

13th June, 2016

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|--|--|
| To, The General Manager, The Department of Corporate Relations, The Bombay Stock Exchange Limited., 25th Floor, Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 | To, The Secretary, National Stock Exchange of India Ltd. 5th Floor, Exchange Plaza Plot No.C/1, G Block Bandra Kurla Complex, Bandra (East) Mumbai -400 051. |
|--|--|

Dear Sir/Madam.

Sub: – Presentation on Q4 & FY-16 Results to Analysts and Market Reg.,

.....
With reference to above subject, please find enclosed presentation to Analysts and Market on results for the quarter and year ended March 31, 2016.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours truly,

For GAYATRI PROJECTS LIMITED

I.V. Lakshmi

**(CS I.V.LAKSHMI)
Company Secretary & Compliance officer
Membership No. ACS 17607**



Q4 & FY16 Results Presentation

June, 2016



Disclaimer



Some of the statements in this presentation that are not historical facts are forward looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate.

These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.

Further, this presentation may make references to reports and publications available in the public domain. Gayatri Projects Ltd. makes no representation as to their accuracy or that the company subscribes to those views / findings.

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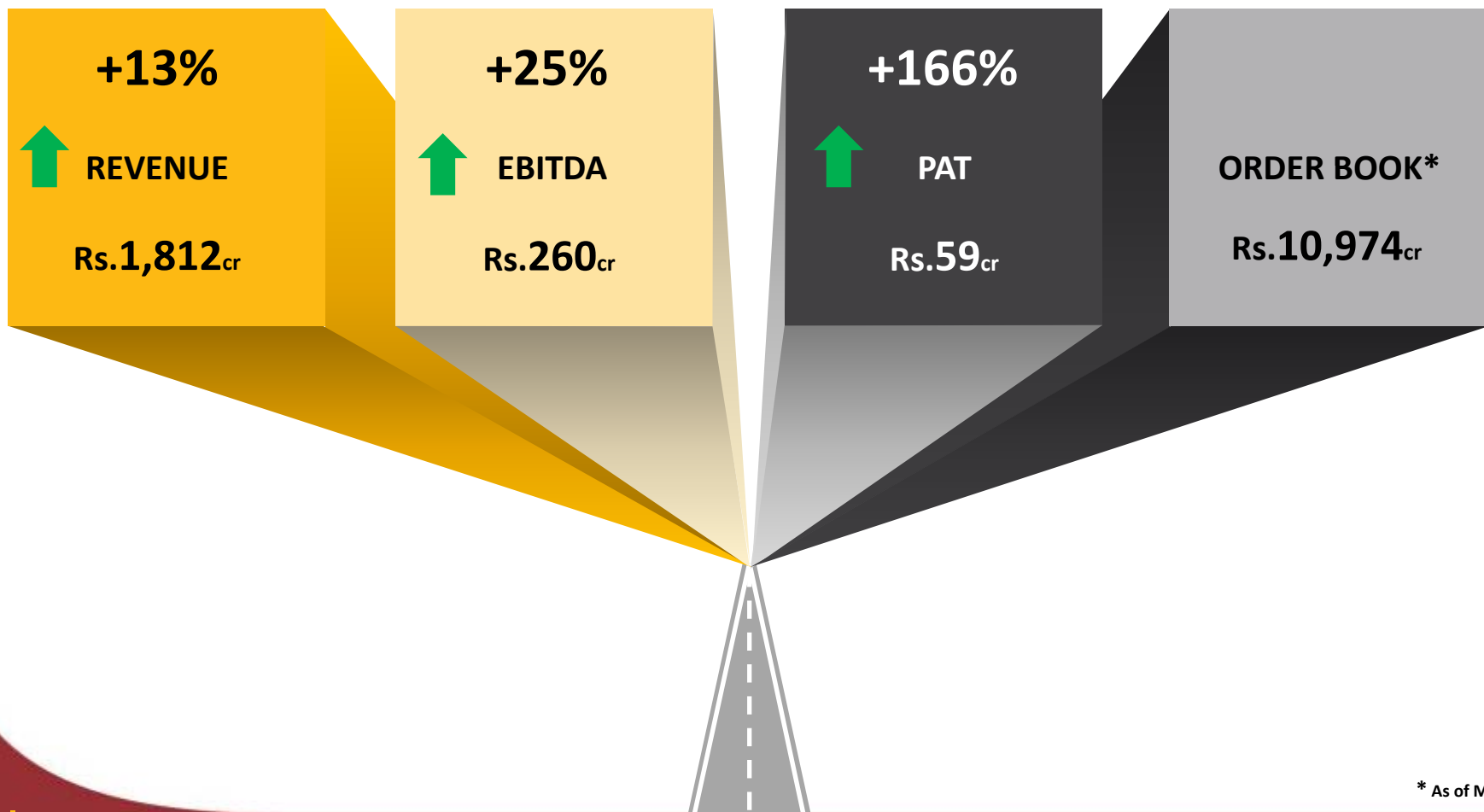
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FY16 Financial Performance – At a Glance



