

February 14, 2022

To The Secretary, Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Maharashtra, India <u>Scrip Code: 532767</u>	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 <u>Scrip Code: GAYAPROJ</u>
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Dear Sir/Madam,

Re: Outcome of the Board Meeting Reg.,

This has reference to our letter dated February 07, 2022 the Board of Directors at the meeting held today, i.e February 14, 2022, inter alia, transacted the following business:

1. Approved the Un-Audited Standalone and Consolidated Financial Results of the Company for the quarter and Nine Months ended December 31, 2021 with Limited Review Report submitted by MOS & Associates LLP, the Statutory Auditors of the Company.
2. Appointment of Mr. Srihari Vennelaganti (DIN: 01829513) as Additional Director of the Company designated as Non-Executive Independent Director of the company with effect from February 14, 2022. He is appointed for a period of five (5) years commencing from February 14, 2022, subject to the approval of the shareholders.

Mr. Srihari Vennelaganti meets the criteria of independence under Section 149 of the Companies Act, 2013 and Regulation 16 of the Listing Regulations. Further, in accordance with the circular dated June 20, 2018, issued by the Stock Exchanges; he has not been debarred from holding office of Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority. Further, there are no inter-se relationship between Mr. Srihari Vennelaganti and the other members of the Board.

Details as required under SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 are enclosed under **Annexure.**

The Board meeting commenced at 04: 50 P.M. (IST) and concluded at 06:10 P.M. (IST).



A copy of the said results together with the Limited Review Report for quarter and Nine Months ended December 31, 2021 are enclosed herewith. These are also being made available on the website of the Company at www.gayatri.co.in.

This is for your information and record.

Thanking you,

For GAYATRI PROJECTS LIMITED

Chetan K. Sharma

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



Encl: As above



Independent Auditor's Review Report on the Unaudited Standalone Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Gayatri Projects Limited

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **M/s. Gayatri Projects Limited ('the Company')** for the quarter ended 31st December, 2021 and year to date from 1st April, 2021 to 31st December, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) – "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatements. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Emphasis of Matters

We draw attention to the following matters:

- i) As stated in Note No. 4 to the unaudited standalone financial results, 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 quarter and nine months period ended 31st December, 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. 5 to the unaudited standalone financial results, 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. 6 to the unaudited standalone financial results, the Inter Corporate Loan grouped under 'Non-current Loans' and accumulated interest thereon long pending for recovery.
- iv) As stated in Note No. 7 to the unaudited standalone financial results, 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 toll rights were handed over to the NHAI. As per the information and explanation given 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. 8 to the unaudited standalone financial results, 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. 9 to the unaudited standalone financial results, 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 Note No. 10 to the unaudited standalone financial results, as per the agreement dated 14th 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 an amount of Rs.45.90 crores since September, 2020. The repayment of remaining loan instalments is pending since March, 2021 instalment. As the company / GHL failed to repay the debt due to the IL&FS, the said IL&FS has filed application under section 7 of the Insolvency & Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal, Hyderabad Bench which is not admitted till the date of approving the un-audited financial results.
- viii) As stated in Note No. 11 to the unaudited standalone financial results, the recovery of work & other advances and receivables got delayed from one sub-contractor for the reasons stated in the said note.
- ix) As stated in Note No. 12 to the unaudited standalone financial results, wherein it is explained the COVID – 19 Pandemic effects and impact on the business operations and cash flows of the company. As stated in the said note, the actual effect of Covid-19 pandemic will be known based on the future developments.
- x) As stated in Note No. 13 to the unaudited standalone financial results, the Company has defaulted in repayment of dues to the lenders for the reasons stated in the note and the lenders have recalled the financial facilities extended to the company. The loans and other facilities sanctioned to the company have been classified as Non-Performing Assets by the lenders and also issued various notices for recovery of their dues as stated in the said note. Further, two lenders and IL&FS have filed applications under section 7 of the Insolvency & Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal, Hyderabad Bench which are not admitted till the date of approving the un-audited financial results.

Our conclusion is not modified in respect of above matters.



5. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M O S & ASSOCIATES LLP

Chartered Accountants

Firm's Registration No. 001975S/S200020



Oommen Mani

Partner

Membership No. 234119

UDIN: 22234119ACDKGL8625

Place: Hyderabad

Date: 14th February, 2022



GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

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

STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE-MONTHS ENDED 31st DECEMBER, 2021

Sl. No.	Particulars	Quarter Ended			Nine-Months Ended		Year Ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from operations	80,236.69	86,552.62	1,07,424.69	2,56,498.05	2,54,042.31	3,90,051.89
	Other income	3.22	120.13	25.46	143.53	315.03	736.60
	Total Income	80,239.91	86,672.75	1,07,450.15	2,56,641.58	2,54,357.34	3,90,788.49
2	Expenses						
	a. Cost of Materials Consumed & Work Expenditure	89,878.29	89,285.61	90,216.99	2,58,246.43	2,24,181.01	3,33,214.80
	b. Changes in Inventories of Work in Progress	2,192.89	1,225.47	(3,732.64)	(2,718.38)	(21,915.50)	(13,057.02)
	c. Employee Benefits Expense	3,440.20	3,069.17	4,095.22	10,192.86	10,843.00	15,050.51
	d. Finance Costs	9,361.50	7,868.51	8,604.94	23,993.02	24,887.35	32,072.18
	e. Depreciation and Amortization Expense	1,984.38	1,917.64	2,155.53	5,795.28	6,539.02	8,450.16
	f. Other Expenses	2,273.50	2,266.05	2,240.29	6,681.38	7,125.40	9,936.28
	Total Expenses	1,09,130.76	1,05,632.45	1,03,580.33	3,02,190.59	2,51,660.28	3,85,666.91
3	Profit / (Loss) before Exceptional Items and Tax (1-2)	(28,890.85)	(18,959.70)	3,869.82	(45,549.01)	2,697.06	5,121.58
4	Exceptional Items	-	-	-	-	-	-
5	Profit / (Loss) before Tax (3+4)	(28,890.85)	(18,959.70)	3,869.82	(45,549.01)	2,697.06	5,121.58
6	Tax Expense (Net)	(137.55)	(30.79)	(150.16)	(207.51)	(450.55)	(536.26)
7	Net Profit / (Loss) after tax (5-6)	(28,753.30)	(18,928.91)	4,019.98	(45,341.50)	3,147.61	5,657.84
8	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss :						
	i) Changes in fair value of equity investment	349.44	(168.48)	137.28	361.92	237.12	255.84
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	(4.38)	(4.38)	(21.26)	(13.14)	(63.78)	(17.50)
	iii) Income tax relating to Items that will not be reclassified to profit or loss	(120.58)	60.21	(40.54)	(121.88)	(60.57)	(83.29)
	Total Other Comprehensive Income / (Loss) (8)	224.48	(112.65)	75.48	226.90	112.77	155.05
9	Total Comprehensive Income / (Loss) (7+8)	(28,528.82)	(19,041.56)	4,095.46	(45,114.60)	3,260.38	5,812.89
10	Paid Up Equity Share Capital (Face Value ₹ 2/- per Share)	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97
11	Other Equity (excluding Revaluation Reserves) as shown in audited balance sheet of the previous year						96,301.45
12	Earnings Per Share (EPS) of ₹ 2/- each (Not annualised)						
	- Basic & Diluted	(15.36)	(10.11)	2.15	(24.22)	1.68	3.02

NOTES:

