya)	Patna, Bihar	971	471	Yes	Q4 17	Q2 22
BSRDC Package 5	Kadirganj, Bihar	126	126	Yes	Q4 20	Q4 21
BSRDC Package 6	Kadirganj, Bihar	127	79	Yes	Q2 20	Q4 21
BSRDC Package 7	Kadirganj, Bihar	151	110	Yes	Q2 20	Q4 21

* extended due to prolonged monsoon, ^ extended due to delayed land acquisition

As per Government Guidelines every project extended 6 Months due to COVID 19

Top Work Orders – Status Update – Q1FY21



Project Name	Location	Contract Value (INR Cr)	Balance work as on 01.4.2020 (INR Cr)	Mobilized on Site	Revenue Booking Start	Expected Completion of Project
Nagpur - Mumbai Expressway	Shiridi, MH	1,312	1046	Yes	Q1 20	Q1 22
6 Lane Tunnel at Khambataki Ghat	Satara, MH	493	479	Yes	Q2 20	Q4 22
Jammu Ring Road	Jammu	1,339	1004	Yes	Q1 19	Q4 21
Andhra Pradesh / Tamil Nadu Border	Chittoor, AP	306	121	Yes	Q1 19	Q2 21
Dimapur - Kohima Package 3	Nagaland	340	134	Yes	Q4 16	Q4 21
Hyderabad Elevated Corridor	Hyderabad	425	358	Yes	Q1 20	Q2 23 [^]
Iqubalgarh to Vadodara : 4744	Vadodara - Gujarat	425	343	Yes	Q4 18	Q4 21
Kempwad Lift Irrigation Scheme (Rs.1363.49 Cr.)	Karnataka	990	504	Yes	Q2 18	Q4 21 [^]
Chintalapudi PKG 1	Pattisema, AP	1240	1036	Yes	Q3 19	Q2 22 [^]
Chintalapudi PKG 2	Jangannagudem AP	683	506	Yes	Q3 19	Q2 22 [^]
PLIS Package 18 (MEIL - HES JV)	Jadcherla	700	673	Yes	Q4 20	Q4 21
Kaleswaram Project (Rs.1482.75 Cr.)	Siddipeta	600	432	Yes	Q2 20	Q3 21
TOP WORK ORDERS		18,588	11784			
PROPORTION OF TOTAL ORDER BOOK			93%			

[^] extended due to delayed land acquisition

As per Government Guidelines every project extended 6 Months due to COVID 19

Notes to Account - Snapshot

Note	6	7
Description	<p>Gayatri Hi-Tech Hotels: Legacy issue. Significantly delayed EPC cost receivable from a related party. It was subsequently converted into Compulsorily Convertible Cumulative Preferential Shares (CCCPS) in FY16</p>	<p>Investment in Gayatri Highways Limited: Road BOT assets owned by GPL were spun off into separate listed company (GHL) and 74% of shareholding was distributed to GPL shareholders. GPL's residual interest is through Equity (12 cr), Unsecured Loan (203 cr) & Non Convertible Pref shares (168 cr)</p>
Amount	INR 195.7 Cr	INR 383.7 Cr
Action Taken	In the past company has been able to sell around 20% CCCPS to 3rd party investors	ECL/ other provision of 32.7cr booked till now
Further Action	CCPS will be converted into equity shares in financial year 2027-28 which is a very long period. The business operations of the investee company is expected to get normalised at the earliest & generate sufficient cash flows	The company believes its investment in road projects will generates sufficient cash flows to support the company in foreseeable future.

Notes to Account - Snapshot

Note	8	9
Description	<p>Contract Advances (loan): 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</p>	<p>Exposure to Sai Maatarini Tollways Limited (SMTL) – (Subsidiary of associate company – GHL). The company has to receive an amount of INR 245cr towards EPC cost from the said concessionaire company as on 31st March, 2020. The said amount has been separately disclosed in Balance Sheet as a part of non current assets. GPL has given an irrecoverable & unconditional corporate Guarantee of INR 1827cr to SMTL lenders</p>
Amount	INR 376.68 Cr	INR 244.7 Cr
Action Taken	The company has recovered considerable amounts in previous years	<ol style="list-style-type: none">1. Cumulative ECL provision booked of INR 29.4 cr2. Concession has been terminated and asset has been returned back to NHAI3. Conciliation proceeding started to recover termination payout & cost escalation
Further Action	The balance amount will be recovered in due course.	The company has been working expeditiously towards closing conciliation proceeding. If required arbitration shall be invoked and further appropriate legal initiatives taken.