* As of May, 2016



Recent Developments



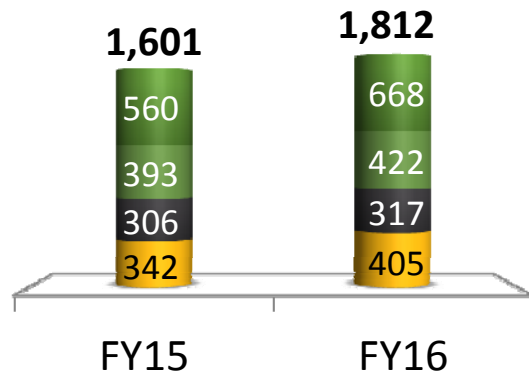
- Bagged orders worth Rs.5,313 crore plus during the year; total unexecuted order stands at Rs.10,974 crore as of March 2016.
- Thermal PowerTech Corporation India Limited (TPCIL, 1320 MW) fully commissioned
 - Signed long term PPA with Telangana for 570 MW
 - Project has secured more than 85% of its net total generating capacity under Long term PPA
- Phase I (660MW) of Sembcorp Gayatri Power Limited (SGPL) "(Formerly NCCPPL)" synchronized with the grid in May 2016. Final Phase II likely to be commissioned in next 3-4 months
- Optimization of power generation asset holding structure: JV partner Sembcorp Utility writes a 5 year call option giving Gayatri (GEVL) an option to go upto 30% stake in the business
- Commenced restructuring and monetization of Road BOT Assets: Divested full stake in WUPTL; Initiated the process of buying out PE partner AMP; Board approved the initiative to restructure BOT assets – scheme of arrangement in advanced stages of finalization
- Upgradation of Bank loan facilities
 - CARE ratings upgrades Long-term Bank Facilities to CARE BB- (Double B Minus) from CARE B (Single B)
 - Long-term/Short term Bank Facilities to CARE BB-/CARE A4 (Single B Minus/A Four) from CARE B/ CARE A4 (Single B/A Four)

Q4 & FY16 Highlights

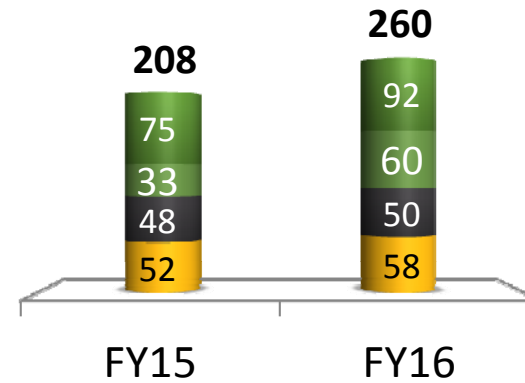


Figs. In crore

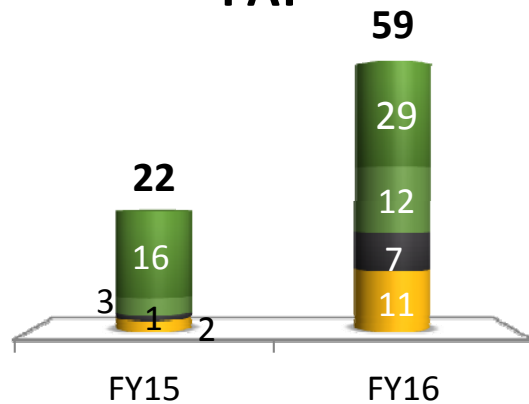
REVENUE



EBITDA



PAT



- Revenue growth of 13% for the year despite almost nil revenue booking from 11 projects worth Rs.5300 cr (half the current order book) won in last 12 months
- Operating margins improved about 130 bps YoY owing to better efficiencies and higher operating leverage in the business

M.D.'s Comments



Commenting on the results, Mr. Sandeep Kumar Reddy, Managing Director, Gayatri Projects Limited said
"FY 16 has been a exciting and eventful year for us, marked by improved operational and financial performance. During the year we made significant headway across all our businesses: core construction, power development and road assets.

We gained exceptional traction in our core construction business, with strong order inflow, in excess of Rs.5,300 crore during the year, ending the year with almost Rs.11,000crore order backlog. We have built up further L1 positions across Roads, Industrial and Water sectors and we expect to maintain similar order-flow momentum in the coming year as well. On the execution front, we saw growth despite not being able to book any revenue from new orders. With mobilization already in place at most sites, we see very strong growth in revenue booking post monsoon.