- The above published unaudited financial results have been prepared in accordance with the principles and procedures as set out in Ind AS on financial statements and such other applicable standards as notified under section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules 2015 as amended.
- The above standalone unaudited financial results for the quarter and nine months period ended 31st December, 2021 have been reviewed by the Audit Committee and considered and approved by the Board of Directors of the Company at its meeting held on 14th February, 2022.
- The Company's Operations primarily consist of Construction activities and there are no other reportable segment under Ind AS 108 "Operating Segments".
- 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 Rs.195.72 crores as at 31st December, 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 country 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 latest available fair valuation of the investment done by an independent 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 in the un-audited standalone results for the quarter and nine months period ended 31st December, 2021.
- Gayatri Highways Limited, an associate company in which the company has investment of Rs. 167.70 crores in the form of Non-Convertible Preference Shares ("NCPS"), Equity Share Capital investment of Rs. 12.48 crores and also funded an amount of Rs.258.25 crores of unsecured loan / subordinate debt as at 31st December, 2021. Further, as stated in the audited financial statements of the Associate Company, it has been incurring operating losses during the 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 31st December, 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 associate company for the quarter and nine months period ended 31st December, 2021.
- 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 Rs.186.76 crores and interest thereon of Rs.216.33 crores is pending for recovery as at 31st December, 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 the above, the management of the company is of the view that no provision for the same is required to be made in the un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.
- One of the subsidiary of the associate company (herein after called as "concessionaire company" or Sai Matarani Tollways Limited "SMTL"), which has been awarded a Build-Operate-Transfer (BOT) work for construction of Four Laning of Panikoiili-Rimuli section of NH-215 Road. The Company has to receive an amount of Rs. 237.16 crores towards EPC cost from the said concessionaire company as at 31st December, 2021. Further, the company has given an irrevocable and unconditional Corporate Guarantee of Rs.1827.35 crores 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 Rs.2296.67 crores. 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 Rs.974.49 Crores towards cost overrun claims attributable to the NHAI, which includes claims against EPC Escalation made on NHAI from EPC Contractor (GPL) for Rs 517.52 Crores. SMTL Road Project was terminated by the NHAI on 28th January, 2020 and toll collection rights were handed over to the NHAI from 30th 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 21st 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 Rs.584.21 crores unilaterally as against termination payment of Rs.2296.67 crores and released total amount of Rs.445.75 crores to Escrow Bank Account of the lenders of said Concessionaire Company and retained Rs.138.46 crores 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. The Second meeting of the Conciliation Committee of Independent Experts ("CCIE") was held on 21.06.2021 and the committee observed that since NHAI has taken over the asset which is largely completed, there has to be an amicable settlement as has happened in similar cases. The Committee further feels that there is some merit in the submission of the concessionaire that an amicable settlement has to be done on basis of neither Party default. In the next CCIE meeting held on 17th December, 2021, the NHAI has given its presentation and submissions before the committee. The meeting is adjourned for next hearing. 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 in the un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.





GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

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

STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE-MONTHS ENDED 31st DECEMBER, 2021

- 8 An amount of Rs.36.20 Crores as on 31st December, 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 claims amounts received by the erstwhile associate company from NHAI. The Arbitration Tribunal has pronounced arbitration award of Rs. 124.43 Crores which includes interest thereon of Rs. 64.05 crores 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 un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.
- 9 The Advances to Suppliers, Sub-contractors and others as at 31st December, 2021, includes an amount of Rs.152.23 crores 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 years, the company has recovered substantial amount of more than Rs. 180.00 crores 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 un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.
- 10 As per the Settlement and Supplementary Agreement dated 14th September, 2020 made between Gayatri Projects Limited ("the Company/GPL"), 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 Rs. 84.10 crores and additional interest of Rs. 8.65 Crores towards loan availed by GHL along with interest in eleven monthly instalments commencing from 15th September, 2020 and the entire amount to be paid on or before 15th July, 2021. The Company & GHL have jointly paid principal amount of Rs.45.90 crores till March 2021 instalment. As the company had not paid the balance amount by the agreed dates, the lender has sent various notices to the GPL/GHL and through the notice dated 9th November, 2021 issued to the Company and GHL, time is given till 12th November, 2021 to repay the entire outstanding dues payable, failing which IL&FS may reopen / restore / reinstate the Insolvency Applications I/II and also initiate any other proceedings against the Company/GHL before any legal forums. The company has communicated its commitment to repay entire IL&FS dues through its letter dated 11th November, 2021. Due to non-payment of remaining instalments/dues, the IL&FS has filed application under section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal, Hyderabad. The applications filed by the IL&FS is not admitted till the date of approving the results.
- 11 The recovery of work & other advances and receivables got delayed from one sub-contractor amounting to Rs. 99.36 crores as at 31st December, 2021 which is on account of mis-match in the cash flows of the sub-contractor and non-extending of financial facilities. As per the information and explanations given by the said sub-contractor, the dues to the company will be paid in due course without any fail and hence, in the opinion of the management provision is not required to be made in the un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.
- 12 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-19 related lock down restrictions imposed across the country during the year and preceding financial years, the work at major sites had got disrupted and delayed. The works have resumed post relaxation of lockdown restrictions. The recovery of trade receivables got delayed due to COVID –19 Pandemic impact on the economy of the country and various states which ultimately caused financial and operational stress on the company and progress of the works executed by the company. As stated above, since 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 and default in repayment of dues to lenders 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.
- 13 Due to changes in business conditions on account of Covid-19 pandemic, there has been delay in recovery of Trade Receivables as stated in the above note no.12, increase in materials cost, non-availability of adequate working capital to execute the contract works on hand etc., have severely affected the business operations and billing cycle (raising of RA bills on the contractees) of the company which have resulted that the Company defaulting in repayment of dues to its lenders and devolvement of significant Non-Fund based facilities and most of the lenders have recalled their financial facilities extended to the company. The outstanding dues including devolvement of Non-Fund based facilities and recalled facilities as at 31st December, 2021 is Rs.794.66 crores. The loans and other facilities sanctioned to the company have been classified by the lenders as Non-Performing Assets (NPA) and the interest / finance cost on financial facilities has been recognised on the basis of the loans sanction letters and other loan documents available with the company as the lenders have classified the financial facilities as NPA which is subject to reconciliation and confirmation. The company has proposed to raise funds through QIP to repay all over dues to the lenders and made all regulatory compliances in this regard. However, the prospective investor has dishonoured his commitment which was beyond the control of the company and the management. In these circumstances, the lenders have sent various notices to the company and the personal guarantors for recovery of their dues. Further, two lenders of the company and IL&FS (as stated in the above note no. 10) have filed applications under section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal (NCLT), Hyderabad. The applications filed before the Hon'ble NCLT are not admitted till the date of approving the results. The company has proposed the Debt Restructuring Scheme with the lenders and the management is expecting a positive outcome in this regard. Besides this, the management of the company is in the process of appropriately dealing with the notices received from various lenders and applications filed before the Hon'ble NCLT. The management is very confident to resolve all these issue at the earliest in the best interest of the company's affairs and business operations.
- 14 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.
- 15 Previous period / year figures have been regrouped to facilitate comparison wherever necessary.