Notes to Account - Snapshot

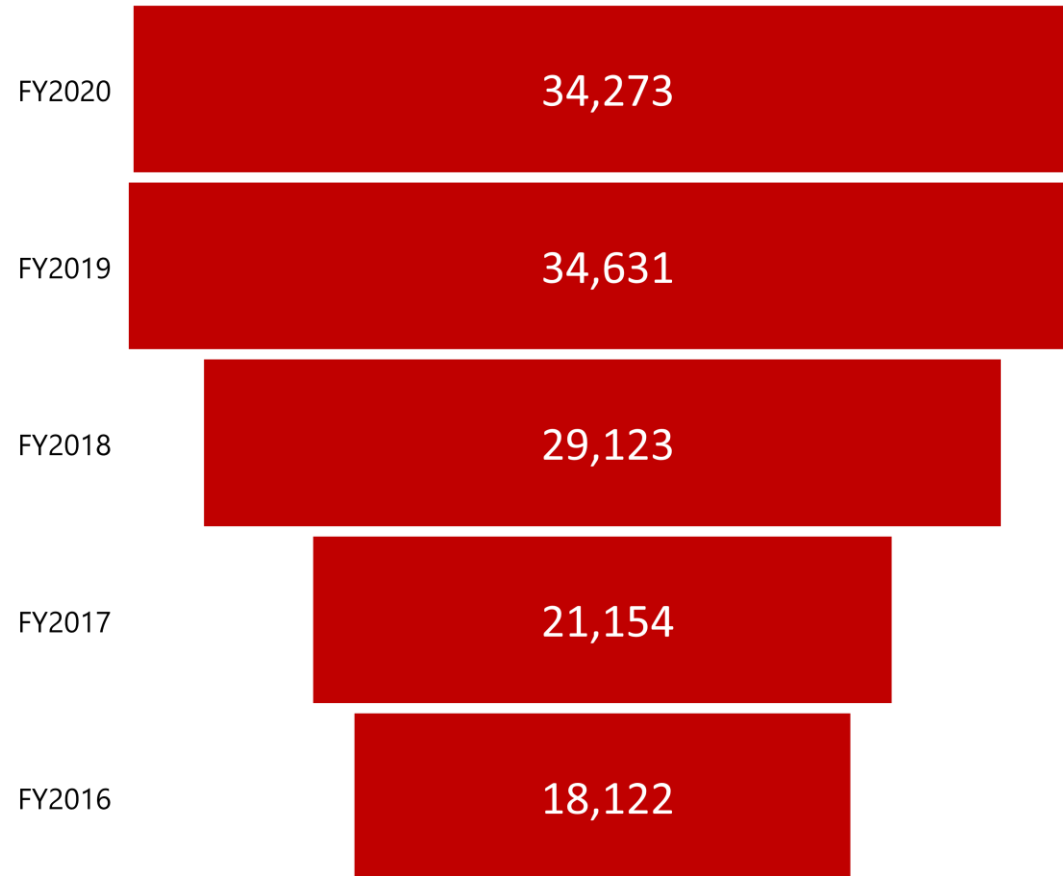
Note	10	11
Description	Receivables from Western UP Tollways (erstwhile associate company). EPC Cost – 36.2 cr. This amount is receivable from the erstwhile associate company against the EPC works executed by GPL. The erstwhile associate company has so far raised a total claim of INR 470 cr on NHAI.	Advance to Suppliers, Sub Contractors given in the normal course of business
Amount	INR 36.2 Cr	144.2 Cr
Action Taken	Arbitration proceeding is in very advance stage	Significant amount has been recovered in past as well as in current year. The company recovered INR 152 cr in FY20
Further Action	The amount is recoverable out of the claims filed by the erstwhile associate company	The balance amount will be recovered in due course