On the Power Generation front, we have seen solid project execution. Both 660MW units of TPCIL were commissioned in last 12 months and first 660MW unit of SGPL was synchronized with grid recently. 2nd SGPL unit should come on stream in next 3-4 months. We have lined up long-term PPAs for almost 2/3rd of the 2640MW capacity. But, trading conditions have significantly deteriorated in recent months. We expect government's initiatives on SEB reforms, universal access to electricity and strengthening distribution infrastructure to help improve demand conditions over next 12-24 months.

We continue to focus on improving value in our BOT Road Asset portfolio – restructuring, monetization and improvement in traffic flow are all on agenda. We sold WUPTL. Board has approved restructuring in-principle and a scheme of arrangement should be in public domain in a matter of weeks. Our Hyderabad-Karimnagar & Indore-Dewas roads are seeing much better tolling activity. The last BOT road in our portfolio – SMTL – is likely to be commissioned within this calendar year.

To conclude, we believe that our recent initiatives and improved operational and financial performance position us for a dramatically improved future."



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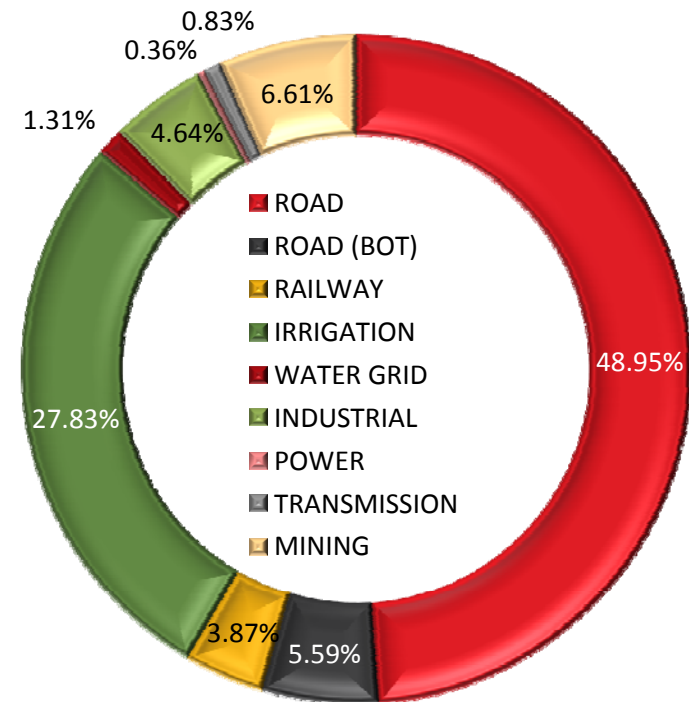
Order Book Update



Order Book - Details

- Order-book accretion gathers pace. New orders worth Rs.1100Cr were picked up during the quarter – with order-backlog of Rs.10,974Cr at the end of the year
 - Orders picked-up across Road (North-east), Railway (Western India) & Mining (Dhanbad) sectors
 - Achieved further L1 positions across Road works, civil works & water works
- Revenue visibility remains quite strong on the back of robust order book - expect 25-30% revenue growth over next 3-4 years – with much stronger growth in the near-term
- Continue to remain focused on bidding for margin accretive projects

Order Book – Break Up



Current Year Developments



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Current Year Developments



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Strong order inflows

2

Entering Newer Segments: Under-ground Mining Services

3

Power Genco Asset Holding Structure Optimised – Call option written by Sembcorp

4

Renewed Strategy for Road Assets

EPC Biz – Strong Order Inflows double back-log



Bagged multiple orders worth more than Rs.5,300 crore almost doubles backlog to Rs.11,000 crore



Road Division

- 6 new Road construction orders on EPC basis awarded during FY2016 added more than Rs.4300cr to order book. The orders came from NHAI & NHIDCL.
- Careful bidding has resulted geographic concentration of new orders – which should result in better margins.



Railways

- JV with L&T bagged a large freight corridor order
- GPL portion of contract Rs.425cr
- Foot-in-the-door into another sunrise sector with massive tailwinds



WaterGrid

- Company's first foray into the fast growing and specialized Water Supply EPC business
- Water distribution feeder main for supplying water to city of Aizwal



Mining

- New foray into under-ground mechanized mining (Longwall workings)
- Big growth push by government with little competition