Place: Hyderabad.
Date: 14th February, 2022

By Order of the Board
For Gayatri Projects Limited

T V Sandep Kumar Reddy
Managing Director
DIN : 00005573





Independent Auditor's Review Report on the Unaudited Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Gayatri Projects Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Gayatri Projects Limited ('the Parent Company'), comprising its subsidiary (the Parent and its subsidiary together referred to as "the Group"), and its associates and joint ventures for the quarter ended 31st December, 2021 and year to date from 1st April, 2021 to 31st December, 2021 ("the Statement"), being submitted by the Parent company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) – "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, is the responsibility of the Parent Company's Management and has been approved by the Board of Directors of the Parent Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatements. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (listing Obligations and Disclosure requirements) Regulations, 2015, as amended, to the extent applicable.

4. The statement includes the results of the following entities:

Subsidiary Company:

Gayatri Energy Ventures Private Limited

Associate Company:

Gayatri Highways Limited

Joint Ventures / Jointly Controlled Entities:

1. IJM Gayatri Joint Venture
2. Jaiprakash Gayatri Joint Venture
3. Gayatri ECI Joint Venture
4. Gayatri Ratna Joint Venture
5. Gayatri Ranjit Joint Venture
6. Gayatri GDC Joint Venture



7. Gayatri BCBPPL Joint Venture
8. Gayatri RNS Joint Venture
9. Gayatri JMC Joint Venture
10. MEIL Gayatri ZVS IIT Joint Venture
11. Viswanath Gayatri Joint Venture
12. Gayatri Crescent Joint Venture
13. Vishwa Gayatri Joint Venture
14. Maytas Gayatri Joint Venture
15. Gayatri RNS SIPL Joint Venture
16. Gayatri KMB Joint Venture
17. Gayatri PTPS Joint Venture
18. HES Gayatri NCC Joint Venture
19. Gayatri OJSC SIBMOST Joint Venture
20. GPL-RKTCPL Joint Venture
21. Gayatri-Ramky Joint Venture
22. GPL-SPML Joint Venture

5. Emphasis of Matters

We draw attention to the following matters:

