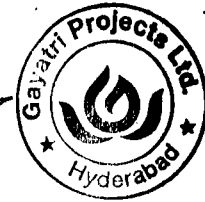


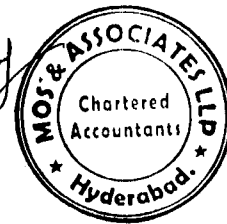
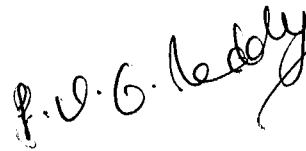
FORM A

1.	Name of the Company :	Gayatri Projects Limited
2.	Annual financial statements for the year ended :	31 st March, 2015
3.	Type of Audit Observation	Un-qualified Opinion. However some Emphasis of matters reported in Auditors' Report are as follows: Emphasis of Matters We draw member's attention to the following matters: i) Note No.31.12 regarding excess managerial remuneration paid by the company. ii) Note No.31.21 & 31.23 regarding recovery of loans & Advances and work advances given to some of the sub-contractors. iii) Note No.31.22 regarding conversion of long pending Trade Receivables of Rs.218.51 crores for which necessary statutory formalities / compliances are pending. iv) Note No.31.26 regarding pending confirmation of balances in respect of certain items and balances reported in the financial statements.
4.	Frequency of Observation	First three points reported under Emphasis of Matters in Auditors' Report are appeared first time for the current financial year 2014-15 and 4 th point reported under the Emphasis of Matters is repetitive since F.Y: 2013-14.
5.	Signatures :	1. Mr. T.V. Sandeep Kumar Reddy - Managing Director 

2. Mr. P. Sreedhar Babu
- Chief Financial Officer

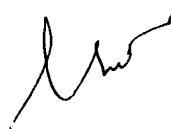


3. MOS & Associates LLP
Chartered Accountants-
Statutory Auditors of the
Company



S.V.C. Reddy
Partner

4. Mr. CH. Hari Vittal Rao
- Audit Committee Chairman





GAYATRI PROJECTS LIMITED

**TWENTY SIXTH ANNUAL REPORT
2014-15**



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CORPORATE INFORMATION

Board of Directors

Smt. T. Indira Subbarami Reddy	-	Chairperson
Sri T.V. Sandeep Kumar Reddy	-	Managing Director
Sri J. Brij Mohan Reddy	-	Executive Vice Chairman
Sri G. Siva Kumar Reddy	-	Director
Sri V. L. Moorthy	-	Director
Sri Ch. Hari Vittal Rao	-	Director

Company Secretary & Compliance Officer

CS I.V. Lakshmi

Chief Financial Officer

CA P. Sreedhar Babu

Statutory Auditors

M O S & Associates LLP
Flat No. 501, Lahari Benz Apartments,
Rajbhavan Road, Somajiguda, Hyderabad-500 082.

Bankers

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

Registered & Corporate Office

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

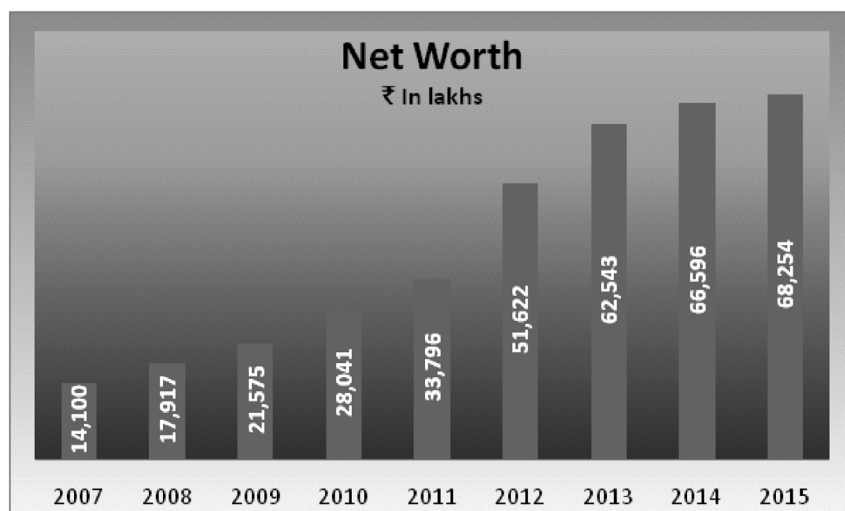
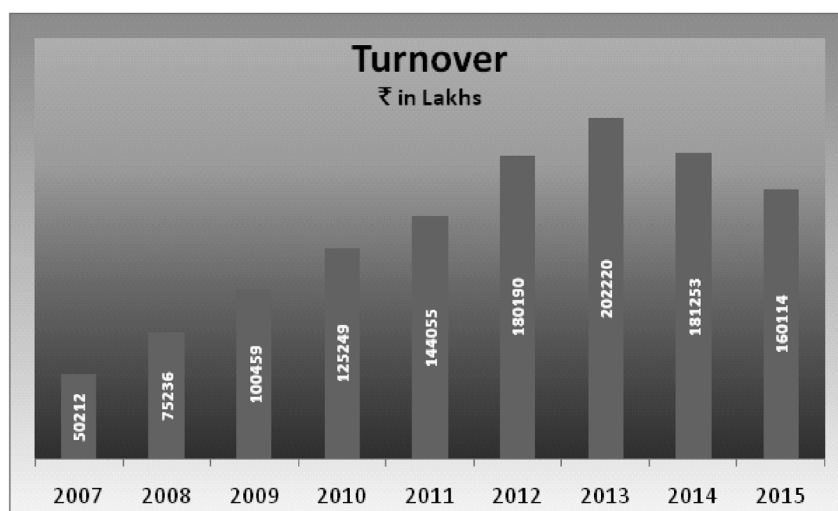
Registrars & Transfer Agents