Foray in Under-ground Mining Services



- ➔ **Significant growth potential for under-ground mining in India**
 - Government's 2020 target for 1bn mtpa coal extraction by CIL includes 100mtpa for under-ground mining (vs. current levels of just 37mtpa)
- ➔ **Growth likely to be driven by large scale private participation**
 - Relatively low expertise in India for large-scale mechanized under-ground mining
- ➔ **Gayatri - aiming to build an early leadership position in the sector**
 - Acquired a team with long experience in under-ground mining at Singareni Coalfields. Adding further to the team
 - Invested in equipment, built partnerships over last one year
 - Ready to bid for all emerging opportunities in the sector
 - Targeting a portfolio of services business supporting 10mtpa production over next 5 years
- ➔ **First project win – Jhanjhra underground mine**
 - One of the just 4 privately awarded long-wall mining projects in India. 6 year initial contract, Initial contract value Rs. 400 cr
 - Partnering with CODCO (China Coal Overseas Development Company), a Beijing based subsidiary of China Coal
 - Raising contract: 2mtpa of coking coal for ECL from Jhanjhra underground mine (Durgapur, West Bengal) using modern long-wall mining technology supplied by CODCO
- ➔ **Second project win – Moonidih seam-16 underground mine**
 - Long-wall seam development contract from BCCL (a subsidiary of Coal India Ltd.). Initial contract value Rs.325cr.

Optimization Of Power Genco Asset Holding Structure - Sembcorp Call Option



GEVL was initially planning to increase stake in power generation subsidiaries (TPCIL, SGPL, 2640MW) to 30% each by raising capital through mezzanine funding. That plan has been aborted and a call option structure has been negotiated with JV partner Sembcorp Utilities.



The optimization recognises two market realities:

- Long-term exceptional asset value - among most advantageously located / managed power gencos
 - Hence the need to maintain stake in a cost effective manner
- Current tough power trading environment (could persist for 12-24 months)
 - Hence the need to avoid un-necessary mezz debt interest cost



Project capital structure (including 4th, the last, unit which is likely to come on stream in next 3-4 months)

- Project Cost: Rs.19,300cr (original estimate Rs. 13,900 cr)
- Project Equity: Rs.5,600cr (original estimate Rs. 3,500 cr)
- Gayatri (GEVL) incremental investment for 30% stake - Rs.900cr (today's cost)



SEMBCORP (SCI SP) unit has written a CALL OPTION, exercise allows Gayatri stake to go 30%

- Current GEVL stake in 2 power generation OpCos ~13%.
- Option terms:
 - Life: 5 years
 - Strike price: Rs.900cr, accretes @18%p.a. (with dividends to Gayatri's credit)
 - Multiple partial exercises allowed



We hope to exercise the option over next 2-3 years.

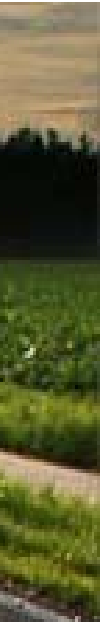
Renewed Strategy for Road Assets



- ➔ Management decides on monetizing / corporate restructuring of road assets
- ➔ Board contemplating hiving off entire road development business as separate entity
- ➔ Working towards adopting “*Asset light approach*”

Divests stake in Western UP Tollway Ltd

- **Project Details –**
 - *Location: Uttar Pradesh*
 - *JV Partner: NCC*
 - *Length: 78.5 km*
 - *Concession Period: 20 years*
 - *Operational since 2011*
- **Enters into a share purchase agreement with Cube Highways and Infrastructure Pte Ltd**
- **Enterprise value of Rs.575 crore (subject to certain closing adjustments)**
- **Proceeds to be deployed largely towards paring high cost debt**





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TPCIL's 1,320 MW comes online



Project Description

1,320 MW Thermal Power Plant



➔ Unit 1 (660 MW)

- Fully operational since May, 2015
- Consistently operated at PLFs in excess of 90% since May, 2015

➔ Unit 2 (660 MW)

- Commenced commercial production in 2nd week on Sept, 2015
- After performing well in 4Q, the unit had to be shut for almost 45 days in April – May 2016. Operating at full swing now.

➔ Production Update

- The plants operated at 83% PLF in Q4
- TPCIL supplied 2,232 mu to the grid in 4Q

Sembcorp Gayatri Power Project "(Formerly NCCPPL)" – On Track



- ➔ 1st 660MW unit was synchronized with the grid in last week of May
- ➔ 2nd 660MW unit should be commissioned over next 3-4 months
- ➔ PPA – 500MW is close to finalization with AP Discoms, Company is also looking at several shorter term PPAs given that trading conditions in spot market are very tough



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Development of Road Assets






- ➔ Gayatri Infra Ventures Ltd, a subsidiary of Gayatri Projects Ltd dedicated towards development of road assets
- ➔ Balanced portfolio comprising of four annuity and three toll based projects
- ➔ Focus on value creation through monetization and restructuring
- ➔ Recently sold WUPTL to Cube Infra
- ➔ Board has given in-principle approval for restructuring of the portfolio. Scheme of arrangement should be filed within next a few weeks.
- ➔ Toll-based projects (HKRRL, IDTL) seeing significant improvement in tolling activity in last 3-4 months