- i) As stated in Note No. 4 to the unaudited consolidated financial results, 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 quarter and nine months period ended 31st December, 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. 5 to the unaudited consolidated financial results, 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. 6 to the unaudited consolidated financial results, the Inter Corporate Loan grouped under ‘Non-current Loans’ and accumulated interest thereon long pending for recovery.
- iv) As stated in Note No. 7 to the unaudited consolidated financial results, 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 toll rights were handed over to the NHAI. As per the information and explanation given 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. 8 to the unaudited consolidated financial results, 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. 9 to the unaudited consolidated financial results, 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. 10 to the unaudited consolidated financial results, as per the agreement dated 14th 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 an amount of Rs.45.90 crores since September, 2020. The repayment of remaining loan instalments is pending since March, 2021 instalment. As the company / GHL failed to repay the debt due to the IL&FS, the said IL&FS has filed application under section 7 of the Insolvency & Bankruptcy Code, 2016 before the Hon’ble National Company Law Tribunal, Hyderabad Bench which is not admitted till the date of approving the un-audited financial results.
- viii) As stated in Note No. 11 to the unaudited consolidated financial results, the recovery of work & other advances and receivables got delayed from one sub-contractor for the reasons stated in the said note.
- ix) As stated in Note No. 12 to the unaudited consolidated financial results, wherein it is explained the COVID – 19 Pandemic effects and impact on the business operations and cash flows of the company. As stated in the said note, the actual effect of Covid-19 pandemic will be known based on the future developments.
- x) As stated in Note No. 13 to the unaudited consolidated financial results, the Company has defaulted in repayment of dues to the lenders for the reasons stated in the note and the lenders have recalled the financial facilities extended to the company. The loans and other facilities sanctioned to the company have been classified as Non-Performing Assets by the lenders and also issued various notices for recovery of their dues as stated in the said note. Further, two lenders and IL&FS have filed applications under section 7 of the Insolvency & Bankruptcy Code, 2016 before the Hon’ble National Company Law Tribunal, Hyderabad Bench which are not admitted till the date of approving the unaudited financial results.
- xi) As stated in the Note No. 14 to the unaudited consolidated financial results, 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.
- xii) As stated in the Note No. 15 to the unaudited consolidated financial results, regarding contract advances given by the step-down subsidiary company which are long pending for recovery.

Our conclusion is not modified in respect of above matters.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors and management certified financial statements / financial information referred in paragraph 7, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Other Matters


- a. The accompanying statement includes the Group’s share of net loss of Rs. Nil for the quarter ended 31st December, 2021 and for the period from 1st April, 2021 to 31st December, 2021, as considered in the statement, in respect of one associate company which interim un audited financial results and other financial information has been reviewed by the independent auditors of that associate company. The unaudited financial results / statement have been reviewed by other auditor whose review report has been furnished to us by the management and our conclusion on the financial results, in so far as it



relates to the amounts and disclosures in respect of this associate, is based solely on the reports of the other auditor. Our conclusion is not modified in respect of this matter.

- b. The accompanying statement includes the Group's share of Rs. Nil for the quarter ended 31st December, 2021 and for the period from 1st April, 2021 to 31st December, 2021, as considered in the statement, in respect of eighteen joint ventures whose interim financial results and other financial information have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these joint ventures, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results and other financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter.
- c. The financial results / financial information of four 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.

For M O S & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No. 0019755/S200020


Oommen Mani
Partner



Membership No. 234119
UDIN: 22234119ACDNLB9385

Place: Hyderabad

Date: 14th February, 2022



GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD-500082
STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE-MONTHS ENDED 31st DECEMBER, 2021