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032.
Tel: 040-67162222, Fax: 040-23001153
Email: einward.ris@karvy.com
Website: www.karvycomputershare.com

FINANCIAL HIGHLIGHTS

₹ in Lakhs

DESCRIPTION	2014-15	2013-14	2012-13	2011-12	2010-11
Turnover	160,114.16	1,81,253.22	2,02,220.21	1,80,190.39	1,44,055.10
Profit Before Tax	3,508.86	8,247.52	10,201.08	6,983.99	9,175.54
Profit After Tax	2,205.32	4,760.73	6,308.91	4,597.12	5,000.01
Equity Capital	3,022.70	3,022.70	3,022.70	2,396.82	1,198.90
Reserves & Surplus	65,231.05	63,573.62	59,520.17	49,225.36	32,596.98
Net Worth	68,253.75	66,596.32	62,542.87	51,622.18	33,795.88
Gross Block	46,203.29	45,431.76	45,068.58	44,617.76	37,012.37
Net Block	20,812.12	22,936.36	24,738.09	27,393.87	21,929.13
Book Value (₹) Per Share	225.80	210.32	206.91	215.38	281.89
EPS (₹) Basic	7.30	15.75	24.53	37.83	43.10
Dividend	10%	20%	30%	30%	50%



NOTICE

NOTICE is hereby given that the TWENTY SIXTH ANNUAL GENERAL MEETING of M/s. Gayatri Projects Limited will be held at 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, on Monday the 28th September, 2015 at 11.30 a.m to transact the following businesses.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the Year ended 31st March, 2015.
3. To appoint a Director in place of Smt. T. Indira Subbarami Reddy, who retires by rotation, and being eligible, offers herself for re-appointment.
4. **TO APPOINT AUDITORS AND FIX THEIR REMUNERATION**

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

“RESOLVED THAT pursuant to the provisions of sections 139 (2) and 142(1) of the Companies Act 2013 the retiring Auditors, M/s M O S & Associates LLP, Chartered Accountants, Hyderabad be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company from time to time.”

SPECIAL BUSINESS:

5. **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 2014-15 and F.Y 2015-16.**

To consider and if thought fit, to pass with or without modification, 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 2014-15 and 2015-16 for a remuneration of ₹ 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.”

6. **Re-appointment of Sri. J. Brij Mohan Reddy, Executive Vice Chairman.**

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

“RESOLVED THAT pursuant to provisions of sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the Act), as amended or re-enacted from time to time, the Company hereby approves the re-appointment of Sri J. Brij Mohan Reddy as Executive Vice Chairman of the Company for a period of three years commencing from October 1, 2015 to September 30, 2018 with the following terms and conditions

- 1) **Period:** For a period of 3 years commencing from 1st October 2015 to 30th September 2018.
- 2) **Nature of Duties:** Sri J. Brij Mohan Reddy shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board and/or subsidiaries or any other executive body or any committee of such a Company.