Portfolio Summary

| Annuity Based Projects | Status | GIVL Stake | COD | Concession Period (Years) | Length (kms) |
|--|--------------------|------------|----------|---------------------------|--------------|
| Gayatri Jhansi Roadways Limited (GJRL) | PCC Obtained | 51% | Jun 2010 | 20 | 50.0 |
| Gayatri Lalitpur Roadways Limited (GLRL) | PCC Obtained | 51% | Jul 2010 | 20 | 50.0 |
| Hyderabad Expressways Limited (HEL) | PCC Obtained | 50% | Aug 2011 | 15 | 13.0 |
| Cyberabad Expressways Limited (CEL) | PCC Obtained | 50% | Mar 2012 | 15 | 11.7 |
| Toll based Projects | Status | GIVL Stake | COD | Concession Period (Years) | Length (kms) |
| Hyderabad Karimnagar-Ramgundam (HKRRL) | PCC Obtained | 50% | May 2014 | 25 | 207.0 |
| Indore Dewas Tollways Limited (IDTL) | Under Construction | 100% | May 2015 | 25 | 45.1 |
| Sai Maatarini Tollways Limited (SMTL) 100% Subsidiary of GPL | Under Construction | 100% | | 24 | 166.2 |

Development of Power Assets



-  Incorporated in 2008, Gayatri Energy Ventures Ltd is a wholly owned subsidiary of Gayatri Projects
-  Current Portfolio:
 - TPCIL (13% GEVPL; 87% SembCorp Utilities)
 - SGPL "(Formerly NCCPPL)"
 - Option agreement signed with JV partner Sembcorp Utilities, would allow Gayatri to increase stake to 30% over the next 5 years.
-  Strong Power Plant Economics:
 - **Exceptional fuel security:** True port-based location ensures among the best logistics for both imported and domestic coal
 - **Global coal price deflation** is making imported coal cheaper than domestic coal on a per GCal, landed at plant basis.
 - **Home market continues to stay power deficit:** shortage of generation capacity and constrained transmission networks
 - **Targeting high proportion of sales through long-term PPAs at remunerative rates:** 1070MW already in place, L2 for 500MW in a large AP tender,

Portfolio Summary

| | TPCIL | Sembcorp Gayatri Power Project "(Formerly NCCPPL)" |
|------------------|---|--|
| Capacity | 1,320 Mw (2x660 Mw) | 1,320 Mw (2x660 Mw) |
| Location | Near Krishnapatnam port, Andhra Pradesh | Near Krishnapatnam port, Andhra Pradesh |
| TPC * | 9,402 crore | 9,878 crore |
| CFE | Obtained | Obtained |
| EC | Obtained | Obtained |
| CL | Signed PPA | LOA Obtained |
| WL | Obtained | Obtained |
| PPA | Acquired | In Progress |
| LA | Acquired | Acquired |
| FC | Completed | Completed |
| Current Progress | Commissioned | Commissioning during FY17 |

TPC - Total Project Cost; CFE - Consent for Establishment; EC - Environmental Clearance; CL - Coal Linkage; WL - Water Linkage PPA - Power Purchase Agreement; LA - Land Acquisition; FC - Financial Closure; LOA – Letter of Assurance

* Revised





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- Government's efforts towards reviving investment climate by stepping up infrastructure spend is likely to ensure continued addition to our already strong order book. We have achieved L1 positions in projects in Roads, Railways, Industrial & Water sectors in recent past - and hope to convert them into orders within the current quarter.
- Growth in construction order book should help us sustain a 25-30% topline growth over next 3-4 years. The growth should be much stronger near-term (post this monsoon) as we have already mobilized at most of the new construction sites. FY2016 had zero revenue booking from a slew of new orders booked during the year.
- Power Assets: With 3 out of 4 units of the TPCIL / SGPL "(Formerly NCCPPL)" power complex commissioned and 4th close to commissioning, focus is on maximizing long term PPAs for sales. Short-term trading conditions are tough and are likely to stay as such for next 12-24 months. Almost 2/3rd capacity is already contracted (1070MW executed PPA, 500MW L2 position in a large bid). We have been able to restructure our ownership of the asset to be better geared for current tough conditions. Our option agreement with Sembcorp allows us to increase stake to 30% over next 5 years.
- Road Assets: Working towards commissioning the last non-operating road in our portfolio during FY17. We do not plan to add to the Road asset portfolio in foreseeable future, no further equity injection is needed and are looking at all options to monetize the portfolio. We expect concrete restructuring of the portfolio within next 12 months.