Sl. No.	Particulars	Quarter Ended			Nine-Months Ended		(₹ in Lakhs)
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	Year Ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from operations	80,236.69	86,552.62	1,07,424.69	2,56,498.05	2,54,042.31	3,90,051.89
	Other Income	3.22	120.13	25.46	143.53	315.11	736.83
	Total Income	80,239.91	86,672.75	1,07,450.15	2,56,641.58	2,54,357.42	3,90,788.72
2	Expenses						
	a. Cost of Materials Consumed & Work Expenditure	89,878.29	89,285.61	90,216.99	2,58,246.43	2,24,181.01	3,33,214.80
	b. Changes in Work in Progress	2,192.89	1,225.47	(3,732.64)	(2,718.38)	(21,915.50)	(13,057.02)
	c. Employee Benefits Expense	3,440.20	3,069.17	4,095.22	10,192.86	10,843.00	15,050.51
	d. Finance Costs	9,361.50	7,877.34	8,604.94	24,030.89	24,887.35	32,074.58
	e. Depreciation and Amortization Expense	1,984.38	1,917.64	2,155.53	5,795.28	6,539.02	8,450.16
	f. Other Expenses	2,275.47	2,266.26	2,400.83	6,684.13	7,610.48	10,603.93
	Total Expenses	1,09,132.73	1,05,641.49	1,03,740.87	3,02,231.21	2,52,145.36	3,86,336.96
3	Profit / (Loss) before Exceptional items and Tax (1-2)	(28,892.82)	(18,968.74)	3,709.28	(45,589.63)	2,212.06	4,451.76
4	a) Exceptional Items	-	-	-	-	-	-
5	b) Share of Profit / (Loss) of Joint Ventures & Associates	(57.52)	(2.98)	(45.56)	(80.57)	(216.41)	(677.79)
6	Profit / (Loss) before Tax (3+4)	(28,950.34)	(18,971.72)	3,663.72	(45,670.20)	1,995.65	3,773.97
7	Tax Expense (Net)	(137.55)	(30.79)	(150.16)	(207.51)	(450.55)	(536.26)
8	Net Profit / (Loss) after tax (5-6)	(28,812.79)	(18,940.93)	3,813.88	(45,462.69)	2,446.20	4,310.23
9	Non-controlling Interest	-	-	-	-	-	-
10	Net Profit / (Loss) after tax and Non-controlling Interest (7+8)	(28,812.79)	(18,940.93)	3,813.88	(45,462.69)	2,446.20	4,310.23
11	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss :						
	i) Changes in fair value of equity investments	-	-	237.12	-	237.12	-
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	(4.38)	(4.38)	(21.26)	(13.14)	(63.78)	(17.50)
	iii) Income tax relating to Items that will not be re-classified to profit or loss	1.53	1.34	(40.54)	4.59	(60.57)	6.11
	Total Other Comprehensive Income (10)	(2.85)	(3.04)	175.32	(8.55)	112.77	(11.39)
12	Total Comprehensive Income (9+10)	(28,815.64)	(18,943.97)	3,989.20	(45,471.24)	2,558.97	4,298.84
13	Paid Up Equity Share Capital (Face Value ₹ 2/- per Share)	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97
14	Other Equity (excluding Revaluation Reserves) as shown in the Audited Balance Sheet of the previous year	-	-	-	-	-	91,583.46
15	Earnings Per Share of ₹ 2/- each						
	- Basic & Diluted (Not Annualised)	(15.40)	(10.11)	2.04	(24.29)	1.31	2.30

- Notes :**
- The above published un-audited consolidated financial results have been prepared in accordance with the principles and procedures as set out in Ind AS on financial statements and such other applicable standards as notified under section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules 2015 as amended.
 - The above un-audited consolidated financial results for the quarter and nine-months ended 31st December, 2021 have been reviewed by the Audit Committee and considered & approved by the Board of Directors of the Company at its meeting held on 14th February, 2022.
 - The Company's Operations primarily consist of Construction activities and there are no other reportable segment under Ind AS 108 "Operating Segments".
 - 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 Rs.195.72 crores as at 31st December, 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 country 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 latest available fair valuation of the investment done by an independent 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 in the un-audited standalone results for the quarter and nine months period ended 31st December, 2021.
 - Gayatri Highways Limited, an associate company in which the company has investment of Rs. 167.70 crores in the form of Non-Convertible Preference Shares ("NCPS"), Equity Share Capital investment of Rs. 12.48 crores and also funded an amount of Rs.258.25 crores of unsecured loan / subordinate debt as at 31st December, 2021. Further, as stated in the audited financial statements of the Associate Company, it has been incurring operating losses during the 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 31st December, 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 associate company for the quarter and nine months period ended 31st December, 2021.
 - 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 Rs.186.76 crores and interest thereon of Rs.216.33 crores is pending for recovery as at 31st December, 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 the above, the management of the company is of the view that no provision for the same is required to be made in the un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.





GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD-500062

STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE-MONTHS ENDED 31st DECEMBER, 2021

- 7 One of the subsidiary of the associate company (herein after called as "concessionaire company" or Sai Matarani Tollways Limited "SMTL"), which has been awarded a Build-Operate-Transfer (BOT) work for construction of Four Laning of Panikoli-Rimul section of NH-215 Road. The Company has to receive an amount of Rs. 237.16 crores towards EPC cost from the said concessionaire company as at 31st December, 2021. Further, the company has given an irrevocable and unconditional Corporate Guarantee of Rs. 127.35 crores 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 Rs.2296.67 crores. 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 Rs.974.49 Crores towards cost overrun claims attributable to the NHAI, which includes claims against EPC Escalation made on NHAI from EPC Contractor (GPL) for Rs 517.52 Crores.
- SMTL Road Project was terminated by the NHAI on 28th January, 2020 and toll collection rights were handed over to the NHAI from 30th 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 21st 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 Rs.584.21 crores unilaterally as against termination payment of Rs.2296.67 crores and released total amount of Rs.445.75 crores to Escrow Bank Account of the lenders of said Concessionaire Company and retained Rs.138.46 crores 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. The Second meeting of the Conciliation Committee of Independent Experts ("CCIE") was held on 21.06.2021 and the committee observed that since NHAI has taken over the asset which is largely completed, there has to be an amicable settlement as has happened in similar cases. The Committee further feels that there is some merit in the submission of the concessionaire that an amicable settlement has to be done on basis of neither Party default. In the next CCIE meeting held on 17th December, 2021, the NHAI has given its presentation and submissions before the committee. The meeting is adjourned for next hearing. 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 in the un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.
- 8 An amount of Rs.36.20 Crores as on 31st December, 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 claims amounts received by the erstwhile associate company from NHAI. The Arbitration Tribunal has pronounced arbitration award of Rs. 124.43 Crores which includes interest thereon of Rs. 64.05 crores 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 un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.
- 9 The Advances to Suppliers, Sub-contractors and others as at 31st December, 2021, includes an amount of Rs.152.23 crores 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 years, the company has recovered substantial amount of more than Rs. 180.00 crores 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 un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.
- 10 As per the Settlement and Supplementary Agreement dated 14th September, 2020 made between Gayatri Projects Limited ("the Company/GPL"), 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 Rs. 84.10 crores and additional interest of Rs. 8.65 Crores towards loan availed by GHL along with interest in eleven monthly instalments commencing from 15th September, 2020 and the entire amount to be paid on or before 15th July, 2021. The Company & GHL have jointly paid principal amount of Rs.45.90 crores till March 2021 instalment. As the company had not paid the balance amount by the agreed dates, the lender has sent various notices to the GPL/GHL and through the notice dated 9th November, 2021 issued to the Company and GHL, time is given till 12th November, 2021 to repay the entire outstanding dues payable, failing which IL&FS may reopen / restore / reinstitute the Insolvency Applications I/II and also initiate any other proceedings against the Company/GHL before any legal forums. The company has communicated its commitment to repay entire IL&FS dues through its letter dated 11th November, 2021. Due to non-payment of remaining instalments/dues, the IL&FS has filed application under section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal, Hyderabad. The applications filed by the IL&FS is not admitted till the date of approving the results.
- 11 The recovery of work & other advances and receivables got delayed from one sub-contractor amounting to Rs. 99.36 crores as at 31st December, 2021 which is on account of mis-match in the cash flows of the sub-contractor and non-extending of financial facilities. As per the information and explanations given by the said sub-contractor, the dues to the company will be paid in due course without any fail and hence, in the opinion of the management provision is not required to be made in the un-audited standalone financial results for the quarter and nine months period ended 31st December, 2021.
- 12 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-19 related lock down restrictions imposed across the country during the year and preceding financial years, the work at major sites had got disrupted and delayed. The works have resumed post relaxation of lockdown restrictions.
- The recovery of trade receivables got delayed due to COVID -19 Pandemic impact on the economy of the country and various states which ultimately caused financial and operational stress on the company and progress of the works executed by the company. As stated above, since 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 and default in repayment of dues to lenders 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.





