September 07, 2020

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

Dear Madam, Sirs,

Sub: Annual Report for Financial Year 2019-20 of Gayatri Projects Limited ('Company')

This is in furtherance to our letter dated September 05, 2020 wherein the Company had informed that the 31st Annual General Meeting ('AGM') of the Company will be held on Tuesday, September 29, 2020 at 12.00 p.m. (IST) via two-way Video Conference / Other Audio-Visual Means only, in accordance with the General Circular issued by the Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020.

Please find enclosed herewith the 31st Annual Report of Gayatri Projects Limited for the Financial Year 2019-20 along with the Notice of the 31st AGM ('Annual Report'). The Annual Report is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Annual Report is available on the website of the Company at https://www.gayatri.co.in/pdf/yrly/AR%20GPL-2019-20.pdf. This is submitted pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and records.

Thanking you.

Yours faithfully,

Gayatri Projects Limited

Chetan Kr. Sharma

Chetan Kumar Sharma
Company Secretary &
Compliance Officer

GAYATRI

Gayatri Projects Limited

Annual Report
2019-2020

Contents

Corporate Information	1
Financial Highlights	2
Message from the Managing Director	3
Notice	4
Boards Report	22
Management Discussion and Analysis	46
Corporate Governance Report	56
Standalone Financial Statements	85
Consilidated Financial Statements	131

Corporate Information

Board of Directors

Smt. T. Indira Reddy	Chairperson	(DIN: 00009906)
Sri T.V. Sandeep Kumar Reddy	Managing Director	(DIN: 00005573)
Sri. J. Brij Mohan Reddy	Executive Vice Chairman	(DIN: 00012927)
Sri. Ch. Hari Vithal Rao	Independent Director	(DIN: 00012970)
Sri.G. Sreeramakrishna	Independent Director	(DIN: 06921031)
Sri. K.V. Ramanachary	Independent Director	(DIN: 08658826)
Smt. N. Ramadevi	Independent Director	(DIN: 08699570)
Sri. P. Sreenivas	Nominee Director	(DIN: 08775649)

Company Secretary & Compliance Officer

CS Chetan Kumar Sharma

Chief Financial Officer

CA P. Sreedhar Babu

Statutory Auditors

MOS & Associates LLP
501, Lahari Benz Apartments,
Somajiguda, Hyderabad – 500 082

Bankers

Andhra Bank
Bank of Baroda
Bank of Maharashtra
Canara Bank
Corporation Bank
The Federal Bank Ltd.
IDBI Bank Ltd.
Indian Overseas Bank
Punjab National Bank
State Bank of India
Syndicate Bank
Union Bank of India
United Bank of India

Registered & Corporate Office

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

Registrars & Transfer Agents

KFin Technologies Private Limited,
Selenium Building, Tower No.B,
Plot No.31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032, Telangana.
Tel: +91 040 67162222
Fax: +91 040 2300 1153
Email: einward.ris@kfintech.com
Website: www.kfintech.com

Financial Highlights

₹ in Lakhs

DESCRIPTION	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Turnover	342,733	346,315	291,231	211,535	181,221	160,114	181,253	202,220	180,190	144,055
Profit Before Tax	(39,022)	23,570	18,255	10,946	6,969	3,509	8,248	10,201	6,984	9,176
Profit After Tax	(38,457)	21,077	18,809	7,043	5,801	2,205	4,761	6,309	4,597	5,000
EBITDA	42,661	54,497	46,767	30503	25946	20757	26969	26,605	19,994	17,063
Equity Capital	3,744	3,744	3,744	3,545	3,545	3,023	3,023	3,023	2,397	1,199
Reserves & Surplus	90,489	129,219	108,560	70,555	81,057	65,231	63,574	59,520	49,225	32,597
Net Worth	94,233	132,963	112,304	74,100	84,602	68,254	66,596	62,543	51,622	33,796
Gross Block	87,325	76,517	65,799	57,937	47,219	46,203	45,432	45,069	44,618	37,012
Net Block	39,420	37,633	33,497	30,925	22,686	20,812	22,936	24,738	27,394	21,929
Book Value (₹) Per Share of ₹ 2/- each	5,034.00	71.03	59.99	41.81	47.32	45.16	42.06	41.38	43.08	56.38
EPS (₹) Basic	(20.54)	11.26	10.58	3.97	3.46	1.46	3.15	24.53	37.83	43.10

MD's STATEMENT

GAYATRI PROJECTS

Dear Shareholders,

FY20 has been an eventful year in many ways. The world is facing an unprecedented challenge in form of Covid -19, which has not spared any country globally and has put severe pressure on economies. This crisis is still unabated, and our thoughts are with all those who are impacted by it.

FY20 was also an eventful year for our company. During the year, we made significant progress towards our stated objective of de-leveraging and balance sheet improvement.In the 2nd half of FY20, we successfully concluded the sale of 5.95% stake in the power assets of Sembcorp Energy India Ltd for cash proceeds of INR 4.1 billion plus an upside option. A significant portion of the proceeds were used towards repayment of long-term debt and towards working capital management. This strategic divestment was a critical milestone during this year as it eased the burden off our balance sheet through long term debt repayment of close to INR 2.3 billion.

We could have progressed further on our debt reduction exercise but were unable to do so as lot of our initiatives were delayed due to the situation on account of Covid – 19. Post an elongated monsoon, executions at our key sites had just started picking when a nation-wide lockdown was imposed from 25th March onwards. The lockdown hit us at a time when execution at our sites is usually at a peak level and we could partly resume operations only from 20th April onwards. As a result, our FY20 financial performance was impacted. However, our revenues in FY20 were just 1% lower at INR 3,427.33 crores and we maintained an EBITDA margin of 12.4%. Our EBITDA to FCF generation remained high at 65%.

The operations resumed in a staggered mannerat project sites, however execution is still sub optimal a 50-60% levels because of shortage of raw material and contract labour. We are hoping that the situation would ease from Q2 onwards and execution should pick up Q3 and Q4 of FY21. Despite massive Covid-19 related issues and delays, we are confident that our FY21 revenues will remain at par with FY20 revenues. We will be able to maintain our EBITDA margins in the 14%-15% range and a significant portion of our long-term debt should be repaid.

We are swiftly working towards ensuring that we are completely long-term debt free in the next 12-18 months. This would be achieved through a combination of internal accruals and through monetisation of various arbitrational claims and awards. Gayatri has INR over 7.5 bn of awards pending in different arbitration tribunals/courts and over 6 bn of outstanding claims. These claims and awards are at various stages of closure and we expect over INR 4-6 bn in the next 12-18 months from their monetisation. The proceeds from these settlements will be used towards long term debt payment, bringing it down to negligible levels.

Over the last few years, we have built a large EPC order book. We are one of the few players in the Industry with a pure EPC order book of INR 126bn+. We are well diversified geographically and segment wise, thereby de-risking our business model. A high book to bill of 4x provides us with high revenue visibility for next 3-4 years. Our Asset light business strategy is delivering desired results which are in line with our expectation and hence our entire focus is on this model. During the year, we also refrained from aggressive bidding to ensure stability of our margins. We want to maintain our focus on executing our existing order book to ensure improved cash flows.

Even thoughthe last few quarters have been difficult for the company, operationally and fundamentally our business has been performing well. All our projects are now on track after adjusting for Covid-19 related delays and our teams are working relentlessly to ensure their timely completion. After a temporary cash flows mismatch in Q2 and delayed interest payments, we are now regular on debt servicing and currently there is no default. The company has availed the moratorium announced by RBI to ease the stress of industries due to the COVID-19 pandemic.

We are confident that given our strategic initiatives, our company will emerge much stronger and resilient over the next few years. Gayatri has a long history and has been operating for the last 4 decades. We have always endeavoured to build a resilient organisation and have tweaked our business model at various stages to ensure the same. Our transition from an asset heavy BOT focussed business model to an EPC focussed asset light business model was the toughest and it took us almost 6 years to successfully achieve the same. Our relentless focus now is to strengthen our organisation further by improving our balance sheet and we are taking all the steps in that direction.

Our Journey of last 4 decades wouldn't have been possible without the support of our committed management team and I would like to take this opportunity to thank them for their hard work and dedication. They have supported the company in its toughest time and have ensured long term sustainability of our organisation. I would also like to express my sincere gratitude to all our stakeholders who have shown immense patience and have supported the company in its transformative years. With your support, we are confident that we will build a sustainable organisation which provides superior shareholder returns.

Notice

NOTICE is hereby given that the 31st ANNUAL GENERAL MEETING of M/s. Gayatri Projects Limited will be held on Tuesday, September 29, 2020 at 12.00P.M (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Auditors thereon and of the Board of Directors thereon.**

   (a) "**RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

   (b) "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. **To appoint a Director in place of Shri. J. Brij Mohan Reddy, who retires by rotation, and being eligible, offers himself for re-appointment.**

   "**RESOLVED THAT** Shri. J. Brij Mohan Reddy (DIN 00012927), who retires by rotation in terms of section 152(6) of the Companies Act 2013, and being eligible offers himself for reappointment, be and is hereby re-appointed as a Director of the Company".

SPECIAL BUSINESS:

3. **Ordinary Resolution for ratification of remuneration payable to M/s. N.S.V. KRISHNA RAO & CO., appointed as Cost Auditors of the Company for the F.Y 2020-21**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Record and Audit) Rules, 2014, **M/s. N.S.V. KRISHNA RAO & CO,** Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2020-21for a remuneration of Rs. 1,15,000 (Rupees One Lakh Fifteen Thousand) per annum plus applicable service tax and out of pocket expenses that may be incurred be and is here by ratified."

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

4. **Waiver of recovery of excess managerial remuneration paid to Shri. T. V. Sandeep Kumar Reddy, Managing Director for the financial year ended March 31, 2020**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 read with Schedule V of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendations of the Nomination and Remuneration Committee of the Company and the Board of Directors of the Company and subject to such approval as may be required, the approval of the members of the Company be and is hereby accorded to ratify and confirm the waiver of recovery of the excess remuneration amounting to ₹387.8 lakhs paid to Shri. T. V. Sandeep Kumar Reddy

(DIN: 00005573), Managing Director for the financial year 2019-20, which is in excess of the limits prescribed under Schedule V of the Act in view of loss for the financial year 2019-20 and within the limits as approved by the Members of the Company at their 30th Annual General Meeting held on September 30, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

5. **Payment of remuneration to Shri. T. V. Sandeep Kumar Reddy, Managing Director for the period April 01, 2020 to September 30, 2024 or for such shorter period as may be prescribed under applicable laws**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto and the Rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force) and in furtherance of the special resolution passed in the 30th Annual General Meeting held on September 30, 2019 and pursuant to the recommendations of the Nomination and Remuneration Committee and Board of Directors of the Company and subject to such approval as may be required, the approval of the members of the Company be and is hereby accorded for payment to Shri. T. V. Sandeep Kumar Reddy (DIN: 00005573), Managing Director, such remuneration, as approved in the said resolution (reproduced in the annexed Explanatory Statement), as minimum remuneration in case the Company has no profits or the profits of the Company are inadequate during period commencing from April 1, 2020 to September 30, 2024 or for such shorter period as may be prescribed under applicable laws, notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT all other existing terms and conditions of appointment of Shri. T. V. Sandeep Kumar Reddy shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

RESOLVED FURTHER THATthe Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

6. **Payment of remuneration to Shri. J. Brij Mohan Reddy, Executive Vice-Chairman for the period April 01, 2019 to September 30, 2021 or for such shorter period as may be prescribed under applicable laws**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto and the Rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force) and in furtherance of the special resolution passed in the 29th Annual General Meeting held on September 28, 2018 and pursuant to the recommendations of the Nomination and Remuneration Committee and Board of Directors of the Company and subject to such approval as may be required, the approval of the members of the Company be and is hereby accorded for payment to Shri. J. Brij Mohan Reddy (DIN: 00012927), Executive Vice-Chairman, such remuneration, as approved in the said resolution (reproduced in the annexed Explanatory Statement), as minimum remuneration in case the Company has no profits or the profits of the Company are inadequate during period from April 01, 2019 to September 30, 2021 or for such shorter period as may be prescribed under applicable laws, notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT all other existing terms and conditions of appointment of Shri. J. Brij Mohan Reddy shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

RESOLVED FURTHER THAT the remuneration paid to Shri. J. Brij Mohan Reddy,Executive Director for the period from April 1, 2019 to March 31, 2020 in terms of this Resolution be and the same is hereby approved, confirmed and ratified.

"**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

7. **Appointment of Shri. G. Sreeramakrishna (DIN: 06921031) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160, and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, **Shri. G. Sreeramakrishna (DIN: 06921031)** who was appointed as an Additional Director and also as an Independent Director of the Company by the Board of Directors for 5 (Five) years with effect from January 4, 2020 through January 3, 2025 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2019-2020 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT any director of the Company or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

8. **Appointment of Shri. K.V. Ramana Chary (DIN: 08658826) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160, and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, **Shri. K.V. Ramana Chary (DIN: 08658826)** who was appointed as an Additional Director and also as an Independent Director of the Company by the Board of Directors for 5 (Five) years with effect from January 4, 2020 through January 3, 2025 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2019-2020 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation.

"**RESOLVED FURTHER THAT** any director of the Company or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

9. **Appointment of Smt. N. Ramadevi (DIN: 08699570) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160, and other applicable

provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, **Smt. N. Ramadevi (DIN: 08699570)** who was appointed as an Additional Director and also as an Independent Director of the Company by the Board of Directors for 5 (Five) years with effect from February 14, 2020 through February 13, 2025 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2019-2020 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose her as a candidate for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation.

"RESOLVED FURTHER THAT any director of the Company or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

By order of the Board
For **Gayatri Projects Limited**

Sd/-
Chetan Kumar Sharma
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: August 27, 2020

NOTES:

1. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') with respect to Item Nos. 3 to 9 forms part of this Notice. Additional information, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment as well as director proposed to be appointed at this Annual General Meeting ('Meeting' or 'AGM') is furnished as an annexure to the Notice.

2. In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to 'Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) read with General Circular No. 14/2020 dated April 8, 2020 and the General Circular No. 17/2020 dated April 13, 2020 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – COVID-19 pandemic' ('SEBI Circular') permitted the holding of the AGM through VC or OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act,SEBI Listing Regulations and MCA Circulars & SEBI Circular, the 31st AGM of the Company is being held through VC/OAVM on Tuesday, September 29, 2020 at 12.00 p.m. (IST). The deemed venue for the 31st AGM will be 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad – 500082.

3. PURSUANT TO PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS AND SEBI CIRCULAR THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA

CIRCULARS AND SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ROUTE MAP AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.

4. The Members can join the AGM in the VC/ OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the Central Depository Services India Limited ('CDSL') website at www.evotingindia.com The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.

5. Institutional Investors, who are Members of the Company, are encouraged to attend the 31st AGM through VC/OAVM mode and vote electronically. Pursuant to the provisions of the Act, the Institutional/Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorisation etc., authorising its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutinizer at scrutinizer@gayatri.co.in

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.

8. In line with the MCA Circular dated May 5, 2020 and SEBI Circular dated May 12, 2020, the Notice of the AGM along with the Annual Report for FY 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 31st AGM has been uploaded on the website of the Company at www.gayatri.co.in and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of CDSL at www.evotingindia.com

9. The Register of Members and the Share Transfer Books of the Company will be closed from **22nd September, 2020 to 29th September, 2020 (both days inclusive).**

10. **Consolidation of Physical Share Certificates:** Members holding shares in physical form, in identical order of names,in more than one folio are requested to send to the Companyor RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members making requisite changes.

11. The attention of the Members is particularly drawn to the Corporate Governance Report forming part of the Board's Report in respect of unclaimed dividends and transfer of dividends/ shares to the Investor Education & Protection Fund.

12. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Reports for FY 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/RTA/Depositories. Members may note that the Notice and Annual Report for 2019-20 will also be available on the Company's website www.gayatri.co.in, relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL at https://www.cdslindia.com

13. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of the listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members may contact the Company's RTA, KFin Technologies Private Limited at einward.ris@kfintech.com

14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

15. A member desirous of seeking any information on the accounts or operations of the Company is requested to forward his / her query to the Company at cs@gayatri.co.in atleast 7 (Seven) days prior to the meeting, so that the required information can be made available at the meeting.

16. Members, holding shares in physical form, are requested to notify immediately any changes in their address to the Registrar and Transfer Agents (RTA), M/s. KFin Technologies Private Limited, Selenium Tower No.B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad : 500 032. Phones: P: +91 040 67162222 Fax: 23001153. Members, holding shares in electronic form, are requested to notify any such changes to the concerned Depository Participant.

17. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide member's the facility to vote at the 31st Annual General Meeting (AGM) by electronic means and the business may betransacted through e-voting services provided by Central Depository Services (India) Limited (CDSL) .

18. The register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013, the register Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act and relevant documents referred to in the Notice will be available electronically for inspection by members during the AGM. All documents referred to in the notice will be available electronically for inspection without any fee by the members from the date of circulation of this notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@gayatri.co.in.

19. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link www.evotingindia.com during the e-voting period commences from 26th September, 2020 (9 a.m. IST) to 28th September, 2020 (5 p.m. IST).

20. Details regarding Appointment/ Re-appointment of Directors in accordance with Regulation 36 of the Securities and Exchange Board of India [Listing Obligation and Disclosure Requirements] Regulations, 2015 and applicable Secretarial Standards is attached to this notice of AGM.

21. The Company has appointed, Sri Y. Koteswara Rao, Practicing Company Secretary,as a Scrutinizer(s) to scrutinize the remote e-voting process before and during the for Annual General Meeting in a fair and transparent manner.

E-VOTING:

CDSL e-voting System – For Remote e-voting and e-voting during AGM:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.gayatri.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at *www.nseindia.com*. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/ OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

The Instructions for Shareholders for Remote E-Voting Are As Under:

(i) The voting period begins on **26th September, 2020 at 9.00 a.m and ends on 28th September, 2020 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **22nd September, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com

(iv) Click on "Shareholders" module.

(v) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at https://www.cdslindia.com from **Login - Myeasi**using yourlogin credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	**Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)** • **Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.**
Dividend Bank Details OR Date of Birth (DOB)	**Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.** • **If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).**

(ix) After entering these details appropriately, click on "SUBMIT" tab

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting".** The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company email id i.e cs@gayatri.co.in or RTA email id i.e einward.ris@kfintech.com**.

2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company email id i.ecs@gayatri.co.in or RTA email id i.e einward.ris@kfintech.com**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views or ask questions during the AGM may pre-register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cs@gayatri.co.in between September 23, 2020 (9:00 a.m. IST) through September 25, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

6. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the time allowed for speakers to speak at the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are

required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution / Authority.

  Letter etc. together with attested specimen signature of the duly authorized signatory who are authorised to vote, to the Scrutinizer and to the Company at the email address viz; cs@gayatri.co.in if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

  If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. NitinKunder (022-23058738) or Mr. MehboobLakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

  All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

General Instructions:

- The voting rights of Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on **22nd September, 2020** (Cut-off date).
- The Scrutinizer, after scrutinising the votes cast at the meeting through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.gayatri.co.in and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchange.
- The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

ANNEXURE TO NOTICE

Explanatory Statement

Pursuant to Section 102 of the Companies Act, 2013

Item No.3:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. N.S.V. KRISHNA RAO & CO, Cost Accountants, Hyderabad (Membership No. 17143) as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2021. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors has to be subsequently ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in this item of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2020-21.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this resolution. The Board of Directors recommends the resolution for Member's approval.

Item No.4:

Shri. T.V. Sandeep Kumar Reddy, was re-appointed as a Managing Director for a period of five years with effect from October 1, 2019 till September 30, 2024, by means of Special Resolution passed by the Members at the 30th Annual General Meeting of the Company held on September 30, 2019 on the terms and conditions including payment of remuneration as mentioned therein.

At the time of his re-appointment, the Company had adequate profits and the remuneration paid / payable to Shri. T.V. Sandeep Kumar Reddy was well within the limits prescribed under the Companies Act, 2013.

However, during the last couple of years, the Infrastructure Industry has been going through a set of unprecedented circumstances and loss due to sale of investment, as a result of this the standalone revenue of the Company marginally dropped to Rs.3427.3 crores and the EBITDA fell to Rs.426.6 crores registering a decline of 22.00 % over the previous year. The Net Loss of the Company for the financial year March 31, 2020 stood at Rs.3846 Million as compared to Net Profit of Rs.2108 Million for the previous year. Owing to the above factors, the financial performance of the Company in the financial year ended March 31, 2020 did not meet expectations and it is possible that the Company may also have inadequate profits in coming years.

As a result of the above, the remuneration paid to Shri. T.V. Sandeep Kumar Reddy for the financial year 2019- 20 exceeded the limits specified under Section 197 of the Companies Act, 2013 (the Act) read with Schedule V thereto. Pursuant to Section 197(10) of the Act, the members of the Company can waive the recovery of excess remuneration by passing a special resolution.

The management of the Company believes that the remuneration as previously approved by the members of the Company and paid to Shri. T.V. Sandeep Kumar Reddy is justified in terms of his key role within the Company.

The Board and Nomination and Remuneration Committee have at their respective meeting(s) held on August 27, 2020, subject to the approval of the members of the Company, accorded their approvals for waiver of the recovery of excess managerial remuneration paid by the Company to Shri. T.V. Sandeep Kumar Reddy is in the interest of the Company have also recommended the aforesaid resolution as set out in this Notice for approval of the Members.

As on the date of approving the notice, the Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

Accordingly, it is proposed that approval of the members of the Company by way of a special resolutions be obtained for the waiver of recovery of excess remuneration paid to Shri. T.V. Sandeep Kumar Reddy.

Save and except Shri. T.V. Sandeep Kumar Reddy and his relatives to the extent of their

shareholding interest, if any, in the Company for item no. 4 none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item no. 4.

The Board of Directors recommends the resolution for members' approval.

Item No. 5 & 6:

As stated earlier, Shri. T.V. Sandeep Kumar Reddy, was reappointed as a Managing Director of the Company for a period of five years with effect from October 1, 2019 till September 30, 2024, by means of Special Resolution passed by the Members at the 30th Annual General Meeting of the Company held on September 30, 2019 on the terms and conditions including payment of remuneration as mentioned therein. Also, Shri. J. Brij Mohan Reddy, Executive Vice-Chairman was re-appointed for a period of 3 (Three) years with effect from October 1, 2018 till September 30, 2021, by means of Special Resolution passed by the Members at the 29th Annual General Meeting of the Company held on September 29, 2018 on the terms and conditions including payment of remuneration as mentioned therein. As explained under item no. 4 above, during the last couple of years, the Infrastructure Industry has been going through a set of unprecedented circumstances and as a result of this the Company has incurred a Profit Before Tax of (Rs. 390.2) crores and Profit After Tax of (Rs. 384.6) crores for the financial year ended March 31, 2020.

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate / nil profits, may subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel as may be decided by the Board of Directors on the recommendation on Nomination and Remuneration Committee.

The details of proposed remuneration paid / to be paid to Shri. T.V. Sandeep Kumar Reddy, Managing Director w.e.f. April 01, 2020 to September 30, 2024 or such shorter period as may be prescribed under applicable laws is as under:

Salary:

Rs.44,00,000 P.M (With an increment as may be decided by the Board)

Commission:

In addition to the salary, perquisites and allowances payable, a commission, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company, subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard) shall also be payable.

Perquisites and allowances:

In addition to the salary, Shri. T.V. Sandeep Kumar Reddy shall also be entitled to the perquisites and allowances like house rent allowance, rent free furnished accommodation, house maintenance allowance, gas, electricity, water and furnishing at residence, conveyance allowance, transport allowance, medical reimbursement, leave travel allowance, special allowance, use of company car for official purposes, telephone at residence, superannuation fund, payment of gratuity, leave encashment at the end of tenure and such other perquisites and allowances in accordance with the rules of the Company not exceeding Rs.15,00,000/- per annum (Rupees Fifteen Lakhs Only). The nature and breakup of the perquisites and allowances will be determined in accordance with schemes/policies/rules of the Company or may be decided by the Chairman of the Company or by the Board of Directors from time to time.

Shri. T.V. Sandeep Kumar Reddy shall also be entitled to reimbursement of all legitimate expenses incurred by him in performance of his duties and such reimbursement will not form part of his remuneration. It may be noted that the remuneration proposed to be paid to Shri. T.V. Sandeep Kumar Reddy is same as was approved by the members of the Company at their 30th Annual General Meeting held on Septemeber 30, 2019.

The other existing terms and conditions of appointment of Shri. T.V. Sandeep Kumar Reddy shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

The details of proposed remuneration paid / to be paid to Shri. J. Brij Mohan Reddy, Executive Vice-Chairman w.e.f. April 01, 2019 to September 30, 2021 or such shorter period as may be prescribed under applicable laws is as under:

Salary:

Salary of Rs. 11,00,000/- P.M and other perquisites as applicable to the senior management of the Company.

Shri. J. Brij Mohan Reddy shall also be entitled to reimbursement of all legitimate expenses incurred by him in performance of his duties and such reimbursement will not form part of his remuneration. It may be noted that the remuneration paid /proposed to be paid to Shri. J. Brij Mohan Reddy is same as was approved by the members of the Company at their 29th Annual General Meeting held on September 28, 2018.

The other existing terms and conditions of appointment of Shri. J. Brij Mohan Reddy shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

Further, pursuant to Section 197 of the Companies Act, 2013 read with Schedule V thereto, where a Company has no profits or its profits are inadequate, it may pay any remuneration to the managerial personnel provided that, amongst others, a statement along with a notice calling the general meeting contains certain information. Since the notice calling the 29thand 30thAnnual General Meeting, at which the earlier resolutions w.r.t. approval of remuneration of Shri. J. Brij Mohan Reddy and Shri. T.V. Sandeep Kumar Reddy respectively were passed, did not include a statement as specified in paragraph (iv) of the second proviso after paragraph B of Section II of Part II of the aforesaid Schedule V, the same is also being regularized herewith.

The Board and Nomination and Remuneration Commitee has at their respective meeting(s) held on August 27, 2020, subject to the approval of the members of the Company, accorded their approvals for payment of aforesaid remuneration to J. Brij Mohan Reddy and Shri. T.V. Sandeep Kumar Reddy in case of absence of profits / inadequacy of profits. The Board also, in the interest of the Company, recommends the aforesaid special resolutions as set out in this Notice for approval of the Members at item no. 5 and 6.

Save and except Shri. T.V. Sandeep Kumar Reddy and Shri. J. Brij Mohan Reddy and their relatives to the extent of their shareholding interest, if any, in the Company for item no. 5&6 none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item no. 5 and 6 respectively.

Brief profile of Shri. T.V. Sandeep Kumar Reddy and Shri. J. Brij Mohan Reddy is enclosed and detailed profile is available on www.gayatri.co.in.

The information as required to be disclosed under paragraph (iv) of the second provision of Paragraph B of Section II of Part II of Schedule V to the Companies Act, 2013 is given in the Annexure to the Notice in regard of both Shri. T.V. Sandeep Kumar Reddy and Shri. J. Brij Mohan Reddy.

Item No.7:

Shri. G. Sreeramakrishna (DIN: 06921031), was appointed by the Board as an Additional Director with effect from January 4, 2020. As per the provisions contained under Section 161 of the Companies Act, 2013, the “Additional Director” so appointed shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Accordingly, Shri. G. Sreeramakrishna, as an Additional Director holds the office upto the date of this Annual General Meeting.

In terms of provision contained under Section 160 of the Companies Act, 2013 and the rules made thereunder, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his hand signifying him candidature as a Director, or the intention of such member to propose his as a candidate for that office, or as they case may be, along with deposit of one lakh rupees. However, as per the proviso to Sec. 160 which is made effective February 09, 2018 the requirements of deposit of amount shall not apply in case of appointment of Independent Director recommended by the Nomination and Remuneration Committee, the appointment of Shri. G. Sreeramakrishna as an independent director of the Company was recommended by Nomination and Remuneration Committee. Hence there is no requirement of submission of requisite deposit.

Accordingly, The Company has received a notice from a member proposing candidature of Shri. G. Sreeramakrishna, for the office of Director in terms of Section 160 of the Companies Act, 2013. Shri. G. Sreeramakrishna has given a declaration to the

company that he meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Declaration pursuant to BSE Circular No. LIST/ COMP/14/2018-19 and NSE circular No. NSE/ CML/2018/24 both dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such authority.

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

None of the Other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item no.7 of the Notice. The Board recommends the Ordinary Resolution as set out at item no.7 for approval by the Members.

Item No.8:

Shri. K.V. Ramana Chary (DIN: 08658826), was appointed by the Board as an Additional Director with effect from January 4, 2020. As per the provisions contained under Section 161 of the Companies Act, 2013, the "Additional Director" so appointed shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

Accordingly, Shri. K.V. Ramana Chary, as an Additional Director holds the office upto the date of this Annual General Meeting.

In terms of provision contained under Section 160 of the Companies Act, 2013 and the rules made thereunder, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his hand signifying him candidature as a Director, or the intention of such member to propose his as a candidate for that office, or as they case may be, along with deposit of one lakh rupees. However, as per the proviso to Sec. 160 which is made effective February 09, 2018 the requirements of deposit of amount shall not apply in case of appointment of Independent Director recommended by the Nomination and Remuneration Committee, the appointment of Shri. K.V. Ramana Chary as an independent director of the Company was recommended by Nomination and Remuneration Committee. Hence there is no requirement of submission of requisite deposit.

Accordingly, the Company has received a notice from a member proposing candidature of Shri. K.V. Ramana Chary, for the office of Director in terms of Section 160 of the Companies Act, 2013. Shri. K.V. Ramana Chary has also given a declaration to the company that he meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Declaration pursuant to BSE Circular No. LIST/ COMP/14/2018-19 and NSE circular No. NSE/ CML/2018/24 both dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such authority.

Shri. K.V. Ramana Chary, (IAS) Retd, started his career as lecturer in Chemistry at Osmania University. He joined as Probationary Dy. Collector in 1977 and Worked as District Collector, Kadapa during the year 1993-94 and held various positions in the state of United Andhra Pradesh such as worked in QuliQutub Shah Urban Development Authority, Hyderabad

as Administrator for 9 years. He has been P.R.O to Chief Ministers in the state of united Andhra Pradesh. He has also served as Commissioner, Information & Public Relation Dept. & Ex-Officio Secretary to Govt. in the years 1995, 1999 & 2004 during the regime of various Chief Ministers. He retired as Prl. Secretary to Government, Revenue (Endowments) Department in the year 2011. He served as Advisor, Department of Culture during 2012-13. He is renowned for his administration skills and humble nature. Presently, he is on advisory capacity to the Government of Telangana.

None of the Other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item no.8 of the Notice. The Board recommends the Ordinary Resolution as set out at item no.8 for approval by the Members

Item No.9:

Smt. N. Ramadevi (DIN: 08699570), was appointed by the Board as an Additional Director with effect from February 14, 2020. As per the provisions contained under Section 161 of the Companies Act, 2013, the "Additional Director" so appointed shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Accordingly, Smt. N. Ramadevi, as an Additional Director holds the office upto the date of this Annual General Meeting.

In terms of provision contained under Section 160 of the Companies Act, 2013 and the rules made thereunder, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his hand signifying him candidature as a Director, or the intention of such member to propose his as a candidate for that office, or as they case may be, along with deposit of one lakh rupees. However, as per the proviso to Sec. 160 which is made effective February 09, 2018 the requirements of deposit of amount shall not apply in case of appointment of Independent Director recommended by the Nomination and Remuneration Committee, the appointment of Smt. N. Ramadevi as an independent director of the Company was recommended by Nomination and Remuneration Committee. Hence there is no requirement of submission of requisite deposit.

Accordingly, the Company has received a notice from a member proposing candidature of Smt. N. Ramadevi, for the office of Director in terms of Section 160 of the Companies Act, 2013. Smt. N. Ramadevi, has also given a declaration to the company that she meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 and NSE circular No. NSE/CML/2018/24 both dated June 20, 2018, that she has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such authority.

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

None of the Other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item no. 9 of the Notice. The Board recommends the Ordinary Resolution as set out at item no. 9 for approval by the Members.

By order of the Board
For **Gayatri Projects Limited**

Sd/-
Chetan Kumar Sharma
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: August 27, 2020

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V OF THE ACT

I.	GENERAL INFORMATION				
1.	Nature of industry	Gayatri Projects Limited is leading infrastructure company with PAN India presence,engaged in the execution of major Civil Works including Concrete/Masonry Dams, Earth Filling Dams, National Highways, Bridges, Canals, Aqueducts, Ports, etc.of various state governments, central governments, public / autonomous bodies / corporations.			
2.	Date or expected date of commencement of commercial production	The Company was originally incorporated as private Company on September 15, 1989 and was converted into a public limited Company on December 2, 1994. Hence requirement of obtaining commencement of Business was not applicable to the Company under the provisions of the Companies Act, 1956.			
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable			
4.	Financial performance based on given indicators (Figures in Lakhs)	**Financial year**	**2019-20**	**2018-19**	**2017-18**
		Gross Revenue	342733.00	346315.00	291231.00
		Profit before Interest, Depreciation and Tax	42661.00	54497.00	46767.00
		Profit after Tax	-38457.00	21077.00	18809.00
		Rate of dividend	Nil	Nil	Nil
		Earnings per share	-20.54	11.26	10.58
5.	Foreign investments or collaborations, if any.	The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company during the previous three financial years. The foreign investors, mainly comprising FPIs, FIIs and NRIs are investors in the Company on account of past issuances of securities and/or secondary market purchases. As on March 31, 2020, the aggregate foreign shareholding in the Company was approx40.11%.			
II.	INFORMATION ABOUT THE APPOINTEE:				
T.V. Sandeep Kumar Reddy:					
1.	Background details	Shri. T. V. Sandeep Kumar Reddy, aged about 53 years is associated with the company since its incorporation in the year 1989. Shri T.V. Sandeep Kumar Reddy has done Masters in Construction Engineering and Management from University of Michigan at Ann Arbor, USA and also holds a Bachelor Degree in Civil Engineering from Purdue University. He is looking after the day to day affairs of our company			
2.	Past and Proposed remuneration (Figures in Lakhs)	Details on proposed remuneration have been stated in the item no. 5 & 6 to the Explanatory Statement of the Notice. In monetary terms, the remuneration for the last 3 financial years is given hereunder:			
		Financial year	**2019-20**	**2018-19**	**2017-18**
		Sri T.V. Sandeep Kumar Reddy	528.00	668.00	408.00
3.	Recognition or awards	-NIL-			
4.	Job profile and his suitability	He is looking after the day to day affairs of our company and has the experience to handle diverse nature of businesses of the Company and the vision to take the business forward. Considering his qualifications, vast experience and deep knowledge of the business in which Company operates and also contribution made by him towards growth of the Company, the remuneration proposed commensurate with his job profile and is justified.			
5.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile of the Managing Director, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior levels in other companies.			
6.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Shri T.V. Sandeep Kumar Reddy has no pecuniary relationship with the Company or its Key Managerial Personnel other than his remuneration in the capacity of Managing Director. He is son of T.Indira Reddy Chairperson and son in law of Mr. J. Brij Mohan Reddy, Executive Director of the Company. He holds 14.42% shares in the Company in his personal capacity.			

J. Brij Mohan Reddy:		
1.	Background details	Shri J. Brij Mohan Reddy, aged 79 years, is an Engineering Graduate from Berkley University in U.S.A. He has specialized in Harbour Engineering (i.e., construction of break waters, piers, wharf walls, jetties etc.), RCC structures, Steel structures and Highway projects. He joined as Director in the Board of GPL in the year 1994.He was responsible for construction of the entire fisheries harbor at Chennai and major portion of mechanized ORE-handling project for Chennai Port Trust.
2.	Past and Proposed remuneration (Figures in Lakhs)	Details on proposed remuneration have been stated in the item no. 5 & 6 to the Explanatory Statement of the Notice. In monetary terms, the remuneration for the last 3 financial years is given hereunder:

Financial year	**2019-20**	**2018-19**	**2017-18**
J. Brij Mohan Reddy	132.00	132.00	132.00

3.	Recognition or awards	-NIL-
4.	Job profile and his suitability	He has been part of the Company for the last 30 years and have lead successful growth of the business.
5.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile of the Executive Vice-Chairman, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior levels in other companies.
6.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Shri J. Brij Mohan Reddy has no pecuniary relationship with the Company or its Key Managerial Personnel other than his remuneration in the capacity of Managing Director. He is Father in Law of Mr. T.V. Sandeep Kumar Reddy, Managing Director of the Company. He holds 2250 shares in the Company in his personal capacity.
II.	**OTHER INFORMATION:**	
1.	Reasons of loss or inadequate profits	Due to Exceptional loss of INR 445.34 Crores recognised on account of sale of GEVPL assets below the book value and execution of projects impacted due to prolonged monsoon and lockdown restrictions imposed in March 2020.
2.	Steps taken or proposed to be taken for improvement	To address these challenges, the Company has initiated several measures towards achieving organizational and operating efficiencies, alongside working on improvements in execution of works.
3.	Expected increase in productivity and profits in measurable terms	In addition to steps proposed to be taken for improvement as detailed hereinabove, key focus areas would be profit maximization, conservation of cash, operational efficiencies, cost and working capital containment. While it is difficult to give precise figures, the above initiatives are expected to improve further the productivity and profitability.
III.	**DISCLOSURES**	
The disclosures on remuneration package of each managerial person and details of all elements of remuneration package, details of fixed components etc. are given in the Corporate Governance Report and Board's Report attached to the Annual Report for the information of the shareholders.		

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

Name of the Director	J Brij Mohan Reddy	N. Ramadevi	K.V. Ramana Chary	G.Sreeramakrishna
Director Identification No	00012927	08699570	08658826	06921031
Date of Birth	20.08.1941	10.05.1953	08.02.1952	26.07.1952
Date of appointment	30.03.1994	14.02.2020	04.01.2020	04.01.2020
Occupation	Industrialist	Retired banker	Retired IAS	Retired Banker
Relationship between directors inter-se	Father in law of T.V. Sandeep Kumar Reddy	NIL	NIL	NIL
Nature of expertise in specific functional area	56 years of experience Heavy engineering and Construction industry	40 years of experience as banker	34 years of experience as civil servant	37 years of experience as banker
Last drawn remuneration	refer corporate governance report	Nil	Nil	Nil
Directorship in other Listed Entities	Nil	Nil	Nil	1. Alufluoride Limited 2. Ravileela Granites Limited 3. Everest Organics Limited
Shareholding in the Company	2250 Shares	Nil	Nil	Nil

DIRECTORSHIP IN OTHER ENTITIES

J. Brij Mohan Reddy	GayatriLalitpur Road Ways Limited, Gayatri Jhansi Road Ways Limited, Balaji Highways Holdings Pvt Ltd and Indore DewasTollways Limited
N. Ramadevi	Nil
K.V. Ramanachary	Nil
G.Sreeramakrishna	Alufluoride Ltd, Ravileela Granites Limited, Everest Organicslimited and Maximus ARC Limited

MEMBERSHIP IN COMMITTEES OF OTHER ENTITIES.