Notes to Account - Snapshot

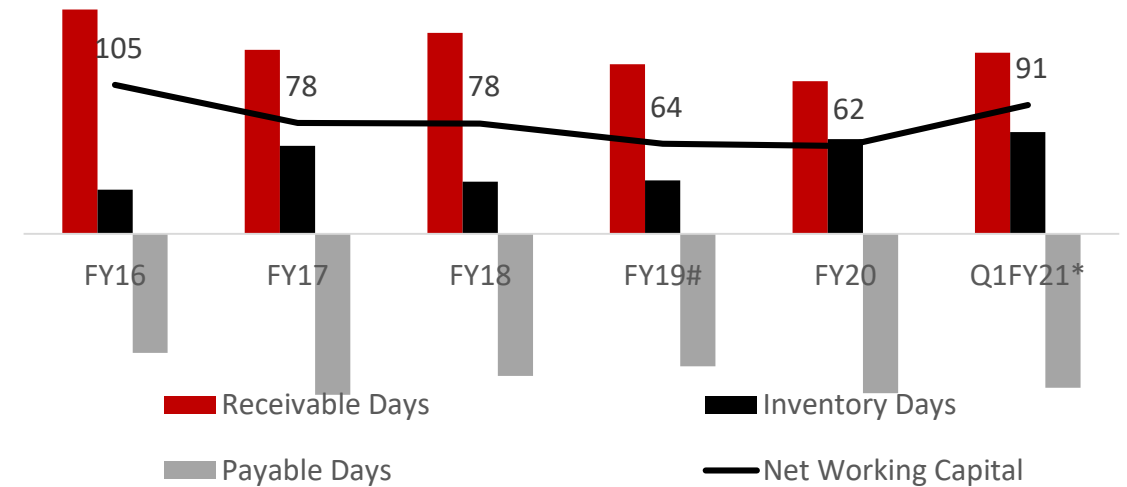
Note	12
Description	<p>Gayatri Highway Loan Guarantee - Exposure including interest – 125 cr GPL & GHL jointly & severally agreed to repay the loan availed by GHL amounting to INR 125 cr along with interest in 12 monthly instalments commencing from May 2019. The entire amount was to be paid on or before 30th Apr 2020. This is the only external debt of Gayatri Highways (standalone).</p>
Amount	INR 125 Cr
Action Taken	During FY20 GPL has supported GHL to the extent of INR 14 cr to clear this liability. Additionally, an amount of INR 30 cr was paid in the month of August 2020.
Further Action	<p>GHL is expecting significant cash flows over next few quarters from :-</p> <ol style="list-style-type: none">1. Its 2 Annuity SPVs are seeing debt repayment end by Dec 2020. Post that a material part of remaining annuity payments will be available for use by GHL2. GHL's associate co. HKR Roadways Ltd is currently going through a debt restructuring process & the owners of the business are actually looking to dispose off the asset. Any upstreaming of residual equity will be available to GHL to service its liability.3. GHL's 100% subsidiary Sai Maatarini Tollways Limited (SMTL) is going through conciliation process to recover its investment value in its now terminated BOT concession. Any recovered equity value from that process will be available to GHL for clearing out its liability

Building an Asset Light Business Model

Growing Revenue Base (INR MN)