GAYATRI PROJECTS LIMITED

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STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE-MONTHS ENDED 31st DECEMBER, 2021

- 13 Due to changes in business conditions on account of Covid-19 pandemic, there has been delay in recovery of Trade Receivables as stated in the above note no.12, increase in materials cost, non-availability of adequate working capital to execute the contract works on hand etc., have severely affected the business operations and billing cycle (raising of RA bills on the contractees) of the company which have resulted that the Company defaulting in repayment of dues to its lenders and devolvement of significant Non-Fund based facilities and most of the lenders have recalled their financial facilities extended to the company. The outstanding dues including devolvement of Non-Fund based facilities and recalled facilities as at 31st December, 2021 is Rs.794.66 crores. The loans and other facilities sanctioned to the company have been classified by the lenders as Non-Performing Assets (NPA) and the interest / finance cost on financial facilities has been recognised on the basis of the loans sanction letters and other loan documents available with the company as the lenders have classified the financial facilities as NPA which is subject to reconciliation and confirmation. The company has proposed to raise funds through QIP to repay all over dues to the lenders and made all regulatory compliances in this regard. However, the prospective investor has dishonoured his commitment which was beyond the control of the company and the management. In these circumstances, the lenders have sent various notices to the company and the personal guarantors for recovery of their dues. Further, two lenders of the company and IL&FS (as stated in the above note no. 10) have filed applications under section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal (NCLT), Hyderabad. The applications filed before the Hon'ble NCLT are not admitted till the date of approving the results. The company has proposed the Debt Restructuring Scheme with the lenders and the management is expecting a positive outcome in this regard. Besides this, the management of the company is in the process of appropriately dealing with the notices received from various lenders and applications filed before the Hon'ble NCLT. The management is very confident to resolve all these issue at the earliest in the best interest of the company's affairs and business operations.
- 14 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 31st March, 2021 the total amount infused in the form of investment/advance/share application money is Rs. 55.44 crores. The Subsidiary Company had decided to exit from the said power project and in this regard entered into an Exit Agreement on 25th May, 2013, which was subsequently amended by various letter agreements and as per the latest agreement the company shall exit from the said power project by 31st October, 2021, which was not happend. 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 Rs.12.77 crores has been provided towards provision for credit loss of the advance amount & Share Application Money infused by the subsidiary company.
- 15 During the preceding financial years, the step down subsidiary company (i.e. BTPCL), had given Contract Advance of Rs. 21.55 crores 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 Rs 10.84 crores and is in the process of estimating if any further ECL/provision is to be made regarding the said Contract Advance.
- 16 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.
- 17 Previous period / year figures have been regrouped to facilitate comparison wherever necessary.



Place: Hyderabad.

Date: 14th February, 2022



By Order of the Board
For GAYATRI PROJECTS LIMITED

T V Sandep Kumar Reddy
Managing Director
DIN : 00005573

Details as required under SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015; including the brief profile of the above Director is given herein under:

Name of the Director	Mr. Srihari Vennelaganti (DIN: 01829513)
Reason for Change viz. appointment, resignation, removal, death or otherwise;	Appointed as Non-Executive Independent Director of the Company
Date of Appointment / Cessation (as applicable) & term of Appointment	14.02.2022
Brief profile	<p>Srihari Vennelaganti is a Qualified Chartered Accountant with more than 40 years experience in Finance & Accounts, Corporate Governance in diversified sectors in India and overseas.</p> <p>Experience:</p> <p>Current: Consultant in Strategic Finance and Corporate Governance.</p> <p>Immediate past experience:</p> <p>Chief Financial Officer at NCL Buildtek Ltd (formerly NCL Alltek & Seccolor Ltd) (May'2018 to Aug'2021)</p> <p>More than 3 years with NCL Buildtek Ltd, an NCL Group company Joined them in May'2018 when they were planning an I P O.</p> <p>LANCO INFRATECH Ltd (Sep'2007 till Aug'2017)</p> <p>More than 10 years with Lanco Infratech Limited (Sep '07 to Sep'17), as Head Finance (Director — Finance & Accounts) of EPC Division (Sep '07 to Aug '16) and as Consultant up to Sep'17.</p> <p>Prior to Lanco have worked in various private and public sector organizations involved in diverse activities such as Software Consulting –CA firm Manufacturing EPC & Construction and Mining and Fertilizers</p>
disclosure of relationships between directors	There is No inter-se relationship between Mr. Srihari Vennelaganti and the other members of the Board.