J. Brij Mohan Reddy	• Member of the Audit Committee in IndoredewasTollways Limited, GayatriJhansi Roadways Limited and GayatriLalitpur Roadways Limited • Member of Corporate Social Responsibility Committee in Gayatri Lalitpur Roadways Limited and Gayatri Jhansi Roadways Limited.
N. Ramadevi	Nil
K.V. Ramanachary	Nil
G.Sreeramakrishna	• Member of the Audit Committee in Alufluoride Ltd, Ravileela Granites Limited and Everest Organics Limited • Member of the Stakeholders Relationship Committee in Ravileela Granites Limited • Member of Nomination and Remuneration Committee in Alufluoride Ltd, Ravileela Granites Limited and Everest Organics Limited

CHAIRMANSHIP IN COMMITTEES OF OTHER ENTITIES

J. Brij Mohan Reddy	• Chairman of Corporate Social Responsibility Committee in Gayatri Lalitpur Roadways Limited and Gayatri Jhansi Roadways Limited.
N. Ramadevi	Nil
K.V. Ramanachary	Nil
G.Sreeramakrishna	• Chairman of Audit and Nomination and Remuneration Committee in Everest Organics limited.

Board's Report

To the Members,

The Directors have pleasure in presenting before you the Board's Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2020.

Financial Results (Standalone):

₹In Lakhs

Particulars	2019-20	2018-19
Revenue from Operations	*3,42,733.36*	3,46,314.74
Profit Before Interest, Depreciation, Exceptional Items and Taxes	*42,660.77*	54496.92
Less: Financial Cost	*28,574.69*	25,127.50
Profit before Depreciation, Exceptional Items and Taxes	*14,086.08*	**29,369.42**
Less: Depreciation and Amortisation Expenses	*9,091.61*	6,590.61
Add : Other Income	*517.42*	791.39
Profit before Exceptional Items and Taxes	*5,511.89*	**23,570.20**
Less: Exceptional Items (Net)	*(44,533.89)*	-
Profit Before Tax	*(39,022.00)*	**23,570.20**
Provision for Tax	*(564.78)*	2,493.32
Profit After Tax	*(38,457.22)*	**21,076.88**
Other Comprehensive income/(losses) for the Year	*(273.29)*	(417.52)
Total comprehensive income for the year	*(38,730.51)*	**20,659.36**
Paid up Capital	*3743.97*	3,743.97

Review of Operations:

Gayatri Projects has achieved revenue of Rs 3427.33 crores in FY2020 as against Rs 3463.15 crores in the previous year. The marginal dip of 1% is on account of COVID-19 pandemic and followed by countrywide lockdown. On the operational front, Gayatri Projects has seen an EBITDA margin ratio at 12.45% for the year. EBITDA margin dropped compared to last year due to high cost of raw materials and fixed operating cost booking during lockdown period. The company believes that margins should improve to normalised levels of 15%+ from FY21 onwards.

Gayatri Projects posted net loss after tax at Rs 384.57 crores during FY2020, mainly due to exceptional loss of Rs 445.34 crores booked due to sale of Sembcorp Energy India Limited shares by the wholly owned subsidiary of Gayatri Projects Ltd. The profits from the "Core Operations" of the Company (Construction) are positive and in line with the past and also in line with the peers.

In line with the Company's stated plan to concentrate on core business of construction and reduce the group debt, the company has sold the investment in the power company Sembcorp Energy India Limited (SEIL) for an amount of INR 406.77 Crores. The above transaction resulted on exceptional loss of Rs 445.34 Crores in the books of our company. The exceptional loss on account of sale of investment is onetime and mandatory adjustment as per Accounting Standards of ICAI, hence the same is provided. As a part of consideration, the subsidiary of Gayatri is entitled for the "Earnout" which will be calculated on first or second sale by Sembcorp. The prospect of getting the upside is high and the present loss can be set off from the gains of the above Earnout, if any.

The company has not bagged any major work order during the year. The company is focussing in executing the current order book of Rs 13,000 crores. The company is also concentrating on the realisation of contractual claims to reduce its debt levels.

Gayatri Projects work orders are diversified both geographically and sector wise and 68% of the company's projects come from the roads & highways sector, 25% comes from irrigation projects and remain 7% consisting of industrial, mining and other works. In terms of geographical diversification, Uttar Pradesh is the key contributor to the company's order book at 25%, followed by Odisha, Telangana & Maharashtra.

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2020 and the date of this report.

Future Outlook:

The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy, and urban transport. In April 2020, the Government set a target of constructing roads worth Rs 15 lakh crore in the next two years. In the Union Budget 2020-21, the Government has given a massive push to the infrastructure sector by allocating Rs 1,69,637 crore (US$ 24.27 billion) to develop the

transport infrastructure. Gayatri Projects which is having experience and qualification criteria is going to benefit by taking the major projects.

Gayatri Projects is having strong order book of Rs 13,000 crores as at 31st March 2020 and order book mainly consisting of road and irrigation works of 92%. Our company is having financial visibility for another three years and order book is going to be further strengthened from expected new orders in FY2020-21. Hence, Construction Sector future is expected to be strong and reliable.

Dividend:

As per the conditions stipulated by the lenders in the Master Restructuring Agreement, which is in force, approval of the lender is required for declaration of dividend to the shareholders. The lenders of the Company have not accorded their approval for dividend for the financial year ended March 31, 2020 due to the financial stress in the company.

Dividend Distribution Policy:

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') the Board of Directors of the Company ('the Board') formulated and adopted the Dividend Distribution Policy ('the Policy'). As per the Policy, the Company, after considering various external factors that may have an impact on the business as well as internal factors such as the long-term growth strategy of the Company and the liquidity position including working capital requirements and debt servicing obligations, will endeavor to pay dividend, subject to the applicable rules and regulations.

In compliance of the said requirement, the company has formulated its Dividend Distribution Policy is annexed as **Annexure 1** and is also available on the Company's website at: http://www.gayatri.co.in/corporate-governance.html.

Share Capital:

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

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

There are no material changes and commitments affecting financial position of the company between the end of the financial year to which these statements relate and the date of this Board's Report. There is no change in the nature of business of the Company during the year under review.

Board Meetings:

The Board of Directors met 7 times in the Financial Year 2019–20 on 30th May 2019, 06th August 2019, 14th August 2019, 14th November 2019, 16th November 2019, 04th January, 2020 and 14th February 2020.

Directors and Key Managerial Personnel:

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

Name	Designation	Reasons for change
V.L. Moorthy (DIN:00013083)	Independent Director	Resigned as independent director w.e.f 09.05.2019.
G. Siva Kumar Reddy (DIN:00439812)	Independent Director	Resigned as independent director w.e.f 28.05.2019.
Gayathri Ramachandran (DIN: 02872723)	Independent Director	Appointed as Independent Director (Woman independent Director) w.e.f 06.08.2019.
K. Jairaj (DIN: 01875126)	Independent Director	Appointed as Independent Director w.e.f 06.08.2019.
J.N Karamchetti (DIN:00940963)	Independent Director	Resigned as independent director w.e.f 14.11.2019.
K. Jairaj (DIN: 01875126)	Independent Director	Resigned as independent director w.e.f 04.12.2019.
I.V. Lakshmi	Company Secretary and Compliance Officer	Resigned as a Company Secretary and Compliance Officer w.e.f 07.12.2019.
Gayathri Ramachandran (DIN: 02872723)	Independent Director	Resigned as independent director (Woman independent Director) w.e.f 16.12.2019.
K.V. Ramana Chary (DIN: 08658826)	Independent Director	Appointed as Independent Director w.e.f 04.01.2020.
G. Sreeramakrishna (DIN: 06921031)	Independent Director	Appointed as Independent Director w.e.f 04.01.2020.
Chetan Kumar Sharma	Company Secretary and Compliance Officer	Appointed as a Company Secretary and Compliance Officer w.e.f 04.01.2020.
N. Rama Devi (DIN: 08699570)	Independent Director	Appointed as Independent Director (Woman independent Director) w.e.f 14.02.2020.

However after the closure of financial year Bank of Baroda (Lead Banker for the Consortium) has withdrawn Shri. Birendra Kumar as its nominee on the Board and nominated Shri. P. Sreenivas as its nominee on the Board of the Company.

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meets the criteria of their Independence laid down in Section 149(6). Other details given in Corporate Governance Report.

Composition of Audit Committee:

The Audit Committee of the Board of Directors is as follows:

Name of the Member	Designation
Mr. Ch. Hari Vithal Rao	Chairman
Mr. J. N. Karamchetti	Member(ceased to be member w.e.f 14.11.2019)
Mrs. T. Indira Reddy	Member(Appointed as member w.e.f 30.05.2019 and ceased to be member w.e.f 04.01.2020)
Mr.T. V. Sandeep Kumar Reddy	Member (Appointed as member w.e.f 04.01.2020)
Mr. G. Sreeramakrishna	Member (Appointed as member w.e.f 04.01.2020)

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

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

The salient features of the Policy are:

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

During the year under review, there has been no change to the Policy. The Nomination Remuneration and Evaluation Policy of the company is available at website of the Company at *https://www.gayatri.co.in/pdf/Remuneration%20Policy.pdf*.

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

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

(a) Nomination & Remuneration Committee: Pursuant to the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has formulated the criteria for evaluation of directors and evaluated every director. A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the company etc., and accordingly the evaluation was made. The Members of the Committee evaluated the individual directors at its meeting held on 14.02.2020.

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

(b) Separate Meeting of Independent Directors: The Independent directors of the Company at its meeting held on 14.02.2020 (a) reviewed the performance of the non-independent directors

and Board, (b) reviewed the performance of the Chairperson of the Company and (c) assessed the quality, quantity and timeliness of flow of information between the company management and the Board. All the Independent Directors attended the meeting.

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

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

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

(c) Evaluation by Board: The Board has carried out the annual performance evaluation of Independent Directors individually. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, effectiveness in developing Corporate governance structure to fulfil its responsibilities, execution and performance of specific duties, etc. The Board decided that the performance of Independent directors is excellent.

Director's Responsibility Statement:

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

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

Subsidiaries Associates and Joint Ventures:

The Company has 2 (Two) subsidiary companies (including step down subsidiary) and 1 (one) associate company as on 31st March, 2020 as per the Companies Act, 2013. During the year under review, the Board of Directors reviewed the affairs of material unlisted subsidiary.

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

The Company will make available the Annual Accounts of the subsidiary companies and consolidated financial statements of the company on the website of the company as per section 136 of the Companies Act, 2013 and SEBI (LODR) 2015, as amended. The annual accounts of the subsidiary companies will also be made available for inspection through online made to members who requests for same.

The company has adopted the policy for determining 'material' subsidiaries and the same has been placed on the website of the company at https://www.gayatri.co.in/corporate-governance.html

Extract of Annual Return:

As required pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report is annexed as **Annexure-III.**

Consolidated Financial Statements:

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the provisions of Section 129(3) and other applicable provisions of the Companies Act, 2013 and Ind AS-110 and other applicable Accounting Standards, your Directors have pleasure in attaching the consolidated financial statements for the financial year ended March 31, 2020, which forms part of the Annual Report.

Statutory Auditors and Their Report:

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

The Auditor's Report to the members of the Company for the Financial Year ended March 31, 2020 does not contain any qualification(s).

Secretarial Audit:

As per the provisions of the Section 204(1) of the Companies Act, 2013, the Company has appointed Mr. Y. Koteswara Rao, Practicing Company Secretary to conduct Secretarial Audit of the records and documents of the Company, The Secretarial Audit Report for the Financial Year ended 31st March, 2020 in Form No. MR-3 is annexed to the Directors Report as **Annexure - IV** and forms part of this Report. The Secretarial Auditors' Report to the Members of the Company for the Financial Year ended March 31, 2020 does not contain any qualification(s) or adverse observations.

Disclosures:

a) Deposits

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

b) Conservation of energy

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

(i) Use of alternate sources of energy is not applicable to the Company.

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

c) R & D Technology absorption

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

d) Foreign Exchange Earnings - NIL

e) Foreign Exchange Outgo

Sr No	Nature of Payment	Amount in ₹ Lakhs
1	Foreign Travel	2.14
2	Repayment of ECB Interest	68.19
3	Consultancy & Technical Fees	2425.94
4	Purchase of Plant & Machinery	293.41
5	Purchase of Spares & Materials	1885.27

Details of Adequacy of Internal Financial Controls:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies and internal financial controls laid down by the Company.

Particulars of Loans, Guarantees or Investments:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. Also, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the particulars of Loans/Advances given to Subsidiaries have been disclosed in the notes to the Financial Statements.

Management Discussion & Analysis:

Management Discussion and Analysis Report is annexed which forms part of this Report as **Annexure –V.**

Risk Management Policy:

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

Whistle Blower Policy/Vigil Mechanism:

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

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

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

Complaints received, disposed and pending during the year:

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

Corporate Social Responsibility Policy:

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

Significant & Material Orders Passed by the Regulators:

There are no significant and material orders passed against the Company by the regulators impacting the Company's operation in the future.

Contracts or Arrangements with Related Parties:

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. There were no materially significant related party transactions entered by the Company during the year with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company. Disclosure in from AOC-2 is annexed as **Annexure -VII**

The policy on dealing with Related Party Transactions is disseminated on the website of the company at https://www.gayatri.co.in/corporate-governance.html.

Deposits:

Your Company has not accepted or renewed any deposit from public during the year under review. Further, no amount on account of principal or interest on deposits from public was outstanding as one the date of the balance sheet.

Cost Audit:

M/s. N.S.V. KRISHNA RAO & Co. Cost Auditors were appointed as cost auditor to audit the cost records of the Company for the F.Y 2019-20 and re-appointed for the F.Y 2020-21.

Particulars of Employees:

Details in respect of remuneration paid to employees as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended forms part of this report.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in **Annexure – VIII** and forms part of this Report.

Listing with Stock Exchanges:

The Company confirms that it has paid the Annual Listing Fees for the year 2020-2021 to National Stock Exchange of India Limited and BSE Limited where the Company's Shares are listed.

Corporate Governance and Shareholders Information:

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

Governance as stipulated under aforesaid regulations is attached to this report.

Business Responsibility Report

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

Secretarial Standards

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

Acknowledgement:

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

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

For and on behalf of the Board

Sd/-
T. INDIRA REDDY
Chairperson
DIN:00009906

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

Sd/-
P. SREEDHAR BABU
Chief Financial Officer

Sd/-
CHETAN KUMAR SHARMA
Company Secretary & Compliance Officer

Place: Hyderabad.
Date: 30.06.2020

Annexure –I

Dividend Distribution Policy

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

Objective

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

Category of Dividends

The Companies Act provides for two forms of Dividend- Final & Interim. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit. The Board may, at its sole discretion, declare / recommend a Special Dividend under certain circumstances such as extraordinary profits from sale of any major asset(s) or any special occasion or significant event.

Factors to be considered while recommending / declaring Dividend

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

Internal Factors:-

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

i) Profits earned during the year;

ii) Present & future Capital requirements of the existing businesses;

iii) Expansion/ Modernization of existing businesses;

iv) Additional investments in subsidiaries/ associates of the Company;

v) Fresh investments into external businesses;

vi) Business Acquisitions (if any);

vii) Any other factor as deemed fit by the Board.

External Factors:-

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

- State of Economy- in case of uncertain or recessionary economic and business conditions, Board will endeavour to retain larger part of profits to build up reserves to absorb future shocks.

- Capital Markets- when the markets are favourable, dividend pay-out can be liberal. However, in case of unfavourable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

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

Dividend Range

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Board will endeavor to maintain a Dividend pay-out in the range of 15% to 30% of the profits after tax (PAT) on standalone financials. As mentioned above, for computing the PAT for purposes of determining the Dividend, the Board may at its discretion, subject to the provisions of the law, exclude any or all of (i) extraordinary charges (ii) exceptional charges (iii) one off charges on account of change in applicable law or rules or accounting policies or accounting standards (iv) provisions or write offs on account of impairment in investments (long term or short term) (v) non-cash charges pertaining to amortization or ESOP or resulting from change in accounting policies or accounting standards. Further, the Board may amend the pay-out range, whenever considered appropriate by it, keeping in mind the various factors having a bearing on the dividend payout decision.

Annexure –II

Form AOC -1

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

Part A: Subsidiaries

Rs in Lakhs

S.No	Name of the Subsidiary	Date of the Subsidiary acquired	Reporting period of the Subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment (Other than Subsidiary)	Turnover (including other income)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share holding
1.	Gayatri Energy Ventures Pvt Ltd	10.02.2009	31.03.2020	652.40	28013.86	45164.63	16498.36	31969.35	1154.12	(8053.68)	-	(8053.68)	-	100%
2.	Bhandara Thermal Power Corporation Limited	25.03.2011	31.03.2020	498.33	(1160.33)	7941.32	8603.32	-	0.02	(1085.57)	-	(1085.57)	-	100%

Part B:

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

S. No	Name of the Associate/ Joint Venture	Date of which Associate or Joint Venture Acquired.	Latest Audited Balance Sheet date	Shares of the Associates / Joint Ventures held by the company on the year end (in lakhs)			Description of how there is significant influence	Reason why the Associate / Joint Venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/ Loss for the year	
				No.	Amount of Investment in Associate/ Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
A	**Associate Companies**										
1	Gayatri Highways Private Limited (Formerly Known as Gayatri Domicile Private Limtied)	31.03.2017	31.3.2020	624.00	1248.00	26	Associate Company	Considered for consolidation	493.38	-	-
B	**Joint Ventures**										
1.	Gayatri- RNS Joint Venture	07.04.2007	31.3.2020	-	-	60	Joint Venture	Considered for consolidation	1559.39	-	-
2.	IJM Gayatri Joint Venture	21.12.1998	31.3.2020	-	-	40	Joint Venture	Considered for consolidation		-	-
3.	Gayatri-GDC Joint Venture	17.09.2004	31.3.2020	-	-	70	Joint Venture	Considered for consolidation	41.96	-	-
4.	Gayatri-BCBPPL Joint Venture	19.01.2008	31.3.2020	-	-	60	Joint Venture	Considered for co nsolidation		-	-
5.	Jaiprakash Gayatri Joint Venture	19.10.2004	31.3.2020	-	-	49	Joint Venture	Considered for consolidation	5.93	-	-
6.	Gayatri ECI Joint Venture	18.08.2005	31.3.2020	-	-	50	Joint Venture	Considered for consolidation	5.54		-

7.	Maytas-Gayatri Joint Venture	17.06.2010	31.3.2020	-	-	37	Joint Venture	Considered for consolidation	370.64	-	-
8.	Gayatri – Ratna Joint Venture	28.08.2008	31.3.2020	-	-	80	Joint Venture	Considered for consolidation	-	-	-
9.	Meil- Gayatri –ZVS-ITT Consortium	28.01.2009	31.3.2020	-	-	48.44	Joint Venture	Considered for consolidation	5.48	-	-
10.	Gayatri- JMC Joint venture	08.12.2008	31.3.2020	-	-	75	Joint Venture	Considered for consolidation	-	-	-
11.	Viswanath-Gayatri Joint Venture	29.09.2010	31.3.2020	-	-	50	Joint Venture	Considered for consolidation	-	-	-
12.	GPL-RKTCPL Joint Venture	27.06.2013	31.3.2020	-	-	51	Joint Venture	Considered for consolidation	-	-	-
13.	Gayatri-SPL Joint Venture	10.04.2013	31.3.2020	-	-	51	Joint Venture	Considered for consolidation	-	-	-
14.	Vishwa – Gayatri Joint Venture	29.07.2015	31.3.2020	-	-	49	Joint Venture	Considered for consolidation	-	-	-
15.	Gayatri-RNS-SIPL Joint Venture	29.11.2016	31.3.2020	-	-	70	Joint Venture	Considered for consolidation	-	-	-
16.	SOJITZ-LNT-GAYATRI Joint Venture	21.08.2015	31.3.2020	-	-	8.97	Joint Venture	Considered for consolidation	-	-	-
17.	Gayatri PTPS Joint Venture	17.05.2016	31.3.2020	-	-	70	Joint Venture	Considered for consolidation	-	-	-
18.	Gayatri KMC Joint Venture	21.08.2017	31.3.2020	-	-	70	Joint Venture	Considered for consolidation	-	-	-
19.	Gayatri - Ojsc Sibmost Joint Venture	18.04.2018	31.3.2020	-	-	74	Joint Venture	Considered for consolidation	-	-	-
20.	Gayatri Projects Limited-Crescent EPC Projects&Tech Services Limited (Jv)	02.01.2018	31.3.2020	-	-	74	Joint Venture	Considered for consolidation	-	-	-

For and on behalf of the Board

Sd/-
T. INDIRA REDDY
Chairperson
DIN: 00009906

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

Sd/-
P. SREEDHAR BABU
Chief Financial Officer

Sd/-
CHETAN KUMAR SHARMA
Company Secretary &Compliance Officer

Place: Hyderabad.
Date:30.06.2020

Annexure –III

Form No. MGT-9

Extract of Annual Return as on March 31, 2020
Pursuant to Section 92(3) of the Companies Act, 2013
[Read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	:	L99999TG1989PLC057289
(ii)	Registration Date	:	15.09.1989
(iii)	Name of the Company	:	GAYATRI PROJECTS LIMITED
(iv)	Category / Sub-Category of the Company	:	Company Limited by Shares/Indian Non Government Company
(v)	Address of the Registered office and contact details	:	B1, 1st Floor, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad – 500082 Phone No.: +91 40 23310330 Email: cs@gayatri.co.in Website: www.gayatri.co.in
(vi)	Whether listed company	:	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	KFin Technoligies Private Limited Selenium Tower No. B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032. Phone No.: 040 67161591 Email: einward.ris@kfintech.com Website: www.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No	Name and Description ofmain products / services	NIC Code of theProduct/ service	% to total turnover of thecompany
1	Roads Projects	45203	83.38%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of sharesheld	Applicable Section
	Subsidiary Companies (Pursuant to Section 2(87)(ii) of Companies Act, 2013)				
1	Gayatri Energy Ventures Private Limited	U40108TG2008PTC057788	Subsidiary	100	2(87)
2	Bhandara Thermal Power Corporation Limited	U40102TG2008PLC057008	Subsidiary	100	2(87)
	Associate Companies (Pursuant to Section 2(6) of Companies Act, 2013)				
4	Gayatri Highways Limited (Formerly Known as Gayatri Domicile Private Limited)	U45100TG2006PLC052146	Associate	26	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters(including Promoters Group)									
(1) Indian									
(a) Individual/HUF	84154710	-	84154710	44.95	84049107	-	84049107	44.90	-0.06
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	-	-	-	-	-	-	-	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	**84154710**	**-**	**84154710**	**44.95**	**84049107**	**-**	**84049107**	**44.90**	**-0.06**
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter(A) = (A) (1) + (A) (2)	**84154710**	**-**	**84154710**	**44.95**	**84049107**	**-**	**84049107**	**44.90**	**-0.06**
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	2020740	-	2020740	1.08	2338457	-	2338457	1.25	0.17
(b) Banks/FI	4777	-	4777	-	125	-	125	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt (s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	4645818	-	4645818	2.48	3002118	-	3002118	1.60	-0.88
(g) FIIs	69054607	-	69054607	36.89	67495580	-	67495580	36.06	-0.83
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (Specify)	-	-	-	-	-	-	-	-	-
Qualified Institutional Buyer	-	-	-	-	167753	-	167753	0.09	0.09
Sub-Total (B)(1)	**75725942**	**-**	**75725942**	**40.45**	**73004033**	**-**	**73004033**	**39.00**	**-1.45**
(2) Non- Institutions									
(a) Bodies Corporate									
i. Indian	14756889	-	14756889	7.88	11220451	-	11220451	5.99	-1.89
ii. Overseas									

(b) individuals										
i. Individual shareholders holding nominalshare capital up to Rs. 1 lakh	4105117	250	4105367	2.19	6180373	220	6180593	3.30	1.11
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1072000	0	1072000	0.57	4190271	-	4190271	2.24	1.67
(c) Others (Specify)									
Non Resident Indians	6877022	-	6877022	3.67	6961862	-	6961862	3.72	0.05
NRI NON-REPATRIATION	392256	-	392256	0.21	622460	-	622460	0.33	0.12
Clearing Member	109609	-	109609	0.06	964913	-	964913	0.52	0.46
Directors and their Relatives	1175	-	1175	-	-	-	-	-	-
IEPF Account	3715	-	3715	-	4995	-	4995	-	-
(d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	**27317783**	**250**	**27318033**	**14.59**	**30145325**	**220**	**30145545**	**16.10**	**1.51**
Total Shareholding of Public= (B)(1) + (B) (2)	**103043725**	**250**	**103043975**	**55.05**	**103149358**	**220**	**103149578**	**55.10**	**0.06**
(C) Shares held by custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total(A+B+C)	**187198435**	**250**	**187198685**	**100.00**	**187198465**	**220**	**187198685**	**100.00**	**0.00**

(ii) Shareholding of Promoters (including Promoter Group):

S. No	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding
		No. of Shares encumbered	% of total Shares	%of Shares Pledged /	No. of Shares	% of total Shares encumbered	%of Shares Pledged /	
1	Indira Reddy Thikkavarapu	57129500	30.52	90.64	57050213	30.48	96.89	0
2	Sandeep Kumar Reddy Tikkavarapu	27019810	14.43	100	26993494	14.42	100	0
3	Sulochanamma Gunupati	2350	0	0	2350	0	0	0
4	Jenna Reddy Brij Mohan Reddy	2250	0	0	2250	0	0	0
5	Tikkavarapu Sarita Reddy	800	0	0	800	0	0	0
	Total	**84154710**	**44.95**	**93.64**	**84049107**	**44.90**	**97.88**	**4.24**

Notes: Sl. No. 3 to 5 above forms part of Promoter Group

(iii) Change in Promoters' Shareholding:

S. No	Particulars	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	84154710	44.95	84154710	44.95
	Decrease during the year(due to invocation of pledge on 13.11.2019)	55206	0.03	84099504	44.93
	Decrease during the year (due to invocation of pledge on 18.11.2019)	50397	0.02	84049107	44.90
	At the End of the year	84049107	44.90	84049107	44.90

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**GMO EMERGING MARKETS FUND, A SERIES OF GMO TRUST**				
	At the beginning of the year	16772852	8.96	16772852	8.96
Date wise Increase / Decrease in top 10 Shareholders during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	Date	**Increase/ Decrease**		**Reasons (sales/purchase/ Sub-division)**	
	NIL	NIL		NIL	
	At the End of the year (or on the date of separation, if separated during the Year)	16772852	8.96	16772852	8.96
2.	**MENTOR CAPITAL LIMITED**				
	At the beginning of the year	13024706	6.96	13024706	6.96
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
	Date	Increase / Decrease	Reasons(sales/ purchase/ Sub-division)		
	12/04/2019	310186	Purchase	13334892	7.12
	03/05/2019	(421519)	Sale	12913373	6.90
	10/05/2019	(7)	Sale	12913366	6.90
	06/09/2019	(106982)	Sale	12806384	6.84
	13/09/2019	(360907)	Sale	12445477	6.65
	27/09/2019	(505616)	Sale	11939861	6.38
	04/10/2019	(580184)	Sale	11359677	6.07
	18/10/2019	(52163)	Sale	11307514	6.04
	22/11/2019	(688577)	Sale	10618937	5.67
	29/11/2019	(2180235)	Sale	8438702	4.51
	06/12/2019	22500	Purchase	8461202	4.52
	06/12/2019	(462990)	Sale	7998212	4.27
	13/12/2019	(830000)	Sale	7168212	3.83
	20/12/2019	(898533)	Sale	6269679	3.35
	27/12/2019	(869124)	Sale	5400555	2.88
	31/12/2019	(12450)	Sale	5388105	2.88
	03/01/2020	(29777)	Sale	5358328	2.86
	10/01/2020	(2233301)	Sale	3125027	1.67
	17/01/2020	(207226)	Sale	2917801	1.56
	24/01/2020	(895301)	Sale	2022500	1.08
	31/01/2020	(2000000)	Sale	22500	0.01
	At the End of the year (or on the date of separation, if separated during the Year)	22500	0.01	22500	0.01
3.	**GMO EMERGING DOMESTIC OPPORTUNITIES FUND, A SERIES**				
	At the beginning of the year	11052457	5.90	11052457	5.90
Date wise increase / Decrease in Shareholding during the Year, specifying the reason:					
	Date	Increase / Decrease	Reasons(sales/ purchase/ Sub-division)		
	NIL	NIL	NIL	NIL	NIL
	At the End of the year (or on the date of separation, if separated during the Year)	11052457	5.90	11052457	5.90

4.	**GOVERNMENT OF SINGAPORE -E**				
	At the beginning of the year	10559063	5.64	10559063	5.64
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
	Date	Increase/ Decrease	Reasons (sales/purchase / Sub-division)		
	27/09/2019	(34366)	Sale	10524697	5.62
	30/09/2019	(1258)	Sale	10523439	5.62
	04/10/2019	(4875)	Sale	10518564	5.62
	11/10/2019	(7349)	Sale	10511215	5.62
	18/10/2019	(16681)	Sale	10494534	5.61
	25/10/2019	(9813)	Sale	10484721	5.60
	01/11/2019	(19979)	Sale	10464742	5.59
	08/11/2019	(329)	Sale	10464413	5.59
	15/11/2019	(66)	Sale	10464347	5.59
	29/11/2019	(4021)	Sale	10460326	5.59
	06/12/2019	(119283)	Sale	10341043	5.52
	13/12/2019	(65706)	Sale	10275337	5.49
	20/12/2019	(104100)	Sale	10171237	5.43
	27/12/2019	(3788)	Sale	10167449	5.43
	31/12/2019	(1060)	Sale	10166389	5.43
	03/01/2020	(6284)	Sale	10160105	5.43
	10/01/2020	(13992)	Sale	10146113	5.42
	17/01/2020	(10133)	Sale	10135980	5.41
	24/01/2020	(12717)	Sale	10123263	5.41
	07/02/2020	(7463)	Sale	10115800	5.40
	06/03/2020	(2645)	Sale	10113155	5.40
	At the End of the year (or on the date of separation, if separated during the Year)	10113155	5.40	10113155	5.40
5.	**STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY P**				
	At the beginning of the year	6608769	3.53	6608769	3.53
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
	Date	Increase/ Decrease	Reasons (sales/purchase / Sub-division)		
	NIL	NIL	NIL		
	At the End of the year (or on the date of separation, if separated during the Year)	6608769	3.53	6608769	3.53
6.	**SATPAL KHATTAR**				
	At the beginning of the year	6179335	3.30	6179335	3.30
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
	Date	Increase/ Decrease	Reasons (sales/purchase / Sub-division)		
	NIL	NIL	NIL	NIL	NIL
	At the End of the year (or on the date of separation, if separated during the Year)	6179335	3.30	6179335	3.30

7.	**SILVERTOSS SHOPPERS PVT LTD**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
	Date	Increase/ Decrease	Reasons(sales/ purchase/ Sub-division		
	14/02/2020	5748096	Purchase	5748096	3.07
	At the End of the year (or on the date of separation, if separated during the Year)	5748096	3.07	5748096	3.07
8.	**BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD**				
	At the beginning of the year	4645818	2.48	4645818	2.48
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
	Date	Increase/ Decrease	Reasons(sales/ purchase/ Sub-division)		
	10/05/2019	(20000)	Sale	4625818	2.47
	17/05/2019	(10000)	Sale	4615818	2.47
	04/10/2019	(51000)	Sale	4564818	2.44
	11/10/2019	(113000)	Sale	4451818	2.38
	18/10/2019	(125000)	Sale	4326818	2.31
.	08/11/2019	5000	Purchase	4331818	2.31
	15/11/2019	(20000)	Sale	4311818	2.30
	22/11/2019	(212700)	Sale	4099118	2.19
	24/01/2020	(192000)	Sale	3907118	2.09
	07/02/2020	(180000)	Sale	3727118	1.99
	06/03/2020	(725000)	Sale	3002118	1.60
	At the End of the year (or on the date of separation, if separated during the Year)	3002118	1.60	3002118	1.60
9.	**MONETARY AUTHORITY OF SINGAPORE**				
	At the beginning of the year	3357211	1.79	3357211	1.79
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
	Date	Increase / Decrease	Reasons(sales/ purchase/Sub-division)		
	27/09/2019	(11688)	Sale	3345523	1.79
	30/09/2019	(427)	Sale	3345096	1.79
	04/10/2019	(1657)	Sale	3343439	1.79
	11/10/2019	(2495)	Sale	3340944	1.78
	18/10/2019	(5669)	Sale	3335275	1.78
	25/10/2019	(3335)	Sale	3331940	1.78
	01/11/2019	(6790)	Sale	3325150	1.78
	08/11/2019	(111)	Sale	3325039	1.78
	15/11/2019	(23)	Sale	3325016	1.78
	29/11/2019	(1367)	Sale	3323649	1.78
	06/12/2019	(40542)	Sale	3283107	1.75
	13/12/2019	(22330)	Sale	3260777	1.74
	20/12/2019	(35380)	Sale	3225397	1.72
	27/12/2019	(1288)	Sale	3224109	1.72
	31/12/2019	(360)	Sale	3223749	1.72

	03/01/2020	(2136)	Sale	3221613	1.72
	10/01/2020	(4755)	Sale	3216858	1.72
	17/01/2020	(3444)	Sale	3213414	1.72
	24/01/2020	(4323)	Sale	3209091	1.71
	07/02/2020	(2537)	Sale	3206554	1.71
	06/03/2020	(899)	Sale	3205655	1.71
	At the End of the year (or on the date of separation, if separated during the Year)	3205655	1.71	3205655	1.71
10.	**KAVI GLOBAL OPPORTUNITY MASTER FUND LP**				
	At the beginning of the year	3050000	1.63	3050000	1.63
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
Date	Increase /	Reasons(sales/ Decrease	purchase/ Sub-division))		
	06/09/2019	(49638)	Sale	3000362	1.60
	27/09/2019	(53263)	Sale	2947099	1.57
	At the End of the year (or on the date of separation, if separated during the Year	2947099	1.57	2947099	1.57
11.	**SPARROW ASIA DIVERSIFIED OPPORTUNITIES FUND**				
	At the beginning of the year	2605980	1.39	2605980	1.39
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
	Date	Increase / Decrease	Reasons(sales/ purchase/ Sub-division)		
	05/07/2019	(95989)	Sale	2509991	1.34
	19/07/2019	(25697)	Sale	2484294	1.33
	30/08/2019	(640000)	Sale	1844294	0.99
	17/01/2020	(104365)	Sale	1739929	0.93
	At the End of the year (or on the date of separation, if separated during the Year)	1739929	0.93	1739929	0.93
12.	**VARANIUM INDIA OPPORTUNITY LTD**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / Decrease in Shareholding during the Year, specifying the reason:				
	Date	Increase / Decrease	Reasons(sales/ purchase/ Sub-division)		
	06/09/2019	2185552	Purchase	2185552	1.17
	17/01/2020	(500500)	Sale	2135502	1.14
	24/01/2020	360230	Purchase	2495732	1.33
	07/02/2020	(1401)	Sale	2494331	1.33
	28/02/2020	(1063)	Sale	2493268	1.33
	At the End of the year (or on the date of separation, if separated during the Year)	2493268	1.33	2493268	1.33

(v) Shareholding of Directors and Key Managerial Personnel:

S. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Mrs. Indira Reddy Thikkavarapu (Non- Executive Director)					
	At the beginning of the year	57129500	30.52	57129500	30.52
	Increase / Decrease in Shareholding during the year				
	Date	Increase / Decrease	Reasons(sales/purchase/ Sub-division/invocation of pledge)		
	13/11/2019	(41449)	invocation of pledge	57088051	30.50
	18/11/2019	(37838)	invocation of pledge	57050213	30.48
	At the End of the year	57050213	30.48	57050213	30.48
2. Mr. Sandeep Kumar Reddy Tikkavarapu (Managing Director)					
	At the beginning of the year	27019810	14.43	27019810	14.43
	Increase / Decrease in Shareholding during the year Date	Increase / Decrease	Reasons(sales/purchase/ Sub-division/invocation of pledge)		
	13/11/2019	(13757)	invocation of pledge	27006053	14.43
	18/11/2019	(12559)	invocation of pledge	26993494	14.42
	At the End of the year	26993494	14.42	26993494	14.42
3. Mr. Jenna Reddy Brij Mohan Reddy (Executive Vice Chairman)					
	At the beginning of the year	2250	0	2250	0
	No Increase / Decrease in Shareholding during the year				
	At the End of the year	2250	0	2250	0
4. Mr. Siva Kumar Reddy Gunupati* (Independent Director)					
	At the beginning of the year	1125	0	1125	0
	No Increase / Decrease in Shareholding during the year				
	At the End of the year (or on the date of separation, if separated during the Year)	1125	0	1125	0
5. Mr. Harivithal Rao Chintalapati (Independent Director)					
	At the beginning of the year	50	0	50	0
	No Increase / Decrease in Shareholding during the year				
	At the End of the year	50	0	50	0
6. Mrs. Indani Venkata Lakshmi& (Company Secretary & Compliance Officer)					
	At the beginning of the year	75	0	75	0
	No Increase / Decrease in Shareholding during the year				
	At the End of the year (or on the date of separation, if separated during the Year)	75	0	75	0
7. Mr. Sreedhar Babu Ponnuru (Chief Financial Officer)					
	At the beginning of the year	25	0	25	0
	No Increase / Decrease in Shareholding during the year				
	At the End of the year	25	0	25	0

* ceased to be a director w.e.f 28.05.2019

& ceased to be Company secretary and compliance officer w.e.f 07.12.2019

Note: Mrs. N Rama Devi, Mr. K V Ramana Chary, Mr. G Sreeramakrishna and Mr. Birendra Kumar held no equity shares in the Company duringthe Financial Year ended March 31, 2020.