Working Capital Days

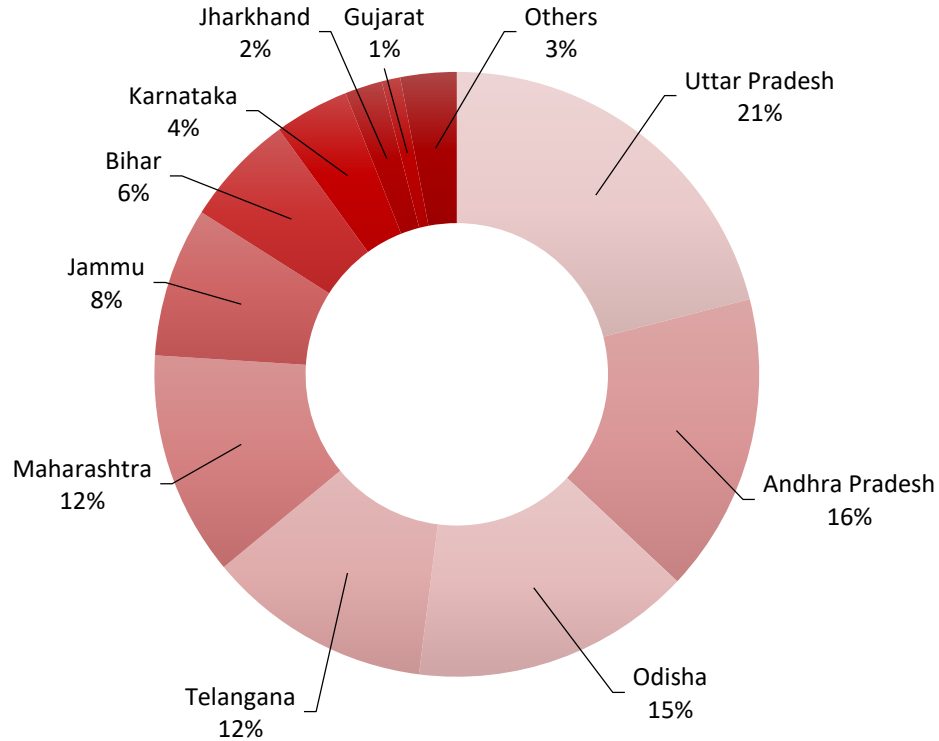


- Re-focused business on “Asset-Light” Model over last 4 years
- Revenue almost doubled in last 4 years

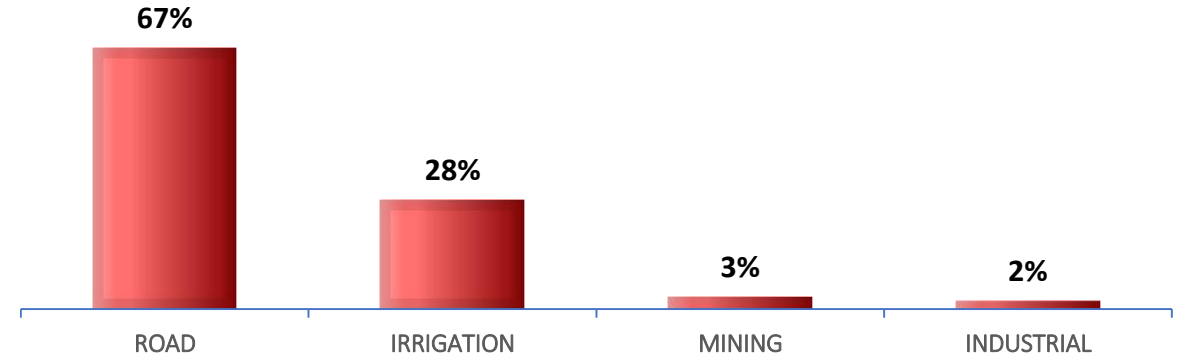
In FY19 working capital days has been increased to 64 from 48 stated earlier due to reclassification of deposits from sub contractors to other financial liabilities
 * Working capital increased due to temporary drop in revenue over last 2 quarters