CONSTRUCTION



POWER GENERATION ASSETS



ROAD ASSETS





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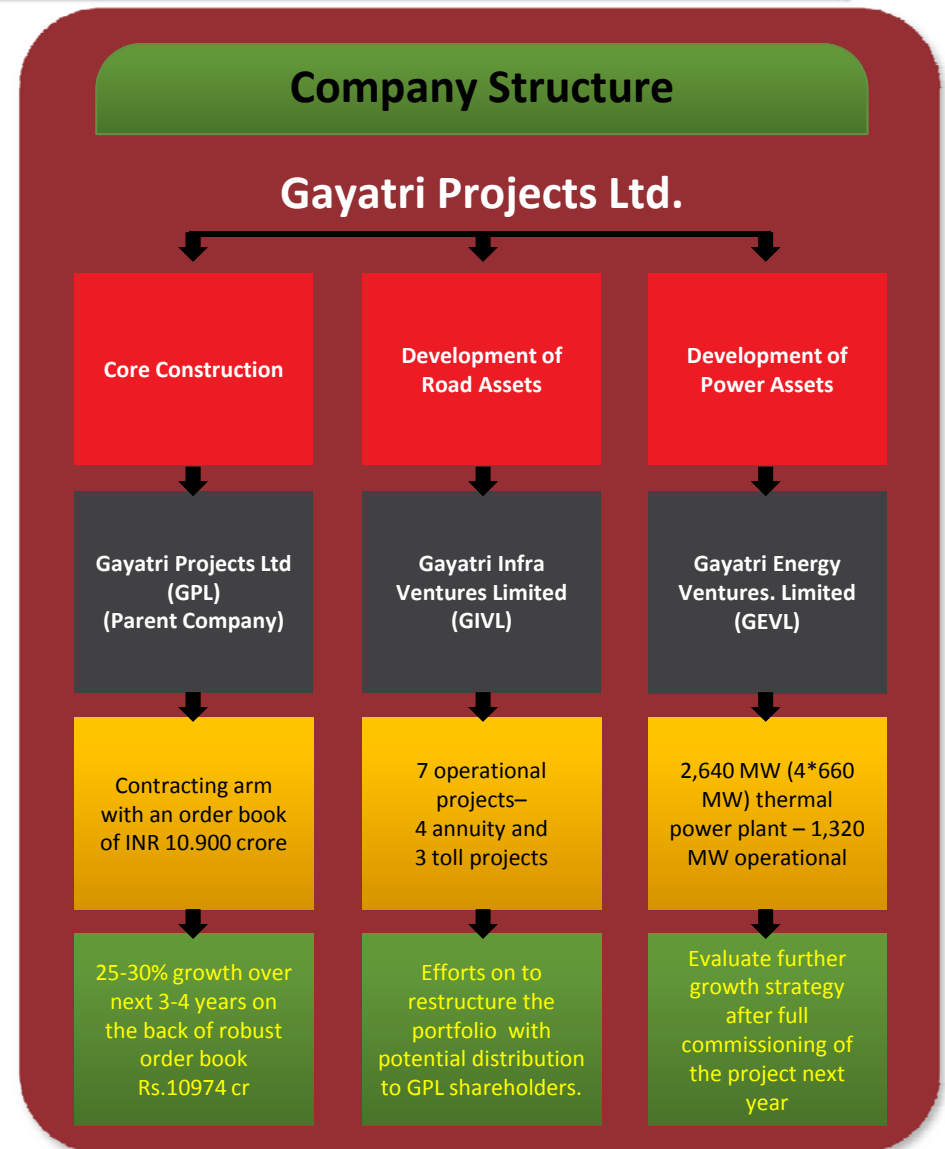
- Gayatri Projects Limited (Parent Company) core construction Company
- Dedicated subsidiaries to focus on Road and Power segment

Development of Road Assets:

- GIVL, dedicated towards development of road assets
- GPL's board approves purchase of AMP's 30% stake in GIVL
- Current Portfolio: 7 road projects
- Annuity based: 4
- Toll Based: 3 incl. SMTL (100% owned by GPL)

Development of Power Assets:

- GEVL, dedicated towards development of power assets
- 100% owned Subsidiary of GPL
- Current Portfolio:
- TPCIL & SGPL : 660MWx4
- GEVL ownership: ~13% currently with an option to increase stake to 30% over next 5 years.