V. INDEBTEDNESS:

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

Rs. Lakhs

		Secured Loans excludingdeposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	1,87,098.29	-	-	1,87,098.29
ii)	Interest due but not paid	1801.71	-	-	1801.71
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		**1,88,900.00**	**-**	**-**	**1,88,900.00**
Change in Indebtedness during the financial year					
Addition		2,059.13	-	-	2,059.13
Reduction		-	-		-
Net Change		2,059.13	-		2,059.13
Indebtedness at the end of the financial year					
i)	Principal Amount	1,87,240.15	-	-	1,87,240.15
ii)	Interest due but not paid	2,490.20	-	-	2,490.20
iii)	Interest accrued but not due	1,228.78	-	-	1,228.78
Total (i+ii+iii)		**1,90,959.13**	**-**	**-**	**1,90,959.13**
Lease liability is not considered					

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Rs. Lakhs

S.No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		T.V.Sandeep Kumar Reddy (MD)	J. Brij Mohan Reddy(WTD)	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	528.00	132.00	660.00
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	*	-
4	Commission- as % of profit- others, specify…	0.00	-	0.00
5	Others, please specify	-	-	-
	Total (A)	528.00	132.00	660.00
Ceiling as per the Act*		**140.02**	**140.02**	

Note: * The ceiling limits are based on effective capital as per Schedule V of the Companies Act, 2013.

B. Remuneration to other Directors:

Rs. Lakhs

Sl No.	Name	Commission	Sitting Fees	Total Compensation
I	**Non- Executive Director**			
1.	Mrs. T. Indira Reddy - Chairperson	-	1.90	1.90
2.	Mr. Birendra Kumar* – Nominee Director	-	NIL	NIL
	Total		1.90	1.90
II	**Independent Director**			
1.	Mr. J. N. Karamchetti (Resigned on 14.11.2019)	-	1.80	1.80
2.	Mr. CH. Hari Vithal Rao	-	2.90	2.90
3.	Mrs. Gayathri Ramachandran (Appointed on 06.08.2019 and Resigned on 16.12.2019)	-	1.20	1.20
4.	Mr. K Jairaj * (Appointed on 06.08.2019 and Resigned on 04.12.2019)	-	NIL	NIL
5.	Mrs. N Ramadevi(Appointed on 14.02.2020)	-	0.30	0.30
6.	Mr. G Sreeramakrishna (Appointed on 04.01.2020)	-	0.80	0.80
7.	Mr. K V Ramanachary (Appointed on 04.01.2020)	-	0.60	0.60
	Total		7.60	7.60
	Ceiling as per the Act	well within the limits prescribed under the Act		

*** Mr. K Jairaj and Mr. Birendra Kumar did not attended any meeting during the Financial Year 2019-20.**

C. Remuneration to other Directors key managerial personnel other than MD/MANAGER/WTD:

Rs. Lakhs

S.No	Particulars of Remuneration	Key Managerial Personnel			
		CS I V Lakshmi (upto 07.12.2019))	CS Chetan Kumar Sharma (w.e.f 04.01.2020)	CFO	Total
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.71	1.81	55.33	78.85
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	—		—	—
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—		—	—
2	Stock Option	—		—	—
3	Sweat Equity	—		—	—
4	Commission- as % of profit- others, specify…	—		—	—
5	Others, please specify	—		—	—
	Total (A)	21.71	1.81	55.33	78.85

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL.
During the year, there were no penalties/punishments/compounding offences under the Companies Act, 2013.

For and on behalf of the Board

Sd/-
T. INDIRA REDDY
Chairperson
DIN:00009906

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

Sd/-
CHETAN KUMAR SHARMA
Company Secretary & Compliance Officer

Place: Hyderabad.
Date: 30.06.2020

Annexure –IV

Form No. No. MR-3

Secretarial Audit Report for the Financial Year Ended March 31, 2020
(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

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

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31st March, 2020** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. GAYATRI PROJECTS LIMITED** for the period ended on **31st March, 2020** according to the provisions of:

i. The Companies Act, 2013 (**the Act**) and the Rules made there under;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 (Applicable w.e.f 15th May, 2015);
c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 **(Not Applicable during the audit period);**
e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable during the audit period)** ;
f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 **(Not Applicable during the audit period)** and;
h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998 **(Not Applicable during the audit period)**;

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

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

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

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations
1.	Reg.33 (Financial results)	Delayed submission of Standalone auditor's report along with financial results for quarter and year ended March 31, 2019 by Four days. National Stock exchange of India Limited (NSE) as per their SOP, has levied fine of Rs. 20,000/- which the Company paid on August 07, 2019.
2.	Reg. 25(10)(Obligations with respect to independent directors)	Company has not taken Directors and Officers insurance ('D and O insurance') for all their independent directors for the Financial Year ended March 31, 2020. The Company has reported the said noncompliance to Stock Exchanges in its Corporate Governance Report for the Quarter and year ended March 31, 2020.
3.	Reg. 17(Board of Directors)	Company was in the list of top 500 Companies and therefore, it was required to appoint woman independent director w.e.f April 01, 2019. However, Company made the said appointment only on August 06, 2019 in compliance with the regulation. The Company has reported the said noncompliance to Stock Exchanges in its Corporate Governance Report for the Quarter ended June 30, 2019.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

I further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

On December 30, 2019, Gayatri Energy Ventures Private Limited ("GEVPL"), wholly owned subsidiary of the Company has sold its entire stake of 5.95% (323453773 Equity Shares of Face Value Rs. 10/- each) in Sembcorp Energy India Limited ("SEIL") aggregating to INR 406.77 Crores.

Sd/-
Y. KOTESWARA RAO
ACS No. 3785
C.P. No.: 7427
UDIN: A003785B000403118

Place : Hyderabad
Date : 30.06.2020

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

'Annexure A'

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that, I have followed has provided a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-
Y. KOTESWARA RAO
ACS No. 3785
C.P. No.: 7427
UDIN: A003785B000403118

Place : Hyderabad
Date : 30.06.2020

Annexure - V

Management Discussion and Financial Analysis

Indian economy

The unprecedented and rapid spread of COVID-19 pandemic worldwide has had a severe impact on global as well as Indian businesses. Sectors facing the brunt of the ongoing situation include hospitality, travel and tourism, aviation, logistics, healthcare, construction, automotive among others. The pandemic is having a significant financial impact on business operations of construction companies. The shutdown caused by the corona virus pandemic has impacted almost all sectors and more specifically construction sector. Amid the ongoing Coronavirus crisis, the lockdown announcement has stalled all construction activities. Further the damage of incomplete and unfinished work across construction sites is another cause of worry and also time that will be lost is additional issue. Another fallout of the lockdown is that many key projects will have almost zero construction activity at the project sites and consequently no funds was released by the clients. This has further strained the financial health of several construction companies.

Due to lock down restrictions imposed across the country, the work at major sites has temporarily disrupted and post lockdown restrictions, the works has resumed. In some of the projects due to the shortage workforce and disruption in material supply, the work is being carried at sub-optimal level which may lead to delay in completion of the projects. However the respective Departments have awarded an extension of time by another six months with no extra cost to the contractor. COVID –19 Pandemic impact and lockdown restrictions caused temporary stress on the working capital management. As stated above, the company is mainly executing government related works, it is estimated that there will be no defaults in receivables of the company and there will be no cancellation / suspension of works allotted to the company. In view of the above, the COVID–19 pandemic impact on the business operations of the company is temporary in nature and it will not impact the continuity of the business operations of the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact on the financial statements.

Infrastructure Sector In India

The infrastructure and construction sectors, which are primarily responsible for India's growth story, are already facing headwinds from the COVID-19 pandemic and cannot expect to be insulated from its damaging impact. The COVID-19 crisis is expected to hit hard labour intensive sectors such as Construction Industry where migrant workers comprises large part. Due to delay in the construction period from the lockdown, there would be an additional cost burden on the company. The impact of COVID-19 on construction sector is difficult to estimate at this stage.

The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy, and urban transport. In April 2020, the Government set a target of constructing roads worth Rs 15 lakh crore in the next two years. In the Union Budget 2020-21, the Government has given a massive push to the infrastructure sector by allocating Rs 1,69,637 crore (US$ 24.27 billion) to develop the transport infrastructure.

Government Initiatives

RBI responded to the economic fallout of the lock down by significantly cutting the repo and the reverse repo to a greater extent to discourage banks from parking funds with it. In addition, it flushed the Indian banking system with liquidity in April 2020. Banks responded by cutting their base lending rates and Marginal Cost of Lending Rate (MCLR) but credit to commercial sector continued to see muted growth. The Government of India has so far responded with two stimulus packages, first in late March 2020 and another in May, 2020.

Government of India has instructed developers/NHAI and MORTH to consider release of retention money, mobilisation, performance bank guarantees depending on the stage of completion of projects and also expedite clearance of pending bills. Government also instructed to grant default extension of time for the projects under construction and classify COVID-19 as a force major event.

Reserve Bank of India has announced certain regulatory measures to mitigate the burden of serving the debt by the companies on account of the disruptions due to COVID-19 pandemic. The measures inter alia include reschedule of term loan instalments, deferment of the term loan/CC interest, reduction of the margin on working capital facilities, reassessment of the working capital assessment

and sanction of special line of credit facilities to overcome present crisis.

In order to meet the urgent needs due to the unexpected economic situations due to COVID-19 pandemic, banks are extending "The COVID 19 Emergency Credit Line Facility" by way of Demand Loan up to 10% of the existing Fund Based Working Capital Limits.

Gayatri Projects

Gayatri Projects, founded in 1963, is one of the oldest & most experienced pure-play EPC companies within the Indian Infrastructure space. It has over five decades of experience in execution of major civil works and is diversified across geographies & infrastructure segments. The company has pan India operations spread across 19 states & operates within several infrastructure verticals like transportation, waterworks, mining works& industrial construction projects.

Gayatri Projects prefers to work largely with government entities & currently commands the largest share of the NHAI's EPC projects. The company has a strong execution track record, having completed more than total of 31 road projects amounting to Rs.8,128Crores, 29 irrigation projects amounting to Rs.1,195 Crores, 11 projects for construction of dams and reservoir amounting to Rs.169 Crores, 11 site leveling projects amounting to Rs.356.39 Crores, 21 industrial projects amounting to Rs.2,440 Crores, 1 railway project amounting to Rs.384.53 Cores and 1 port project amounting to amounting to Rs.45.00 Crores. The Company executed various projects in different sectors of infrastructure like highway, irrigation projects, mass excavation, ports, airports and industrial civil works. Such diversification in different sectors enables us to reduce dependence on any one sector or nature of the project.

The company is having strong order book of Rs 13,000 crores as at 31st March 2020 and order book mainly consisting of road and irrigation works of 92%. Our company is having financial visibility for another three years and order book is going to be further strengthened from expected new orders in FY2020-21.

Operational & Financial Review

Gayatri Projects has achieved revenue of Rs 3427.33 crores in FY2020 as against Rs 3463.15 crores in the previous year. The marginal dip of 1% is on account of COVID-19 pandemic and followed by countrywide lockdown.On the operational front, Gayatri Projects has seen an EBITDA margin ratio at 12.45% for the year. EBITDA margin dropped compared to last year due to high cost of raw materials and fixed operating cost booking during lockdown period. The company believes that margins should improve to normalised levels of 15%+ from FY21 onwards.

Gayatri Projects posted net loss after tax at Rs 384.57 crores during FY2020, mainly due to exceptional loss of Rs 445.34 crores booked due to sale of Sembcorp Energy India Limited shares by the wholly owned subsidiary of Gayatri Projects Ltd. The profits from the "Core Operations" of the Company (Construction) are positive and in line with the past and also in line with the peers.

In line with the Company's stated plan to concentrate on core business of construction and reduce the group debt, the company has sold the investment in the power company Sembcorp Energy India Limited (SEIL) for an amount of INR 406.77 Crores. The above transaction result an exceptional loss of Rs 445.34 Crores in the books of our company. The exceptional loss on account of sale of investment is onetime and mandatory adjustment as per Accounting Standards of ICAI, hence the same is provided. As a part of consideration, the subsidiary of Gayatri is entitled for the "Earnout" which will be calculated on first or second sale by Sembcorp. The prospect of getting the upside is high and the present loss can be set off from the gains of the above Earnout, if any.

The company has not bagged any major work order during the year. The company is focussing in executing the current order book of Rs 13,000 crores. The company is also concentrating on the realisation of contractual claims to reduce its debt levels.

Gayatri Projects work orders are diversified both geographically and sector wise and 68% of the company's projects come from the roads & highways sector, 25% comes from irrigation projects and remain 7% consisting of industrial, mining and other works. In terms of geographical diversification, Uttar Pradesh is the key contributor to the company's order book at 25%, followed by Odisha, Telangana & Maharashtra.

LOOKING AHEAD

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

a. In order to further strengthen its balance sheet &deleverage, Gayatri Projects is exploring avenues to monetize its large claims & arbitrations outstanding. The company along with its subsidiaries, has

been awarded claims & arbitrations worth Rs 680 Crores by different arbitrators/courts. Additionally, Gayatri Projects, with its subsidiaries has claims outstanding of more than Rs 505 Crores in different arbitral tribunals/courts. The current year will see the company finalizing resolutions for these claims and use the proceeds to de-leveraging of its balance sheetand to reduce the debt of the company.

b. In order to improve the cash flows and to maintain repayment track record, Gayatri Projects is focusing on the execution of the current order book of Rs 13,000 crores by converting into revenues. The Company top management is frequently reviewing the progress of the key projects on real time basis to get the best results.

c. Gayatri Projects is aiming to get new orders of at least Rs 3000 crores to Rs 5000 crores in the current year to strengthen the current order book and to generate required cash flows for the operations.

Significant Changes In Key Financial Ratios:

The net profit ratio margins of the company has reduced to 1.44% during the current financial year as against 6.07% in the previous year mainly due to increase in the material cost by 2.50% and other expenditure by 2.57%. Due to COVID-19 and lockdown restrictions, the indirect overhead cost has increased in the last quarter. The company has taken steps to control the direct and indirect cost of the projects which will be showing results in the current financial year.

The Debt Equity ratio has increased to 1.83 times in FY2020 from 1.25 times in FY2019 and Return on Net worth has fallen to -41% in FY2020 from 16% in FY2019. Both the above ratio's has fallen mainly due to fall in the net worth of the company on account of recognizing of the exceptional loss of Rs 44,533.89 Laks for the reason of diminution in the value of investment in the subsidiary company.

Risks & Concerns

Competition Risk

The Indian infrastructure space can be characterized by a large number of firms, with most of them operating locally in a specific area of the country. This could create a scenario where a large number of firms bid for the same tender or project, thus, enabling price wars that could potentially impact the company's margins.

Mitigation: Gayatri Projects has formed its niche in bidding & winning only pure EPC projects rather than focusing on the whole pie of tenders including HAM & BOT. This pure EPC approach is unique to Gayatri Projects, within the large scale infrastructure firms, this ensuring strong profitability & high bid success ratio.

Capital Risk

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

Mitigation: Gayatri projects has been focusing its efforts on monetisation of its power stake & its claims outstanding, in order to generate liquidity for its working capital purposes as well as strengthen the balance sheet.

Raw Material Risk

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

Mitigation: The Company has maintained long-standing relationships with its suppliers to ensure reduced costs. It ties up with several local contractors in its area of operation to ensure smooth availability of material.

Labour Risk

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

Mitigation: Gayatri projects has developed a wholesome training and motivation programme for all its employees in order to maintain quality standards.

Human Resources

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

the company has also taken personal accident insurance for all its employees.

Internal Control And Risk Management Systems

The company has a well-defined and elaborate Risk Management procedure, which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. The Risk Management Committee monitors the key risks in the various business segments and evaluates strategies to mitigate these.

It also reviews each tender carefully for any potential risks before the bidding process begins. The Company's internal control systems are commensurate with the nature of its business. They are tested periodically and certified by Statutory as well as Internal Auditors. The Audit Committee reviews the adequacy and effectiveness of our internal control environment and monitors the implementation of audit recommendations. The company has a qualified and independent audit committee, where majority of directors are independent.

Annexure - VI

Report on Corporate Social Responsibility (CSR) Policy and Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Companys CSR Policy, including overview of projects or programmes undertaken / proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

   - Eradicating extreme hunger, poverty;
   - Promotion of education including special education ;
   - Promoting gender equality and empowering women;
   - Ensuring environmental sustainability and ecological balance;
   - Rural Development Projects;
   - Social business projects;
   - Disaster Relief;

The CSR Policy of the company has been placed on the website of the company at https://www.gayatri.co.in/corporate-governance.html.

2. Composition of CSR Committee:

Sl.	Name	Designation
1	Mrs.T. Indira Reddy	Chairperson
2	Mr. T.V. Sandeep Kumar Reddy	Member
3	Mr. CH. Hari Vithal Rao	Member

3. Average Net profit for the preceding three Financial Years for the purpose of computation of CSR : ₹ 15,642.92 Laks

4. Prescribed CSR expenditure (2% of Average Net Profit): ₹ 312.86 Laks

5. Details of CSR spend for the financial year

   a) Total amount spent during the financial year 2019-20 : ₹ 186.52 Laks

   b) Amount unspent, if any : ₹ 126.34

c) Manner in which the amount spent by during the financial year is detailed below:

Rs. Lakhs

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects of Programmes(1) Local area or other (2) Specify the state and district where projects or programme was undertaken	Amount in lakhs outlay (budget) project or programs wise	Amount in lakhs spent on the projects or programs sub-heads: (1) Direct expenditure on projects or or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
1	Health care and Sanitation for the poor people	Promoting Health care inclusing preventive health care	Visakhapatnam, Andhra Pradesh	160.00	39.70	39.70	Agency : Balaji Charitable Trust
2	Donations to poor students for education and studies	Promotion of education, including special education	Visakhapatnam, Andhra Pradesh	160.00	146.82	146.82	Agency : TSR Foundation
TOTAL				**320.00**	**186.52**	**186.52**	

6. The prescribed CSR funds that could not be spent during the year/previous year(s) have been carried forward for spending on CSR projects. Shortfall in spending the prescribed amounts on CSR projects is mainly due to delay in identification of projects and some of the projects are on-going.

7. We hereby confirm that the implementation and monitoring of CSR Policy, is compliance with CSR objectives and Policy of the Company.

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

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

Place: Hyderabad
Date: 30.06.2020

Annexure - VII

Related Party Disclosures Chapter IX
Form No. AOC-2

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

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

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

(a) Name(s) of the related party and nature of relationship: -NIL-

(b) Nature of contracts/arrangements/transactions: -NIL-

(c) Duration of the contracts / arrangements/transactions: -NIL-

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: -NIL-

(e) Justification for entering into such contracts or arrangements or transactions: -NIL-

(f) Date(s) of approval by the Board: -NIL-

(g) Amount paid as advances, if any: -NIL-

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: -NIL-

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

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts/arrangements/transactions : -NIL-

(c) Duration of the contracts / arrangements/transactions: -NIL-

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: -NIL-

(e) Date(s) of approval by the Board, if any: -NIL-

(f) Amount paid as advances, if any: -NIL-

For and on behalf of the Board

Sd/-
T. INDIRA REDDY
Chairperson
DIN:00009906

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

Sd/-
P. SREEDHAR BABU
Chief Financial Officer

Sd/-
CHETAN KUMAR SHARMA
Company Secretary & Compliance Officer

Place: Hyderabad.
Date: 30.06.2020

Annexure - VIII

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

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

Name of Director	Remuneration for FY 2019-20 (Rs. In lakhs)	increase in % remuneration	Ratio of remuneration to median remuneration of all employees1
Non-Executive Director			
Mrs. T. Indira Reddy	1.90	123.5%	0.84
Mr. Birendra Kumar*	NIL	*	*
Independent Director			
Mr. Ch. Hari Vithal Rao	2.90	31.82%	0.97
Mr. G. Sreeramakrishna	0.80	**	**
Mr. K V Ramana Chary	0.60	**	**
Mrs. N Ramadevi	0.30	**	**
Executive Director/KMP			
Mr. T V Sandeep Kumar Reddy	528.00	29%	232.98
Mr. J Brij Mohan Reddy	132.00	NIL	58.24
Mr. P Sreedhar Babu	55.33	3.9%	24.41
Mr. Chetan Kumar Sharma***	2.36	***	***
Mrs. I V Lakshmi****	21.71	****	9.58

* Since, remuneration of Mr. Birendra Kumar FY 2018-19 is only for part of the year, hence increase in remuneration is not stated. Also since, he did not attend any meeting during the FY 2019-20, ratio is also not stated.

** Since Remuneration of Mr. G. Sreeramakrishna, Mr. K V Ramana Chary and Mrs. N Ramadevi were appointed during the FY 2019-20, hence increase in remuneration and ratio is not stated.

***Since Mr. Chetan Kumar Sharma was appointed w.e.f 04.01.2020, the increase in remuneration and ratio is not stated.

**** Since remuneration of Mrs. I V Lakshmi is for part of year, increase is not stated.

Notes: The ratio of remuneration to median remuneration is based on remuneration paid during the period April 1, 2019 to March 31, 2020.

B. The percentage increase in the median remuneration of employees in the financial year: 35.6%

C. The number of permanent employees on the rolls of company: 2730 Employees

D. During the year, the average percentage increase in salary of the Company's employees, excluding the Key Managerial Personnel ('KMP') was 5.6%

E. Affirmation that the remuneration is as per the remuneration policy of the company.- Yes

b) Details of the Employees drawing remuneration not less than Rs.1.02 Crores per annum who were employed throughout the financial year.

S. No.	Name of the employee	Designation of the employee	Remuneration received (Rs. In Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of employee	The percentage of equity shares held by the employee in the company	Relative to any director or manager of the company	Last Employment held
1.	Sudhakar Lolla	Vice President	113.45	Whole time	Post Graduate in Mining from India School of Mines, Dhanbad, responsible for overall Mining Division Business operations, working on most advanced and modernized techniques (longwall technologies)	23.09.2015	51 Years	—	No	Coastal Projects Limited

c) Details of the Top ten employees in terms of remuneration drawn:

S.No.	Name of the employees	Designation of the employee	Remuneration received (Rs. In Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of employee	The percentage of equity shares held by the employee in the company	Relative to any director or manager of the company	Last Employment held
1.	T.V. Sandeep Kumar Reddy	Managing Director	528.00	Whole time	Masters Degree in Construction Engineering and Management from University of Michigan at Ann Arbor, USA and also holds a Bachelor Degree in Civil Engineering from Purdue University and having 31 years of experience in the construction industry	04.11.2005	52 years	14.43	Son in Law of J. Brij Mohan Reddy, Executive Vice-Chairman	N.A
2.	J. Brij Mohan Reddy	Executive Vice-Chairman	132.00	Whole time	Bachelors Degree in engineering from Montana State University and Post-Graduate in Engineering from the University of California, Berkley, United States and having 51 years of experience	30.03.1994	77 years	—	Father in Law of T.V. Sandeep Kumar Reddy, Managing Director	N.A

3.	Sudhakar Lolla	Vice President	113.45	Whole time	Post Graduate in Mining from India School Of Mines, Dhanbad, responsible for overall Mining Division Business operations, working on most advanced and modernized techniques (longwall technologies)	23.09.2015	51 Years	—	No	Coastal Projects Limited
4.	Tikkavarapu Rajiv Reddy	Vice President	100.10	Whole time	Graduated in Industrial Engineering from University of Illionis, USA	01.07.2014	30 Years	—	Son of T.V.Sandeep Kumar Reddy, Managing Director	N.A
5.	K Sesha Reddy	Sr. Vice President	87.15	Whole time	Post Graduate from Birla Institute of Technology & Science and comes with 32+ yrs of Industrial expertise, responsible for overall Project Management, Cost Control and compliance management of Transportation projects.	02.05.2016	59 Years	—	No	L & T Constructions Limited
6	Ch. V. Rama Krishna Rao	Sr. Vice President	66.67	Whole time	Post Graduate from Birla Institute of Technology & Science and comes with 20+ yrs of Industrial expertise	01.04.2018	56 years	—	No	NHAI
7	P Sreedhar Babu	C F O	55.33	Whole time	Member of Institute of Chartered Accountants of India and comes with 30+ yrs of experience in Corporate Business Finance in Infrastructure Industry.	01.01.1995	59 Years	—	No	N.A
8	G Venkateswar Rao	Sr. Vice President	51.91	Whole time	BTech degree in Civil Engineering. He is responsible for overall Operations of Irrigation Division	06.03.2009	55 years	—	No	State Irrigation Project Department

9	Mummana Viswa Suresh	Sr.Vice President	36.00	Whole time	Btech degree in Civil Engineering and comes with 20 + yrs in Major Highway and construction design	07.03.2005	50 Years	—	No	N.A
10	KBRC Murthy	Sr. Vice President	30.35	Whole time	Post Graduation in HR & LLB comes with 20 + Yrs. Experience in Human Resources Transformation strategy, culture and capability building, Employee Engagement, Performance Management, Compensation and Benefits, setting up people best practices, Compliance Management Mergers & Acquisition, Industrial Relations etc.	07.09.2017	47 Years	—	No	SGD Pharma Limited

Annexure - IX

Corporate Governance Report

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

A. Mandatory Requirements

I. Company's Philosophy On Corporate Governance

Company's philosophy on corporate governance encompasses not only regulatory and legal requirements, such as the terms of listing agreements with stock exchanges, but also several voluntary practices aimed at a high level of business ethics, best business practices, effective supervision and enhancement of value for all stakeholders, comprising regulators, employees, customers, investors and society at large. Gayatri Projects Limited is committed to doing business in an efficient, responsible, honest and ethical manner. Corporate governance practice goes beyond compliance and involves a company-wide commitment. This perspective has to become an integral part of business to ensure fairness, transparency and integrity of the management. Good corporate governance provides an appropriate framework for the Board, its committees and the executive management to carry out the purposes that are in the best interest of the Company and the Stakeholders.

The company's core philosophy on the code of corporate governance is to ensure:

- Fair and transparent business practices.
- Accountability for performance.
- Compliance of applicable statute
- Transparent and timely disclosure of financial and management information.
- Effective management control and monitoring of executive performance by the Board.
- Adequate representation of professionally qualified non-executive and independent Directors on Board.

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

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

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

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

II. Board Of Directors

The Board of Directors serves as the anchor for best corporate governance practices and oversees the management so that interest of all the stakeholders are protected. The Board is well informed and ensures that highest level of corporate governance. Detailed profile of our directors is available on our website *https://www.gayatri.co.in/board-of-directors.html*. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. As on date of this report, none of our Directors serve as Director or as IDs in more than seven listed companies and none of the EDs serve as IDs on any listed company. Further, none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an ID. In terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned

under Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

During the Financial Year 2019-20, none of our Directors acted as Member in more than 10 committees or as Chairperson in more than 5 committees across all listed entities where they serve as a Director.

Composition

- The Board represents an optimum mix of professionalism, knowledge and experience. As on 31st March, 2020, we had a total strength 8 Directors in the Board, comprising of: 2 Executive Directors and 6 Non-executive Directors (4 of them are Independent Directors and 1 Nominee Director). The Company immensely benefits from the professional expertise of the independent Directors. The Board has an adequate combination of Executive, Non-Executive and Independent Directors. Dr. V.L. Moorthy, Mr. G. Siva Kumar Reddy, Mr. J.N. Karamchetti, Mr. K Jairaj and Ms. G Ramachandran ceased to be directors of the Company w.e.f 09.05.2019, 28.05.2019, 14.11.2019, 04.12.2019 and 16.12.2019 respectively and they have confirmed that there are no material reasons for their resignation as directors of the company. Mr. G Sreeramakrishna and Mr. K V Ramanachary were appointed as director on the Board w.e.f 04.01.2020. Mrs. N Ramadevi was appointed as Woman Independent Director on the Board w.e.f February 14, 2020.

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

Table A: Composition of the Board and Directorships held as on March 31, 2020

Name of the Director	No. of directorship in other Indian Public Companies (*)		No. of Board Committee positions in other Indian Public Companies ($)		Directorship in other listed entity (Category of Directorship)
	Chairperson	Member	Chairperson	Member	
Non-Executive, Non-Independent Directors					
Mrs. T. Indira Reddy (Chairperson & Promoter) (DIN: 00009906)	**2**	**5**	**-**	**1**	**a)** Gayatri Sugars Limited (Non-Executive, Non-Independent) **b)** Gayatri Tissue and Papers Limited (Non-Executive, Non-Independent)
Mr. Birendra Kumar (Nominee Director) (DIN: 08071170)	**-**	**-**	**-**	**-**	**-**
Executive Directors					
Mr. T V Sandeep Kumar Reddy (Managing Director) (DIN: 00005573)	-	7	1	5	**a)** Gayatri Sugars Limited (Non-Executive, Non-Independent) **b)** Gayatri Bioorganics Limited (Non-Executive, Non-Independent)
Mr. J. Brij Mohan Reddy (Whole Time Director) (DIN: 00012927)	-	4	-	3	-
Independent Directors					
Mr. G. Sreeramakrishna (Non-Executive Independent Director) (DIN: 06921031)	-	4	1	4	a) Ravileela Granites Limited (Non-Executive Independent Director) b) Alufluoride Ltd (Non-Executive Independent Director) c) Everest Organics Limited (Non-Executive Independent Director)
Mr. CH. Hari Vithal Rao (DIN: 00012970)	-	8	3	6	-

Mrs. N Ramadevi (DIN: 08699570)	-	-	-	-	-
Mr. K. V. Ramanachary (DIN: 08658826)	-	-	-	-	-

Notes: * Directorships in other Indian Public Companies (listed and unlisted) excludes Gayatri Projects Limited and Section 8 companies, but includes deemed public company.

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

Table B: Attendance details of Directors for the year ended March 31, 2020 are given below:

Name of the Director	Category*	No. of Meetings held during tenure	No. of Meetings attended
Mrs. T Indira Reddy	NED	7	5
Mr. T V Sandeep Kumar Reddy	ED	7	6
Mr. J Brij Mohan Reddy	ED	7	3
Mr. Birendra Kumar	NED	7	0
Mr. CH Hari Vithal Rao	ID	7	7
Mr. K V Ramana Chary	ID	2	2
Mr. G Sreeramakrishna	ID	2	2
Mrs. N Ramadevi	ID	1	1

* NED - Non Executive Director, ED - Executive Directior, ID - Independant Director

Table C: Key information pertaining to Directors as on 31st March, 2020

	Mrs. T. Indira Reddy	Mr. T. V. Sandeep Kumar Reddy	Mr. J. Brij Mohan Reddy	Mr. G. Sreeramakrishna**	Mr. K. V. Ramanachary **	Mr. CH. Hari Vithal Rao	Mrs. N. Ramadevi**	Mr. Birendra Kumar
Category	Chairperson Promoter Director	Managing Director	Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Non-Executive Director (Nominee Director)
Date of appointment	08.03.1996	15.09.1989	30.03.1994	04.01.2020	04.01.2020	04.11.2005	14.02.2020	07.02.2018
Attendance at the last AGM held on September 30, 2019	No	Yes	No	-	-	Yes	-	No
No. of Shares Held as on 31/03/2020	57050213	26993494	2250	-	-	-	-	-
Inter-se relationship	Mother of T. V. Sandeep Kumar Reddy	Son of T. Indira Reddy and son in law of J Brij Mohan Reddy	Father in law of T. V. Sandeep Kumar Reddy	-	-	-	-	-

- All new directors appointed on the Board are given a formal orientation about the management, operations and group structure. Formal familiarisation programmes are also conducted. Details of the familiarization programmes imparted to Independent Directors are disclosed in the company's website: *https://www.gayatri.co.in/pdf/Familirisation_Programmes_for_Independent_Directors.pdf*

- The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

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

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

Board Meetings

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

Our Board met 7 times in the Financial Year 2019–20 on 30th May 2019, 06th August 2019, 14th August 2019, 14th November 2019, 16th November 2019, 04th January 2020 and 14th February 2020.

The Company Secretary prepares the Agenda and Explanatory notes, in consultation with the Chairman and Managing Director for each meeting and circulates the same in advance to the Directors. A tentative annual calendar for the meetings of the Board and Audit Committee to be held in each quarter has been circulated to facilitate and assist the Directors to plan their schedules for the meetings for meaningful, informed and focused decisions. Every Director is free to suggest the inclusion of items on the agenda. The Board meets at least once in every quarter to review the quarterly results and other items on the agenda. The Board is given presentation covering industry environment, project implementation, project financing and operations of the Company. Additional meetings are held, when necessary. The draft minutes of the proceedings of the Board of Directors are circulated in advance and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. Senior executives are invited to provide additional inputs at the Board Meeting for the items being discussed by the Board of Directors, as and when necessary.

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

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

Table E: Information of Directors to be appointed and the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in accordance with provisions of Companies Act, 2013 and Secretarial Standards, as on the date of Notice

Name of the Director	J Brij Mohan Reddy	N. Ramadevi	K.V. Ramana Chary	G. Sreeramakrishna
Director Identification No	00012927	08699570	08658826	06921031
Date of Birth	20.08.1941	10.05.1953	08.02.1952	26.07.1952
Date of appointment	30.03.1994	14.02.2020	04.01.2020	04.01.2020
Occupation	Industrialist	Retired banker	Retired IAS	Retired Banker
Relationship between directors inter-se	Father in law of T.V. Sandeep Kumar Reddy	NIL	NIL	NIL
Nature of expertise in specific functional area	56 years of experience in the Heavy engineering and Construction industry	40 years of experience as banker	34 years of experience as civil servant	37 years of experience as banker
Last drawn remuneration	₹132.00 lakhs	Nil	Nil	Nil
Directorship in other Listed Entities	Nil	Nil	Nil	Alufluoride Limited, Ravileela Granites Limited, Everest Organics Limited
Shareholding in the Company	2250 Shares	Nil	Nil	Nil

DIRECTORSHIP IN OTHER ENTITIES

J. Brij Mohan Reddy	Gayatri Lalitpur Road Ways Limited, Gayatri Jhansi Road Ways Limited, Balaji Highways Holdings Private Limited and Indore Dewas Tollways Limited
N. Ramadevi	Nil
K.V. Ramanachary	Nil
G. Sreeramakrishna	Alufluoride Limited, Ravileela Granites Limited, Everest Organics Limited and Maximus ARC Limited

MEMBERSHIP IN COMMITTEES OF OTHER ENTITIES

J. Brij Mohan Reddy	• Member of the Audit Committee in Indoredewas Tollways Limited, Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited • Member of Corporate Social Responsibility Committee in Gayatri Lalitpur Roadways Limited and Gayatri Jhansi Roadways Limited.
N. Ramadevi	Nil
K.V. Ramanachary	Nil
G. Sreeramakrishna	• Member of the Audit Committee in Alufluoride Limited, Ravileela Granites Limited and Everest Organics Limited • Member of the Stakeholders Relationship Committee in Ravileela Granites Limited • Member of Nomination and Remuneration Committee in Alufluoride Limited, Ravileela Granites Limited and Everest Organics Limited

CHAIRMANSHIP IN COMMITTEES OF OTHER ENTITIES

J. Brij Mohan Reddy	Chairman of Corporate Social Responsibility Committee in Gayatri Lalitpur Roadways Limited and Gayatri Jhansi Roadways Limited.
N. Ramadevi	Nil
K.V. Ramanachary	Nil
G. Sreeramakrishna	• Chairman of Audit Committee and Nomination and Remuneration Committee of Everest Organics Limited.

III. Audit Committee

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

Powers of Audit Committee:

The Audit Committee shall have powers, which should include the following:

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

Role of Audit Committee:

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
    b. Changes, if any, in accounting policies and practices and reasons for the same.
    c. Major accounting entries involving estimates based on the exercise of judgment by Management.
    d. Significant adjustments made in the financial statements arising out of audit findings.
    e. Compliance with listing and other legal requirements relating to financial statements.
    f. Disclosure of any related party transactions.
    g. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.

8. Approval or any subsequent modification of transactions of the company with related parties.

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

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

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

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

Table F: The Composition of the Audit Committee:

Name of the Member	Designation
Mr. Ch. Hari Vithal Rao	Chairman
Mr. J. N. Karamchetti	Member(ceased to be member w.e.f 14.11.2019)
Mrs. T. Indira Reddy	Member (Appointed as member w.e.f 30.05.2019 and ceased to be member w.e.f 04.01.2020)
Mr.T. V. Sandeep Kumar Reddy	Member (Appointed as member w.e.f 04.01.2020)
Mr. G. Sreeramakrishna	Member (Appointed as member w.e.f 04.01.2020)

Table G: *Meetings and Attendance*:

Four Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows: 30th May, 2019, 14th August, 2019, 14th of November, 2019 and 14th February, 2020. The maximum gap between any two meetings was not more than 120 days.

Name of the Director	No. of Audit Committee Meetings entitled to attend	
	Held	Attended
Mr. Ch. Hari Vithal Rao – Chairman	4	4
Mr. J. N. Karamchetti* - Member	3	3
Mr.T. V. Sandeep Kumar Reddy - Member	1	0
Mr. G. Sreeramakrishna - Member	1	1
Mrs.T. Indira Reddy** - Member	2	2

* Ceased to be a Member w.e.f 14th November 2019

** Appointed as a Member on 30th May 2019 and Ceased to be a member w.e.f. 4th January 2020.

The necessary quorum was present at all the meetings.

IV. Nomination And Remuneration Committee

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

a) To ensure that the level and composition of remuneration is reasonably and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay.

b) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the

directors, key managerial personnel and other employees

c) To identify persons who may be appointed in senior management in accordance with the criteria laid down.

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

The details regarding Remuneration policy is disclosed in the board's report.

Table H: The composition of the Nomination and Remuneration Committee is given below:

Name of the Member	Designation
Mr. G. Sreeramakrishna	Chairman (Appointed as member and designated as Chairman w.e.f 04.01.2020)
Mr. Ch. Hari Vithal Rao	Member
Mr. J. N. Karamchetti	Member (Appointed as member and chairman w.e.f 30.05.2019 and ceased to be member w.e.f 14.11.2019)
Mrs. T. Indira Reddy	Member
Mr. G. Siva Kumar Reddy	Member (Ceased to be Member w.e.f. 28.05.2019)

Table I : Meetings and Attendance:

Name of the Director	Held	Attended
Mr. G. Sreeramakrishna	2	2
Mr. Ch. Hari Vithal Rao	5	5
Mr. J. N. Karamchetti	2	2
Mrs. T. Indira Reddy	5	4
Mr.G. Siva Kumar Reddy	1	1

* The Committee met on 5th April, 2019, 6th August, 2019, 14th August, 2019, 4th January, 2020 and 14th February, 2020.