Strong EPC Order Book; High Revenue Visibility

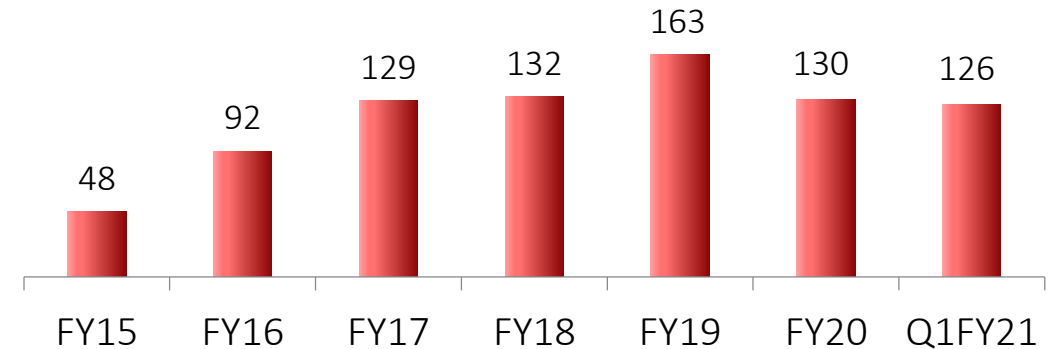
Geographical Diversification



Segmental Diversification

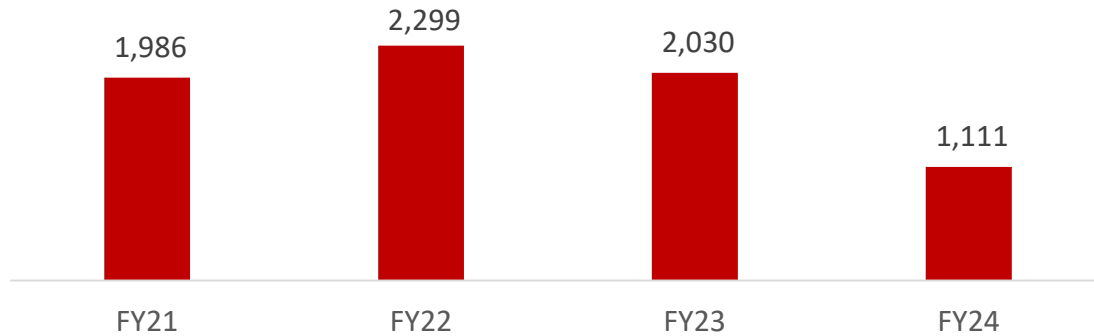


De-Risked EPC Order Book (INR Bn)

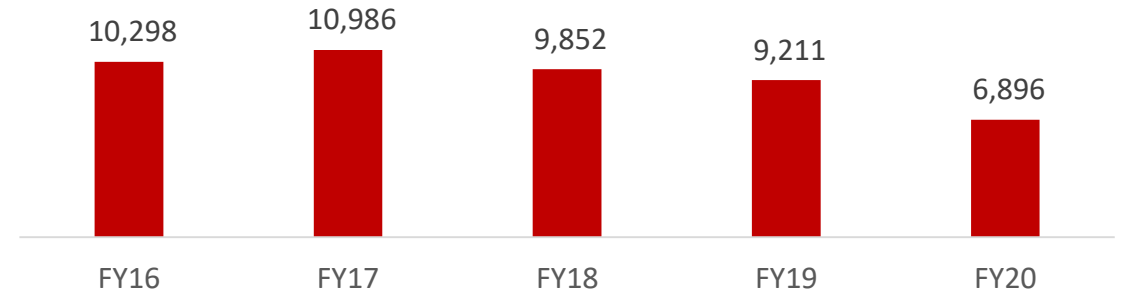


Balance Sheet Getting Stronger

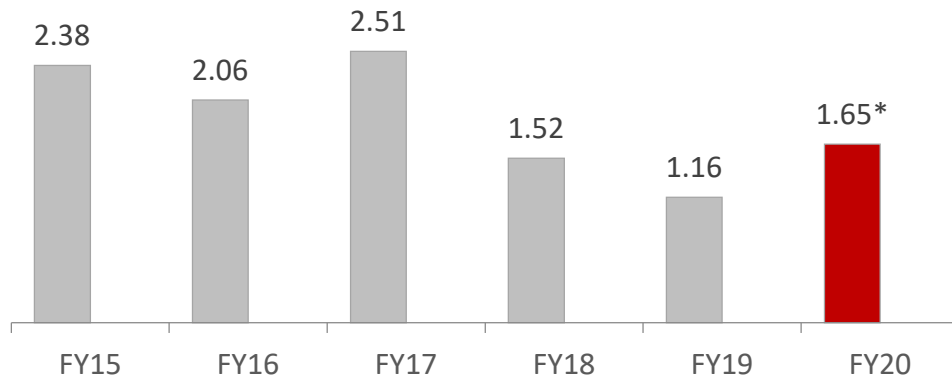
Debt Maturity Profile (INR MN)