Gayatri Projects – Construction arm



- ➔ Core Construction Company with a Pan India Presence
- ➔ Rich DNA of almost 50 years' experience in Project execution
- ➔ Strong order book of Rs.10,974 cr as on May '16
- ➔ Client list includes several leading names including NHAI, AAI, Nalco, Tata Steel, Reliance Petroleum etc.
- ➔ ISO 9001 – 2000 certified Company
- ➔ Owns Extensive fleet of state of the art Construction equipment
 - Heavy Earth Moving Machine: Hydraulic excavators, loaders
 - Concreting Plants: batching plants, transit mixers
 - Road Equipment: vibratory tandem rollers, integrated stone crushing plants
 - Quarry Equipment: Wagon Drills, Jack Hammers
 - Transportation Equipment: Tractors, Water tankers
- ➔ Two fold benefits of owning several assets:
 - Lower dependence on external sub contractors
 - Maximizing profits & returns

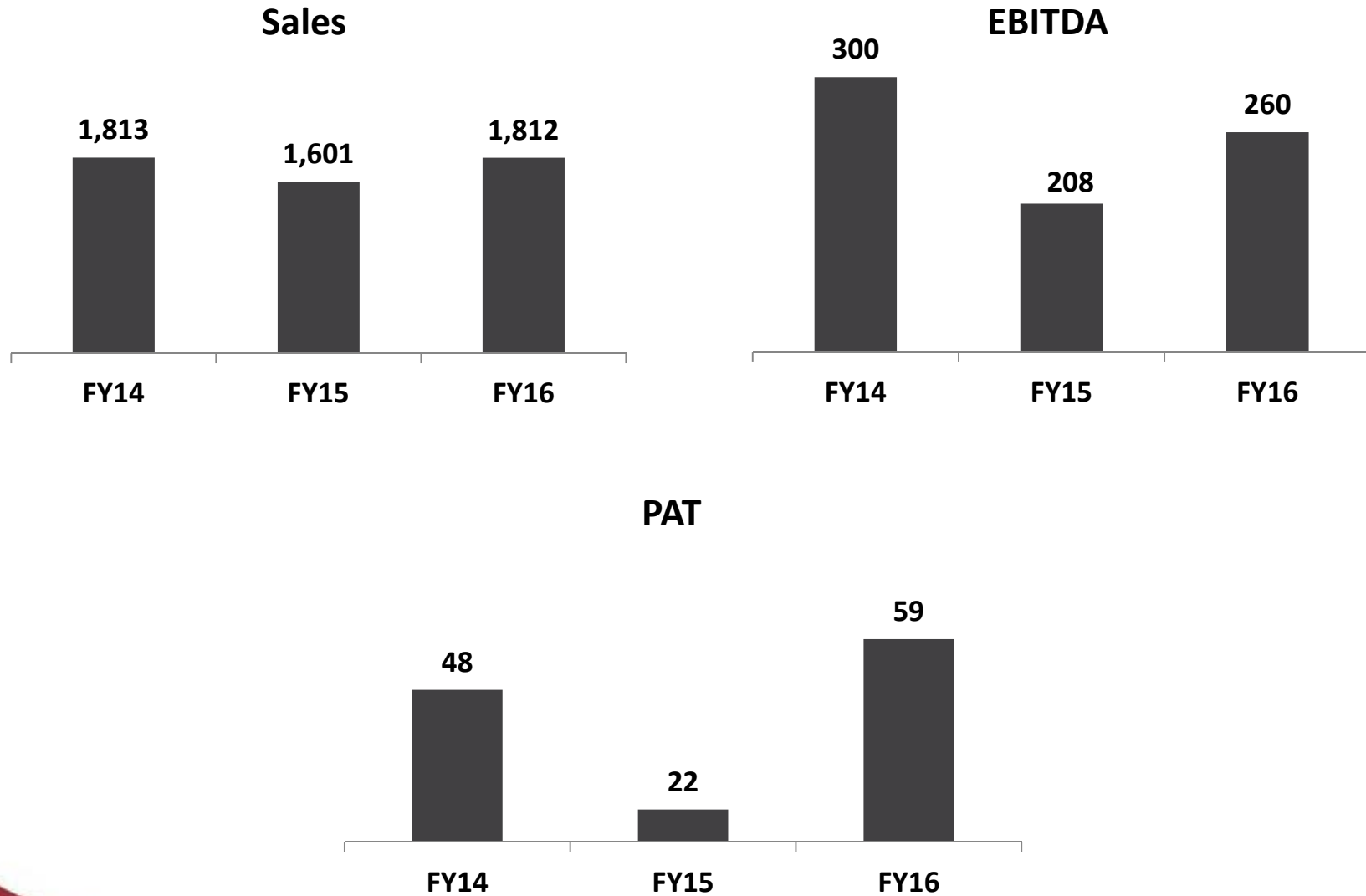


NHAI: National Highways Authority of India; AAI: Airports Authority of India

Financial Performance at a Glance...



Figs. In crore





For further information please contact:

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Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Gayatri Projects Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances

Share Price Rs.578

Market Cap Rs.2,024cr



Overview

Gayatri Projects Limited is a well-established EPC contractor with more than 50 years of experience in construction of Roads, Irrigation, Industrial & Power Transmission projects across India. It separately owns Power Generation Assets and BOT Road Assets through 2 step-down subsidiaries GEVL & GIVL. Gayatri's total current capital employed is split approximately evenly between construction and asset holding businesses.