V. Table J: Remuneration and sitting fees paid to the Directors during 2019-2020 **(₹ in Lakhs)**

	Mrs. T. Indira Reddy	Mr. T. V. Sandeep Kumar Reddy	Mr. J. Brij Mohan Reddy	Mr. G. Sreeramakrishna	Mr. K.V. Ramanachary	Mr. CH. Hari Vithal Rao	Mr. J. N. Karamchetti	Mrs. N. Ramadevi	Mrs. Gayatri Ramachandran
Category	Chairperson Promoter Director	Managing Director	Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director
Relationship with directors	Yes	Yes	Yes	None	None	None	None	None	None
Salary	-	528.00	132.00	-	-	-	-	-	
Allowances	-	-	-	-	-	-	-	-	
Commission/ Incentives	-	-	-	-	-	-	-	-	
Other Annual Compensation	-	-	-	-	-	-	-	-	
Deferred Benefits	-	-	-	-	-	-	-	-	
Sitting fees	1.90	-	-	0.80	0.60	2.90	1.80	0.30	1.20

Performance Evaluation Criteria for Independent Directors

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

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

VI. Stakeholder's Relationship Committee

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

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

Table K : The Constitution of Stakeholders Relationship Committee is as follows:

Name of the Member	Designation
Mr. Ch. Hari Vithal Rao	Chairman
Mr. J. Brij Mohan Reddy	Member
Mrs. T. Indira Reddy	Member(Appointed as member w.e.f 30.05.2019)
Mr. G. Siva Kumar Reddy	Member (Ceased to be a member w.e.f 28.05.2019

Table L: Meetings and Attendance:

Name of the Director	Held	Attended
Mr. Ch. Hari Vithal Rao – Chairman	2	2
Mr. J. Brij Mohan Reddy – Member	2	—
Mrs. T. Indira Reddy – Member	2	2

Stakeholders Relationship Committee met on 30th September, 2019 and 20th March, 2020 during the financial year 2019-20.

b) Name and Address of Compliance Officer

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

c) Table M: Details of complaints/requests received and redressed :

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	02	02	NIL

VII. Meeting of Independent Directors:

The Independent Directors of the Company had met during the year on 14.02.2020 to review the performance of non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

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

VIII. General Body Meetings

a) *Annual General Meeting*

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

Year	Location	Date and Time	Special Resolution passed
2016-17	FTAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500004,	30/12/2017 11.30 AM	1. Revision in remuneration of Mr. T. Rajiv Reddy, Vice-President, Operations of the company. 2. Ratification for change in terms and conditions of the Non-Convertible Cumulative Redeemable Preference Shares held by the company in M/s. Gayatri Hi-Tech Hotels Limited. 3. Raising of Funds through Issue of Securities
2017-18	KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004	28/09/2018 04.00 PM	1. Revision in remuneration of Sri T.V. Sandeep Kumar Reddy as Managing Director. 2. Re-appointment of Sri. J. Brij Mohan Reddy as Executive Vice Chairman.
2018-19	KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004	30/09/2019 03.00PM	1. Re-appointment of Sri T. V. Sandeep Kumar Reddy as Managing Director of the company w.e.f. 1st October 2019 till 30th September, 2024. 2. Appointment of Ms. Gayathri Ramachandran as a Director and as an Independent Director. 3. Appointment of Sri K. Jairaj as a Director and as an Independent Director. 4. Re-appointment of Sri CH. Hari Vithal Rao (holding DIN 00012970) as an Independent Director.

b) *Extra-Ordinary General Meeting:*

Table O: Location, date and time of last ***Extra-Ordinary General Meeting*** and Special Resolutions passed there at:

Year	Location	Date and Time	Special Resolution passed
2019-20	KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004	10.12.2019	Approval for disposal of asset/shares held by material subsidiary M/s. Gayatri Energy Ventures Private Limited in M/s. Sembcorp Energy India Limited

c) *Postal Ballot: Nil*

d) *Subsidiary Companies*

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

IX) DISCLOSURES

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

During the year 2019-20, no transactions of material nature had been entered into by the Company with the Management or their relatives that may have a potential conflict with interest of the Company. None of the Non-Executive Directors have any pecuniary material relationship or material transactions with the Company for the year ended 31st March, 2020, and have given undertakings to that effect.

Details of transactions of a material nature with any of the related parties (including

transactions where Directors may have a pecuniary interest) as specified in Indian Accounting Standard (IND AS) 24, have been reported in the Notes to the Accounts and they are not in conflict with the interest of the Company at large.

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

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

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

- NIL-

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

Company has established a Vigil Mechanism System/ Whistle blower policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. Further, as per the provisions of the Companies Act, 2013 the Audit Committee of the company shall oversee the Vigil Mechanism System/ Whistle Blower policy in the company and no personnel has been denied access to the Audit Committee. The Whistle Blower Policy of the Company is available at https://www.gayatri.co.in/pdf/Whistle%20Blower%20Policy.pdf

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

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

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

http://www.gayatri.co.in/corporate-governance.html

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

Nil

(vii) Risk Management:

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

Table P: The company has constituted a Risk Management Committee with the following directors and management person

Name of the Member	Designation
T.V. Sandeep Kumar Reddy	Chairman
T. Indira Reddy	Member
Ch. Hari Vithal Rao	Member
P. Sreedhar Babu (CFO)	Member

During the year Risk Management Committee met on 20th March, 2020.

Term of Reference:

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

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

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

Table Q: Details of Sexual Harassment Complaints

a	number of complaints filed during the financial year	**NIL**
b	number of complaints disposed of during the financial year	**NA**
c	number of complaints pending as on end of the financial year	**NIL**

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

Table R: The Company has complied the regulations of SEBI (LODR) as stated below:

Regulation	Particulars of Regulation ComplianceStatus	(Yes/ No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stake Holders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect of Subsidiary of Listed entity	Yes
25	Obligation with respect to Independent Director	No*
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirement	Yes
46 (2) (b) to (i)	Website	Yes

* D& O Insurance for all the Independent Directors was not taken by the company during the Financial Year.

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

X MEANS OF COMMUNICATION

Quarterly Results, Press Releases, presentations and Publications:

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

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

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

g) GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting :

Financial Year : 2019 – 2020
Date : 29.09.2020
Time : 12:00 pm

Venue : In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations, and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue of the AGM shall be B1, TSR Towers, 6-3-1090, Somajiguda, Raj Bhawan Road, Hyderabad - 520082

b) Financial Calendar (tentative): Financial Year 1st April, 2020 to 31st March, 2021

Table S: Calendar for Reporting

Quarter Ending	Release of Results
June 30, 2020	August 14, 2020
September 30, 2020	November 14, 2020
December 31, 2020	February 14, 2021
March 31, 2021	May 30, 2021*

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

c) Dates of Book Closure :

The Books shall be closed from September 22, 2020 to September 29, 2020 (both days inclusive).

d) Listing on Stock Exchanges:

The shares of the Company are listed on The BSE Limited and National Stock Exchange of India Ltd. The Company confirms that it has paid annual listing fees to the stock exchanges for the financial year 2020-2021.

e) Stock Code:

(i) **Table T: Trading Symbol**

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

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

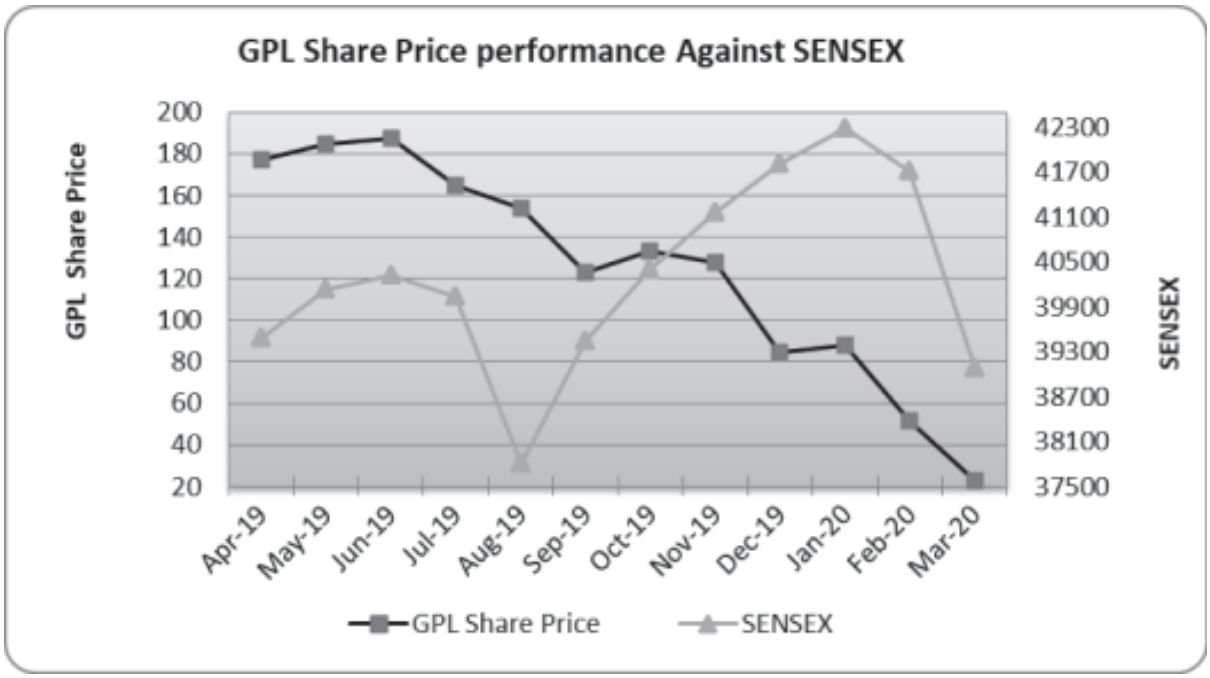
(iii) Demat ISIN Number : **INE336H01023**

f) Stock Market Price Data:

Table U :

BSE SHARE PRICE			BSE SENSEX	
Month	High Price	Low Price	High	Low
Apr-19	177.00	158.00	39487.45	38460.25
May-19	184.85	144.95	40124.96	36956.1
Jun-19	187.50	145.20	40312.07	38870.96
Jul-19	164.40	134.55	40032.41	37128.26
Aug-19	154.00	103.10	37807.55	36102.35
Sep-19	122.65	96.05	39441.12	35987.8
Oct-19	133.25	103.00	40392.22	37415.83
Nov-19	128.00	56.90	41163.79	40014.23
Dec-19	84.50	66.15	41809.96	40135.37
Jan-20	88.00	54.05	42273.87	40476.55
Feb-20	51.35	19.70	41709.3	38219.97
Mar-20	22.75	7.75	39083.17	25638.90

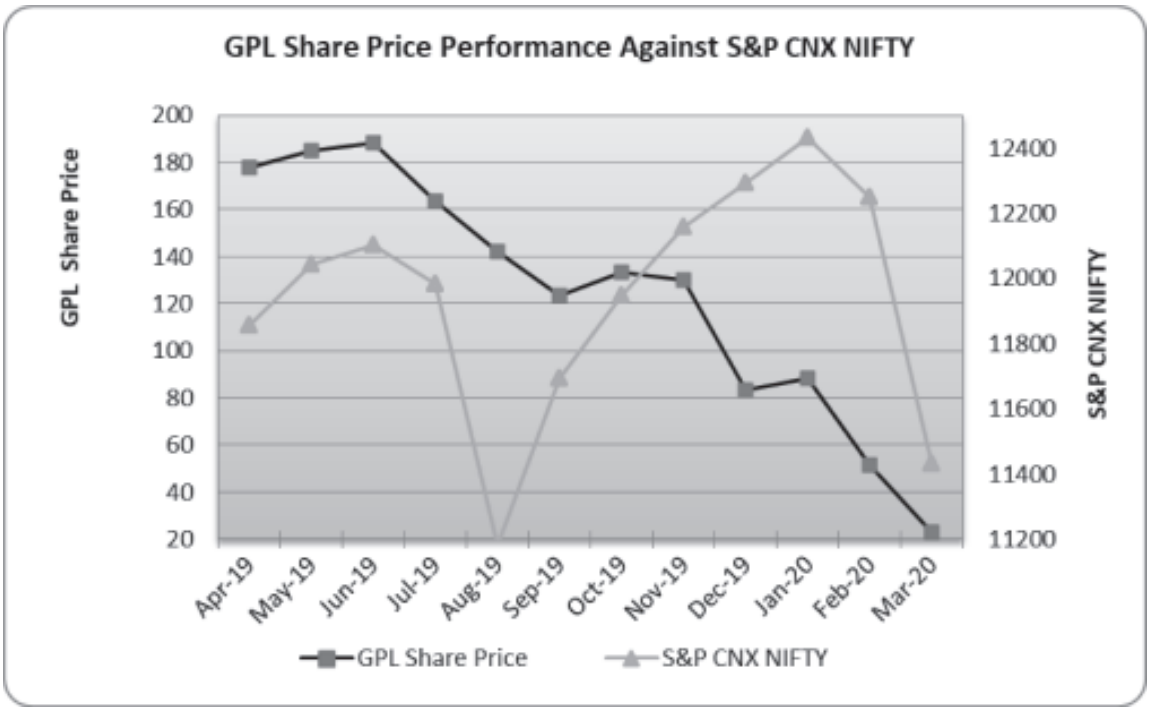
f) Stock Price Performance in comparison with BSE SENSEX



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

Table V :

NSE SHARE PRICE			NSE SENSEX	
Month	**High Price**	**Low Price**	**High**	**Low**
Apr-19	178.00	156.40	11856.15	11549.10
May-19	185.00	144.70	12041.15	11108.30
Jun-19	188.50	155.00	12103.05	11625.10
Jul-19	163.50	134.20	11981.75	10999.40
Aug-19	142.05	102.25	11181.45	10637.15
Sep-19	123.60	96.20	11694.85	10670.25
Oct-19	133.10	104.10	11945.00	11090.15
Nov-19	130.00	56.75	12158.80	11802.65
Dec-19	83.40	66.15	12293.90	11832.30
Jan-20	88.50	54.20	12430.50	11929.60
Feb-20	51.50	19.70	12246.70	11175.05
Mar-20	22.75	7.75	11433.00	7511.10



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

KfinTechnologies Private Limited
Unit: Gayatri Projects Limited
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032.

Tel: 040-67162222, Fax: 040-23001153
Email: einward.ris@kfintech.com Website: www.kfintech.com

j) ***Share Transfer System :***

During the Financial Year 2018-19, the SEBI and MCA have mandated the existing members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialised form. Therefore, Members holding shares in physical form were requested to consider converting their shareholding to dematerialised form. Share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/ purchase transaction from the broker, shareholders should approach the Depository Participant ('DP') with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the Company to register these share transfers. Shareholders should communicate with Kfin Technologies Private Limited, the Company's Registrars and Transfer Agent ('RTA') quoting their folio number or Depository Participant ID ('DP ID') and Client ID number, for any queries to their securities.

a. (i) Table W : Distribution of shareholding as on 31st March, 2020:

Category (Amount)	No. of holders	% of holders	Total Shares	Amount	% of Amount
From 1 - 5000	11194	95.02	2706862	5413724.00	1.45
5001 - 10000	198	1.68	764407	1528814.00	0.41
10001 - 20000	123	1.04	927790	1855580.00	0.50
20001 - 30000	52	0.44	651864	1303728.00	0.35
30001 - 40000	34	0.29	627838	1255676.00	0.34
40001 - 50000	28	0.24	665498	1330996.00	0.36
50001 - 100000	45	0.38	1670253	3340506.00	0.89
100001 & ABOVE	107	0.91	179184173	358368346.00	95.72
TOTAL	**11781**	**100.00**	**187198685**	**374397370.00**	**100.00**

(ii) Table X: Categories of shareholders as on 31st March, 2020:

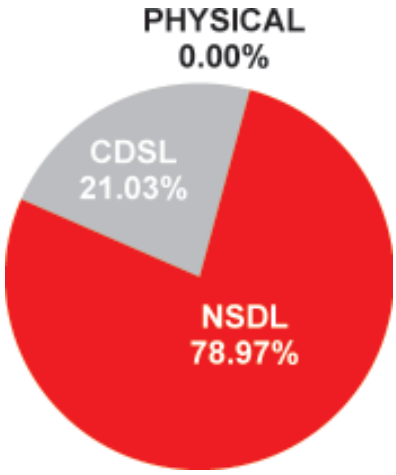
S.No	Category	No. of Cases	Total Shares	% To Equity
1	MUTUAL FUNDS	4	2215404	1.18
2	FOREIGN PORTFOLIO - CORP	44	50722728	27.10
3	FOREIGN INSTITUTIONAL INVESTORS	1	16772852	8.96
4	PROMOTERS & DIRECTORS	5	84049107	44.90
5	ALTERNATIVE INVESTMENT FUND	1	123053	0.07
6	RESIDENT INDIVIDUALS	10738	9161612	4.89
7	INSURANCE COMPANIES	1	3002118	1.60
8	NON RESIDENT INDIANS	146	6961862	3.72
9	CLEARING MEMBERS	34	964913	0.52
10	BANKS	1	125	0.00
11	QUALIFIED INSTITUTIONAL BUYER	1	167753	0.09
12	NON RESIDENT INDIAN NON REPATRIABLE	73	622460	0.33
13	BODIES CORPORATES	171	11220451	5.99
14	I E P F	1	4995	0.00
15	H U F	270	1209252	0.65
	Total:	**11491**	**187198685**	**100.00**

k) Dematerialization of Shares and Liquidity:

As on 31st March, 2020, almost 100% of the paid up equity capital of the Company has been dematerialized and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialization.

Table Y: As on 31st March, 2020 the Equity shares of the Company are dematerialized as follows:

Sl. No	Category	Total No. of Shares	% To Equity
1	Physical	220	0.00
2	Dematerialized	187,198,465	100.00
	Total	187,198,685	100%



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

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

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

The company business is limited to India and hence not exposed to fluctuations in foreign exchange rates. The ECB loan availed by the company has been repaid. The commodity price risks are, by and large, managed contractually through price variation clauses.

m) Address for Correspondence:

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

n) Unpaid / Unclaimed dividend

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

established by the Central Government under the provisions of Section 125 of the Companies Act, 2013.

Shareholders of the Company who have either not received or have not encashed their dividend warrants, for the financial year 2012-13, 2013-14 , 2014-15 and 2015-16 are requested to claim the unpaid/unclaimed dividend from the Company before transfer to the above mentioned fund.

Table: Z

Financial Year	Rate of Dividend	Date of Declaration	Unclaimed Amount (Rs.)	Due for transfer to IEPF on
2012-13	30%	September 27, 2013	78522.00	November 30, 2020
2013-14	20%	September 23, 2014	79302.00	November 30, 2021
2014-15	10%	September 22, 2015	10617.00	December 01, 2022
2015-16	20%	September 22, 2016	48750.00	December 04, 2023

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

Unclaimed dividends for FY 2012-13 to FY 2015-16 is lying in the respective dividend accounts. It can be claimed by writing a letter on plain payer to the RTA of the company.

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

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

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends pertaining to 2011-12 of Rs. 90,165 on 2nd November 2019 to IEPF. Further, 1280 corresponding shares were transferred on 28 November 2019 and 30 November 2019 as per the requirements of IEPF rules.

It can be claimed by submitting web form IEPF 5 to the Registerd Office of the Company addressed to Nodal Officer. IEPF Authority to pay claim amount/shares to the share holders after the verification report is submitted by the company and documents submitted by investor.

p) **Dividend Distribution policy**

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires that the top 500 listed companies Based on the market capitalisation to formulate Dividend Distribution Policy. In compliance of the said requirement, the company has formulated its Dividend Distribution Policy is annexed as **Annexure 1** and is also available on the Company's website at: http://www.gayatri.co.in/corporate-governance.html

q) ***Code of Conduct :***

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

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

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

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

B. COMPLIANCE REPORT ON DISCRETIONARY REQUIREMENTS

1. The Board – Chairperson's Office

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

2. Shareholders rights

We display our quarterly and half yearly results on our web site, www.gayatri.co.in and also publish our results in widely circulated newspapers. We did not send half yearly results to each household of the shareholders in the financial year 2019-20.

3. Audit Qualifications

There are no audit qualifications by the statutory auditors in our company and its subsidiaries as at 31st March 2020.

4. Reporting of internal auditor:

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No.	Name	DIN	Date of Appointment
1.	T. INDIRA REDDY	00009906	08/03/1996
2.	T.V. SANDEEP KUMAR REDDY	00005573	15/09/1989
3.	J. BRIJ MOHAN REDDY	00012927	30/03/1994
4.	BIRENDRA KUMAR	08071170	07/02/2018
5.	K.V. RAMANACHARY	08658826	04/01/2020
6.	Ch. HARI VITHAL RAO	00012970	04/11/2005
7.	G. SREERAMAKRISHNA	06921031	04/01/2020
8.	N. RAMA DEVI	08699570	14/02/2020

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

Sd/-
Y. KOTESWARA RAO
Practicing Company Secretary
ACS No. 3785
C.P. No.: 7427
UDIN: A003785B000403173

Place : Hyderabad
Date : 30.06.2020

CEO & CFO CERTIFICATION

To
The Board of Directors
GAYATRI PROJECTS LIMITED

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

a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2020 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the Companys affairs and are in compliance with the applicable accounting standards, applicable laws and regulations.

b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Companys Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

   i) significant changes in internal control over financial reporting during the year;

   ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Companys internal control system over financial reporting.

   e) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

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

Sd/-
P. SREEDHAR BABU
Chief Financial Officer

Place: Hyderabad
Date: 30.06.2020

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANYS CODE OF CONDUCT

To
The Members of Gayatri Projects Limited

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Companys website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2020.

For GAYATRI PROJECTS LIMITED

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

Place: Hyderabad
Date: 30.06.2020

CERTIFICATE ON CORPORATE GOVERNANCE

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

I have examined the compliance of conditions of Corporate Governance by M/s. Gayatri Projects Limited (CIN: L99999TG1989PLC057289) ('the Company'), for the year ended 31st March 2020, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period April 1, 2019 to March 31, 2020.

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

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

Regulation 25(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, Company has not taken Directors and Officers insurance ('D and O insurance') for all their independent directors for the Financial Year ended March 31, 2020. The Company has reported the said noncompliance to Stock Exchanges in its Corporate Governance Report for the Quarter and year ended March 31, 2020.

Company was in the list of top 500 Companies and therefore, it was required to appoint woman independent director w.e.f April 01, 2019. However, Company made the said appointment only on August 06, 2019 in compliance with the regulation. The Company has reported the said noncompliance to Stock Exchanges in its Corporate Governance Report for the Quarter ended June 30, 2019.

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

Sd/-
Y KOTESWARA RAO
ACS No.: 3785
C.P. No.: 7427
UDIN: A003785B000403206

Place: Hyderabad
Date: 30.06.2020

Annexure - X

Business Responsibility Report

Section A: General Information About The Company:

1.	Corporate Identity Number (CIN) of the Company.	L99999TG1989PLC057289
2.	Name of the Company	Gayatri Projects Limited
3.	Registered address	TSR Towers, B-1 6-3-1090, Rajbhavan Road, Somajiguda Hyderabad 500082
4.	Website	www.gayatri.co.in
5.	E-mail id	cs@gayari.co.in
6.	Financial Year reported	2019-2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Road Projects (42101)Industrial Projects (N.A)Power Projects (42201)
8.	List three key products/services that the Company manufactures /provides (as in balance sheet)	Road Projects, Industrial Projects, Power Projects
9.	Total number of locations where business activity is undertaken by the Company	58
	(a) Number of International Locations (Provide details of major 5)	Nil
	(b) Number of National Locations	58
10.	Markets served by the Company – Local / State/National/International	State / National

Section B: Financial Details of the Company:

1.	Paid up Capital (INR)	₹ 37,43,97,370
2.	Total Turnover (INR)	₹ 3,42,733.36 Lakhs
3.	Total profit / (Loss) after taxes (INR)	₹ (38,457.22) Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%).	₹ 186.52 Laks The Company has spent 1.19% of the average net profits of the last three financial years
5.	List of activities in which expenditure in 4 above has been incurred:-	Health care and Sanitation, Promoting Education, Promoting gender equality and empowering women and Providing shelter, clothing and education for poor girls

Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	Yes, as on 31st March, 2020, the company has 2 subsidiaries.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	Yes, through their own Business Responsibility initiatives.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].	No

Section D: BR Information

1. Details of Director/Directors responsible for BR.

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

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

b) Details of the BR head

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

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

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Policies formulated after internal consultation covering all functional areas								
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Policies conform to statutory provisions								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes the policies were approved by the Board of Directors and the Managing Director and the Executive Director have been authorised to take necessary steps for complying with the BRR requirements								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes. Managing Director								
6.	Indicate the link for the policy to be viewed online?	Policies hosted on the Company's website: https://www.gayatri.co.in/corporate-governance.html								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. Communicated to all internal stakeholders								
8.	Does the company have in-house structure to implement the policy/ policies.	Yes.								
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes.								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes. Internal evaluation								

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

3. Governance related to BR

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

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

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

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

Principle 3: Businesses should promote the wellbeing of all employees

1.	Please indicate the Total number of employees.	2730
2.	Please indicate the Total number of employees hired on temporary/ contractual/casual basis.	As per requirements of Projects
3.	Please indicate the Number of permanent women employees.	20
4.	Please indicate the Number of permanent employees with disabilities	2
5.	Do you have an employee association that is recognized by management.	No
6.	What percentage of your permanent employees is members of this recognized employee association.	Not Applicable
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year	Nil
1.	Child labour/forced labour/ involuntary labour	Nil	Nil	
2.	Sexual harassment	Nil	Nil	
3.	Discriminatory employment	Nil	Nil	

8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
(a)	Permanent Employees	Depends upon sites and Projects
(b)	Permanent Women Employees	
(c)	Casual/Temporary/Contractual Employees	
(d)	Employees with Disabilities	

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

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

Principle 5: Businesses should respect and promote human rights

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

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

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

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

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

Principle 8: Businesses should support inclusive growth and equitable development

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

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

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

Independent Auditor's Report

To the Members of Gayatri Projects Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Gayatri Projects Limited ("the Company"), which comprise the Balance Sheet as at 31stMarch, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and the loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matters

(Note Nos. referred hereunder are with reference to respective Notes forming part of the Standalone Financial Statements)

We draw attention to the following matters:

i) As stated in Note No.33.17, pursuant to significant erosion of Networth of the wholly owned subsidiary company, the management of the company has recognized the diminution in the value of investment (i.e impairment of investment) held by the company in the wholly owned subsidiary company as an exceptional item in the financial statements.

ii) As stated in Note No. 33.18, the Investee Company in which the Company has invested by way of Compulsorily Convertible Cumulative Preference Shares ("CCCPS"), has incurred considerable losses, there has been significant erosion of Networth and further, business operations of the investee company are severely impacted due to COVID – 19 Pandemic. No provision for diminution / impairment for carrying value of the investment is provided for the year ended 31st March, 2020 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.

iii) As stated in Note No. 33.19, the associate company, in which the company has substantial amounts of investments and considerable amount to be receivable from said associate company, 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.

iv) As stated in Note No. 33.20, the Inter Corporate Loan grouped under 'Non-current Loans' and accumulated interest thereon long pending for recovery.

v) As stated in Note No. 33.21, the recovery of trade receivables is delayed for the detailed reasons stated in the said note. 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.

vi) As stated in Note No. 33.22, 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.

vii) As stated in Note No. 33.23, 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.

viii) As stated in the Note No. 33.26, 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) amounting to Rs.12,500 lakhs along with interest to be paid on or before 30th April, 2020 but the Associate Company has defaulted in repayment of principal amount and interest amount of Rs.9,800 lakhs and 788.88 lakhs respectively as on the date of the financial statements.

ix) As stated in the Note No. 33.27, wherein it is explained the COVID – 19 Pandemic effects and impact on the business operations of the company and however, the actual effect will be known based on the future developments.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended 31stMarch, 2020. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

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

	the estimated total contract costs for each contract. Further at the reporting date, revenue is accrued for costs incurred against work performed and which are not billed and further measurement of work completed/cost incurred during the period for recognition of unbilled revenue.	
2	**Physical Verification of Inventory** According to the information and explanations given to us, the inventories have been physically verified during the year by the management. The management of the company was unable to conduct physical verification of the inventory at work sites for the year ended 31st March, 2020 due to COVID – 19 Pandemic impact and related lockdown restrictions. However, the Company's management, conducted physical verification of inventory on dates other than the date of financial statements but prior to the date of the board meeting to be held for the purpose of adopting the financial results at certain project work sites and has made available the documents in confirmation thereof.	We have performed alternate audit procedures based on documents and other information made available to us, to audit the existence of inventories as per the Guidance provided by the Standard on Auditing (SA) 501, Audit Evidence - Specific Considerations for Selected items, and have obtained sufficient appropriate audit evidence. We have obtained the information and documents related to physical verification of inventory conducted at certain project work sites prior to the date of the board meeting to be held for the purpose of adopting the financial statements. We have reviewed the process followed by the company for the inventory management, accounting, movement of the inventory and related internal controls and records and documents maintained for the inventory. We have obtained & reviewed the documents and information related to physical verification of inventory conducted at certain project work sites and also obtained and reviewed the inventory reconciliation statements for the difference between the date of the financial statements and date of physical verification of the inventory.
3	**Defaults in repayment of loans / borrowings and Debt Resolution Plan:** As stated in note no.16.6 & 20.3, the company has defaulted in repayment of certain loans / borrowings and also defaulted in payment of interest dues. As stated in note no.33.29, the company has been facing severe liquidity constraints over the last few months due to cash flow mismatches which have resulted in delayed repayments and interest payments to its lenders consortium. In this regard, the company has proposed a Debt Resolution Plan to the lending consortium which essentially involves sources to meet the repayment of debt service obligations through monetization of arbitral awards, monetization of Claims under process either through a Conciliation & Settlement Mechanism, disposing of non-core assets and cash flows from normal operations of the Company. As a part of the resolution process, the lending consortium has signed an Inter-Creditor Agreement (ICA) on 21st March, 2020.	We have reviewed the borrowings status and default status as on the balance sheet date. We have reviewed the outstanding status of various statutory and other dues. We have obtained and verified the following documents / information with regard to the progress achieved by the company as stated in the note no.33.29: i) Copy of the Resolution Plan submitted to the lending consortium. ii) Copies of GOI Circulars and NHAI policy guidelines referred in the note. iii) Copies of Bank Guarantee sanction letters received by the company. iv) Copy of the Inter Creditor Agreement.

We have determined the above area as a key audit matter in view of the implementation of the above submitted resolution plan involves approval from consortium lenders and monetization of claims and arbitral awards is based on the requisite approvals of govt. authorities and fulfilment of terms and conditions related thereto. Further, mis-match in cash flow will affect the working capital cycle and there by affects the business operations of the company and leads to default in repayments of loan / borrowing dues and interest thereon.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Boards Report including annexures to Board's Report, Business responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the StandaloneFinancial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the

Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Loss, the Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors is in excess of the limits prescribed under section 197 of the Act. As stated in note no. 33.25 the Company is in the process of complying with the prescribed statutory requirements to regularize such excess payment.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. As stated in Note no. 33.1(a),of the Standalone Financial Statements, the Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.

ii. As per the information and explanations given by the Company, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. As per the information and explanations given by the Company, there has been no delay in transferring the amounts which are required to be transferred to Investor Education & Protection Fund.

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

Sd/-
S V C Reddy
Partner
Membership Number: 224028
UDIN: 20224028AAAAAD7949

Place: Hyderabad
Date: 30th June, 2020

Annexure A to the Auditors' Report

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March, 2020, we report that:

(i) In respect of Fixed Assets:

a. In our opinion and as per the information and explanations given to us, the Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets;

b. The management of the company has verified the fixed assets at reasonable intervals during the year. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) According to the information and explanations given to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records, which in our opinion were not material, have been properly dealt with. (Refer point 2 of Key Audit Matter of our main Audit Report.)

(iii) According to information and explanations given to us, the Company has granted unsecured Loans of Rs.20,928.60 lakhs to parties covered in the Register maintained under section 189 of the Companies Act, 2013. In respect of such loans,

a. In our opinion and according to information and explanations given to us, the terms and conditions of such loans given by the Company are not prima facie prejudicial to the interest of the company.

b. The Schedule of repayment of the principal and interest has not been stipulated as the principal amount is repayable on demand.

c. There is no repayment schedule and therefore there is no overdue amount.

(iv) According to information and explanations given to us and in our opinion, the company has complied with the provisions of sections of 185 and 186 of the Act, to the extent applicable, in respect of grant of loans, making investments and providing guarantees and securities.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues

a. According to the information and explanations given to us, and based on our examination of records of the Company, the company has been generally regular in depositing amounts deducted/ accrued in the books of accounts in respect of statutory dues including provident fund, value added tax, cess and other material statutory dues except income tax and goods and service tax for which there have been delays in few cases.

b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, goods and service tax, duty of custom, duty of excise, value added tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except as given below;

Name of the statute	Nature of Dues	Period to which the amount relates	Amount involved ₹ in Lakhs
Income Tax Act, 1961	TDS	2019-20	1,083.08
Goods and Service Tax Act, 2017	GST dues	2019-20	851.28

c. According to the information and explanation given to us, there are no dues of Sales tax, Income Tax, Wealth Tax, Service Tax, Customs Duty, Goods and Service Tax, and Cess which have not been deposited as on 31st March, 2020 on account of any dispute, except the following:

Sl. No.	Name of the Statute	Name of the Tax Due	Forum where Dispute is pending	Amount ₹ in Lakhs	Financial Years
1	Central Sales Tax Act, 1956 and Sales Tax Acts of Various States	Sales Tax/Vat	Appeals pending before High Courts of respective states and Appellate Tribunals and other appropriate authorities.	1,150.12	2001-02 and 2004-05 to 2009-10
2	Central Excise Act, 1944	Service Tax	Appeals pending before various Authorities	1,760.09	2007-08 to 2011-12
3	Goods and Service Tax Act, 2017	GST Dues	Appeal filed before the Commissioner (Appeal), Guwahati	186.66	2017-18

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

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

Non-Current borrowings ₹ in Lakhs

Particulars	Principal		Interest	
	0-30 days	31-60 days	0-30 days	31-60 days
Banks				
Andhra Bank	186.55	186.55	37.35	44.78
Bank of Baroda	323.10	320.94	109.90	115.19
IDBI Bank Ltd	188.00	180.37	177.58	189.26
Indian Overseas Bank	140.06	140.06	105.03	111.29
Syndicate Bank	197.84	197.84	101.50	110.59
United Bank of India	132.29	132.29	96.98	102.75
Financial Institutions / NBFCs				
SREI Equipment Fin.Ltd.	147.69	538.73	49.72	209.86
Sundaram Finance Ltd	-	6.38	-	-
Tata Motors Finance Ltd	-	25.73	-	-
Total	**1,315.53**	**1,728.89**	**678.05**	**883.72**
Total		**3,044.41**		**1,561.77**

Current Borrowings – Secured Working Capital Facilities ₹ In Lakhs

Name of the Bank	Interest	
	0-30 days	31-60 days
Canara Bank	245.90	
IDBI Bank Ltd	149.54	
Punjab National Bank	233.46	59.72
Bank of Baroda	186.99	-
State Bank of India	29.94	-
Syndicate Bank	11.16	11.72
Inter Corporate Loan	10.26	
Total	**867.25**	**71.44**
Total		**938.69**

(ix) According to information and explanations given to us, the company has not raised moneys by way of public offer (including debt instruments). Based on our audit procedures and according to the information and explanations given to us, in our opinion, the Term loans availed by the Company were, prima facie, applied for the purpose for which they were obtained.

(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.

(xi) In our opinion and according to the information and explanations given to us, the company has paid or provided for managerial remuneration in excess of the limits prescribed under Section 197 of the Act read with Schedule V to the Act. For details and other information, refer disclosure made in clause (g) of point (2) under the heading "Report on Other Legal and Regulatory Requirements" of our main Audit Report.

(xii) As the Company is not a Nidhi Company, provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us and based on examination of records of the Company, transactions with related parties are in compliance of Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the company.

(xv) According to the information and explanations given to us and based on examination of records of the Company, the Company has not entered into any non-cash transaction with directors or persons connected with them. Hence, Clause 3(xv) of the Order is not applicable for the current year under report.