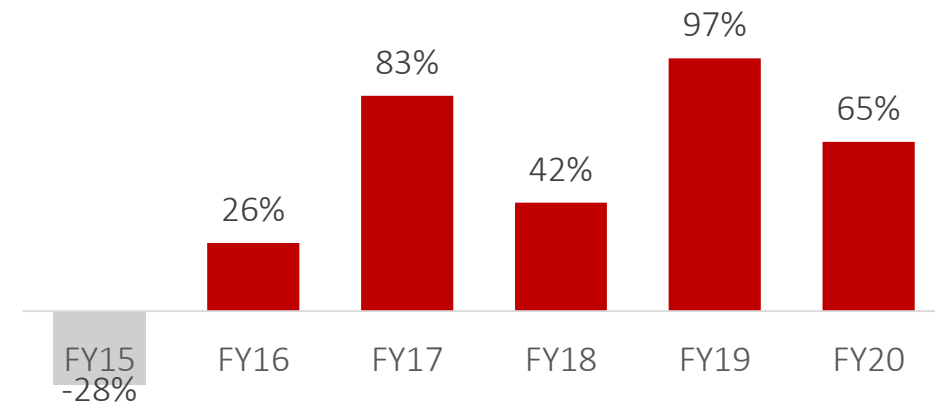
Reducing Long Term Debt (INR Mn)



Net Debt/Equity (x)



EBITDA to CFO Conversion



*on absolute basis Net Debt has not increased from FY19 levels, However due to recognition of exceptional loss; Net Debt/Eq has increased.

Roadmap to reduce term debt to zero

Conciliation & Settlement mechanism introduced by GOI/NHAI

INR 1 Bn+



GOI scheme for monetisation of under litigation arbitral awards against the Bank Guarantees

INR 2-3 Bn+



Internal Accruals/Other Initiatives

INR 1-2 Bn+

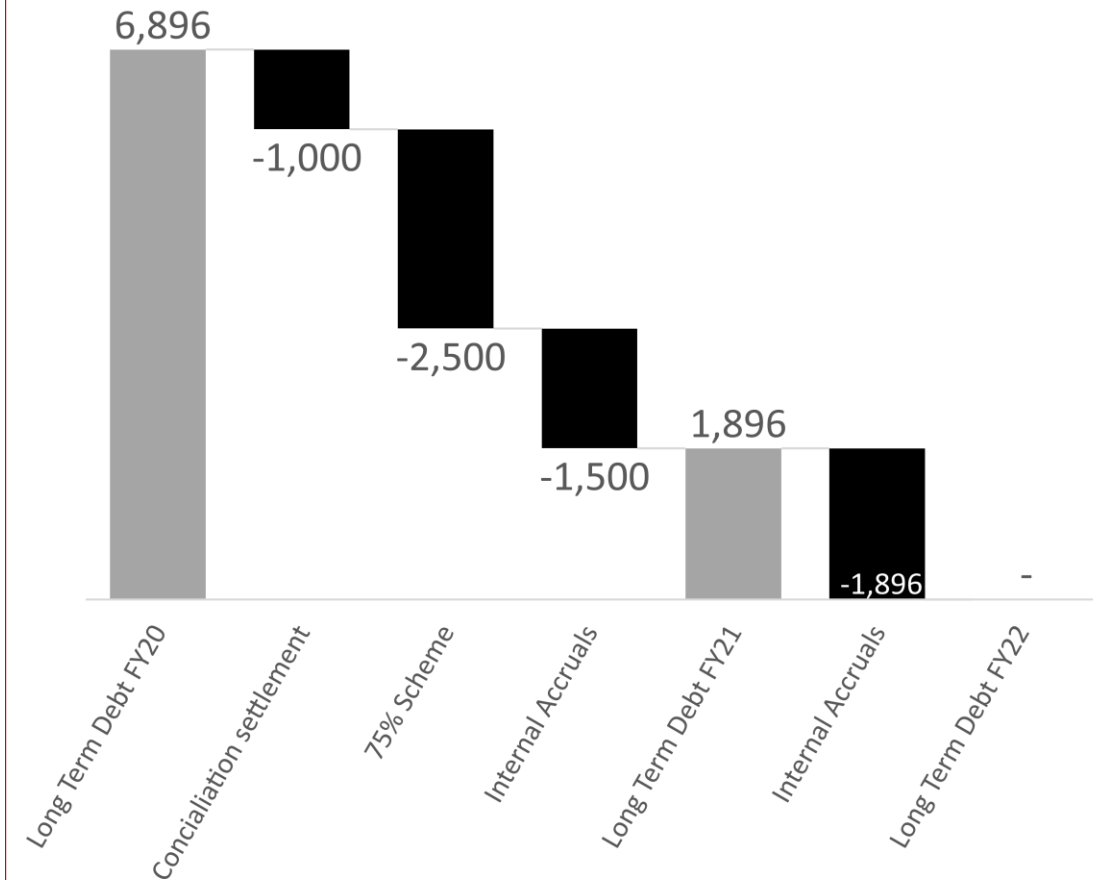


Total expected cashflow in 6-12 month

INR 4-6 Bn+

Long Term Debt Reduction Plan

■ Increase ■ Decrease ■ Total



FY21: Guidance

FY21 Guidance (INR Mn)