Divisional Information



Construction

- Rich history of executing construction projects across India
- Gold Medal for NagarjunaSagar Project (World's largest Earth Dam)
- Built more than 644kms of roads
- Civil construction at some of the most marquee industrial projects: Tata Steel, Reliance Petroleum, etc.
- Current un-executed order book of Rs.10,974cr



Power Generation

- Developing a 2,640MW truly coastal, coal-fired power plant at Krishnapatnam in partnership with SembCorp Industries
- TPCIL's 1320 Mw capacity commissioned over last 12 months.
 - SGPL's (Sembcorp Gayatri Power Ltd., formerly NCCPPL) first 660MW unit was synchronized with grid May-end and 2nd unit should be commissioned over next 3-4 months.
 - Gayatri owns ~13% stake in the 2 OpCos and has option to increase stake to 30% over 5 yrs.



Road Asset Holding

- Current portfolio of 6 operating and 1 under-construction Road BoT assets with varying levels of ownership
- Split into 4 annuity-based and 3 toll roads
- Gross Capital Employed of more than Rs.5,000cr & Rs. 500cr+ cash invested from GPL balance-sheet across the 7 road assets
- Currently actively pursuing restructuring & monetization opportunities.

Financial Summary (Year ended Mar. 31' 2016)

| | FY15 | FY16 | Y-o-Y (%) |
|--------------------|-------|-------|-----------|
| Sales (Rs.cr) | 1,601 | 1,812 | 13% |
| EBITDA (Rs.cr) | 208 | 259 | 25% |
| Net Profit (Rs.cr) | 22 | 59 | 166% |

Major Shareholders (as of Mar. 2016)

Total number of shares outstanding 3.55crore shares. Some of the key shareholders, other than promoters, are **GMOFunds, Bajaj Allianz Life insurance Company, etc.**

Project Update –Power Generation

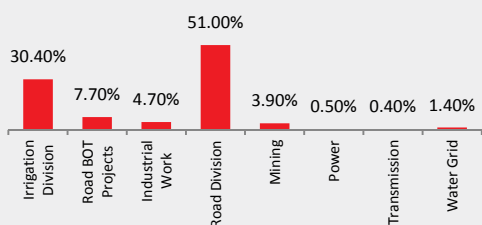
- **TPCIL:**
Entire **1,320 MW** commissioned. Plant operated at 83% PLF during 4Q FY16. Supplied 2,232 mu to grid in 4QFY16
- **Sembcorp Gayatri Power Limited (erstwhile NCCPPL)** – 1st phase 660MW synchronized with the Grid May-end. 2nd unit likely to commission in next 3-4 months.

Recent Developments

- **CARE rating upgrades Bank Loan Facilities**
 - **Long Term Bank Facilities:** CARE BB- (Double B minus) from CARE B (Single B)
 - **Long-term/Short term Bank Facilities:** CARE BB-/CARE A4 (Single B minus/ A Four) from CARE B/ CARE A4(Single B/A Four)
- **Construction Business –**
 - Bagged multiple orders, across diverse sectors, over last 12 months – new orders of more than Rs.5,300cr – almost doubling the order book to Rs.11,000cr.
 - 6 new road construction EPC orders, carefully selected for geographic proximity, added more than Rs. 4,300cr.
 - New foray into sun-rise sectors like Water-grid, Mining, Railways.
- **Power Generation Business –**
 - 1.980MW up & running. Last 660MW to be commissioned in next 3-4 months.
 - Almost 2/3rd production tied-up in long-term PPAs at attractive rates.
 - Recent trading conditions tough as SEBs are not buying enough power – but several structural initiatives from government promises silver lining in 12-24 months.
 - Call option agreement with JV partner Sembcorp - rights to take stake from ~13% to 30% over 5 yrs.
- **Road Asset Business –**
 - Focus on re-structuring, monetization.
 - Sold WUPTL. Board approves re-structuring in-principle.
 - Improved tolling at Hyd-Karimnagar & Indore-Dewas Tollways

Order Book

Order Book (as of May. 2016) : Rs.10,974 crore



Business Details

| | |
|---------------------------------------|--|
| Exchanges | NSE, SX- 40 / BSE |
| Sector | Construction & Engineering |
| Ticker / Code | GAYAPROJ / 532767 |
| Market Cap | Rs. 2,024cr |
| Website | www.gayatri.co.in |
| Tel: | +91 40 23310330, 233314284 |
| Fax: | +91 40 23398435 |
| Email: | gplhyd@gayatri.co.in |
| For Investor Queries – Contact | K. G. Naidu (Gayatri Projects) Gavin Desa / SurajDigawalekar(CDR India) |