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

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

Sd/-
S V C Reddy
Partner
Membership Number: 224028
UDIN: 20224028AAAAAD7949

Place: Hyderabad
Date: 30th June, 2020

Annexure - B to the Auditors' Report

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

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

We have audited the internal financial controls over financial reporting of **Gayatri Projects Limited** ("the Company") as of 31st March, 2020 in conjunction with our main audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us read together with our observations under paragraph Emphasis of Matter of our main report, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
S V C Reddy
Partner
Membership Number: 224028
UDIN: 20224028AAAAAD7949

Place: Hyderabad
Date: 30th June, 2020

Standalone Balance Sheet

as at 31st March, 2020

₹ in Lakhs

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipment	3a	39,420.14	37,633.04
(b) Capital Work in Progress	3b	1,093.35	46.19
(c) Financial Assets			
(i) Investments	4	55,937.28	100,883.66
(ii) Loans	5	34,519.34	34,740.80
(iii) Trade Receivables	6	23,078.44	25,822.15
(iv) Other Financial Assets	7	18,549.10	16,799.43
(d) Deferred Tax Asset (Net)	19	501.06	-
Total Non-Current Assets		**173,098.71**	**215,925.27**
Current assets			
(a) Inventories	8	62,377.98	35,741.42
(b) Financial Asset			
(i) Trade receivables	9	127,876.83	145,972.12
(ii) Cash and cash equivalents	10a	11,828.26	12,649.86
(iii) Other bank balances	10b	21,093.07	20,015.34
(iv) Loans	11	8,505.18	18,872.36
(c) Current Tax Assets (net)	12	19,910.18	14,468.26
(d) Other Current Assets	13	128,520.50	123,647.48
Total Current Assets		**380,112.00**	**371,366.84**
TOTAL ASSETS		**553,210.71**	**587,292.11**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	3,743.97	3,743.97
(b) Other Equity	15	90,488.56	129,219.07
Total Equity		**94,232.53**	**132,963.04**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	56,478.42	71,211.87
(ii) Other Financial liabilities	17	131,141.13	149,622.97
(b) Provisions	18	613.98	482.41
(c) Deferred Tax Liabilities (Net)	19	-	210.52
Total Non-Current Liabilities		**188,233.53**	**221,527.77**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	116,201.16	94,986.78
(ii) Trade payables	21	106,407.51	88,790.32
(iii) Other Financial Liabilities	22	37,739.84	40,097.44
(b) Other Current Liabilities	23	10,110.31	8,584.58
(c) Provisions	24	285.83	342.18
Total Current Liabilities		**270,744.65**	**232,801.30**
TOTAL EQUITY AND LIABILITIES		**553,210.71**	**587,292.11**
Significant Accounting Policies	2		
Other Notes forming part of the Financial Statements	33		

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

For and on behalf of the Board

Sd/-
S V C Reddy
Partner

Sd/-
T. Indira Reddy
Chairperson
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Place: Hyderabad
Date: 30th June, 2020

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary& Compliance Officer

Standalone Statement of Profit and Loss

for the year ended 31st March, 2020

₹ in Lakhs

Particulars	Note No.	For the Year Ended 31st March, 2020	For the Year ended 31st March, 2019
(I) Revenue from operations	**25**	342,733.36	346,314.74
(II) Other Income	**26**	517.42	791.39
(III) Total Income (I+II)		**343,250.78**	**347,106.13**
(IV) Expenses			
(a) Cost of Materials Consumed and Cost of Purchases & Services	**27**	120,393.96	97,077.55
(b) Work Expenditure	**28**	173,097.04	180,405.49
(c) Changes in Work in Progress	**29**	(18,933.50)	(6,286.06)
(d) Employee benefits expenses	**30**	14,921.05	12,770.64
(e) Finance costs	**31**	28,574.69	25,127.50
(f) Depreciation and amortization expense	**3**	9,091.61	6,590.61
(g) Other Expenses	**32**	10,594.04	7,850.20
Total Expenses (IV)		**337,738.89**	**323,535.93**
V Profit / (Loss) before Exceptional items and Tax (III-IV)		5,511.89	23,570.20
VI Exceptional items (Refer Note No.33.17)		(44,533.89)	-
VII. Profit/(Loss) before Tax		(39,022.00)	23,570.20
VIII Tax Expenses (Refer Note No.33.8)		(564.78)	2,493.32
IX Profit / (Loss) for the year (VII-VIII)		**(38,457.22)**	**21,076.88**
X Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss :			
i) Changes in fair value of equity investment		(386.88)	(723.84)
ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits		(33.21)	82.05
iii) Income tax relating to Items that will not be reclassified to profit or loss		146.80	224.27
Total Other Comprehensive Income / (Loss) (X)		(273.29)	(417.52)
XI Total Comprehensive Income / (Loss) for the Year (IX+X)		**(38,730.51)**	**20,659.36**
XII Earning per Share (of ₹ 2/- each)	**33.7**		
Basic and Diluted (₹)		(20.54)	11.26
Significant Accounting Policies	**2**		
Other Notes forming part of the Financial Statements	**33**		

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

For and on behalf of the Board

Sd/-
S V C Reddy
Partner

Sd/-
T. Indira Reddy
Chairperson
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Place: Hyderabad
Date: 30th June, 2020

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary& Compliance Officer

Standalone Statement of Changes in Equity

for the year ended 31st March, 2020

A. Equity Share Capital and Other Equity

₹ in Lakhs

Particulars	Equity Share Capital (Note No. 14)	Other Equity					
		Reserves & Surplus					
		Capital Reserve	General Reserve	Securities Premium Account	Retained earnings	Other Comprehensive Income	Total Other Equity
As at 1st April, 2018	**3,743.97**	**143.40**	**12,300.00**	**37,683.67**	**58,149.31**	**283.33**	108,559.71
Surplus / (Deficit) for the year	-	-	-	-	21,076.88	-	21,076.88
Other Comprehensive Income / (Loss) for the Year	-	-	-	-	-	(417.52)	(417.52)
As at 1st April, 2019	**3,743.97**	**143.40**	**12,300.00**	**37,683.67**	**79,226.19**	**(134.19)**	**129,219.07**
Surplus / (Deficit) for the year	-	-	-	-	(38,457.22)	-	(38,457.22)
Other Comprehensive Income / (Loss) for the Year	-	-	-	-	-	(273.29)	(273.29)
As at 31st March, 2020	**3,743.97**	**143.40**	**12,300.00**	**37,683.67**	**40,768.97**	**(407.48)**	**90,488.56**

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

Sd/-
S V C Reddy
Partner

Place: Hyderabad
Date: 30th June, 2020

For and on behalf of the Board

Sd/-
T. Indira Reddy
Chair person
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary & Compliance Officer

Standalone Statement of Cash Flows

for the year ended 31st March, 2020

₹ in Lakhs

	Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
A	**Cash Flow from Operating Activities:**		
	Profit before Tax excluding extraordinary and exceptional items	5,511.89	23,570.20
	Adjustments for:		
	Depreciation and amortization	9,091.61	6,590.61
	Interest and other Income	(3,469.40)	(3,223.02)
	Expected credit loss	4,792.01	2,195.09
	(Profit)/Loss on sale of Property, Plant and Equipment	141.60	(1.30)
	Finance Costs	31,813.25	27,987.28
	Foreign Currency Translation and Transactions – ECB	10.99	234.99
	Changes in Fair Value of Equity Investment	25.62	81.55
	Operating Profit before working Capital Changes	**47,917.57**	**57,435.40**
	Adjustments for:		
	(Increase) / Decrease in Trade Receivables	18,100.03	(25,935.22)
	(Increase) / Decrease in non-current financial asset	(1,705.89)	(250.18)
	(Increase) / Decrease in current financial asset	10,929.31	(2,891.27)
	(Increase) / Decrease in Other current assets	(12,752.43)	(42,883.59)
	(Increase) / Decrease in Inventory & Work in Progress	(26,636.56)	(6,445.75)
	Increase / (Decrease) in current financial liabilities	3,589.93	4,053.43
	Increase / (Decrease) in non-current financial liabilities	(18,439.83)	46,471.79
	Increase / (Decrease) in Trade Payables	17,617.19	24,648.36
	Cash (used in) / generated from Operating Activities	38,619.32	54,202.97
	Direct Taxes paid (Net)	-	(2,577.66)
	Net Cash (used in)/ generated from Operating Activities (A)	**38,619.32**	**51,625.31**
B	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment including capital work-in-progress (net of proceedings from sale of Plant and Equipment)	(12,067.47)	(10,772.03)
	Net investments in bank deposits (having original maturity of more than three months)	(1,077.73)	(1,444.89)
	Interest and other income received	3,469.40	3,223.02
	Net Cash (used in)/ generated from Investing Activities (B)	**(9,675.80)**	**(8,993.90)**
C	**Cash Flow from Financing Activities**		
	Foreign Currency Translation and Transactions – ECB	(10.99)	(234.99)
	Net Proceeds from /(Repayment of) Long term borrowings	(21,072.52)	(6,406.78)
	Net Proceeds from / (Repayment of) Short term borrowings	20,204.12	(921.82)
	Net Proceeds from / (Repayment of) Inter Corporate Loans	1,010.26	-
	Finance Costs	(29,895.99)	(28,109.86)
	Net Cash (used in)/ generated from Financing Activities (C)	**(29,765.12)**	**(35,673.45)**
	Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(821.60)	6,957.96
	Cash and Cash Equivalents at the beginning of the year	12,649.86	5,691.90
	Cash and Cash Equivalents at the end of the Year	**11,828.26**	**12,649.86**

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

For and on behalf of the Board

Sd/-
S V C Reddy
Partner

Sd/-
T. Indira Reddy
Chairperson
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Place: Hyderabad
Date: 30th June, 2020

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary& Compliance Officer

1. CORPORATE INFORMATION

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

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Compliance with Indian Accounting Standards (Ind AS)

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

2.2 Basis of Preparation and Presentation of Financial Statements

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

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

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

2.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statements. Actual results may differ from these estimates. The Company evaluates these estimations and assumptions on a continuous basis based on the historical experience and other factors including expectation of future events believed to be reasonable. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, estimation of costs as a proportion to the total costs, etc.,. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/ materialized. Changes in estimates are reflected in the financial statements in the

period in which changes are made and if material, are disclosed in the Notes to Account.

2.4 Revenue Recognition

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified Ind AS 115 – "Revenue from Contracts with Customers" for recognition of Revenue, which is effective for accounting periods beginning on or after 1st April, 2018. The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective from 1stApril, 2018. Ind AS 115 supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Company has applied Ind AS 115 using the modified retrospective method and the cumulative impact of transition to Ind AS 115 is negligible amount.

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

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

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

The specific revenue recognition policy adopted is as follows:

A. Revenue from Operations

a. Revenue from Construction activity:

i) Income is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs.

ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract.

iii) Price escalation and other variations in the contract work are included in contract revenue only when:

a) Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim and

b) The amount that is probable will be accepted by the customer and can be measured reliably.

iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:

a) The contract has sufficiently advanced such that it is probable that the specified performance standards will be met; and

b) The amount of the incentive payment can be measured reliably.

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

b. Contract Revenue from supply of materials:

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

c. Revenue receipts from Joint Venture Contracts

i) In work sharing Joint Venture arrangements, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.

ii) In Jointly Controlled Entities, the share of profits or losses is accounted as and when dividend/ share of profit or loss are declared by the entities.

d. Other Operational Revenue:

i) All other revenues are recognized only when collectability of the resulting receivable is reasonably assured and related goods / services are transferred to the customer.

ii) Revenue is reported net of discounts, if any.

B. Other Income

i) Interest income is accounted on accrual basis as per applicable interest rates and on time proportion basis taking into account the amount outstanding.

ii) Dividend income is accounted in the year in which the right to receive the same is established.

iii) Insurance claims are accounted for on cash basis.

2.5 (a) Property, Plant and Equipment

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

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

(b) Capital work in progress

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

2.6 Depreciation and amortization

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

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

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

2.7 Impairment of Non-Financial Assets

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

Recoverable amount is determined:

- In case of an individual asset, at the higher of the Assets' fair value less cost to sell and value in use;and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows),at the higher of cash generating unit's fair value less cost to sell and value in use.

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

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

2.8 Financial Instruments

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

2.9 Financial Assets

Financial Asset is any Asset that is -

(a) Cash

(b) Equity Instrument of another Entity,

(c) Contractual right to -

i. receive Cash / another Financial Asset from another Entity, or

ii. exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

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

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

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

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

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

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss (“ECL”) model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based

on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

Financial Liabilities

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

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

De-recognition of Financial Instruments

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

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

The Company has entered into certain forward contracts in respect of foreign currency risks. The gain or loss relating to the ineffective portion of the hedge is recognized immediately in the Statement of Profit and Loss.

2.10 Inventories and Work in Progress

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

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

2.11 Cash & Cash Equivalents

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

2.12 Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent Assets are neither recognized nor disclosed in the financial statements except where it has become virtually certain that an inflow of economic benefit will arise, the asset and the related income are recognized in financial statements of the period in which the change occurs Provisions for Contingent Liabilities and Contingent Assets are reviewed at the end of Balance Sheet date.

2.13 Foreign Currency Transactions and Translation

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

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

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

2.14 Employee Benefits

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

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

i) Gratuity

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

ii) Provident Fund

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

iii) Compensated Absences

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

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

2.15 Deferred Revenue Expenditure

Projects and other related expenditure incurred up to 31st March, 2020, the benefit of which is spread over more than one year is accounted as Project Promotion Expenses grouped under Other Advances and is amortized over the period in which benefits would be derived.

2.16 Leases

Leases are accounted as per Ind AS 116 which has become mandatory from 1stApril, 2019.

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

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is

depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

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

(i) Low value leases; and

(ii) Leases which are short-term.

2.17 Earnings per Share (EPS)

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

2.18 Taxation

i) Current Tax

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

ii) Deferred Taxes

Deferred Tax is the tax expected to be payable or recoverable on differences between the carrying amount of the assets and liabilities for financial reporting purpose and the corresponding tax bases used in computation of taxable profit. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

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

2.19 Commitments

Commitments are future liabilities for contractual expenditure.

Commitments are classified and disclosed as follows:

a. Estimated amount of contracts remaining to be executed on capital account and not provided for;

b. Uncalled liability on shares and other investments partly paid;

c. Funding related commitment to subsidiary, associate and joint venture companies and

d. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

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

2.20 Operating cycle for current and non-current classification

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

2.21 Statement of Cash Flows

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

i. transactions of a non-cash nature;

ii. any deferrals or accruals of past or future operating cash receipts or payments;

iii. items of income or expense associated from investing or financing cash flows; and

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

2.22 Exceptional Items:

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

2.23 Borrowing Cost

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

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

3a. Property, Plant & Equipment

₹ in Lakhs

Particulars	Gross Carrying amount as at April 1, 2019	Additions/ Adjustment during the year	Deletions / Retirement during the year	Gross Carrying amount as at March 31, 2020	Accumulated Depreciation as at April 1, 2019	Depreciation for the year	Deductions/ Adjustment during the year	Accumulated Depreciation as at March 31, 2020	Net Carrying amount as at March 31, 2020	Net Carrying amount as at March 31, 2019
Land	25.37	-		25.37	-			-	25.37	25.37
Land for Borrow Area (Project Work)	-	827.32		827.32				-	827.32	-
Plant and Equipment	71,707.12	5,733.64	412.30	77,028.46	35,893.10	7,404.75	20.69	43,277.16	33,751.30	35,814.02
Furniture and Fixtures	680.73	1.45		682.18	343.18	53.38		396.56	285.62	337.55
Vehicles	4,103.77	199.60	76.91	4,226.46	2,647.67	320.22	50.25	2,917.64	1,308.82	1,456.10
Right of Use of Assets (Refer Note No. 33.6)	-	4,534.97	-	4,534.97	-	1,313.26		1,313.26	3,221.71	-
Total	**76,516.99**	**11,296.98**	**489.21**	**87,324.76**	**38,883.95**	**9,091.61**	**70.94**	**47,904.62**	**39,420.14**	**37,633.04**

3b.Capital work in Progress

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening Balance	46.19	-
Additions during the year	1,052.66	422.47
Less : Capitalisation / Adjustments during the year	(5.50)	(376.28)
Capital work in Progress	1,093.35	46.19

4. Investments

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Trade investments		
Unquoted		
A. Investment in Subsidiary Companies		
(i) 65,24,030 (As at 31st March 2019 : 65,24,030) Equity Shares of ₹ 10/- each, fully paid in Gayatri Energy Ventures Pvt. Ltd., (Refer Note No.4.1 and 33.17)	63,983.28	63,983.28
Less : impairment of Investment (Refer Note No. 33.17)	(44,533.89)	
(ii) 25,500 (As at 31st March 2019 : 25,500) Equity Shares of ₹ 10/- each, fully paid in Bhandara Thermal Power Corporation Ltd. - Step down Subsidiary (Refer Note No.4.2)	2.55	2.55
B. Other Investments		
a) Investment in Other Companies		
i) 7,82,87,796 (As at 31st March 2019 : 7,82,87,796) 4% Compulsorily Convertible Cumulative Preferential Shares (CCCPS) of ₹ 10/- each, fully paid in Gayatri Hitech Hotels Ltd. (Refer Note No.4.3 and 33.18)	19,571.95	19,571.95
b) Investment in Associate Companies		
ii) 16,77,00,300 (As at 31st March 2019 : 16,77,00,300) 9% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each, fully paid in Gayatri Highways Ltd (Formerly Gayatri Domicile Pvt. Ltd) (Refer Note No.4.4 and 33.19)	16,770.03	16,770.03
Quoted		
a) Investment in Associate Companies		
i) 6,24,00,000 (As at 31st March 2019 : 6,24,00,000) Equity Shares of ₹ 2/- each, fully paid in Gayatri Highways Ltd (formerly Gayatri Domicile Pvt.Ltd) (Refer Note No.4.5)	1,248.00	1,248.00
Changes in Fair Valuation of Investments	(1,110.72)	(723.84)
b) Investment in Other Companies		
(ii) 11,63,607 (As at 31st March 2019 : 11,63,607) Equity Shares of ₹ 10/- each in Gayatri Sugars Ltd. (Refer Note No.4.6)	293.10	293.10
(iii) 1,728 (As at 31st March 2019 :1,728 Equity Shares of ₹10/- each in Syndicate Bank Ltd.	0.86	0.86
Changes in Fair Valuation of Investments	(287.88)	(262.27)
Total	**55,937.28**	**100,883.66**

Details of Quoted and Unquoted Investments:

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Aggregate Amount of Quoted Investment	**143.36**	**555.85**
Aggregate Market value of Quoted Investment	**143.36**	**555.85**
Aggregate Amount of Unquoted Investment	**55,793.92**	**100,327.81**

4.1 48,27,482 Equity shares have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.

4.2 25,500 Equity shares of Bhandara Thermal Power Corporation Limited have been pledged to IL & FS is yet to be released by the IL & FS as the loan is repaid by the step-down subsidiary company.

4.3 7,82,87,796 - 4% Compulsorily Convertible Cumulative Preferential Shares held by the Company in Gayatri Hi-Tech Hotels Ltd have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.

4.4 16,77,00,300 - 9% Non Convertible Cumulative Redeemable Preference Shares held by the Company in M/s. Gayatri Highways Limited (formerly Gayatri Domicile Pvt.Ltd) have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.

4.5 6,23,00,000 Equity shares of Gayatri Highways limited (GHL) (formerly Gayatri Domicile Pvt.Ltd) have been pledged to II&FS Securities Services Limited (Security Trustee) for the credit facilities availed by GHL from IL&FS Financial Services Limited.

4.6 11,63,607 Equity Shares held by the company in Gayatri Sugars Limited have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.

5. Loans (Non-current)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposit with Govt. Depts and Others	32.23	29.36
Loans to Related Parties - Unsecured, Considered Good		
Loans to Associate Company (Refer Note No.33.19)	17,967.01	17,967.01
Less : Provision for Expected Credit Loss	(2,156.04)	(1,931.71)
To Others - Unsecured, Considered Good		
- Inter Corporate Loan (Refer Note No.33.20)	18,676.14	18,676.14
Total	**34,519.34**	**34,740.80**

6. Trade Receivables (Non-current)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered Good		
From Related Parties		
- Receivables from Subsidiary of Associate Company (Refer Note No.33.21)	24,472.04	24,518.72
Less : Provision for Expected Credit Loss	(2,942.25)	(245.19)
- Receivables from Joint Ventures	1,548.65	1,548.62
Total	**23,078.44**	**25,822.15**

7. Other Financial Assets (Non-current)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Accumulated Interest (Refer Note No.33.20)	18,549.10	16,799.43
Total	**18,549.10**	**16,799.43**

8. Inventories

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Construction materials, Stores and Spares	26,394.38	18,691.32
(b) Work in Progress	35,983.60	17,050.10
Total	**62,377.98**	**35,741.42**

9. Trade Receivables (Current)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Secured, considered good	-	-
(b) Unsecured, considered good - Related Parties: Companies in which KMP's are interested	326.68	637.38
- Others	100,529.19	112,847.16
- Retention Money Receivable from Contractees	27,022.60	32,493.96
Sub Total	**127,878.47**	**145,978.50**
Less : Provision for Expected Credit Loss	(1.64)	(6.38)
Total	**127,876.83**	**145,972.12**

10a) Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
(i) Balances with banks In current accounts	8,251.60	10,417.18
In deposit accounts	3,536.82	2,163.73
(ii) Cash in hand	39.84	68.95
Total	**11,828.26**	**12,649.86**

10b) Other Bank Balances (having maturity more than three months)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Margin money for Bank Guarantees / LCs	21,093.07	20,015.34
Total	**21,093.07**	**20,015.34**

11. Loans (Current)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
To Related Parties - Unsecured, Considered Good		
Loans to Subsidiaries (Refer Note No.33.17)	578.55	13,085.54
Loans to Associates (Refer Note No.33.19)	2,383.04	1,025.04
To Others - Unsecured, Considered Good		
Loan (including accumulated interest) (Refer Note No.33.22)	6,847.02	6,627.34
Less : Provision for Expected Credit Loss	(1,303.43)	(1,865.56)
Total	**8,505.18**	**18,872.36**

Note : Loans to Subsidiaries, Associates and others are unsecured and have no fixed repayment schedule.

12. Current Tax Assets (Net)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Income Tax Refund receivable	10,646.70	3,439.50
MAT Credit Entitlement	2,563.63	3,921.63
VAT refund Receivable	1,386.75	1,765.85
GST Input Credit	5,313.10	5,341.28
Total	**19,910.18**	**14,468.26**

13. Other current assets

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits with Govt. Dept & Others	1,401.80	1,187.35
Other receivable (Refer Note No.33.16)	2,082.19	3,992.95
Claims receivable (Refer Note No.2.4.A(a)(v) and 33.24)	69,421.58	41,483.67
Margin Money deposit	885.64	885.64
Project mobilisation Expenditure (Deferred)	4,042.40	10,002.26
Prepaid Expenses	2,218.09	2,574.45
Advances - Unsecured, considered Good		
- Advances to Suppliers	8,412.61	7,750.47
- Advances to Sub-Contractors (Refer Note No.33.23)	42,209.80	55,492.82
Less : Provision for Expected Credit Loss	(2,437.49)	-
- Staff Advances	283.88	277.87
Total	**128,520.50**	**123,647.48**

14. Equity Share Capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital				
Equity shares of ₹ 2/- each (As at 31st March 2019 : ₹ 2/- each)	400,000,000	8,000.00	400,000,000	8,000.00
(ii) Issued Share Capital				
Equity shares of ₹ 2/- each (As at 31st March 2019 : ₹ 2/- each)	187,198,685	3,743.97	187,198,685	3,743.97
(iii) Subscribed and fully paid up Share Capital				
Equity shares of ₹ 2/- each (As at 31st March 2019 : ₹ 2/- each)	187,198,685	3,743.97	187,198,685	3,743.97
Total	**187,198,685**	**3,743.97**	**187,198,685**	**3,743.97**

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

The company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹ 2/- each with voting rights				
At the beginning of the year	187,198,685	3,743.97	187,198,685	3,743.97
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	**187,198,685**	**3,743.97**	**187,198,685**	**3,743.97**

14 (c) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil

14 (d) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹ 2/- each with voting rights:				
Indira Subbarami Reddy Tikkavarapu	57,050,213	30.48	57,129,500	30.52
Sandeep Kumar Reddy Tikkavarapu	26,993,494	14.42	27,019,810	14.43
GMO Emerging Markets Fund	16,772,852	8.96	16,772,852	8.96
Mentor Capital Limited	22,500	0.01	13,024,706	6.96
GMO Emerging Domestic Opportunities Fund	11,052,457	5.90	11,052,457	5.90
Government of Singapore	9,432,140	5.40	10,559,063	5.64

15. Other Equity

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Capital Reserve		
Opening balance	143.40	143.40
Add : Additions to Reserve during the year	-	-
Closing balance	143.40	143.40
(b) General Reserve		
Opening balance	12,300.00	12,300.00
Add: Amount transferred from Statement of Profit and Loss	-	-
Closing balance	12,300.00	12,300.00
(c) Securities Premium Account		
Opening balance	37,683.67	37,683.67
Add: Premium received on Shares issued during the year	-	-
Closing balance	37,683.67	37,683.67
(d) Retained earnings		
Opening balance	79,226.19	58,149.31
Add : Surplus / (Deficit) for the year	(38,457.22)	21,076.88
Closing balance	40,768.97	79,226.19
(e) Other Comprehensive Income (OCI)		
Opening balance	(134.19)	283.33
Add: Movement in OCI (Net) during the year	(273.29)	(417.52)
Closing balance	(407.48)	(134.19)
Total (a+b+c+d+e)	**90,488.56**	**129,219.07**

16. Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non- Current	Current	Non- Current	Current
Secured				
i) Term Loans from Banks				
i. Equipment Loans (Refer Note No.16.1 & 16.4)	4,302.76	3,699.70	6,649.12	7,162.30
ii. Term Loans (Refer Note No.16.2 & 16.4)	44,235.05	8,381.31	57,510.63	8,162.96
iii. External Commercial Borrowings	-	-	-	2,632.77
ii) Term Loans from others				
i. Equipment Loans (Refer Note No.16.1 & 16.4)	5,787.36	2,425.23	6,927.95	2,835.59
ii. Vehicle Loans (Refer Note No.16.3 & 16.4)	76.63	54.33	124.17	106.02
iii) Other Loans				
Lease Liability (Refer Note No.33.6)	2,076.62	1,323.04	-	-
Total	**56,478.42**	**15,883.61**	**71,211.87**	**20,899.64**

16.1 Equipment Loans from Banks and Others

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

16.2 Term loans

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

16.3 Vehicle Loans:

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

16.4 Maturity Profile of long term borrowings is set out below:

₹ in Lakhs

Particulars	2021-22	2022-23	2023-24	2024-25 onwards
Equipment loans from Banks	1,978.96	1,430.20	893.60	-
Term Loans from Banks	17,770.20	16,355.55	10,109.30	-
Equipment & Vehicle loans from Others	3,238.64	2,516.38	108.97	-
Lease Finance	1,197.06	637.07	242.49	-
Total	24,184.86	20,939.21	**11,111.87**	**-**

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

16.6 Details of amounts due as on Balance Sheet date: (Refer Note No.16.7)

₹ in Lakhs

Name of the Bank	Principal		Interest	
	0-30 days	31-60 days	0-30 days	31-60 days
To Banks				
Andhra Bank	186.55	186.55	37.35	44.78
Bank of Baroda	323.10	320.94	109.90	115.19
IDBI Bank Ltd	188.00	180.37	177.58	189.26
Indian Overseas Bank	140.06	140.06	105.03	111.29
Syndicate Bank	197.84	197.84	101.50	110.59
United Bank of India	132.29	132.29	96.98	102.75
To Others				
SREI Equipment Fin.Ltd.	147.69	538.73	49.72	209.86
Sundaram Finance Ltd	-	6.38	-	-
Tata Motors Finance Ltd	-	25.73	-	-
Total	1,315.53	1,728.89	678.05	883.72
Total	**3,044.41**		**1,561.77**	

16.7 The Company has availed the moratorium benefit announced by the Reserve Bank of India on account of COVID 19 pandemic and Hence, Principal and Interest amounts due for March, 2020 are not considered as overdue / default amounts.

17. Other Financial Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advances from Contractees	131,141.13	144,522.97
Margin Money Deposits received	-	5,100.00
Total	**131,141.13**	**149,622.97**

18. Provisions

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Employee Benefits	613.98	482.41
Total	**613.98**	**482.41**

19. Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Deferred Tax (Asset) on timing differences:		
i) on account of Gratuity and Leave Encashment	(75.76)	(61.08)
ii) on account of IND AS Adjustments	(65.09)	(65.09)
(b) Deferred Tax Liability on timing differences:		
i) Other Comprehensive Income	(189.59)	(42.79)
ii) Depreciation	(170.62)	379.48
Total	**(501.06)**	**210.52**

20. Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Loans repayable on demand		
Secured Working Capital Facilities from Banks (Refer note No. 20.1)	115,190.90	94,986.78
Secured Inter Corporate Loan from Others (Refer note No. 20.2)	1,010.26	-
Total	**116,201.16**	**94,986.78**

Nature of Security and Terms of Repayment

20.1 Working Capital Facilities (Secured)

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

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

20.2 Secured Inter Corporate Loan from Others

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

20.3 Details of amounts due as on Balance Sheet date:

₹ in Lakhs

Name of the Bank	0-30 days	31-60 days
Canara Bank	245.90	-
IDBI Bank Ltd	149.54	-
Punjab National Bank	233.46	59.72
Bank of Baroda	186.99	-
State Bank of India	29.94	-
Syndicate Bank	11.16	11.72
Inter corporate loan	10.26	
Total	**867.25**	**71.44**

21. Trade Payables

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Micro, Small and Medium Enterprises	-	-
Others	106,407.51	88,790.32
Total	**106,407.51**	**88,790.32**

22. Other Financial liabilities

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current maturities of Long Term Borrowings		
- Term, Equipment, Vehicle Loans and ECB Loans	11,516.16	20,899.64
- Principal Default on Term, Equipment and Vehcile Loans	3,044.41	-
Lease Liability	1,323.04	-
Interest accrued but not due on Borrowings from Banks & Financial Institutions *	1,228.78	-
Interest accrued and due on Borrowings from Banks & Financial Institutions	2,490.20	1,801.71
Deposits from Sub-contractors (SD/Withhold)	18,036.13	17,170.92
Amortization of Finance Cost	98.95	222.68
Unpaid Dividends	2.17	2.49
Total	**37,739.84**	**40,097.44**

* The Company has availed the moratorium benefit announced by the Reserve Bank of India on account of COVID 19 pandemic and accordingly, Principal and Interest amounts due for March, 2020 are considered as accrued but not due (also refer note no. 33.29)

23. Other Current Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Salaries Payable	2,022.07	1,531.61
Provision / Payables for Expenses and Services	1,466.26	1,319.78
Statutory Dues	6,621.98	5,733.19
Total	**10,110.31**	**8,584.58**

24. Provisions

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Employee Benefits	285.83	342.18
Total	**285.83**	**342.18**

25. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Construction / Contract Revenue (Refer Note No. 33.24)	342,733.36	346,314.74
Total	**342,733.36**	**346,314.74**

26. Other income

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income from Deposits & Others	219.85	128.25
Other Miscellaneous Income	297.57	663.14
Total	**517.42**	**791.39**

27. Cost of Materials Consumed and Cost of Purchases & Services

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Steel	30,020.55	15,532.46
Cement	16,072.88	14,384.68
Bitumen	5,451.90	3,314.67
Metal	39,092.51	37,654.63
Sand & Gravel	3,225.65	1,526.43
Electrical Materials	174.77	1,619.84
Consumable Stores	2,173.73	1,979.57
RCC & GI Pipes	1,288.97	953.19
HSD Oils & Lubricants	18,318.69	16,402.36
Mining work Materails	1,120.60	834.01
Admixer	1,661.72	1,686.14
Other Materials	1,791.99	1,189.57
Total	**120,393.96**	**97,077.55**

28. Work Expenditure

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Departmental Recoveries	13,558.29	6,551.69
Work executed by sub contractors	40,902.12	73,358.93
Earth Work	39,886.98	28,039.46
Concrete Work	31,326.25	32,483.12
Transport Charges	4,339.83	8,863.44
Hire Charges	7,272.45	4,993.56
Road work	9,691.32	9,983.29
Repairs and Maintenance	3,140.63	2,705.26
Mining work expenditure	4,845.38	5,479.45
Royalty and Seigniorage charges	1,107.06	919.07
Taxes and Duties	1,495.94	503.01
Insurance	1,055.21	926.17
Project Promotion Expenses writtenoff	7,114.34	1,403.76
Utility Shifting Work	3,105.73	1,405.79
Security Charges	1,012.25	773.50
Other Work Expenditure	3,243.26	2,015.99
Total	**173,097.04**	**180,405.49**

29. Change in Work-in-Progress

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Opening Work in Progress	17,050.10	10,764.04
Less : Closing Work in Progress	(35,983.60)	(17,050.10)
Changes in Work in Progress	**(18,933.50)**	**(6,286.06)**

30. Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries & Wages	12,834.61	10,782.71
Director's Remuneration (Refer Note No. 33.25)	660.00	800.00
Staff Welfare Expenses	1,099.55	938.19
Contribution to Statutory Funds	326.89	249.74
Total	**14,921.05**	**12,770.64**

31. Finance costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on Term Loans	8,148.19	9,693.44
Interest on Working Capital Facilities	13,714.18	11,292.30
Interest on Equipment Loans & Others	2,624.78	2,353.79
Interest on Lease Finance (Refer Note No. 33.6)	419.55	
Interest on Other Credit Facilities	705.27	-
Interest on ECB Loan *	68.19	753.86
Exchange loss on ECB Loan & Imports	10.99	234.99
Effect of application of effective interest rate on borrowings	(123.72)	(72.38)
Bank Guarantee & Other Financial Charges	6,256.81	3,966.27
	31,824.24	28,222.27
Less : Interest on BG/LC Margin Money Deposits	(1,255.78)	(1,188.97)
Interest on Loans & Advances	(1,993.77)	(1,905.80)
Total	**28,574.69**	**25,127.50**

* includes premium paid on foreign currency forward contract.

32. Other expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Advertisement expenses	21.04	81.76
Audit fee	60.00	60.00
Donations	7.00	83.11
CSR Expenditure (Refer Note No. 33.28)	186.52	212.99
Insurance charges	105.26	107.21
Consultancy & professional charges	1,973.49	1,554.02
General Expenses	154.29	200.64
Power & fuel	249.77	233.29
Miscellaneous expenses	611.58	591.30
Printing & stationery	169.08	173.16
Rent	922.57	886.92
Taxes & licenses	325.81	306.39
Tender Expenses	68.29	31.65
Telephone	78.66	97.64
Traveling, Conveyance & Stay expenses	701.45	954.78
Loss /(Gain)on Fair Market Value of Investment	25.62	81.55
Expected Credit Loss	4,792.01	2,195.09
Loss /(Gain)on sale of assets / Impairment of assets	141.60	(1.30)
Total	**10,594.04**	**7,850.20**

33. OTHER NOTES FORMING PART OF THE FINANCIAL STATEMENTS

33.1 Contingent Liabilities and Commitments

The details of the Contingent Liabilities and Commitments to the extent not provided are as follows:

a. Contingent Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Guarantees given by the Banks towards performance & Contractual Commitments	1,48,066.79	1,51,770.33
b) Corporate Guarantees given to Banks and other financial institutions for loans availed by the:		
· Subsidiary Companies	-	22,000.00
· Associate Companies	12,500.00	12,500.00
· Subsidiary to Associate Companies	2,47,148.00	2,47,148.00
· Companies in which KMP or their relatives areinterested	8,000.00	26,593.90
· Other Companies	1,360.00	1,610.00
c) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	3,096.87	3,953.72

b. Commitments

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Commitments towards investments in Subsidiaries, Joint Ventures and Associates	Nil	Nil

33.2 Related Party Transactions pursuant to Indian Accounting Standard(Ind AS)-24

Details of related parties:	
Subsidiary Company	**Step-down Subsidiary Company**
Gayatri Energy Ventures Pvt.Ltd	Bhandara Thermal Power Corporation Ltd
Associate Company	
Gayatri Highways Limited(formerly Gayatri Domicile Private Limited)	
Companies in which the Company has substantial Interest.	**Key Management Personnel and their Relatives**
Gayatri Lalitpur Roadways Ltd *	Mr. T.V.Sandeep Kumar Reddy (MD)
Gayatri-Jhansi Roadways Ltd *	Mr. J. Brij Mohan Reddy (Vice Chairman)
Sai Matarani Tollways Limited *	Mrs. Indira T Subbarami Reddy (Chairperson)
Hyderabad Expressways Limited *	Mr. T. Rajiv Reddy (Vice President)
HKR Roadways Limited *	Mr. T.Anirudh Reddy
Balaji Highways Holding Limited *	Mr. P. Sreedhar Babu (CFO)
Indore Dewas Tollways Limited *	Mrs. I.V.Lakshmi (CS & CO) #
* Subsidiary/Associate of Associate Company	Mr. Chetan Kumar Sharma (CS & CO)**
Entities in which KMP or their relatives are interested	**Joint Ventures**
Deep Corporation Pvt. Ltd	Gayatri- RNS Joint Venture
Indira Constructions Pvt. Ltd	IJM Gayatri Joint Venture
Gayatri Tissue & Papers Ltd	Gayatri Ranjit Joint Venture
Gayatri Sugars Ltd	Gayatri - GDC Joint Venture
Gayatri Hi-Tech Hotels Ltd	Gayatri – BCBPPL Joint Venture
Gayatri Property Ventures Pvt. Ltd.	Jaiprakash Gayatri Joint Venture
Gayatri Hotels & Theaters Pvt. Ltd	Gayatri ECI Joint Venture
GSR Ventures Pvt. Ltd.	Maytas-Gayatri Joint Venture
T.V.Sandeep Kumar Reddy & Others	Gayatri – Ratna Joint Venture
Gayatri Bio-Organics Limited	MEIL-GAYATRI-ZVS-ITT Consortium
T. Subbarami Reddy Foundation	Gayatri-JMC Joint Venture
Dr.T. Subbarami Reddy (HUF)	Viswanath - Gayatri Joint Venture
Balaji Charitable Trust	GPL-RKTCPL Joint Venture
TSR LalitakalaParishad	Vishwa-Gayatri Joint Venture
Invento Labs Private Limited	Gayatri-RNS-SIPL Joint Venture
Yamne Power Private Limited	SOJITZ-LNT-GAYATRI Joint Venture
Gayatri Hotel Ventures Pvt.Ltd.	Gayatri PTPS Joint Venture
Flynt Mining LLP	Gayatri KMB Joint Venture
Indira Energy Holdings Private Limited	HES GAYATRI NCC Joint Venture
	Gayatri - Ojsc Sibmost Joint Venture
	Gayatri Projects Limited-Crescent EPC Projects & Tech Services Limited (Jv),

Resigned w.e.f. 07/12/2019

**Appointed w.e.f 04/01/2020

Transactions with the related parties:

₹in Lakhs

Sl. No.	Description	Year	Subsidiary &Step-down Subsidiaries	Associate Companies	Entities in which KMP are interested	Joint ventures	KMP & their Relatives
1	Contract Receipts	2019-20	-	1,515.17	-	91,682.94	-
		2018-19	-	1,843.51	-	72,361.02	-
2	Contract payments	2019-20	-	-	405.87	-	250.00
		2018-19	-	-	711.95	-	300.00
3	Office Rent & Maintenance	2019-20	-	-	267.05	-	-
		2018-19	-	-	244.57	-	-
4	Remuneration to CFO, CS, and others	2019-20	-	-	-	-	179.52
		2018-19	-	-	-	-	184.80
5	Interest Received	2019-20	-	244.09	-	19.68	-
		2018-19	-	244.09	-	0.34	-
6	Donations & CSR expenses	2019-20	-	-	186.52	-	-
		2018-19	-	-	236.60	-	-
7	Remuneration and Commission Paid	2019-20	-	-	-	-	660.00
		2018-19	-	-	-	-	800.00
8	Contract Advances received/(given)	2019-20	-	-	-	6,763.16	-
		2018-19	-	-	(62.00)	6,561.00	-
9	Net unsecured loans given/ (Recovered)	2019-20	(12,506.99)	1,358.00	-	-	-
		2018-19	5,148.45	21.00	-	-	-
10	Closing balances – Debit	2019-20	578.55	29,159.43	529.23	40,080.06	-
		2018-19	13,085.54	47,526.64	1,194.67	49,487.28	17.30
11	Closing balances – Credit	2019-20	-	1,625.81	72.32	398,080.09	206.28
		2018-19	-	1,625.81	9.95	37,671.24	220.75

Disclosure of transactions, which are more than 10% of the total transactions of the same type with related parties during the year.