Order Inflow	INR 30 - 40 billion
Revenues	0% - 5% Growth
EBITDA Margin	14% - 15%

Key Investment Highlights

Strong presence in high growth construction sector

Healthy and diversified pure EPC un-executed order book with good revenue growth visibility

Highly efficient operations with strong execution capabilities

Balance-sheet improvement on track for industry leading metrics in next 3 years

Significant value unlocking through business restructuring

Appendix





AWARDS

INR 6.8 Bn+

Different arbitration tribunals/courts have awarded GPL, a total of INR 7.5 Bn+, towards disputed receivables from its EPC clients.



CLAIMS

INR 5 Bn+

In addition, GPL has a net exposure to outstanding claims of INR 6.7 Bn+ in different arbitral tribunals/courts.



Monetisation of stake in power asset

- The company **concluded the sale** of its 5.95% stake in power assets of Sembcorp Energy India Ltd (“SEIL”) for cash proceeds of **INR 4,068 Mn + upside option in Dec 2019.**
- The proceeds from the above sale, INR 2,068 Mn has been used towards repayment of long-term debt and the balance amount is utilized for meeting the working capital requirements of the company and for other general corporate purpose.
- **GPL retains significant residual economic interest despite the sale**
 - **UPSIDE No. 1** - The above transaction is based on a basic equity value of INR 70,000 Mn for SEIL. GPL will be paid full upside based on market discovered value at the first available monetisation event (less a carried cost of 15% on initial cashflow). This upside expires in December 2024.
 - **UPSIDE No. 2** – In addition, Gayatri had an option for additional 5.58% stake in Sembcorp Energy on payment of Rs4.8bn. GPL will be paid full upside based on market discovered value at the first available monetisation event (less a carried cost of 18% on initial strike price). This upside expires in May 2022.

Profit & Loss

All figures in INR Million

INR Mn	FY20	FY19	FY18	FY17
Revenue	34,273	34,631	29,123	21,154
Expenses	30,007	29,182	24,446	17,919
EBITDA	4,266	5,449	4,677	3,234
<i>EBITDA Margin</i>	<i>12.4%</i>	<i>15.7%</i>	<i>16.1%</i>	<i>15.3%</i>
Depreciation	909	659	547	432
Finance Cost	2,857	2,513	2,394	2,014
Other Income	52	79	89	306
Pre Exceptional PBT	551	2,357	1,825	1,095
<i>PBT Margin</i>	<i>1.6%</i>	<i>6.8%</i>	<i>6.3%</i>	<i>5.2%</i>
Exceptional Item	-4,453			-154
Tax Expense	-56	249	-55	237
Adjusted PAT	608	2,107	1,881	858
<i>PAT Margin</i>	<i>1.8%</i>	<i>6.1%</i>	<i>6.5%</i>	<i>4.1%</i>

Balance Sheet

All figures in INR Million

ASSETS (INR Mn)	FY20	FY19	FY18	EQUITY AND LIABILITIES (INR Mn)	FY20	FY19	FY18
				EQUITY			
NON-CURRENT ASSETS				(a) Equity Share capital	374	374	374
(a) Property Plant & Equipment	3,942	3,763	3,350	(b) Other Equity	9,049	12,922	10,856
(b) Capital Work in Progress	109	5	-				
(c) Financial Assets				LIABILITIES			
(i) Investments	5,594	10,088	10,169	Non-Current Liabilities			
(ii) Loans	3,452	3,474	3,563	(a) Financial Liabilities			
(d) Deferred Tax Assets (Net)	50			(i) Borrowings	5,648	7,121	8,032
CURRENT ASSETS				(ii) Other Financial liabilities	13,114	14,962	10,332
(a) Inventories	6,238	3,574	2,930	(b) Provisions	61	48	52
(b) Financial Assets				(c) Deferred Tax Liabilities (net)		21	71
(i) Trade receivables	15,096	13,930	11,337				
(ii) Cash and cash equivalents	1,183	1,265	569	Current Liabilities			
(iii) Other Bank Balances	2,109	2,002	1,857	(a) Financial Liabilities			
(iv) Loans	851	1,887	1,703	(i) Borrowings	11,620	9,499	9,591
(c) Current Tax Assets (Net)	1,991	1,447	1,385	(ii) Trade payables	10,641	10,508	8,043
(d) Other Current Assets	14,707	17,206	12,998	(iii) Other Financial Liabilities	3,774	2,293	2,042
				(h) Other Current Liabilities	1,011	858	446
				(c) Provisions	29	34	21
TOTAL	55,321	58,641	49,861	TOTAL	55,321	58,641	49,861