₹ in Lakhs

Name of the Entity	Nature of Transaction	2019-20	2018-19
Gayatri - ECI Joint Venture	Contract Receipts	2,899.89	2,259.43
Jaiprakash-Gayatri Joint Venture	Contract Receipts	440.23	2,011.59
MEIL-Gayatri-ZVS-ITT Consortium	Contract Receipts	2,152.94	5,998.51
Gayatri-RKTCPL Joint Venture	Contract Receipts	147.70	1,693.23
Maytas –Gayatri Joint Venture	Contract Receipts	26,702.41	-
Viswa – Gayatri Joint Venture	Contract Receipts	4,724.18	2,745.98
Gayatri-RNS-SIPL Joint Venture	Contract Receipts	13,228.99	21,633.22
Gayatri – PTPS Joint Venture	Contract Receipts	11,932.32	20,086.23
Gayatri-KMB Joint Venture	Contract Receipts	17,614.96	14,680.17
HES GAYATRI NCC JV	Contract Receipts	6,034.26	-
GAYATRI-OJSC “SIBMOST” (JV)	Contract Receipts	4,990.57	-
GAYATRI-CRESCENT EPC Pro-jects & Technical Services Ltd (JV)	Contract Adv./ Other Adv.	4,743.15	-
Gayatri-KMB Joint Venture	Contract Adv./ Other Adv.	1,238.48	6,561.00

33.3 Impairment of Non-Financial Assets

In the opinion of the management, there are no impaired assets requiring provision for impairment loss as per the Ind AS 36 on "Impairment of Non-Financial Assets". The recoverable amount of building, plant and machinery, furniture and fixtures and vehicles has been determined on the basis of 'Value in use' method.

33.4 Disclosure pursuant to Indian Accounting Standard (Ind AS) – 19 "Employee's Benefits":

The summarized position of Post-employment benefits and long-term employee benefits recognized in the statement of Profit & Loss and Balance Sheet as required in accordance with Indian Accounting Standard – 19 are as under:-

i) Employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both, the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributed ₹ 305.65 Lakhs and ₹ 222.05 Lakhs during the years ended 31st March, 2020 and 31st March, 2019 respectively and the same has been recognized in the Statement of Profit and Loss under the head employee benefit expense.

ii) (a) Changes in the Benefit Obligations:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2019-20	2018-19	2019-20	2018-19
Present Value of Obligation as at the beginning of the year	488.20	470.19	336.39	261.67
Interest Cost	37.35	36.35	25.73	20.23
Current Service Cost	81.48	83.90	(56.36)	74.72
Benefits Paid	(20.47)	(20.19)	(9.73)	(12.92)
Actuarial loss / (gain) on Obligations	33.21	(82.05)	(16.00)	(7.31)
Present Value of Obligation at year end	619.77	488.20	280.03	336.39

(b) Amount Recognized in Balance Sheet:

₹in Lakhs

Particulars	Gratuity		Leave Encashment	
	2019-20	2018-19	2019-20	2018-19
Estimated Present Value of obligations as at the end of the year	619.77	488.20	280.03	336.39
Fair value of Plan Assets as at the end of the year	-	-	-	-
Net Liability recognized in Balance Sheet	619.77	488.20	280.03	336.39

(c) Expenses recognized in Statement of Profit & Loss / Other Comprehensive Income (OCI):

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2019-20	2018-19	2019-20	2018-19
Current Service Cost	81.48	83.90	(56.35)	74.72
Interest Cost	37.35	36.35	25.73	20.23
Net Actuarial (Gain)/Loss recognized in Statement of Profit & Loss.	-	-	(16.00)	(7.31)
Net Actuarial (Gain)/Loss recognized in Statement of Other Comprehensive Income.	(33.21)	(82.05)	-	-
Total expenses recognized in Statement of Profit & Loss/OCI	85.62	38.20	46.62	87.64

(d) Principal Actuarial Assumption:

Particulars	Gratuity		Leave Encashment	
	2019-20	2018-19	2019-20	2018-19
Discount Rate	6.80%	7.65%	6.80%	7.65%
Salary Escalation Rate	4%	4%	4%	4%
Retirement Age	60	60	60	60
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Attrition Rate	1%	1%	1%	1%

(e) The entire present value of funded obligation at the year-end is unfunded and hence, fair value of assets is not furnished.

33.5 Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under IndAS – 108. During the year under report, the Company's business has been carried out only in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

33.6 Leases

Transition to Ind AS 116:

The Company has adopted Ind AS 116 "Leases" ("Standard") effective 1st April, 2019 (Initial application date). Ind AS 116 supersedes Ind AS 17 "Leases". The Standard sets out the principles for recognition, measurement, presentation, and disclosure of leases. The Standard has brought major change with respect to lease accounting to be done by the lessee. It requires lessee to account for right-of-use asset and lease liability for all the leases without lease classifications into operating and finance lease. The Company has used modified retrospective method of transition. Accordingly, the Company has recognized Right to use of asset amounting ₹ 4,534.97 Lakhs. Accordingly, the figures of the previous year have not been restated. The Company has availed of following practical expedients as provided by the Standard:

- Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as a short-term lease.

For leases previously classified as operating leases under Ind AS 17 and which are not low value leases or short-term leases, the Company has recognized:

- a lease liability at present value of the remaining lease payments, discounted using Company's borrowing rate at transition date.
- a right-of-use asset at its carrying amount and discounted using Company's incremental borrowing rate at the date of initial application.

Reconciliation between operating lease commitments disclosed as per Ind AS 17 as at 31st March, 2019 and lease liabilities recognized in the balance sheet at the date of initial application i.e. 1st April, 2019 is as follows:

₹ in Lakhs

Particulars	Amount
Operating lease commitments under Ind AS 17 as at 1st April, 2019	4,791.33
Less: Commitments pertaining to short-term leases	96.77
Less: Impact of discounting of lease payment	637.71
Lease liabilities recognised under Ind AS 116 as at 1st April, 2019	4,056.85

The Company has taken various assets on lease such as, plant & equipment and vehicles. Generally, leases are renewed only on mutual consent and at a prevalent market price and sub-lease is restricted.

Details with respect to right-of-use assets:

₹ in Lakhs

Class of asset	Additions to Right of Use of assets during the year	Depreciation for the year	Carrying amount of the asset as at 31st March 2020
Plant and Equipment	4,226.67	1,188.88	3,037.79
Vehicles	308.30	124.38	183.92
Total	4,534.97	1,313.26	3,221.71

i. Interest expense on lease liabilities amounts to ₹419.55 Lakhs.

ii. The expense relating to payments not included in the measurement of the lease liability and recognized as expense in the Statement of Profit and Loss during the year are as follows:

   a. Low value leases –₹Nil.

   b. Short-term leases – ₹ 101.70 Lakhs.

   c. Total cash outflow for leases amounts to ₹ 1,656.55 Lakhs during the year including cash outflow of short-term and low value leases.

33.7 Earnings per Share (EPS)

₹ in Lakhs

Particulars	2019-20	2018-19
Profit After Tax for calculation of Basic EPS (₹ in Lakhs)	(38,457.22)	21,076.88
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	(38,457.22)	21,076.88
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	1,871.99	1,871.99
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	1,871.99	1,871.99
Basic EPS (₹)	(20.54)	11.26
Diluted EPS (₹)	(20.54)	11.26

33.8 Tax Expenses:

₹ in Lakhs

Particulars	2019-20	2018-19
Current Tax	-	5,079.10
MAT Credit Entitlement	-	(2,501.44)
Short /(Excess) provision of Tax for earlier years	-	194.65
Deferred Tax Liability / (Asset)	(564.78)	(278.99)
Total Tax Expenses	**(564.78)**	**2,493.32**

33.9 Dues to Micro and Small Enterprises:

On the basis of information available with the Company, there are no dues outstanding for more than 45 days to Small Scale Industrial Undertaking (SSI). The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid/ payable as required under the said Act have not been given.

33.10 There are no amounts due and outstanding to be credited to Investors Education & Protection Fund as on 31-03-2020 and amounts which are required to be transferred to such funds have been transferred.

33.11 Disclosure pursuant to Indian Accounting Standard – 115 "Revenue from Contracts with Customers"

₹ in Lakhs

S.no.	Particulars	2019-20	2018-19
1	Contract revenue recognized for the year ended	3,42,733.36	3,46,314.75
2	Contract cost incurred and recognized profits, less losses	3,21,472.27	3,26,060.48
3	Amount of advances received till date, net of recoveries	1,31,141.13	1,44,522.97
4	Gross amount due from customers for contract works	1,27,878.47	1,39,300.31

Income is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs.

33.12 Additional Information pursuant to Schedule III of the Companies Act, 2013.

i) CIF value of Imports

₹ in Lakhs

Sl. No.	Particulars	2019-20	2018-19
1	Purchase of Capital Goods	293.41	2,876.61
2	Materials & Spares	1,885.27	356.74

ii) Expenditure / (Income) in Foreign Currency:

₹in Lakhs

Sl. No.	Particulars	2019-20	2018-19
1	Travelling Expenses	2.14	14.90
2	Interest on ECB Loan	68.19	492.46
3	Consultancy & Technical Fees	2,425.94	2,713.31

iii) Details of major raw materials consumption

₹in Lakhs

Particulars	2019-20		2018-19	
	Value	%	Value	%
Steel	30,020.55	24.94%	15,532.46	16.00%
Metal	39,092.51	32.47%	37,654.63	38.79%
HSD Oils & Lubricants	18,318.69	15.22%	16,402.36	16.90%
Cement	16,072.88	13.35%	14,384.68	14.82%
Bitumen	5,451.90	4.53%	3,314.67	3.41%
Sand & Gravel	3,225.65	2.68%	1,526.43	1.57%
Other Materials	2,912.59	2.42%	2,023.58	2.08%
Consumable Stores	2,173.73	1.81%	1,979.57	2.04%
Admixer	1,661.72	1.38%	1,686.14	1.74%
RCC & GI Pipes	1,288.97	1.07%	953.19	0.98%
Electrical Materials	174.77	0.15%	1,619.84	1.67%
Total:	1,20,393.96		97,077.55	

33.13 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with other entities in the industry, the Company monitors its capital using the gearing ratio which is net debt divided by total equity.

₹ in Lakhs

Particulars		As at 31st March, 2020	As at 31st March, 2019
Debt:			
i)	Non-Current Borrowings	56,478.42	71,211.87
ii)	Current Maturities of Non-Current Borrowings	15,883.61	20,899.64
iii)	Current / Short term Borrowings	1,16,201.16	94,986.78
iv)	Accrued Interest	3,718.98	1,801.71
v)	Less: Cash and Cash Equivalents	(11,828.26)	(12,649.86)
	Net Debt:	**1,80,453.91**	**1,76,250.14**
Equity:			
i)	Equity Share capital	3,743.97	3,743.97
ii)	Other Equity	90,488.56	1,29,353.26
	Total Equity:	**94,232.53**	**1,33,097.23**
	Total net debt to equity ratio (Gearing ratio)	**1.91***	**1.32**

* Total net debt to equity ratio (Gearing Ratio) has increased due to exceptional loss of ₹ 44,533.89 Lakhs (Refer Note No.33.17) during the year.

33.14 Financial Instruments:

A. Financial Instruments by category.

Financial Assets and Financial Liabilities are the categories of Financial Instruments.

B. Fair value hierarchy

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly: and

Level 3 inputs are unobservable inputs for the asset or Liability.

C. Financial Assets:

₹ in Lakhs

Particulars	Fair Value Hierarchy	As at 31st March, 2020	As at 31st March, 2019
EQUITY INVESTMENTS:			
Measured at fair value through profit or loss (FVTPL):			
Equity Investments in Associates	Level-1	137.28	524.16
Equity Investments in Other Entities	Level-1	6.08	31.69
Measured at Cost:			
Investments in Equity Instruments of Subsidiaries	Level-2	19,451.94	63,985.83
INVESTMENTS IN PREFERENCE SHARES:			
Measured at Fair value through profit or loss (FVTPL): Compulsorily Convertible Cumulative Preferential Shares in Other Entity	Refer note: 33.18 Level-2 (for the previous year)	19,571.95	19,571.95
Measured at Cost: Non- Convertible redeemable cumulative preferential Shares in Associates	Level-2	16,770.03	16,770.03

Financial Liabilities:

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Measured at amortized cost: Financial Liabilities i.e Borrowings	1,92,282.17	1,84,465.52

Certain Financial Assets and Financial Liabilities that are not measured at Fair Value but Fair value disclosures are required:

₹ in Lakhs

Particulars	As at 31st March, 2020 (Carrying Value & Fair Value)	As at 31st March, 2019 (Carrying Value & Fair Value)
Fair Value Hierarchy	**(Level - 2)**	**(Level - 2)**
Financial Assets:		
Non- Current Loans	34,519.34	34,740.80
Non-Current Receivables	23,078.44	25,822.15
Other Financial Assets	Nil	Nil
Current Investments	Nil	Nil
Trade Receivables	1,00,854.23	1,13,478.16
Deposits with Contractees	27,022.60	32,493.96
Other Bank Balances	21,093.07	20,015.34
Current Loans	8,505.18	18,872.36
Financial Liabilities:		
Borrowings	1,72,679.58	1,66,198.65
Trade Payables	1,06,407.51	88,790.32
Other Financial Liabilities	1,68,880.97	1,89,720.41

33.15 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks like market risk, credit risk and liquidity risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk, includes loans and borrowings.

a. Interest rate risk

Majority of the Non-current (Long Term) borrowings of the Company bear fixed interest rate, thus interest rate risk is limited for the Company.

b. Foreign Currency Risk:

- The Company's foreign Currency exposure details are as follows:

Particulars	Hedged/ Un-hedged	As at 31st March, 2020		As at 31st March, 2019	
		Foreign Currency USD in Millions	₹ Equivalent in Lakhs	Foreign Currency USD in Millions	₹ Equivalent in Lakhs
Amount payable in Foreign Currency:					
External Commercial Borrowings (ECB)	**Hedged**	Nil	Nil	44.18	2,632.77
Recognised foreign currency liabilities	**Un-hedged**	2.33	1,756.46	2.58	1,787.00
Foreign LC	**Un-hedged**	3.20	2,410.22	2.97	2,056.73

The Company undertakes transactions foreign currencies; consequently, exposures to exchange rate fluctuations arise.Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary items outstanding at the balance sheet date are restated at the prevailing year-end rates. The resultant gain/loss upon such restatement along with gain / loss on account of foreign currency transactions are accounted in the Statement of Profit and Loss.

- **Foreign Currency sensitivity analysis**

The above exposures when subjected to a sensitivity of 5% have the following impact:

₹ in Lakhs

Particulars	Impact on Profit after tax with increase in rate by 5%		Impact on Profit after tax with decrease in rate by 5%	
US Dollar	208.35	191.95	(208.35)	(191.95)

(ii) Credit risk management

Credit risk is the risk that a customer or a counterparty to a financial instrument fails to perform or pay amounts causing financial loss to the company. The maximum exposure of the financial assets is contributed by trade receivables, work-in-progress/ unbilled revenue, cash and cash equivalents and receivables/loans from group companies.

Credit risk on trade receivables, work in progress/unbilled revenue is limited as the customers of the company mainly consist of the Government promoted entities, having strong credit worthiness. The company takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers. During the current year the company had identified credit risk on certain financial instruments as below and has made the necessary provision for the same:

₹in Lakhs

Sl.No	Particulars	Balance As at31st March 2020	Expected creditloss Amount
1	Trade receivables	24,518.72	2,942.25
2	Loans /advances	72,710.37	5,896.96

(iii) Liquidity Risk:

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's management and finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

The following are the details regarding contractual maturities of Significant Financial Liabilities:

a) As at 31st March, 2020

₹ in Lakhs

Particulars	On Demand	Less than 1 year	2-5 Years	Morethan 5 Years	Total
Borrowings	1,16,201.16	15,883.61	56,478.42	-	1,88,563.19
Trade Payables	1,06,407.51	-	-	-	1,06,407.51
Interest Accrued	2,490.20	1,228.78	-	-	3,718.98
Other Financial Liabilities	15,736.94	24,916.81	51,145.04	39,342.34	1,31,141.13
Lease Liability	-	1,323.04	2,076.62	-	3,399.66
Total	**2,40,835.81**	**43,352.24**	**1,09,700.08**	**39,342.34**	**4,33,230.47**

b) As at 31st March, 2019

₹ in Lakhs

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	94,986.78	20,899.64	71,211.87	-	1,87,098.29
Trade Payables	1,05,075.60	-	-	-	1,05,075.60
Interest Accrued	1,801.71	-	-	-	1,801.71
Other Financial Liabilities	17,954.76	28,428.36	58,352.96	44,886.89	1,49,622.97
Total	**2,19,818.85**	**49,328.00**	**1,29,564.83**	**44,886.89**	**4,43,598.57**

33.16 Pursuant to the introduction of the Goods and Service Tax (GST) applicable indirect taxes have got subsumed into GST. The company has executed various Construction Contracts/ projects of NHAI /other state and central government Departments and in majority of the cases, the work orders for these contracts were issued under the erstwhile previous tax laws and the additional impact on account of GST was recognized in the previous years as other receivables under "Other Current Assets" note. During the year the company has recovered substantial amount of GST due and the balance amount will also be recovered in the due course.

33.17 Gayatri Energy Ventures Private Limited (GEVPL), a wholly owned subsidiary company incorporated for the purpose of investment in power projects, in which the Company had invested Equity Share Capital of ₹63,983.28 Lakhs and also funded as and when required in the form of unsecured loan, the balance loan as at 31st March 2020 is ₹578.55 Lakhs. During the year, GEVPL has sold its entire investment in Sembcorp Energy India Limited (SEIL) for a consideration of ₹40,677.19 Lakhs and the proceeds from the sale were utilized by GEVPL to repay dues towards Debentures and remaining amount is used by the company for various purposes. As a result of sale of investment in SEIL, there has been significant erosion in the networth of GEVPL for the year ended 31st March 2020. In view of the above, the management of the company has recognized the loss i.e diminution in the value of investment (impairment of Investment) by ₹44,533.89 Lakhs on the basis of net worth of GEVPL. Considering the nature of the transaction, the same has been disclosed as an exceptional item in the statement of Profit

& Loss of the financial statements for the year ended 31st March, 2020. Further, pursuant to the 'Share Purchase Agreement' entered for the sale of the investment, GEVPL is entitled to earn outs on occurrence of liquidity event in SEIL which is no later than 31st December, 2024 and the earn outs amount will be recognized in the year of realization.

33.18 The company has investment in Gayatri Hi-tech Hotels Limited ("Investee Company") in the form of Compulsorily Convertible Cumulative Preferential Shares ("CCCPS") amounting to ₹19,571.95 Lakhs as at 31st March 2020. 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.

During the financial year, the investee company rescheduled its Debt and certain financial parameters of the investee company have also improved. However, due to COVID-19 pandemic and implementation of lockdown in the county, the business operations of the investee company was severely impacted. The extent to which the COVID – 19 pandemic shall effect the operations of the investee company are depended on future developments. In these circumstances, the company is unable to assess the true impact on its investment made in CCCPS for the current financial year ending 31st March 2020. However, the management of the company is of the view that these CCCPS will be converted into equity shares of the investee company during the financial years 2027-28 which is very long period and further, the management is very confident that business operations of the investee company will get normalized at the earliest and generate sufficient cash flows. Hence, considering the tenure of the investment and nature of the investment, provision for diminution / impairment for carrying value of the investments is not required to be made for the current financial year.

33.19 Gayatri Highways Limited, an associate company in which the company has investment of ₹16,770.03 Lakhs in the form of Non-Convertible Preference Shares ('NCPS'), Equity Share Capital investment of ₹1,248.00 Lakhs and also funded an amount of ₹20,350.05 Lakhs of unsecured loan / subordinate debt as at 31st March, 2020. 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. Based on the above, the management of the company is of the opinion that 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 year ended 31st March, 2020.

33.20 In the ordinary course of business, the Company had given Contract Advances to a sub-contractor which on mutual consent have been converted into interest bearing inter corporate loan. The said inter corporate loan of ₹18,676.14 Lakhs and interest thereon of ₹18,549.10 Lakhs is pending for recovery as at 31st March, 2020. 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. In view of this, no provision for the same is required to be made in the financial statements of the company for the year.

33.21 One of the subsidiary of the associate company (herein after called as "concessionaire company" or "SMTL"), which has been awarded a Build-Operate-Transfer (BOT) work for construction of Four Laning of Panikoili-Rimuli section of NH-215 Road has given termination notice to National Highways Authority of India (NHAI). The Company has to receive an amount of ₹24,472.04 Lakhs towards EPC cost from the said concessionaire company as on 31st March, 2020. Further, the company has given an irrevocable and unconditional Corporate Guarantee of ₹182,735.00 Lakhs to the lenders of the concessionaire company.

SMTL Project was terminated by NHAI on 28th January, 2020 and toll collection rights were handed over to them on 30th January, 2020. SMTL is entitled for a Termination Payment of ₹2,83,447.00 Lakhs (which includes Adjusted Equity of ₹ 83,519.00 Lakhs and Total Debt Due of ₹ 1,99,928.00 Lakhs). Apart from the Termination Payment, SMTL has made a claim under "Concessionaire's right to recover losses/ damages from the Authority on account of material default of the Authority for an amount of ₹ 97,449.00 Lakhs towards cost overrun claims attributable to the NHAI, which includes claims against EPC Escalation made on NHAI from EPC Contractor (GPL) for ₹51,752.00 Lakhs. The above Claims and the termination payment have been referred to the Conciliation Committee of Independent Experts ("CCIE") as per NHAI policy. The first meeting of the committee is scheduled for hearing on 01.07.2020.

As per the information and explanations given by the concessionaire company and based on the legal opinion obtained by it, the said concessionaire company will receive significant amount of compensation so as to settle dues to the lenders and the company. As per the available information and based on the discussions held with the lenders, the management is of the view that the possibility of invocation of Corporate Guarantee is remote. In view of this, the management is of the opinion that no provision is required to be made in respect of receivables and Corporate Guarantee for the year ended 31st March 2020.

33.22 An amount of ₹ 3,620.49 Lakhs as on 31st March, 2020 is receivable from M/s Western UP Tollways Limited ('Erstwhile Associate Company') operating Meerut and Muzaffarnagar Section of NH-58 Road on BOT basis against the EPC works executed by the company during the previous years and the amounts shall be recovered out of the claims amounts received by the erstwhile associate company from NHAI. The erstwhile associate has so far raised a total claim for ₹46,956.00 Lakhs on NHAI on different counts which are in the advanced stage of arbitration. The Management of the erstwhile associate company is confident of getting the claims amounts from NHAI and assured the company by way of agreement, to pay the dues to the company upon receipt of claims and hence, in the opinion of the management, no provision is required to be provided in respect of amounts receivable from the said erstwhile associate company.

33.23 The Advances to Subcontractors and others as at 31st March, 2020, includes an amount of ₹14,877.57 Lakhs given to one sub-contractor in the normal course of business. The recovery of this advance is delayed due to certain extraneous factors not attributable to the subcontractor. During the current financial year, the company has recovered an amount of ₹15,199.00 Lakhs from the said sub-contractor. In view of this, the management is confident to recover the entire advances from the sub-contractor in due course and hence no provision is required to be made in the financial statements for the current financial year.

33.24 M/s. Mytas Gayatri Joint Venture ("Joint Venture") in which, the company is one of the partners had executed road project work in the state of Nagaland. The Joint Venture had filed claim applications before the Arbitral Tribunal during the previous year regarding the aforesaid works. The Arbitral Tribunal has passed the arbitration award in favour of the Joint Venture during the year and based on the arbitration award, the company has recognized its share of contract claim amount (including interest) of ₹ 26,702.41 Lakhs during the year as revenue. Further, an amount of ₹ 8,254.92 Lakhs has been recognized as expenditure against company's share of revenue which is payable to the subcontractor who had executed part road project work on sub-contract basis. The arbitration award claim amount will be received on completion of the court process.

33.25 The managerial remuneration accrued / paid by the Company to its Managing Director & Executive Vice Chairman for the year ended March 31, 2020 is in excess by ₹519.96 Lakhs vis-à-vis the limits specified in Section 197 of CompaniesAct, 2013 ('the Act') read with Schedule V thereto in absence of profit for the current year. The Company is in the process of complying with the prescribed statutory requirements to regularize such excess payments, until then, the said excess amount is held in trust by the Managing Director and Executive Vice Chairman.

33.26 As per the settlement agreement dated 29th March, 2019 made between the Company, Gayatri Highways Limited ("GHL") – an Associate Company and IL&FS Financial

Services Limited (IL&FS); the Company and GHL jointly and severally agreed to repay the loan availed by GHL amounting to ₹12,500.00 Lakhs along with interest in twelve monthly instalments commencing from May 2019 and the entire amount to be paid on or before 30th April, 2020. As per the available information and financial statements of GHL, Principal amount of ₹9,800.00 Lakhs and Interest amount of ₹788.88 Lakhs are defaulted as at Balance Sheet date i.e. 31.03.2020.

33.27 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 lock down restrictions imposed in the month of March, 2020, the work at major sites has come to standstill and post lockdown restrictions, the works are resumed but due to shortage of site workmen and disruption in material supply, the works are being carried at sub-optimal level which may lead to delay in completion of the projects. However, the respective Departments have awarded an extension of time by another six months with no extra cost to the contractor. COVID –19 Pandemic impact and lockdown restrictions caused temporary stress on the working capital management.The company has opted for the utilization of Moratorium Benefit provided by the Reserve Bank of India and the company has also applied for loan facility under Covid Emergency Credit Line. As stated above, the company is mainly executing government related works, it is estimated that there will be no defaults in receivables of the company and there will be no cancellation / suspension of works allotted to the company. In view of the above, the COVID–19 pandemic impact on the business operations of the company is temporary in nature and it will not impact the continuity of the business operations of the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact on the financial statements.

33.28 Corporate Social Responsibility:

Amount required to be spent by the Company as per the provisions of section 135(5) of Companies Act, 2013 on Corporate Social Responsibility (CSR) related activities during the year is ₹312.86 Lakhs (previous year: ₹211.44 Lakhs).

The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is₹186.52 Lakhs (previous year ₹ 212.99 Lakhs), which comprises: -

a. Amount spent during the year is: **₹ in Lakhs**

Particulars	Paid	Provided	Total
1. Construction/acquisition of any asset	— (–)	— (–)	— (–)
2. On Other Expenses			
• Shown under CSR Expenditure in Other Expenses (Note no. 32)	186.52 (212.99)	— (–)	186.52 (212.99)

(Amounts in bracket indicate previous year's numbers.)

b. Details of related party transactions: **₹ in Lakhs**

Particulars	2019-20	2018-19
Contribution to a trust controlled by KMP or their relatives		
• Balaji Charitable Trust	39.70	58.27
• T. Subbarami Reddy Foundation	146.82	154.72
Total	**186.52**	**212.99**

33.29 **Debt Resolution Plan: -**

The company is facing severe liquidity constraints over the last few months on account of cash flow mismatch. In view of this, the company has proposed a resolution plan to the lending consortium, which essentially involves sources to meet the repayment debt service obligations through monetization of arbitral awards, monetization of Claims under process either through a Conciliation & Settlement Mechanism, disposing of non-core assets and cash flows from normal operations of the Company. As a part of the resolution process, the lending consortium has signed an Inter-Creditor Agreement (ICA) on 21st March, 2020.

33.30 Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of loans and advances in the nature of loans:

₹ in lakhs

Name of the Company	Relationship	Balances as at		Maximum outstanding	
		31.03.2020	31.03.2019	2019-20	2018-19
Gayatri Energy Ventures Pvt. Ltd	Subsidiary	578.55	13,085.53	14,695.58	13,085.53
Gayatri Highways Ltd	Associate	20,350.05	18,992.05	20,350.05	18,992.05

33.31 Previous year figures are regrouped/reclassified to match with the current year presentation.

33.32 All amounts are rounded off to nearest Thousands.

For M O S & Associates LLP
Chartered Accountants

For and on behalf of the Board

Sd/-
S V C Reddy
Partner

Sd/-
T. Indira Reddy
Chairperson
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary& Compliance Officer

Place: Hyderabad
Date: 30th June, 2020

Independent Auditor's Report

To the Members of Gayatri Projects Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Gayatri Projects Limited (hereinafter referred to as the 'Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), its associate and Joint Ventures which comprise the consolidated Balance Sheet as at 31st March, 2020, and the consolidated statement of Profit and Loss (including Other Comprehensive Loss), the consolidated statement of changes in equity and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on separate financial statements and the other financial information of subsidiary company, associate company and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and Joint Ventures as at 31st March, 2020, of consolidated loss, consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

We are independent of the Group, its associate, Joint Ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

(Note Nos. referred hereunder are with reference to respective notes forming part of consolidated financial statements)

We draw attention to the following matters:

i) As stated in Note No. 32.15 to the consolidated financial Statements, pursuant to significant erosion of Networth of the wholly owned subsidiary company, the management of the company has recognized the diminution in the value of investment (i.e impairment of investment) held by the company in the wholly owned subsidiary company as an exceptional item in the financial statements.

ii) As stated in Note No. 32.16 to the consolidated financial Statements, the associate company, in which the company has substantial amounts of investments and considerable amount to be receivable from said associate company, has been incurring operating losses during the past few years, the financial statements of the said associate company have been prepared on going concern basis for the detailed reasons stated in the said note.

iii) As stated in Note No. 32.17 to the consolidated financial Statements, the Investee Company in which the Company has invested by way of Compulsorily Convertible Cumulative Preference Shares ("CCCPS"), has incurred considerable losses, there has been significant erosion of Networth and further, business operations of the

investee company are severely impacted due to COVID – 19 Pandemic. No provision for diminution / impairment for carrying value of the investment is provided for the year ended 31st March, 2020 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.

iv) As stated in Note No. 32.18 to the consolidated financial Statements, the Inter Corporate Loan grouped under 'Non-current Loans' and accumulated interest thereon long pending for recovery.

v) As stated in Note No. 32.19 to the consolidated financial Statements, the recovery of trade receivables is delayed for the detailed reasons stated in the said note. 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.

vi) As stated in Note No. 32.20 to the consolidated financial Statements, 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.

vii) As stated in Note No. 32.21 to the consolidated financial Statements, 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.

viii) As stated in the Note No. 32.24 to the consolidated financial Statements, 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) amounting to Rs.12,500 lakhs along with interest to be paid on or before 30th April, 2020 but the Associate Company has defaulted in repayment of principal amount and interest amount of ₹9,800 lakhs and ₹788.88 lakhs respectively as on the date of the financial statements.

ix) As stated in the Note No. 32.25 to the consolidated financial Statements, wherein it is explained the COVID – 19 Pandemic effects and impact on the business operations of the group and however, the actual effect will be known based on the future developments.

x) As stated in the Note No. 32.28 to the consolidated financial statements, regarding amount payable by the subsidiary company to holders of Optionally Fully Convertible Debentures.

xi) As stated in the Note No. 32.29 to the consolidated financial statements, 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.32.30 to the consolidated financial statements, regarding contract advances given by the step down subsidiary company which are long pending for recovery.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

The Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended 31st March, 2020. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

S.no.	Key Audit Matter	Audit Process
1	**Revenue recognition and measurement of contract assets in respect of unbilled amounts** The management of the holding company has applied significant judgement in determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. Revenue is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs. The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract. Further at the reporting date, revenue is accrued for costs incurred against work performed and which are not billed and further measurement of work completed/cost incurred during the period for recognition of unbilled revenue.	• We have obtained the procedure and process involved in estimating the percentage of completion of the projects. • We have also obtained and verified the costs incurred on the project/works up to the reporting date for the revenues accounted in respect of works on sampling basis. • We have also obtained the certified copies (i.e percentage of completed work approved by the relevant authorities) of works executed till the reporting date in respect of revenues accounted on sampling basis. • We have also performed analytical procedures for reasonableness of revenues recognised. • We have also verified the reasonableness of the estimation of remaining costs to be incurred to complete the project / work and profit / loss estimated in the project / work. • Reviewed the delivery and collection history of customers against whose contracts un-billed revenue is recognised. • Tested relevant contracts for measurement of work completed during the period for unbilled revenue.
2	**Physical Verification of Inventory** According to the information and explanations given to us, the inventories have been physically verified during the year by the management. The management of the company was unable to conduct physical verification of the inventory at work sites for the year ended 31st March, 2020 due to COVID – 19 Pandemic impact and related lockdown restrictions. However, the Company's management, conducted physical verification of inventory on dates other than the date of financial statements but prior to the date of the board meeting to be held for the purpose of adopting the financial results at certain project work sites and has made available the documents in confirmation thereof.	• We have performed alternate audit procedures based on documents and other information made available to us, to audit the existence of inventories as per the Guidance provided by the Standard on Auditing (SA) 501, Audit Evidence - Specific Considerations for Selected items, and have obtained sufficient and appropriate audit evidence. • We have obtained the information and documents related to physical verification of inventory conducted at certain project work sites prior to the date of the board meeting to be held for the purpose of adopting the financial statements.

		• We have reviewed the process followed by the company for the inventory management, accounting, movement of the inventory and related internal controls and records and documents maintained for the inventory. • We have obtained & reviewed the documents and information related to physical verification of inventory conducted at certain project work sites and also obtained and reviewed the inventory reconciliation statements for the difference between the date of the financial statements and date of physical verification of the inventory.
3	**Defaults in repayment of loans / borrowings and Debt Resolution Plan:** As stated in note no.15.7&19.3, the company has defaulted in repayment of certain loans / borrowings and also defaulted in payment of interest dues. As stated in note no. 32.26, the company has been facing severe liquidity constraints over the last few months due to cash flow mismatches which have resulted in delayed repayments and interest payments to its lenders consortium. In this regard, the company has proposed a Debt Resolution Plan to the lending consortium which essentially involves sources to meet the repayment of debt service obligations through monetization of arbitral awards, monetization of Claims under process either through a Conciliation & Settlement Mechanism, disposing of non-core assets and cash flows from normal operations of the Company. As a part of the resolution process, the lending consortium has signed an Inter-Creditor Agreement (ICA) on 21st March, 2020. We have determined the above area as a key audit matter in view of the implementation of the above submitted resolution plan involves approval from consortium lenders and monetization of claims and arbitral awards is based on the requisite approvals of govt. authorities and fulfilment of terms and conditions related thereto. Further, mis-match in cash flow will affect the working capital cycle and there by affects the business operations of the company and leads to default in repayments of loan / borrowing dues and interest thereon.	We have reviewed the borrowings status and default status as on the balance sheet date. We have reviewed the outstanding status of various statutory and other dues. We have obtained and verified the following documents / information with regard to the progress achieved by the company as stated in the note no.32.26: i) Copy of the Resolution Plan submitted to the lending consortium. ii) Copies of GOI Circulars and NHAI policy guidelines referred in the note. iii) Copies of Bank Guarantee sanction letters received by the company. iv) Copy of the Inter Creditor Agreement.
4	**Sale of investment made by the Subsidiary company in Sembcorp Energy India Limited (SEIL) (formerly Thermal Power tech corporation India Limited)** As stated in note no. 32.31, pursuant to the Share Purchase Agreement entered by the subsidiary company, the company had sold its entire investment held in SEIL for a	

	consideration of ₹ 40,677.19 lakhs. Pursuant to such sale, the subsidiary company had derecognized the previously recognized other comprehensive income on fair valuation of shares. Accordingly, the sale of investment has been determined to be a Key Audit Matter as reported in the Auditors' Report of the said Subsidiary Company.	• Obtained and verified the share purchase agreement. • Obtained and verified the documents related to utilization of proceeds from the sale of shares.
5	**Carrying Value of Investments in NCC Infrastructure Holdings Limited (NCCIHL) held by the subsidiary company.** The management regularly reviews whether there are any indicators of impairment on unquoted investments made by the company. Accordingly, the management had identified impairment indicators in NCCIHL, associate of the company with an equity investment of ₹ 28,969.35 Lakhs (Refer Note 32.32 of the Consolidated Financial Statements). As per Ind AS 36 - 'Impairment of Assets' the standard is applicable to financial assets classified as Associates. In case of NCCIHL, the existence of an impairment indicator is significantly influenced by whether there is an impairment to the underlying investment in infra project made by the said company. This assessment involves significant judgment especially in relation to determination of expected future economic benefits. Accordingly, the evaluation of impairment of investments in NCCIHL held by the subsidiary company was determined to be a key audit matter as reported in the Auditors' Report of the said Subsidiary Company.	• Obtained and read the financial statements of NCCIHL to identify if any disclosure is made for impairment of assets in its financial statements. • Obtained the details of Risk assessment conducted by the management. • We have obtained the management's understanding with regard to impairment of the investments made in loss making associate company.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Boards Report including annexures to Board's Report, Business responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

The HoldingCompany's Board of Directors is responsible for the matters stated in section 134(5)

of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive loss, consolidated changes in equity and consolidated cash flows of the Group including its associate, Joint Ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group, its associate and Joint Ventures is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, its associate and Joint Ventures are also responsible for overseeing the financial reporting process of the Group and of its associate and Joint Ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its associate entities and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of one associate in which the share of Group's loss of ₹Nil included in consolidated financial statements. These financial statements/financial information have been audited by other auditor whose audit report have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of the associate and our report in terms of subsection (3) and (11) of section 143 of the Act, in so far as it relates to the associate, is solely based on such reports of the other auditors.

We have relied on the unaudited (management certified) financial statements / financial information of twenty-one joint ventures in which the share of Group's ₹ Nil included in the consolidated financial Statements. In respect of unaudited (management certified) financial statements, our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, is based solely on such unaudited financial statements/financial information.

Our Opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of other auditor and financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the

purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group, its associate entities and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditors' reports of the holding company, subsidiary company, associate company and joint ventures. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

(g) with respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding company to its directors is in excess of the limits prescribed under section 197 of the Act. As stated in note no. 32.23, the Company is in the process of complying with the prescribed statutory requirements to regularize such excess payment.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) As stated in note no. 32.1 of the consolidated financial statements, the Group, its associate and joint ventures disclosed the impact of pending litigations on the consolidated financial position of the Group and its associate entities in its consolidated financial statements.

(ii) As per the information and explanations given by the Company, the Group and its associate entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) As per the information and explanations given to us, there has been no delay in transferring the amounts which are required to be transferred to Investor Education & Protection Fund by the Group and its associate entities wherever applicable.

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

Sd/-
S V C Reddy
Partner
Membership Number: 224028
UDIN: 20224028AAAAAF2229

Place: Hyderabad
Date: 30th June, 2020

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Gayatri Projects Limited ("the Holding Company") and its subsidiary (collectively referred to as "the Group"), its Associate and Joint Ventures as of 31st March, 2020 in conjunction with our audit of the consolidated financial statements of the Holding company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company, its subsidiary company, associate companies and joint ventures internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company, its associate company and Joint Ventures have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to one associate companies, which is company incorporated in India, is based on the corresponding report of the auditor of that associate company. Our opinion is not modified in respect of this matter.

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

Sd/-
S V C Reddy
Partner
Membership Number: 224028
UDIN: 20224028AAAAAF2229

Place: Hyderabad
Date: 30th June, 2020

Consolidated Balance Sheet

as at 31st March, 2020

₹ in Lakhs

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2a	45,641.29	43,854.19
(b) Capital Work in Progress	2b	1,739.95	702.55
(c) Intangible Assets	2c	-	7.18
(d) Financial Assets			
(i) Investments	3	57,194.21	120,132.61
(ii) Loans	4	34,519.34	35,482.14
(iii) Trade Receivables	5	23,078.44	25,822.15
(iv) Other Financial Assets	6	21,785.16	19,032.21
(e) Deferred Tax Asset (Net)	18	501.06	-
Total Non-Current Assets		**184,459.45**	**245,033.03**
Current Assets			
(a) Inventories	7	62,377.98	35,741.42
(b) Financial Asset			
(i) Trade receivables	8	127,876.83	145,972.12
(ii) Cash and cash equivalents	9a	11,835.63	12,820.27
(iii) Other bank balances	9b	21,093.07	20,511.30
(iv) Loans	10	7,926.63	5,786.82
(c) Current Tax Assets	11	19,916.78	14,474.32
(d) Other Current Assets	12	130,441.68	128,326.69
Total Current Assets		**381,468.60**	**363,632.94**
TOTAL ASSETS		**565,928.05**	**608,665.97**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	3,743.97	3,743.97
(b) Other Equity	14	87,284.62	113,592.70
Total Equity		**91,028.59**	**117,336.67**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	71,378.89	103,137.28
(ii) Other Financial liabilities	16	131,141.13	149,622.97
(b) Provisions	17	613.98	482.41
(c) Deferred Tax Liabilities	18	-	210.52
Total Non-Current Liabilities		**203,134.00**	**253,453.18**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	116,201.16	94,986.78
(ii) Trade payables	20	106,407.51	88,790.32
(iii) Other Financial Liabilities	21	38,751.92	44,938.23
(b) Other Current Liabilities	22	10,119.04	8,818.61
(c) Provisions	23	285.83	342.18
Total Current Liabilities		**271,765.46**	**237,876.12**
TOTAL EQUITY AND LIABILITIES		**565,928.05**	**608,665.97**
Significant Accounting Policies	1		
Other Notes forming part of the Financial Statements	32		

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

For and on behalf of the Board

Sd/-
S V C Reddy
Partner

Sd/-
T. Indira Reddy
Chairperson
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Place: Hyderabad
Date: 30th June, 2020

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary& Compliance Officer

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2020

₹ in Lakhs

	Particulars	Note No.	For the Year Ended 31st March, 2020	For the Year ended 31st March, 2019
I	**Revenue from Operations**	24	343,862.30	346,314.74
II	Other Income	25	542.63	901.11
III	**Total Income (I+II)**		**344,404.93**	**347,215.85**
IV	**Expenses**			
	(a) Cost of Materials Consumed and Cost of Purchases & Services	26	120,393.96	97,077.55
	(b) Work Expenditure	27	173,097.04	180,405.49
	(c) Changes in Work in Progress	28	(18,933.50)	(6,286.06)
	(d) Employee Benefits Expenses	29	14,922.30	12,770.64
	(e) Finance Costs	30	33,711.23	28,436.95
	(f) Depreciation and Amortization Expense	2	9,091.61	6,590.61
	(g) Other Expenses	31	15,749.65	7,960.08
	Total Expenses (IV)		**348,032.29**	**326,955.26**
V	**Profit / (Loss) before Exceptional items and Tax (III-IV)**		**(3,627.36)**	**20,260.59**
VI	a) Exceptional items (Net)		-	-
	b) Share of Profit /(Loss) of Joint Ventures & Associates		(2,748.69)	(1,756.65)
VII	**Profit / (Loss) Before Tax**		**(6,376.05)**	**18,503.94**
VIII	Tax Expenses (Refer Note No.32.8)		(564.78)	2,493.85
IX	**Profit / (Loss) for the year (VII-VIII)**		**(5,811.27)**	**16,010.09**
X	Non-controling Interest		-	-
XI	**Profit / (Loss) for the year (IX+X)**		**(5,811.27)**	**16,010.09**
XII	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to profit or loss :			
	i) Changes in fair value of equity investments (Refer Note No.32.31)		(20,614.15)	-
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits		(33.21)	82.05
	iii) Income tax relating to Items that will not be reclassified to profit or loss		146.80	224.27
	Total Other Comprehensive Income/(Loss) (XII)		**(20,500.56)**	**306.32**
XIII	**Total Comprehensive Income / (Loss) for the Year (XI+XII)**		**(26,311.83)**	**16,316.41**
XIV	Earning per Share (of ₹ 2/- each)			
	Basic and Diluted (₹)		**(3.10)**	**8.55**
	Significant Accounting Policies	1		
	Other Notes forming part of the Financial Statements	32		

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

For and on behalf of the Board

Sd/-
S V C Reddy
Partner

Sd/-
T. Indira Reddy
Chairperson
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Place: Hyderabad
Date: 30th June, 2020

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary& Compliance Officer

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2020

A. Equity Share Capital and Other Equity

₹ in Lakhs

Particulars	Equity Share Capital (Note No. 13)	Other Equity						
		Reserves & Surplus						
		Capital Reserve	General Reserve	Securities Premium Account	Equity Component of Compound Financial Instruments	Retained earnings	Other Comprehensive Income	Total Other Equity
As at 1st Arpil, 2018	**3,743.97**	**143.40**	**12,300.00**	**37,683.67**	**9,123.06**	**18,376.68**	**20,897.48**	**98,524.29**
Other Comprehensive Income	-	-	-	-	-	-	306.32	**306.32**
Surplus / (Deficit) for the year	-	-	-	-	-	14,762.09	-	**14,762.09**
As at 1st Arpil, 2019	**3,743.97**	**143.40**	**12,300.00**	**37,683.67**	**9,123.06**	**33,138.77**	**21,203.80**	**113,592.70**
Adjustment on account of subsidiary/ associate derecognition	-	-	-	-	-	3.75	-	**3.75**
Other Comprehensive Income/(Loss) for the year	-	-	-	-	-		(20,500.56)	**(20,500.56)**
Surplus / (Deficit) for the year	-	-	-	-		(5,811.27)		**(5,811.27)**
As at 31st March, 2020	**3,743.97**	**143.40**	**12,300.00**	**37,683.67**	**9,123.06**	**27,331.25**	**703.24**	**87,284.62**

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

For and on behalf of the Board

Sd/-
S VC Reddy
Partner

Sd/-
T. Indira Reddy
Chair person
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary & Compliance Officer

Place: Hyderabad
Date: 30th June, 2020

Consolidated Statement of Cash Flows

for the year ended 31st March, 2020

₹ in Lakhs

	Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
A	**Cash Flow from Operating Activities:**		
	Profit before Tax excluding extraordinary and exceptional items	(3,627.35)	20,260.60
	Adjustments for:		
	Depreciation and amortization	9,091.61	6,590.61
	Interest and other Income	(3,494.61)	(3,332.74)
	Expected credit loss	6,511.73	2,195.09
	Loss / (Profit) on sale of Property, Plant and Equipment	141.60	(1.30)
	Finance Costs	36,949.78	31,296.73
	Provision for doubtful advance/ Goodwill	3.00	55.96
	Foreign Currency Translation and Transactions – ECB	10.99	234.99
	Changes in Fair Value of Equity Investment	25.62	81.55
	Operating Profit before working Capital Changes	**45,612.37**	**57,381.49**
	Adjustments for:		
	(Increase) / Decrease in Trade Receivables	18,100.03	(25,935.22)
	(Increase) / Decrease in non-current financial asset	(1,705.89)	(250.18)
	(Increase) / Decrease in current financial asset	10,929.31	(2,829.20)
	(Increase) / Decrease in Other current assets	(12,640.35)	(42,885.82)
	(Increase) / Decrease in Inventory	(26,636.56)	(6,445.75)
	Increase / (Decrease) in current financial liabilities	3,310.77	3,983.42
	Increase / (Decrease) in non-current financial liabilities	(18,439.83)	46,471.79
	Increase / (Decrease) in Trade Payables	17,617.19	24,648.18
	Cash (used in) / generated from Operating activities	36,147.04	54,138.71
	Direct Taxes paid (Net)	-	(2,577.66)
	Net Cash (used in)/ generated from Operating Activities (A)	**36,147.04**	**51,561.05**
B	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment including capital work-in-progress	(12,067.49)	(10,783.11)
	Sale of Non-Current Investments	39,549.25	-
	Net proceeds from in bank deposits (having original maturity of more than three months)	(581.77)	(1,444.89)
	Recovery / (Payment) of Advances	741.33	-
	Adjustment for opening cash equivalents balance of subsidiary derecognised	(5.32)	-
	Interest and other income received	3,494.61	3,302.93
	Net Cash (used in)/ generated from Investing Activities (B)	**31,130.61**	**(8,925.07)**
C	**Cash Flow from Financing Activities**		
	Foreign Currency Translation and Transactions – ECB	(10.99)	(234.99)
	Net Proceeds from /(Repayment of) Long term borrowings	(40,447.46)	(8,540.77)
	Net Proceeds from / (Repayment of) Short term borrowings	7,662.91	4,226.63
	Net Proceeds from / (Repayment of) Inter Corporate Loans	1,010.26	-
	Finance Costs	(36,477.01)	(30,966.39)
	Net Cash (used in)/ generated from Financing Activities (C)	**(68,262.29)**	**(35,515.52)**
	Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(984.64)	7,120.46
	Cash and Cash Equivalents at the beginning of the year	12,820.27	5,699.81
	Cash and Cash Equivalents at the end of the year	**11,835.63**	**12,820.27**

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

For and on behalf of the Board

Sd/-
S V C Reddy
Partner

Sd/-
T. Indira Reddy
Chairperson
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Place: Hyderabad
Date: 30th June, 2020

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary& Compliance Officer

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 (a) Compliance with Indian Accounting Standards (Ind AS)

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

1.2 a) Basis of Preparation and Presentation of Financial Statements

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

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

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

b) Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

i. Investments in Subsidiaries:

The Financial Statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Indian Accounting Standard - 110 "Consolidated Financial Statements" issued by Institute of Chartered Accountants of India.

ii. Investments in Associates:

Investments in associate companies have been accounted for, by using equity method "Accounting for Investments in Associates in Consolidated Financial Statements, whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post-acquisition change in the Company's share of net assets of the associate. The carrying amount of investment in associate companies is reduced to recognize any decline which is other than temporary in nature and such determination of decline in value, if any, is made for each investment individually. The unrealized profits/losses on transactions with associate companies are eliminated by reducing the carrying amount of investment".

iii. Investments in Joint Ventures:

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in Joint Venture are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in joint ventures includes goodwill identified on acquisition.

iv. The financial statements are presented to the extent possible, in the same manner as the parent company's independent financial statements.

v. On acquisition of Investment in a joint venture or associate, any excess of cost over investment over the fair value of the assets & liabilities of the joint venture is recognized as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognized directly in equity as capital reserve.

Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned directly or indirectly by the parent company.

a) Non-controlling interest in the net assets of consolidated subsidiaries consists of:

i) The amount of equity not attributable to owners of parent company at the date on which investment in a subsidiary is made; and

ii) The Non-controlling share of changes in the equity since the date the parent subsidiary relationship came into existence.

b) Non-controlling interest in the net profit/(loss) for the year of consolidated subsidiaries is computed and adjusted against the net profit/(loss) after tax of the group.

Non-controlling interest in the net assets of the consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet under the head Total Equity group.

1.3 Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management of the Group to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statements. Actual results may differ from these estimates. The Group evaluates these estimations and assumptions on a continuous basis based on the historical experience and other factors including expectation of future events believed to be reasonable. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, estimation of costs as a proportion to the total costs, etc.,. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, are disclosed in the Notes to Accounts.

1.4 Revenue Recognition

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified Ind AS 115 – "Revenue from Contracts with Customers" for recognition of Revenue, which is effective for accounting periods beginning on or after 1st April, 2018. The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective from 1st April, 2018. Ind AS 115 supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue". The Company has applied Ind AS 115 using the modified retrospective method and the cumulative impact of transition to Ind AS 115 is negligible amount.

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

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

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

The specific revenue recognition policy adopted is as follows:

A. Revenue from Operations

a. Revenue from Construction activity:

i) Income is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs.

ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract.

iii) Price escalation and other variations in the contract work are included in contract revenue only when:

a) Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim and

b) The amount that is probable will be accepted by the customer and can be measured reliably.

iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:

a) The contract has sufficiently advanced such that it is probable that the specified performance standards will be met; and

b) The amount of the incentive payment can be measured reliably.

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

b. Contract Revenue from supply of materials:

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

c. Revenue receipts from Joint Venture Contracts

i) In work sharing Joint Venture arrangements, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.

ii) In Jointly Controlled Entities, the share of profits or losses is accounted as and when dividend/ share of profit or loss are declared by the entities.

d. Other Operational Revenue:

i) All other revenues are recognized only when collectability of the resulting receivable is reasonably assured and related goods / services are transferred to the customer.

ii) Revenue is reported net of discounts, if any.

B. Other Income

i) Interest income is accounted on accrual basis as per applicable interest rates and on time proportion basis taking into account the amount outstanding.

ii) Dividend income is accounted in the year in which the right to receive the same is established.

iii) Insurance claims are accounted for on cash basis.

1.5 (a) Property, Plant and Equipment

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

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

(b) Capital Work in Progress

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

1.6 Depreciation and amortization

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

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

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

1.7 Impairment of Non-Financial Assets

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

Recoverable amount is determined:

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

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

1.8 Financial Instruments

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

1.9 Financial Assets

Financial Asset is any Asset that is -

(a) Cash

(b) Equity Instrument of another entity,

(c) Contractual right to -

i) receive Cash / another Financial Asset from another entity, or

ii) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favorable to the Entity.

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

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

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

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

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

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

Financial Liabilities

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

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

De-recognition of Financial Instruments

A Financial Asset is derecognized when the right to receive cash flows from the asset have expired or the Group has transferred substantially all the risks and rewards or the right to receive the cash flows under a contractual arrangement or has transferred the asset.

A Financial Liability is derecognized when the obligation under the liability is discharged or

cancelled or expired. In the case where the existing liability is replaced by another liability either from the same lender or otherwise such an exchange is treated as de-recognition of the original liability and recognition of a new liability. Any change in the carrying amount of a liability is recognized in the Statement of Profit andLoss.

The Group has entered into certain forward contracts in respect of foreign currency risks. The gain or loss relating to the ineffective portion of the hedge is recognized immediately in the Statement of Profit and Loss.

1.10 Inventories and Work in Progress

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

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

1.11 Cash & Cash Equivalents

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

1.12 Provisions, Contingent Liabilities and Contingent Assets

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

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

Contingent Assets are neither recognized nor disclosed in the financial statements except where it has become virtually certain that an inflow of economic benefit will arise, the asset and the related income are recognized in financial statements of the period in which the change occurs Provisions for Contingent Liabilities and Contingent Assets are reviewed at the end of Balance Sheet date.

1.13 Foreign Currency Transactions and Translation

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

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

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

1.14 Employee Benefits

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

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

i) Gratuity

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

ii) Provident Fund

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

iii) Compensated Absences

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

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

1.15 Deferred Revenue Expenditure

Projects and other related expenditure incurred up to 31st March, 2019, the benefit of which is spread over more than one year is accounted as Project Promotion Expenses grouped under Other Advances and is amortized over the period in which benefits would be derived.

1.16 Leases

Leases are accounted as per Ind AS 116 which has become mandatory from 1stApril, 2019.

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

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

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

(i) Low value leases; and

(ii) Leases which are short-term.

1.17 Earnings per Share (EPS)

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

1.18 Taxation

i) Current Tax

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

ii) Deferred Taxes

Deferred Tax is the tax expected to be payable or recoverable on differences between the carrying amount of the assets and liabilities for financial reporting purpose and the corresponding tax bases used in computation of taxable profit. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

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

1.19 Commitments

Commitments are future liabilities for contractual expenditure.

Commitments are classified and disclosed as follows:

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

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

1.20 Operating cycle for current and non-current classification

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

1.21 Statement of Cash Flows

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

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

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

1.22 Exceptional Items:

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

1.23 Borrowing Cost

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

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

2a. Property, Plant & Equipment

₹ in Lakhs

Particulars	Gross Carrying amount as at April 1, 2019	Additions/ Adjustment during the year	Deletions / Retirement during the year	Gross Carrying amount as at March 31, 2020	Accumulated Depreciation as at April 1, 2019	Depreciation for the year	Deductions/ Adjustment during the year	Accumulated Depreciation as at March 31, 2020	Net Carrying amount as at March 31, 2020	Net Carrying amount as at March 31, 2019
Land	6,246.52	-	-	6,246.52	-	-	-	-	6,246.52	6,246.52
Land - Borrow Area	-	827.32	-	827.32	-	-	-	-	827.32	-
Plant and Equipment	71,707.12	5,733.64	412.30	77,028.46	35,893.10	7,404.75	20.69	43,277.16	33,751.30	35,814.02
Furniture and Fixtures	680.73	1.45	-	682.18	343.18	53.38	-	396.56	285.62	337.55
Vehicles	4,103.77	199.60	76.91	4,226.46	2,647.67	320.22	50.25	2,917.64	1,308.82	1,456.10
Right of Use of Assets (Refer Note No. 32.6)	-	4,534.97	-	4,534.97	-	1,313.26	-	1,313.26	3,221.71	-
Total	**82,738.14**	**11,296.98**	**489.21**	**93,545.91**	**38,883.95**	**9,091.61**	**70.94**	**47,904.62**	**45,641.29**	**43,854.19**

2b.Capital work in Progress

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening Balance	702.55	645.28
Additions during the year	1,052.69	433.55
Less : Capitalisation / Adjustments during the year	(15.29)	(376.28)
Closing Balance	**1,739.95**	**702.55**

2c. Intangible Asset

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening Goodwill on consolidation / Amalgamation	7.18	0.98
Additions during the year	-	7.18
Less : Amortisation of Goodwill	(7.18)	(0.98)
Total	**0.00**	**7.18**

3. Investments

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Trade investments		
Unquoted		
A. Investment in Associate Companies		
i) 26,36,13,095 (as at 31st March, 2019 : 26,36,13,095) Equity share of ₹ 10/- each fully paid - NCC Infrastructure Holdings Ltd. (Refer Note No.32.32)	17,846.15	20,594.35
ii) Nil (as at 31st March, 2019 : 30,000) equity share of ₹ 10/- each fully paid up - Sembcorp Gayatri O&M Co. Pvt Ltd. (Refer Note No.32.33)	-	2.19
iii) 16,77,00,300 (As at 31st March, 2019 : 16,77,00,300) 9% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each, fully paid in Gayatri Highways Ltd (formerly Gayatri Domicile Pvt. Ltd.) (Refer Note No.3.1 & Note No.32.16)	16,770.03	16,770.03
B. Other Investments		
a) Investment in Other Companies		
i) 7,82,87,796 (As at 31st March 2019 : 7,82,87,796) - 4% Compulsorily Convertible Cumulative Preferential Shares (CCCPS) of ₹ 10/- each, fully paid in Gayatri Hitech Hotels Ltd. (Refer Note No. 3.2 & Note No.32.17)	19,571.95	19,571.95
ii) Nil (As at March 2019 : 32,34,52,917) Shares of ₹ 10/- of Sembcorp Energy India Limited (Formerly Thermal Powertech Corporation India Limited) (Refer Note No.32.31)	-	60,162.40
iii) 2,74,49,989 (as at 31st March, 2019 :2,74,49,989) Equity shares of ₹ 10/- each fully paid up - Jinbhuvish Power Generation Pvt Ltd (Refer Note No.3.3 & Note No.32.29)	3,000.00	3,000.00
Quoted		
a) Investment in Associate Companies		
i) 6,24,00,000 (as at 31st March, 2019 : 6,24,00,000) Equity Shares of ₹ 2/- each, fully paid in Gayatri Highways Ltd (formerly Gayatri Domicile Pvt.Ltd.) (Refer Note No.3.4 & 32.16)	1,248.00	1,248.00
Less : Share of loss from Associate Company	(1,248.00)	(1,248.00)
b) Investment in Other Companies		
i) 11,63,607 (As at 31st March, 2019 : 11,63,607) Equity Shares of ₹ 10/- each in Gayatri Sugars Ltd. (Refer Note No. 3.5)	293.10	293.10
ii) 1,728 (As at 31st March, 2019: 1,728 Equity Shares of ₹ 10/- each in Syndicate Bank Ltd.,	0.86	0.86
Changes in Fair Valuation of Investments	(287.88)	(262.27)
Total	**57,194.21**	**120,132.61**

Details of Quoted and Unquoted Investments: ₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Aggregate Amount of Quoted Investment	1,541.96	1,541.96
Aggregate Market value of Quoted Investment*	6.08	31.69
Aggregate Amount of Unquoted Investment	**57,188.13**	**120,100.92**

*The carrying amount of the Investment in associate company has become Nil as per the principles of consolidation of Associate and hence, market value of the associate company is not considered.

3.1) 16,77,00,300 - 9% Non Convertible Cumulative Redeemable Preference Shares held by the Company in M/s. Gayatri Highways Limited (formerly Gayatri Domicile Pvt.Ltd) have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.

3.2) 7,82,87,796 - 4% Compulsorily Convertible Cumulative Preferential Shares held by the Company in Gayatri Hi-Tech Hotels Ltd have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.

3.3) 2,74,49,989 Equity Shares of Jinbhuvish Power Generation Pvt Ltd (JPGPL) held by Gayatri Energy Ventures Pvt. Ltd are pledged with the Escrow agent (ICICI Bank) in favour of JPGPL in terms of exit agreement .

3.4) 6,23,00,000 Equity shares of Gayatri Highways limited (GHL) (formerly Gayatri Domicile Pvt.Ltd) have been pledged to II&FS Securities Services Limited (Security Trustee) for the credit facilities availed by GHL from IL&FS Financial Services Limited.

3.5) 11,63,607 Equity Shares held by the company in Gayatri Sugars Limited have been pledged to IDBI Trusteeship Services Limited for the credit facilities availed by the company from consortium lenders.

4. Loans

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposit with Govt. Depts and Others	32.23	29.36
Loans to Related Parties - Unsecured, Considered Good		
Loan to Associates (Refer Note No.32.16)	17,967.01	17,967.01
Loans to Entities in which KMPs have substantial interest	-	741.34
Less : Provision for Expected Credit Loss	(2,156.04)	(1,931.71)
To Others - Unsecured, Considered Good		
Inter Corporate Loan (Refer Note No. 32.18)	18,676.14	18,676.14
Total	**34,519.34**	**35,482.14**

Note: Loans to Associates and others are unsecured and have no fixed repayment schedule.

5. Trade Receivables - Non-current

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered Good		
- Receivables from Subsidiary of Associate Company (Refer Note No.32.19)	24,472.04	24,518.72
Less : Provision for Expected Credit Loss	(2,942.25)	(245.19)
- Receivables from Joint Ventures	1,548.65	1,548.62
Total	**23,078.44**	**25,822.15**

6. Other Financial Assets

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered Good		
Call option fee paid (Refer Note No.32.27)	2,125.56	2,125.56
Accumulated Interest (Refer Note No.32.18)	18,549.10	16,799.43
Advance to a Company where KMP having substantial interest (Refer Note No.32.30)	2,194.11	107.22
Less : Provision for Expected Credit Loss	(1,083.61)	-
Other Advances	-	54.99
Less : Provision for doubtful Advances	-	(54.99)
Total	**21,785.16**	**19,032.21**

7. Inventories

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Construction materials, Stores and Spares	26,394.38	18,691.32
(b) Work in Progress	35,983.60	17,050.10
Total	**62,377.98**	**35,741.42**

8. Trade Receivables

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good		
- Related Parties: companies in which KMP are Interested	326.68	637.38
- Others	100,529.19	112,847.16
- Retention Money Receivable from Contractees	27,022.60	32,493.96
	127,878.47	145,978.50
Less : Provision for Expected Credit Loss	(1.64)	(6.38)
Total	**127,876.83**	**145,972.12**

9. Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Cash and Cash Equivalents		
(a) Balances with banks		
In current accounts	8,258.97	10,587.59
In deposit accounts	3,536.82	2,163.73
(b) Cash in hand	39.84	68.95
	11,835.63	12,820.27
b) Other Bank Balances (having maturity more than three months)		
i. Margin money for Bank Guarantees / LCs	21,093.07	20,511.30
	21,093.07	20,511.30
Total	**32,928.70**	**33,331.57**

10. Loans

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
To Related Parties - Unsecured, Considered Good		
- Loans to Associates (Refer Note No.32.16)	2,383.04	1,025.04
To Others - Unsecured, Considered Good		
- Loans (including accumulated interest) (Refer Note No.32.20)	6,847.02	6,627.34
Less : Provision for Expected Credit Loss	(1,303.43)	(1,865.56)
Total	**7,926.63**	**5,786.82**

Note: Loans to Associates and Others are unsecured and have no fixed repayment schedule.

11. Current Tax Assets (Net)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Income Tax receivable	10,653.30	4,865.75
MAT Credit Entitlement	2,563.63	2,501.44
VAT refund Receivable	1,386.75	1,765.85
GST Input Credit	5,313.10	5,341.28
Total	**19,916.78**	**14,474.32**

12. Other Current Assets

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits with Govt. Dept & Others	1,401.80	1,187.35
Other receivable (Refer Note No.32.14)	2,082.19	3,992.95
Claims receivable (Refer Note No.1.4.A(a)(v) and 32.22)	69,421.58	41,483.67
Margin Money deposit	885.64	885.64
Project mobilisation Expenditure (Deferred)	4,042.40	10,002.26
Prepaid Expenses	2,218.09	2,574.45
Share Application Money Given Pending for Allotment (Refer Note No.32.29)	1,544.46	1,544.46
Less: Provision for credit loss	(386.11)	-
Advances - Unsecured, considered Good		
- Advances to Suppliers	8,412.61	7,750.47
- Advances to Sub-Contractors (Refer Note No.32.21)	42,209.80	55,492.82
Less : Provision for Expected Credit Loss	(2,437.49)	-
- Staff Advances	283.88	277.87
- Advance for Purchase of Equity Shares (Refer Note No.32.29)	1,000.00	1,000.00
Less: Provision for credit loss	(250.00)	-
- Others Receivables	12.83	2,134.75
Total	**130,441.68**	**128,326.69**

13. Equity Share capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital				
Equity shares of ₹ 2/- each	400,000,000	8,000.00	400,000,000	8,000.00
(ii) Issued Share Capital				
Equity shares of ₹ 2/- each	187,198,685	3,743.97	187,198,685	3,545.04
(iii) Subscribed and fully paid up Share Capital				
Equity shares of ₹ 2/- each	187,198,685	3,743.97	187,198,685	3,743.97
Total	**187,198,685**	**3,743.97**	**187,198,685**	**3,743.97**

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

The company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹ 2/- each :				
At the beginning of the period	187,198,685	3,743.97	187,198,685	3,743.97
Add: Shares issued during the year				
Outstanding at the end of the period	**187,198,685**	**3,743.97**	**187,198,685**	**3,743.97**

13 (c) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil

13 (d) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹ 2/- each				
Indira Subbarami Reddy Tikkavarapu	57,050,213	30.48	57,129,500	30.52
Sandeep Kumar Reddy Tikkavarapu	26,993,494	14.42	27,019,810	14.43
GMO Emerging Markets Fund	16,772,852	8.96	16,772,852	8.96
Mentor Capital Limited	22,500	0.01	13,024,706	6.96
GMO Emerging Domestic Opportunities Fund	11,052,457	5.90	11,052,457	5.90
Government of Singapore	9,432,140	5.40	10,559,063	5.64

14. Other Equity

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Capital Reserve		
Opening balance	143.40	143.40
Add : Additions to Reserve during the year	-	-
Closing balance	143.40	143.40
(b) General Reserve		
Opening balance	12,300.00	12,300.00
Add: Amount transferred from Statement of Profit and Loss	-	-
Closing balance	12,300.00	12,300.00
(c) Securities Premium Account		
Opening balance	37,683.67	37,683.67
Add: Premium received on Shares issued during the year	-	-
Closing balance	37,683.67	37,683.67
(d) Equity Component of Compound Financial Instruments		
Opening balance	9,123.06	9,123.06
Add : Changes during the year	-	-
Closing balance	9,123.06	9,123.06
(e) Retained earnings		
Opening balance	33,138.77	18,376.68
Add : Surplus / (Deficit) for the year	(5,811.27)	14,762.09
Less : Adjustment on account of subsidiary/associate derecognition	3.75	-
Closing balance	27,331.25	33,138.77
(f) Other Comprehensive Income		
Opening balance	21,203.80	20,897.48
Add: Movement in OCI (Net) during the year	(20,500.56)	306.32
Closing balance	703.24	21,203.80
Total (a+b+c+d+e+f)	**87,284.62**	**113,592.70**

15. Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non- Current	Current	Non- Current	Current
Secured				
(i) Non-Convertible Debentures at amortised cost				
a. 15.6% Non Convertible Debentures (NCD) of Face Value ₹10,00,000/- each Series I	-	-	2,422.00	1,750.00
b. 15.6% Non Convertible Debentures (NCD) of Face Value ₹10,00,000/- each Series II	-	-	14,602.94	-
ii) Term Loans from Banks				
a. Equipment Loans (Refer Note No.15.2 & 15.5)	4,302.76	3,699.70	6,649.12	7,162.30
b. Other Term Loans (Refer Note No. 15.3 & 15.5)	44,235.05	8,381.31	57,510.63	8,162.96
c. External Commercial Borrowings	-	-	-	2,632.77
iii) Term Loans from others				
a. Equipment Loans (Refer Note No. 15.2 & 15.5)	5,787.36	2,425.23	6,927.95	2,835.59
b. Vehicle Loans (Refer Note No. 15.4 & 15.5)	76.63	54.33	124.17	106.02
iv) Other Loans				
Lease Liability (Refer Note No. 32.6)	2,076.62	1,323.04	-	-
Un-secured				
a. 0.01% Compulsorily Convertible Debentures (CCD'S) of Face Valueof ₹1483/- each (Unlisted) (Refer Note 15.1)	14,900.47	-	14,900.47	
Total	**71,378.89**	**15,883.61**	**103,137.28**	**22,649.64**

15.1 Terms of Compulsorily Convertible Debentures (CCD's) issued by the Subsidiary Company:

a) 16,19,928 CCD's were issued by the subsidiary company during the previous years to NCC Infrastructure Holdings Ltd (NCCIHL) pursuant to purchase of Sembcorp Gayatri Power Limited (then) Shares from them.

b) Issuer shall pay interest on CCD'S at 0.01%. Such interest shall accrue and be paid annually in arrears at purchasers discretion with previous communication to selling shareholder.

c) CCD'S shall be compulsorily converted into 16,19,928 shares within a period of 5 years from the date of their issuance (Conversion ratio is 1:1).

15.2 Equipment Loans from banks and others

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

15.3 Term loans

The secured term loans are secured by hypothecation of construction equipments not specifically charged to other banks, immovable properties of group companies and personal guarantees of the Promoter Directors. The rate of interest varies between 11% to 13% with an average yield of 12.04% p.a.

15.4 Vehicle Loans:

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

15.5 Maturity Profile of long term borrowings is set out below:

₹ in Lakhs

Particulars	2021-22	2022-23	2023-24	2024-25 onwards
Equipment loans from Banks	1,978.96	1,430.20	893.60	-
Term Loans from Banks	17,770.20	16,355.55	10,109.30	-
Equipment & Vehicle loans from Others	3,238.64	2,516.38	108.97	-
Lease Finance	1,197.06	637.07	242.49	-
Total	**24,184.86**	**20,939.21**	**11,354.36**	**-**

15.6 Current Maturities of long term borrowings to be repaid within next twelve months have been disclosed under the head "Other Current Liabilities" (Refer Note No.21).

15.7 Details of amounts due as on Balance Sheet date: (Refer Note No.15.9)

₹ in Lakhs

Name of the Bank / Financial Institution	Principal		Interest	
	0-30 days	31-60 days	0-30 days	31-60 days
To Banks				
Andhra Bank	186.55	186.55	37.35	44.78
Bank of Baroda	323.10	320.94	109.90	115.19
IDBI Bank Ltd	188.00	180.37	177.58	189.26
Indian Overseas Bank	140.06	140.06	105.03	111.29
Syndicate Bank	197.84	197.84	101.50	110.59
United Bank of India	132.29	132.29	96.98	102.75
To Others				
SREI Equipment Fin.Ltd.	147.69	538.73	49.72	209.86
Sundaram Finance Ltd	-	6.38	-	-
Tata Motors Finance Ltd	-	25.73	-	-
Total	1,315.53	1,728.89	678.05	883.72
		3,044.41		1,561.77

15.8 The Subsidiary Company has defaulted in redemption of debentures and interest thereon as follows:

Debentures	Interest Due on Debentures		Debentures due for redemption	
	Period of Default in days	₹ in Lakhs	Period of Default in days	₹ in Lakhs
Optionally Fully Convertible Debentures (OFCD's)				
Capital Fortunes Private Limited	649	19.20	649	197.73
Capital Fortunes Ventures Private Limited	649	199.34	649	157.59
D.V.Chalam	649	22.86	649	37.17
Total		241.40	392.49	

15.9 The Company has availed the moratorium benefit announced by the Reserve Bank of India on account of COVID 19 pandemic and Hence, Principal and Interest amounts due for March, 2020 are not considered as overdue / default amounts. (Refer Note No. 32.25)

16. Other Financial Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advances from Contractees	131,141.13	144,522.97
Margin Money Deposits received	-	5,100.00
Total	**131,141.13**	**149,622.97**

17. Provisions

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Employee Benefits	613.98	482.41
Total	**613.98**	**482.41**

18. Deferred Tax Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Deferred Tax (Asset) on timing Differences:		
i) on account of Gratuity and Leave Encashment	(75.76)	(61.08)
ii) on account of IND AS Adjustments	(65.09)	(65.09)
(b) Deferred Tax Liability on timing differences:		
i) Other Comprehensive Income	(189.59)	(42.79)
ii) Depreciation	(170.62)	379.48
Total	**(501.06)**	**210.52**

19. Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Loans repayable on demand		
Secured Working Capital Facilities from Banks (Refer Note No. 19.1)	115,190.90	94,986.78
Secured Inter Corporate Loan from Others (Refer Note No. 19.2)	1,010.26	-
Total	**116,201.16**	**94,986.78**

Nature of Security and Terms of Repayment

19.1 Working Capital Facilities (Secured)

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

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

19.2 Secured Inter Corporate Loan from Others

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

19.3 Details of amounts due as on Balance Sheet date:

₹ in Lakhs

Name of the Bank	0-30 days	31-60 days
Canara Bank	245.90	-
IDBI Bank Ltd	149.54	-
Punjab National Bank	233.46	59.72
Bank of Baroda	186.99	-
State Bank of India	29.94	-
Syndicate Bank	11.16	11.72
Inter corporate loan	10.26	-
Total	**867.25**	**71.44**

20. Trade Payables

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Micro, Small and Medium Enterprises	-	-
Others	106,407.51	88,790.32
Total	**106,407.51**	**88,790.32**

21. Other Financial liabilities

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current maturities of Long Term Borrowings		
- Non Convertible Debentures	-	1,750.00
- Term, Equipment, Vehicle Loans and ECB Loans	11,516.16	20,899.64
- Principal Default on Term, Equipment and Vehicle Loans	3,044.41	-
- Lease Liability	1,323.04	-
9% Optionally Fully Convertible Debentures due for redemption (Refer Note No. 15.8 & 32.28)	633.90	1,233.90
Interest accrued but not due on Borrowings from Banks & Financial Institutions *	1,233.58	1,449.29
Interest accrued and due on Borrowings from Banks & Financial Institutions (Refer Note No. 15.7 & 19.3)	2,490.20	1,801.71
Deposits from Sub-contractors (SD/Withhold)	18,036.13	17,170.92
Financial liability of compounded financial instrument	371.91	371.91
Amortisation of Finance Cost	98.95	222.68
Unpaid Dividends	2.17	2.49
Unsecured loan	1.47	35.69
Total	**38,751.92**	**44,938.23**

* The Company has availed the moratorium benefit announced by the Reserve Bank of India on account of COVID 19 pandemic and accordingly, Principal and Interest amounts due for March, 2020 are considered as accrued but not due (also refer Note No. 32.25)

22. Other Current Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Salaries Payable	2,022.07	1,531.61
Provision / Payables for Expenses and Services	1,466.26	1,319.78
Statutory Dues	6,623.96	5,948.32
Other Payables	6.75	18.90
	10,119.04	**8,818.61**

23. Provisions

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Employee Benefits	285.83	342.18
Total	**285.83**	**342.18**

24. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Construction / Contract Revenue (Refer Note No. 32.22)	342,733.36	346,314.74
Gain on Sale of Equity Investment (Refer Note No.32.31)	1,128.94	-
Total	**343,862.30**	**346,314.74**

25. Other income

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income from Deposits & Others	245.06	237.97
Other Miscellaneous Income	297.57	663.14
Total	**542.63**	**901.11**

26. Cost of Materials Consumed and Cost of Purchases & Services

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Steel	30,020.55	15,532.46
Cement	16,072.88	14,384.68
Bitumen	5,451.90	3,314.67
Metal	39,092.51	37,654.63
Sand & Gravel	3,225.65	1,526.43
Electrical Materials	174.77	1,619.84
Consumable Stores	2,173.73	1,979.57
RCC & GI Pipes	1,288.97	953.19
HSD Oils & Lubricants	18,318.69	16,402.36
Mining work Materials	1,120.60	834.01
Admixer	1,661.72	1,686.14
Other Materials	1,791.99	1,189.57
Total	**120,393.96**	**97,077.55**

27. Work Expenditure

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Departmental Recoveries	13,558.29	6,551.69
Work executed by sub contractors	40,902.12	73,358.93
Earth Work	39,886.98	28,039.46
Concrete Work	31,326.25	32,483.12
Transport Charges	4,339.83	8,863.44
Hire Charges	7,272.45	4,993.56
Road work	9,691.32	9,983.29
Repairs and Maintenance	3,140.63	2,705.26
Mining work expenditure	4,845.38	5,479.45
Royalty and Seigniorage charges	1,107.06	919.07
Taxes and Duties	1,495.94	503.01
Insurance	1,055.21	926.17
Project Promotion Expenses writtenoff	7,114.34	1,403.76
Utility Shifting Work	3,105.73	1,405.79
Security Charges	1,012.25	773.50
Other Work Expenditure	3,243.26	2,015.99
Total	**173,097.04**	**180,405.49**

28. Change in Work-in-Progress

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Opening Work in Progress	17,050.10	10,764.04
Less : Closing Work in Progress	(35,983.60)	(17,050.10)
Changes in Work in Progress	**(18,933.50)**	**(6,286.06)**

29. Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries & Wages	12,835.86	10,782.71
Director's Remuneration (Refer Note No. 32.23)	660.00	800.00
Staff Welfare Expenses	1,099.55	938.19
Contribution to Statutory Funds	326.89	249.74
Total	**14,922.30**	**12,770.64**

30. Finance costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on Term Loans	8,148.19	9,693.44
Interest on Non Convertible Debentures	2,942.20	3,309.45
Interest on Working Capital Facilities	13,714.18	11,292.30
Interest on Equipment Loans	2,624.78	2,353.79
Interest on Lease Finance (Refer Note No. 32.6)	419.55	-
Interest on Margin Money Received	2,194.34	-
Interest on Other Credit Facilities	705.27	-
Interest on ECB Loan *	68.19	753.86
Exchange loss on ECB Loan	10.99	234.99
Effect of application of effective interest rate on borrowings	(123.72)	(72.38)
Bank Guarantee & Other Financial Charges	6,256.81	3,966.27
	36,960.78	31,531.72
Less : Interest on BG/LC Margin Money Deposits	(1,255.78)	(1,188.97)
Interest on Loans & Advances	(1,993.77)	(1,905.80)
Total	**33,711.23**	**28,436.95**

* includes premium paid on foreign currency forward contract.