Board of Directors

T. Indira Reddy

Promoter and Non-Executive Chairperson, over 25 years of experience in the construction industry

T. V. Sandeep Kumar Reddy

Promoter and Managing Director, 20+ years of construction experience

J Brij Mohan Reddy

Executive Vice Chairman, Over 49 years of experience in Heavy Engineering Construction and the harbour engineering industries

Mr. Ch. Hari Vittal Rao

Non-Executive and Independent Director, 49 years of experience as a banker and was employed with Bank of Baroda and Naandi Foundation in the past

Shri. P. Sreenivas

Nominee Director (Bank of Baroda)

Dr K. V. Ramana Chary

IAS (Retd.); worked as a district collector & held various positions in State of United Andhra Pradesh. Currently, he is on advisory capacity to Government of Telangana.

Mr. Sreeramakrishna Gandhi

37+ years of experience in leadership role at SBI 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.

Smt. Rama Devi Nanduri

40+ years experience as banker, held several posts across several aspects of banking including retail and corporate credit, international business, inspection etc.

Management Team - HQ



T Sandeep Reddy

- **Managing Director**
- Masters in Construction Engineering & Management from University of Michigan, USA
- 20+ years of construction experience



J Brij Mohan Reddy

- **Executive Vice Chairman**
- Graduate in Industrial Engineering from Berkeley University, USA
- 50 years of experience in construction and engineering



P Sreedhar Babu

- **Chief Finance Officer**
- Fellow Member of Institute of Chartered Accountants of India
- 18+ years of experience in finance and banking



D Sitaram

- **President, Business Development**
- In-charge of evaluating new business units, identifying suitable Joint-Venture partners, and attending review meetings with clients and regulatory bodies



T Rajiv Reddy

- **Vice President**
- In-charge of overall Project Controls & Monitoring, and head of Mining business unit
- Graduate in Industrial Engineering from University of Illinois, Urbana-Champaign, USA

Management Team - Projects



K Sesa Reddy

- **Senior Vice President, Transportation**
- In-charge of project monitoring and controls
- Previously a Project Head at L&T
- Masters in Construction management from Birla Institute of Technology
- 32+ years of experience in infrastructure



G Venkateshwar Rao

- **Senior Vice President, Irrigation**
- Oversees entire irrigation business unit
- Graduate in Civil Engineering
- 20+ years of experience in irrigation EPC



MV Suresh

- **Vice President, Roads**
- Oversees road construction projects
- Graduate in Civil Engineering
- 20+ years of experience in EPC



CH Ramakrishna Rao

- **Senior Vice President, Roads**
- Oversees road construction projects
- Masters in Construction management from Birla Institute of Technology
- 20+ years of experience in infrastructure



Sudhakar Lolla

- **Vice President, Mining**
- Oversees underground mining projects
- Masters in Technology and Mining from Indian School of Mines
- 18+ years of experience in mining

Thank You

Contact Details

Sheetal Khanduja

Go India Advisors

+91 9769364166

sheetal@goindiaadvisors.com

Ankit Toshniwal

Go India Advisors

+91 7976749036

ankit@goindiaadvisors.com

V V Chandra Sekhar

Gayatri Projects Limited

Tel: +91 40 23310330/23314284/4296

Email: vvcs@gayatri.co.in

Chetan Sharma

Gayatri Projects Limited

Tel: +91 40 23310330

Email: vvcs@gayatri.co.in