31. Other expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Advertisement expenses	21.04	81.76
Audit fee	64.42	65.55
Donations	7.00	83.11
CSR Expenditure	186.52	212.99
Insurance charges	105.26	107.21
Consultancy, Legal & professional charges	1,975.24	1,554.91
General Expenses	154.29	200.64
Power & fuel	249.77	233.29
Miscellaneous expenses	635.16	632.81
Printing & stationery	169.08	173.16
Rent	922.57	886.92
Taxes & licenses	328.28	312.34
Tender Expenses	68.29	31.65
Telephone	78.66	97.66
Traveling, Conveyance & Stay expenses	701.45	954.78
Loss /(Gain)on Fair Market Value of Investment	661.73	81.55
Expected Credit Loss	5,875.62	2,251.05
Loss /(Gain)on sale of assets / Impairment of assets	144.60	(1.30)
Subscription Fee (Refer Note No. 32.31)	3,400.67	-
Total	**15,749.65**	**7,960.08**

32. Other Notes forming part of the consolidated financial statements

32.1 Contingent Liabilities and Commitments

The details of the Contingent Liabilities and Commitments to the extent not provided are as follows:

a. Contingent Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Guarantees given by the Banks towards performance & Contractual Commitments	1,48,066.79	1,51,770.33
b) Corporate Guarantees given to Banks and other financial institutions for loans availed by the:		
- Subsidiary Companies	-	22,000.00
- Associate Companies	12,500.00	12,500.00
- Subsidiary to Associate Companies	2,47,148.00	2,47,148.00
- Companies in which KMP or their relatives are interested	8,000.00	26,593.90
- Corporate Guarantee given by the Subsidiary Company	*16,969.00*	*16,969.00*
- Other Companies	1360.00	16.10
c) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	3,895.28	3,953.72

b. Commitments

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Commitments towards investment in subsidiaries, Joint Ventures and Associates	Nil	85,000.00

32.2 Disclosure of particulars regarding Subsidiaries, Joint ventures and Associates.

Subsidiaries, Joint Ventures and Associates considered for the Consolidated Financial statements are as follows:

S.No	Name of the Entity	Nature of the Entity	% ofHolding	Country of Incorporation
1	Gayatri Energy Ventures Private Limited	Wholly own-ed Subsidiary	100	India
2	Gayatri Highways Limited (Formerly Gayatri Domicile Pvt.Ltd.)	Associate Company	26	India
3	IJM Gayatri Joint Venture	Joint Venture	40	India
4	Jaiprakash Gayatri Joint Venture	Joint Venture	49	India
5	Gayatri ECI Joint Venture	Joint Venture	50	India
6	Gayatri Ratna Joint Venture	Joint Venture	80	India
7	Gayatri – Ranjit Joint Venture	Joint Venture	60	India
8	Gayatri – GDC Joint Venture	Joint Venture	70	India
9	Gayatri – BCBPPL Joint Venture	Joint Venture	60	India
10	Gayatri – RNS Joint Venture	Joint Venture	60	India
11	Gayatri - JMC Joint Venture	Joint Venture	75	India
12	MEIL-Gayatri-ZVS-ITT Consortium	Joint Venture	48.44	India
13	Viswanath-Gayatri Joint Venture	Joint Venture	50	India
14	Maytas-Gayatri Joint Venture	Joint Venture	37	India
15	GPL-RKTCPL Joint Venture	Joint Venture	51	India
16	GPL-SPL Joint Venture	Joint Venture	51	India
17	Vishwa-Gayatri Joint Venture	Joint Venture	49	India
18	Gayatri-RNS-SIPL Joint Venture	Joint Venture	70	India
19	SOJITZ-L&T-GAYATRI Joint Venture	Joint Venture	8.96	India
20	Gayatri PTPS Joint Venture	Joint Venture	70	India
21	Gayatri KMB Joint Venture	Joint Venture	70	India
22	HES GAYATRI NCC Joint Venture	Joint Venture	29	India
23	Gayatri - Ojsc Sibmost Joint Venture	Joint Venture	74	India

32.3 Related Party Transactions pursuant to Indian Accounting Standard(Ind AS)-24

Associate Company	Key Management Personnel and their Relatives
Gayatri Highways Limited (formerly Gayatri Domicile Private Limited) **Companies in which the Company has Substantial Interest.** Gayatri Lalitpur Roadways Ltd * Gayatri-Jhansi Roadways Ltd * Sai Matarani Tollways Limited * Hyderabad Expressways Limited * HKR Roadways Limited * Balaji Highways Holding Limited * Indore Dewas Tollways Limited * * Subsidiary / Associate of Associate Company	Mr. T.V.Sandeep Kumar Reddy (MD) Mr. J. Brij Mohan Reddy (Vice Chairman) Mrs. Indira T Subbarami Reddy (Chairperson) Mr. T. Rajiv Reddy (Vice President) Mr. T.Anirudh Reddy Mr. P. Sreedhar Babu (CFO) Mrs. I.V.Lakshmi (CS & CO)# Mr. Chetan Kumar Sharma (CS & CO) **

Entities in which KMP or their relatives are interested

Deep Corporation Pvt. Ltd	Gayatri Bio-Organics Limited
Indira Constructions Pvt. Ltd	T. Subbarami Reddy Foundation
Gayatri Tissue & Papers Ltd	Dr.T.Subbarami Reddy (HUF)
Gayatri Sugars Ltd	Balaji Charitable Trust
Gayatri Hi-Tech Hotels Ltd	TSR LalitakalaParishad
Gayatri Property Ventures Pvt. Ltd.	Invento Labs Private Limited
Gayatri Hotels & Theaters Pvt. Ltd	Indira Energy Holdings Private Limited
GSR Ventures Pvt. Ltd.	Yamne Power Private Limited
T.V.Sandeep Kumar Reddy & Others	Gayatri Hotel Ventures Pvt.Ltd.
Gayatri Fin Holdings Pvt.Ltd.	Flynt Mining LLP

Resigned w.e.f. 07/12/2019

**Appointed w.e.f 04/01/2020

Transactions with the related parties: ₹ in Lakhs

Sl.No.	Description	Year	Associate Companies	Entities in which KMP are interested	KMP & their Relatives
1	Contract Receipts	2019-20	1,515.17	-	-
		2018-19	1,843.51	-	-
2	Contract payments	2019-20	-	405.87	250.00
		2018-19	-	711.95	300.00
3	Office Rent & Maintenance	2019-20	-	267.05	-
		2018-19	-	244.57	-
4	Remuneration to CFO, CS, and others	2019-20	-	-	179.52
		2018-19	-	-	184.80
5	Interest Received	2019-20	244.09	-	-
		2018-19	244.09	-	-
6	Donations & CSR expenses	2019-20	-	186.52	-
		2018-19	-	236.60	-
7	Remuneration and Commission Paid	2019-20	-	-	660.00
		2018-19	-	-	800.00
8	Contract Advances received / (given)	2019-20	-	-	-
		2018-19	-	(62.00)	-
9	Receivable on sale of investment	2019-20	-	-	-
		2018-19	-	2,134.45	-
10	Net unsecured loans given/ (Recovered)	2019-20	1,358.00	-	-
		2018-19	21.00	-	-
11	Closing balances – Debit	2019-20	29,159.43	529.23	-
		2018-19	47,526.64	3,329.12	17.30
12	Closing balances – Credit	2019-20	1,625.81	72.32	206.28
		2018-19	1,625.81	9.95	220.75

32.4 Impairment of Non-Financial Assets

In the opinion of the management of the Group, there are no impaired assets requiring provision for impairment loss as per the Ind AS 36 on "Impairment of Non-Financial Assets". The recoverable amount of building, plant and machinery and furniture and fixtures has been determined on the basis of 'Value in use' method.

32.5 Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Ind AS – 108. During the year under report, the Company's business has been carried out only in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

32.6 Leases

Transition to Ind AS 116:

The Company has adopted Ind AS 116 "Leases" ("Standard") effective 1st April, 2019 (Initial application date). Ind AS 116 supersedes Ind AS 17 "Leases". The Standard sets out the principles for recognition, measurement, presentation, and disclosure of leases. The Standard has brought major change with respect to lease accounting to be done by the lessee. It requires lessee to account for right-of-use asset and lease liability for all the leases without lease classifications into operating and finance lease. The Company has used modified retrospective method of transition. Accordingly, the Company has recognized Right to use of asset amounting ₹ 4,534.97 Lakhs. Accordingly, the figures of the previous

year have not been restated. The Company has availed of following practical expedients as provided by the Standard:

- Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as a short-term lease.

For leases previously classified as operating leases under Ind AS 17 and which are not low value leases or short-term leases, the Company has recognized:

- a lease liability at present value of the remaining lease payments, discounted using Company's borrowing rate at transition date.
- a right-of-use asset at its carrying amount and discounted using Company's incremental borrowing rate at the date of initial application.

Reconciliation between operating lease commitments disclosed as per Ind AS 17 as at 31st March, 2019 and lease liabilities recognized in the balance sheet at the date of initial application i.e. 1st April, 2019 is as follows:

₹ in Lakhs

Operating lease commitments under Ind AS 17 as at 1st April, 2019	4,791.33
Less: Commitments pertaining to short-term leases	96.77
Less: Impact of discounting of lease payment	637.71
Lease liabilities recognized under Ind AS 116 as at 1st April, 2019	4,056.85

The Company has taken various assets on lease such as, plant & equipment and vehicles. Generally, leases are renewed only on mutual consent and at a prevalent market price and sub-lease is restricted.

Details with respect to right-of-use assets:

₹ in Lakhs

Class of asset	Additions to Right of Use of assets during the year	Depreciation for the year	Carrying amount of the asset as at 31st March 2020
Plant and Equipment	4,226.67	1,188.88	3,037.79
Vehicles	308.30	124.38	183.92
Total	4,534.97	1,313.26	3,221.71

i. Interest expense on lease liabilities amounts to ₹419.55 Lakhs.

ii. The expense relating to payments not included in the measurement of the lease liability and recognized as expense in the Statement of Profit and Loss during the year are as follows:

   a. Low value leases –₹Nil.

   b. Short-term leases – ₹ 101.70 Lakhs.

   c. Total cash outflow for leases amounts to ₹ 1,656.55 Lakhs during the year including cash outflow of short-term and low value leases.

32.7 Earnings Per Share (EPS)

₹ in Lakhs

Sl. No. Particulars	2019-20	2018-19
Profit /(Loss) After Tax for calculation of Basic EPS (₹ in Lakhs)	(5,811.27)	16,010.09
Profit/(Loss) After Tax for calculation of Diluted EPS (₹ in Lakhs)	(5,811.27)	16,010.09
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	1,871.99	1,871.99
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	1,871.99	1,871.99
Basic EPS (₹)	(3.10)	8.55
Diluted EPS (₹)	(3.10)	8.55

32.8 Tax Expenses:

₹ in Lakhs

Sl. No.	Particulars	2019-20	2018-19
	Current Tax	-	5,079.10
	MAT Credit Entitlement	-	(2,501.44)
	Short /(Excess) provision of Tax for earlier years	-	194.65
	Deferred Tax Liability / (Asset)	(564.78)	(278.99)
	Total Tax Expenses	**(564.78)**	**2,493.32**

32.9 Dues to Micro and Small Enterprises:

On the basis of information available with the Group, there are no dues outstanding for more than 45 days to Small Scale Industrial Undertaking (SSI). The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid/ payable as required under the said Act have not been given.

32.10 Additional Information pursuant to Schedule III of the Companies Act, 2013.

i) CIF value of Imports

₹ in Lakhs

Sl. No.	Particulars	2019-20	2018-19
1	Purchase of Capital Goods	293.41	2,876.61
2	Purchase of Materials / Spares	1,885.27	356.74

ii) Expenditure / (Income) in Foreign Currency:

₹ in Lakhs

Sl. No.	Particulars	2019-20	2018-19
1	Travelling Expenses	2.14	14.90
2	Interest on ECB Loan	68.19	492.46
3	Consultancy & Technical Fees	2,425.94	2713.31

32.11 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize the cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with other entities in the industry, the Group monitors its capital using the gearing ratio which is total net debt divided by total capital.

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Debt:i) Non-Current Borrowings	71,378.89	1,03,137.28
ii) Current Maturities of Non-Current Borrowings	15,883.61	23,642.14
iii) Current / Short term Borrowings	1,16,201.16	94,986.78
iv) Accrued Interest	3,723.78	3,492.40
v) Less: Cash and Cash Equivalents	(11,835.63)	(12,820.27)
Total Net Debt:	**1,95,351.81**	**2,12,438.33**
Equity:		
i)Equity Share capital	3,743.97	3,743.97
ii) Other Equity	86,581.38	92,388.31
Total Equity:	**90,325.35**	**96,132.28**
Total Net Debt to equity ratio (Gearing ratio)	**2.16**	**2.21**

32.12 Financial Instruments:

A. Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period.

Financial Instruments by category.

The Financial Assets and Financial Liabilities are the categories of Financial Instruments.

Financial Assets:

₹ in Lakhs

Particulars	Fair Value Hierarchy	As at 31st March, 2020	As at 31st March, 2019
EQUITY INVESTMENTS:			
Measured at fair value through profit or loss (FVTPL): Equity Investments in Other Entities (Quoted)	Level-1	6.08	31.69
Equity Investments in Other Entities (Un-quoted)	Level-2	3,000.00	3,000.00
Measured at fair value through OCI (FVTOCI): Equity Investments in Other Entities (Un-Quoted)	Level-2	-	60,162.40
Measured at Cost: Investments in Equity Instruments of Subsidiaries, Associates	NA	17,846.15	*20,596.54*
INVESTMENTS IN PREFERENCE SHARES:			
Measured at Fair value through profit or loss (FVTPL): Compulsorily Convertible Cumulative Preferential Shares in Other Entity	Refer Note No.32.17 (Prev. year Level-2)	19,571.95	19,571.95
Measured at Cost: Non- Convertible redeemable cumulative preferential Shares in Associates	Level-2	16,770.03	16,770.03

Financial Liabilities:

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Measured at amortized cost: Financial Liabilities i.e Borrowings	2,00,697.90	2,19,133.43

B. Fair value hierarchy

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or Liability.

Certain Financial Assets and Financial Liabilities that are not measured at Fair Value but Fair value disclosures are required:

₹ in Lakhs

Particulars	As at 31st March, 2020 (Carrying Value & Fair Value)	As at 31st March, 2019 (Carrying Value & Fair Value)
Fair Value Hierarchy	**(Level - 2)**	**(Level - 2)**
Financial Assets:		
Non- Current Loans	34,519.34	35,482.14
Non-Current Receivable	23,078.44	25,822.15
Other Financial Assets	Nil	Nil
Trade Receivables	1,00,854.23	1,13,478.16
Deposits with Contractees	27,022.60	32,493.96
Cash & Cash Equivalents and Other Bank balances	32,928.70	33,331.57
Current Loans	7,926.63	5,786.82
Financial Liabilities:		
Borrowings	1,87,580.05	1,98,124.06
Trade Payables	1,06,407.51	88,790.32
Other Financial Liabilities	38,751.92	44,938.23

32.13 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks like market risk, credit risk and liquidity risks. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments which are affected by market risk include loans and borrowings.

a. Interest rate risk

Majority of the Non-current (Long Term) borrowings of the Group bear fixed interest rate, thus interest rate risk is limited for the Group.

b. Foreign Currency Risk:

The Group's foreign Currency exposure details are as follows:

₹ in Lakhs

Particulars	Hedged/ Un-hedged	As at 31st March, 2020		As at 31st March, 2019	
		Foreign Currency USD in Millions	'Equivalent in Lakhs	Foreign Currency USD in Millions	'Equivalent in Lakhs
Amount payable in Foreign Currency:					
External Commercial Borrowings (ECB)	**Hedged**	Nil	Nil	44.18	2,632.77
Recognised foreign currency liabilities	**Un-hedged**	2.33	1,756.46	2.58	1,787.00
Foreign LC	**Un-hedged**	3.20	2,410.22	2.97	2,056.73

The Company undertakes transactions foreign currencies; consequently, exposures to exchange rate fluctuations arise.Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary items outstanding at the balance sheet date are

restated at the prevailing year-end rates. The resultant gain/loss upon such restatement along with gain / loss on account of foreign currency transactions are accounted in the Statement of Profit and Loss.

Foreign Currency sensitivity analysis

The above exposures when subjected to a sensitivity of 5% have the following impact:

₹ in Lakhs

Particulars	Impact on Profit after tax with increase in rate by 5%		Impact on Profit after tax with decrease in rate by 5%	
US Dollar	208.35	191.95	(208.35)	(191.95)

(ii) Credit risk management

Credit risk is the risk that a customer or a counterparty to a financial instrument fails to perform or pay amounts causing financial loss to the company. The maximum exposure of the financial assets is contributed by trade receivables, work-in-progress/ unbilled revenue, cash and cash equivalents and receivables/loans from group companies.

Credit risk on trade receivables, work in progress/unbilled revenue is limited as the customers of the company mainly consist of the Government promoted entities, having strong credit worthiness. The company takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers. During the current year the company had identified credit risk on certain financial instruments as below and has made the necessary provision for the same

₹ in Lakhs

Sl.No	Particulars	Balance As at 31st March 2020	Expected creditloss Amount
1	Trade receivables	24,798.72	2,943.89
2	Loans /advances	72,710.37	5,896.96

(iii) Liquidity Risk:

Liquidity Risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's management and finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

The following are the details regarding contractual maturities of Significant Financial Liabilities:

a) As at 31st March, 2020

₹ in Lakhs

Particulars	On Demand	Less than 1 year	1-5 Years	Morethan 5 Years	Total
Borrowings	1,16,593.66	15,883.61	80,501.95	-	2,12,979.22
Trade Payables	1,06,407.51	-	-	-	1,06,407.51
Interest Accrued	2,736.40	1,228.78	-	-	3,965.18
Other Financial Liabilities	15,736.94	24,916.81	51,145.04	39,342.34	1,31,141.13
Lease Liability	-	1,323.04	2,076.62	-	3,399.66
Total	**2,41,474.51**	**43,352.24**	**1,33,723.61**	**39,342.34**	**4,57,892.71**

b) As at 31st March, 2019

₹ in Lakhs

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	1,08,108.01	23,642.14	1,12,860.40	-	2,44,610.56
Trade Payables	1,05,075.60	-	-	-	1,05,075.60
Interest Accrued	2,043.11	1,449.29	-	-	3,492.40
Other Financial Liabilities	17,954.76	28,428.36	58,352.96	44,886.89	1,49,622.97
Total	**2,33,181.48**	**53,519.79**	**1,71,213.36**	**44,886.89**	**5,02,801.53**

32.14 Pursuant to the introduction of the Goods and Service Tax (GST) applicable indirect taxes have got subsumed into GST. The company has executed various Construction Contracts/ projects of NHAI /other state and central government Departments and in majority of the cases, the work orders for these contracts were issued under the erstwhile previous tax laws and the additional impact on account of GST was recognized in the previous years as other receivables under "Other Current Assets" note. During the year the company has recovered substantial amount of GST due and the balance amount will also be recovered in the due course.

32.15 Gayatri Energy Ventures Private Limited (GEVPL), a wholly owned subsidiary company incorporated for the purpose of investment in power projects, in which the Company had invested Equity Share Capital of ₹63,983.28 Lakhs and also funded as and when required in the form of unsecured loan, the balance loan as at 31st March, 2020 is ₹578.55 Lakhs. During the year, GEVPL has sold its entire investment in Sembcorp Energy India Limited (SEIL) for a consideration of ₹40,677.19 Lakhs and the proceeds from the sale were utilized by GEVPL to repay dues towards Debentures and remaining amount is used by the company for various purposes. As a result of sale of investment in SEIL, there has been significant erosion in the networth of GEVPL for the year ended 31st March, 2020. In view of the above, the management of the company has recognized the loss i.e. diminution in the value of investment (impairment of Investment) by ₹44,533.89 Lakhs on the basis of net worth of GEVPL. Considering the nature of the transaction, the same has been disclosed as an exceptional item in the statement of Profit & Loss of the financial statements for the year ended 31st March, 2020. Further, pursuant to the 'Share Purchase Agreement' entered for the sale of the investment, GEVPL is entitled to earn outs on occurrence of liquidity event in SEIL which is no later than 31st December, 2024 and the earn outs amount will be recognized in the year of realization.

32.16 Gayatri Highways Limited, an associate company in which the company has investment of ₹16,770.03 Lakhs in the form of Non-Convertible Cumulative Redeemable Preference Shares ('NCCRPS'), Equity Share Capital investment of ₹1,248.00 Lakhs and also funded an amount of ₹20,350.05 Lakhs of unsecured loan / subordinate debt as at 31st March, 2020. 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. Based on the above, the management of the company is of the opinion that 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 year ended 31st March, 2020.

32.17 The company has investment in Gayatri Hi-tech Hotels Limited ("Investee Company") in the form of Compulsorily Convertible Cumulative Preferential Shares ("CCCPS") amounting to ₹19,571.95 Lakhs as at 31st March, 2020. 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.

During the financial year, the investee company rescheduled its Debt and certain financial parameters of the investee company have also improved. However, due to COVID-19 pandemic and implementation of lockdown in the country, the business operations of the investee company was severely impacted. The extent to which the COVID – 19 pandemic shall effect the operations of the investee company are depended on future developments. In these circumstances, the company is unable to assess the true impact on its investment made in CCCPS for the current financial year ending 31st March, 2020. However, the management of the company is of the view that these CCCPS will be converted into equity shares of the investee company during the financial years 2027-28 which is very long period and further, the management is very confident that business operations of the investee company will get normalized at the earliest and generate sufficient cash flows. Hence, considering the tenure of the investment and

nature of the investment, provision for diminution / impairment for carrying value of the investments is not required to be made for the current financial year.

32.18 In the ordinary course of business, the Company had given Contract Advances to a sub-contractor which on mutual consent have been converted into interest bearing inter corporate loan. The said inter corporate loan of ₹18,676.14 Lakhs and interest thereon of ₹18,549.10 Lakhs is pending for recovery as at 31st March, 2020. 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. In view of this, no provision for the same is required to be made in the financial statements of the company for the year.

32.19 One of the subsidiary of the associate company (herein after called as "concessionaire company" or "SMTL"), which has been awarded a Build-Operate-Transfer (BOT) work for construction of Four Laning of Panikoili-Rimuli section of NH-215 Road has given termination notice to National Highways Authority of India (NHAI). The Company has to receive an amount of ₹24,472.04 Lakhs towards EPC cost from the said concessionaire company as on 31st March, 2020. Further, the company has given an irrevocable and unconditional Corporate Guarantee of ₹182,735.00 Lakhs to the lenders of the concessionaire company. SMTL Project was terminated by NHAI on 28th January, 2020 and toll collection rights were handed over to them on 30th January, 2020. SMTL is entitled for a Termination Payment of ₹2,83,447.00 Lakhs (which includes Adjusted Equity of ₹83,519.00 Lakhs and Total Debt Due of ₹1,99,928.00 Lakhs). Apart from the Termination Payment, SMTL has made a claim under "Concessionaire's right to recover losses/ damages from the Authority on account of material default of the Authority for an amount of ₹97,449.00 Lakhs towards cost overrun claims attributable to the NHAI, which includes claims against EPC Escalation made on NHAI from EPC Contractor (GPL) for ₹51,752.00 Lakhs. The above Claims and the termination payment have been referred to the Conciliation Committee of Independent Experts ("CCIE") as per NHAI policy. The first meeting of the committee is scheduled for hearing on 01.07.2020.

As per the information and explanations given by the concessionaire company and based on the legal opinion obtained by it, the said concessionaire company will receive significant amount of compensation so as to settle dues to the lenders and the company. As per the available information and based on the discussions held with the lenders, the management is of the view that the possibility of invocation of Corporate Guarantee is remote. In view of this, the management is of the opinion that no provision is required to be made in respect of receivables and Corporate Guarantee for the year ended 31st March,2020.

32.20 An amount of ₹3,620.49 Lakhs as on 31st March, 2020 is receivable from M/s Western UP Tollways Limited ('Erstwhile Associate Company') operating Meerut and Muzaffarnagar Section of NH-58 Road on BOT basis against the EPC works executed by the company during the previous years and the amounts shall be recovered out of the claims amounts received by the erstwhile associate company from NHAI. The erstwhile associate has so far raised a total claim for ₹46,956.00 Lakhs on NHAI on different counts which are in the advanced stage of arbitration. The Management of the erstwhile associate company is confident of getting the claims amounts from NHAI and assured the company by way of agreement, to pay the dues to the company upon receipt of claims and hence, in the opinion of the management, no provision is required to be provided in respect of amounts receivable from the said erstwhile associate company.

32.21 The Advances to Subcontractors and others as at 31st March, 2020, includes an amount of ₹14,877.57 Lakhs given to one sub-contractor in the normal course of business. The recovery of this advance is delayed due to certain extraneous factors not attributable to the subcontractor. During the current financial year, the company has recovered an amount of ₹15,199.00 Lakhs from the said sub-contractor. In view of this, the management is confident to recover the entire advances from the sub-contractor in due course and hence no provision is required to be made in the financial statements for the current financial year.

32.22 M/s. Mytas Gayatri Joint Venture ("Joint Venture") in which, the company is one of the partners had executed road project work in the state of Nagaland. The Joint Venture had filed claim applications before the Arbitral Tribunal during the previous year regarding the aforesaid works. The Arbitral Tribunal has passed the arbitration award in favour of the Joint Venture during the year and based on the arbitration award, the company has recognized its share of contract claim amount (including interest) of ₹ 26,702.41 Lakhs during the year as revenue. Further, an amount of ₹ 8,254.92 Lakhs has been recognized as expenditure against company's share of revenue which is payable to the subcontractor who had executed part road project work on sub-contract basis. The arbitration award claim amount will be received on completion of the court process.

32.23 The managerial remuneration accrued / paid by the Company to its Managing Director & Executive Vice Chairman for the year ended 31stMarch, 2020 is in excess by ₹519.96 Lakhs vis-à-vis the limits specified in Section 197 of CompaniesAct, 2013 ('the Act') read with Schedule V thereto in absence of profit for the current year. The Company is in the processof complying with the prescribed statutory requirements to regularize such excess payments, until then, the said excess amount is held in trust by the Managing Director and Executive Vice Chairman.

32.24 As per the settlement agreement dated 29thMarch, 2019 made between the Company, Gayatri Highways Limited ("GHL") – an Associate Company and IL&FS Financial Services Limited (IL&FS); the Company and GHL jointly and severally agreed to repay the loan availed by GHL amounting to ₹12,500.00 Lakhs along with interest in twelve monthly instalments commencing from May 2019 and the entire amount to be paid on or before 30th April, 2020. As per the available information and financial statements of GHL, Principal amount of ₹9,800.00 Lakhs and Interest amount of ₹788.88 Lakhs are defaulted as at the Balance Sheet date i.e. 31.03.2020.

32.25 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 lock down restrictions imposed in the month of March, 2020, the work at major sites has come to standstill and post lockdown restrictions, the works are resumed but due to shortage of site workmen and disruption in material supply, the works are being carried at sub-optimal level which may lead to delay in completion of the projects. However, the respective Departments have awarded an extension of time by another six months with no extra cost to the contractor. COVID –19 Pandemic impact and lockdown restrictions caused temporary stress on the working capital management. The company has opted for the utilization of Moratorium Benefit provided by the Reserve Bank of India and the company has also applied for loan facility under Covid Emergency Credit Line. As stated above, the company is mainly executing government related works, it is estimated that there will be no defaults in receivables of the company and there will be no cancellation / suspension of works allotted to the company. In view of the above, the COVID–19 pandemic impact on the business operations of the company is temporary in nature and it will not impact the continuity of the business operations of the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact on the financial statements.

In respect of the subsidiary company,it being a holding company of various power projects has not got effected significantly in view of the lockdown implementation in the Country, however there may be a delay in realisation of earnouts or sale of other investments held by the Company.

32.26 Debt Resolution Plan:

The company is facing severe liquidity constraints over the last few months on account of cash flow mismatch. In view of this, the company has proposed a resolution plan to the lending consortium, which essentially involves sources to meet the repayment debt service obligations through monetization of arbitral awards, monetization of Claims under process either through a Conciliation & Settlement Mechanism, disposing of non-core assets and cash flows from normal operations of the Company. As a part of the resolution process, the lending

consortium has signed an Inter-Creditor Agreement (ICA) on 21st March, 2020.

32.27 During the previous financial years, the subsidiary company (i.e. GEVPL) had entered into Master Shareholders agreement with Sembcorp Utilities PTE Ltd (SUPL), Sembcorp Energy India Limited (formerly Thermal Power Corporation India Limited) (SEIL) and Sembcorp Gayatri Power Limited (SGPL). Pursuant to this agreement, the subsidiary company has an option to exercise the call option of purchasing 5.88% of shareholding of SEIL i.e, 30,33,30,925 shares. Further during the current year, pursuant to the Share Purchase Agreement entered by the Company with the Sembcorp Utilities Pte. Ltd., as referred in note no. 32.31 the subsidiary company had sold its entire investment in SEIL. However pursuant to the Share Purchase Agreement, the Company is entitled for earnout on the call option shares and the same shall be payable by the purchaser only upon the occurrence of a Liquidity Event which is no later than 25th May, 2022.

32.28 During the preceding financial years the subsidiary company (i.e. GEVPL) had issued 99,25,000 No(s) 9% Optionally Fully Convertible Debentures (OFCD's) amounting to ₹992.50 Lakhs. During the current year from the proceeds of sale of investment in M/s. Sembcorp Energy India Ltd (SEIL), the subsidiary company had paid an amount of ₹ 600.00 Lakhs to the debenture holders. In view of accumulated losses in the company and its inability to realize the entire amount from sale of the investment in SEIL, the subsidiary company has initiated negotiation/ discussion with Debenture Holders to settle the final amounts payable to them and as at balance sheet date, the negotiations are inconclusive.

32.29 During the preceding financial years, the subsidiary company (i.e. GEVPL) had made an investment/ advance/ share application money to Jinbhuvish Power Generation Private Limited and Jinbhuvish Powertech Private Limited to set up a coal-based power plant in Maharashtra and as on 31stMarch, 2020 the total amount infused in the form of investment/advance/share application money is ₹ 5,544.45 Lakhs. The Subsidiary Company had decided to exit from the said power project and in this regard entered into an Exit Agreement on 25thMay, 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. The management of the subsidiary company is of the opinion that despite there been a considerable delay in exiting from the power project, there is no need for any provision/ impairment to be made and the subsidiary company shall exit from the investments made and also recover the entire amount in the due course.

32.30 During the preceding financial years, the step down subsidiary company (i.e. BTPCL), had given Contract Advance of ₹ 2,155.05 Lakhs towards execution of road works at proposed Thermal Power Project site. As the said contract work was not executed due to various factors such as pending coal allotment and non-acquisition of complete proposed project land, etc., the Mobilization Advance has not been adjusted /recovered. The management of the step down subsidiary company is very much confident of commencement of Thermal Power Project and further opined that the mobilization advance will be recovered out of running bills to be submitted and hence no provision is required to be made regarding contract advance.

32.31 Sale of Investment in Sembcorp Energy India Limited (erstwhile Thermal Powertech Corporation India Limited)

(i). During the current year, the subsidiary company has sold its entire investment i.e. 32,34,52,917 Equity Shares in M/s. Sembcorp Energy India Limited (SEIL) in accordance with Share Purchase Agreement (SPA) dated 6th December, 2019 entered between Sembcorp Utilities Pte. Ltd ("The Purchaser") and the subsidiary company, for a consideration of ₹40,677.19 Lakhs i.e. ₹ 12.57 per share. Pursuant to the sale, the subsidiary company has derecognized the previously recognized (during the financial year 2017-18) Other Comprehensive income (OCI) of ₹ 20,614.14 Lakhs on initial investment of 24,16,15,974 shares (purchased at ₹10 per share) which are Re-Valued at Fair Market value (FMV) i.e.₹18.53 per share and accordingly recognised net gain of ₹1,128.94 Lakhs on sale of investment. The proceeds from the sale of investment were utilized for

repayment of entire amount due to Non-Convertible Debenture Holders of ₹ 21,010.98 Lakhs (including interest thereon), payment of ₹ 3,400.67 Lakhs towards delay of subscribing certain shares of Sembcorp Energy India Limited (SEIL), ₹ 9,037.00 Lakhstowards repayment of loan to the holding company, payment of ₹ 4,434.06 Lakhs on account of Margin Money and interest thereon amounting to ₹2,194.34 Lakhs on behalf of the holding company and ₹ 600.00 Lakhs towards part repayment of dues to holders of Optionally Fully Convertible Debentures.

(ii). Further as per above mentioned SPA, the Subsidiary Company is also entitled for earnout on the above shares and the same shall be payable by the purchaser only upon the occurrence of a Liquidity Event which is no later than 31st December, 2024.

"Liquidity Event" (LE) means the occurrence of the first secondary sale of Equity Shares of the SEIL and/or the shares of Sembcorp Green India Ltd (SGIL) for cash consideration, after the Completion Date, to any unrelated third party(is), in which the third party(is) become the beneficial owner(s), directly or indirectly, of the voting securities of the SEIL and/or SGIL (as the case may be).

The management of the subsidiary company has decided to recognize the impact of Earnouts as and when the same is realized.

32.32 During the previous years, pursuant to various agreements entered between the subsidiary company, Sembcorp Gayatri Power Ltd (SGPL), Sembcorp utilities Pte. Ltd (SUL), Sembcorp Energy India Ltd (SEIL) and NCC Infra Holding Ltd (NCCIHL) (associate company) for the reorganization of SembCorp group's power portfolio in India to consolidate its beneficial holdings in SGPL, the subsidiary company had sold its partial investment in NCCIHL to NCC Limited. Further, pursuant to the agreement, the subsidiary company had agreed to sell its remaining shares held in NCCIHL to NCC Limited on a mutually agreed price on receipt of "subsequent tranche letter" from NCC Limited. The subsidiary company is yet to receive the letter to sale the investment as at 31st March, 2020 and hence, the effect of transfer of shares will be recognized on transfer of shares. Further, the subsidiary company has invested in Equity Shares of ₹ 28,969.35 Lakhs in the associate company during the previous years and as per the audited financial statements of the associate company, it has been incurring losses during the past few years and accumulated losses have affected the net-worth of NCCIHL. The subsidiary company has conducted the Risk Assessment of its assets including its investment in NCCIHL. In accordance with the same, the management of the subsidiary company is of the opinion that no provision is required to be made for the diminution in the carrying value of the equity investments made by the subsidiary company for the year ended 31st March, 2020.

32.33 During the current year, the Subsidiary Company has written off its Investment of ₹ 3.00 Lakhs in Sembcorp Gayatri O&M Company Private Limited (Associate Company), as the said associate company has voluntarily applied for Removal of Name from Register of Companies and still it is in the process of striking off as at 31st March, 2020.

32.34 Previous year figures are regrouped / reclassified to match with the current year presentation.

32.35 All amounts are rounded off to the nearest Thousands.

For M O S & Associates LLP
Chartered Accountants

For and on behalf of the Board

Sd/-
S V C Reddy
Partner

Sd/-
T. Indira Reddy
Chairperson
DIN : 00009906

Sd/-
T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Place: Hyderabad
Date: 30th June, 2020

Sd/-
P. Sreedhar Babu
Chief Financial Officer

Sd/-
Chetan Kumar Sharma
Company Secretary& Compliance Officer

GAYATRI

Gayatri Projects Limited

B1, 6-3-1090, TSR Towers
Raj Bhavan Road, Somajiguda, Hyderabad 500 082.
T +91 40 2331 0330 / 4296 / 4284
F +91 40 2339 8435
E gplhyd@gayatri.co.in
www.gayatri.co.in
CIN: L99999TG1989PLC057289

FORM NO- MR-3

Secretarial Audit Report

For The Financial Year Ended 31st March, 2020

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

To,
The Member(s)
M/s. GAYATRI ENERGY VENTURES PRIVATE LIMITED
HYDERABAD TELANGANA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. GAYATRI ENERGY VENTURES PRIVATE LIMITED (CIN:** U40108TG2008PTC057788**)** (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31st March, 2020** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Books, Papers, Minute Books, Forms and Returns Filed and other Records Maintained by **M/s. GAYATRI ENERGY VENTURES PRIVATE LIMITED** for the period ended on **31st March, 2020** according to the provisions of:

i. The Companies Act, 2013 (**the Act**) and the Rules made there under;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not Applicable during the audit period)**
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Applicable w.e.f 15th May, 2015); (**Not Applicable during the audit period)**
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable during the audit period); (**Not Applicable during the audit period**
   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based

Employee Benefits) Regulations, 2014 notified on 28th October, 2014 **(Not Applicable during the audit period);**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable during the audit period**);

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;

G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 **(Not Applicable during the audit period)** and;

H. The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998 (**Not Applicable during the audit period**).

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India.

ii) The Listing Agreements entered by the Company with BSE Limited upto 30th November, 2015. (**Not Applicable during the audit period);**

iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 1st December, 2015. (**Not Applicable during the audit period).**

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

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

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

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

Place : **Hyderabad**
Date : **26.06.2020**

Sd/-
Y.KOTESWARA RAO
ACS No. 3785
C.P. No.: 7427
UDIN: A003785B000384682

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

'ANNEXURE A'

To,
The Members
M/s. GAYATRI ENERGY VENTURES PRIVATE LIMITED
HYDERABAD TELANGANA.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that, I have followed has provided a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

Place : **Hyderabad**
Date : **26.06.2020**

Sd/-
Y.KOTESWARA RAO
ACS No. 3785
C.P. No.: 7427
UDIN: A003785B000384682