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

MINIMUM REMUNERATION:

“RESOLVED FURTHER that in the event of absence or inadequacy of profits in any financial year, the remuneration by way of salary, allowances, perquisites, benefits, amenities and facilities to **Sri J. Brij Mohan Reddy**, shall not, except with the approval of the Central Government, exceed the limits prescribed under the Companies Act, 2013 and rules made there under or any statutory modification or re-enactment thereof.”

7. Adoption of New Set of Articles of Association of Company inter-alia pursuant to the Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association which is available for public inspection at the Registered Office of the Company and on the company’s website, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.”

8. Ratification of Master Restructuring Agreement (MRA) entered into by the Company for conversion of loan into equity

To consider and, if thought fit, to pass with or without modification(s), the following Resolutions as a SPECIAL RESOLUTION:

“RESOLVED THAT in accordance with the provisions of Section 62 (3), Section 180 and other applicable provisions, of the Companies Act, 2013 and the rules framed thereunder and applicable provisions, if any, of the Companies Act, 1956, and in accordance with the Memorandum of Association and Articles of Association of the Company and other applicable laws/ regulations, the Master Restructuring Agreement and other Financing Documents executed on 23rd of January, 2015 between Company and the Lenders, be and are hereby ratified.”

“RESOLVED FURTHER THAT conversion of outstanding loan amount to equity shares of the Company in the manner mentioned in the Article 7.3 (b) of the Master Restructuring Agreement (MRA) and other Financing Documents, executed on 23rd of January, 2015 be and are hereby ratified:

- (i) conversion of the whole of the outstanding amount of the Facilities and / or 20% of rupee equivalent of the defaulted amount into fully paid-up equity shares of the Company;
- (ii) conversion of up to 20% of the term debt outstanding beyond 7 years and;
- (iii) conversion of the whole amount of FITL at any time during the Restructuring Period at par at the option of the Lenders,

“RESOLVED FURTHER THAT the Board be and are hereby authorised to issue, offer and allot the equity shares to the Lender on such terms and conditions as provided in the Master Restructuring Agreement and the other Financing Documents.”

“RESOLVED FURTHER THAT the Board be and are hereby authorised to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lender arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.”

“RESOLVED FURTHER THAT in addition to all applicable Indian laws, the securities issued pursuant to this resolution shall also be governed by all applicable laws of any foreign jurisdiction where such securities are or are proposed to be marketed or listed, or that may in any other manner apply in this relation.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid listing of the shares on conversion with the stock exchange(s), to dematerialise the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT subject to applicable law, the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any one or more Directors of the Company, with power to delegate to any officers of the Company, to give effect to this resolution.”

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

Place : Hyderabad
Date : 3rd September, 2015

CS I.V. LAKSHMI
Company Secretary & Compliance Officer

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies, in order to be effective must be received at the company's registered office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. Must be supported by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.
2. The Register of Members and the Share Transfer Books of the Company will be closed from Wednesday, September 23rd 2015 to Monday, September 28th 2015 (both days inclusive).
3. Shareholders are requested to bring their copies of Annual Report to the Annual General Meeting.
4. 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 least seven working days prior to the meeting, so that the required information can be made available at the meeting.
5. The dividend for the year ended 31st March, 2015 as recommended by the Board, if approved at the Meeting, will be payable to those members whose names appear on the Company's Register of Members on 22nd September, 2015.
6. 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. Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Tel: 040-67162222, Fax: 040-23001153. Members, holding shares in electronic form, are requested to notify any such changes to the concerned Depository Participant.

7. Appointment / Re-appointment of Directors

At the ensuing Annual General Meeting, **Smt. T. Indira Subbarami Reddy** Director retire by rotation and being eligible offers herself for re-appointment. The relevant information as required under Clause 49 of Listing Agreement concerning Corporate Governance Code in respect of appointment / reappointment of Directors is given below for information of the Members;

T. Indira Subbarami Reddy, aged 64 years, is a Promoter and Non-Executive Chairperson of our Company. She has experience in sugar, power generation and building infrastructure projects. With more than twenty-five years of experience, she has made a name for the Gayatri Group in both Industrial and Residential projects, her star achievements including the prestigious twin theatres – Maheshwari - Parameshwari, which were constructed in record time, the impressive TSR Towers, and the Park Hyatt Hyderabad, a 7-Star luxury hotel. She has also initiated strategic joint ventures with big players of the construction industry like DLF Limited.

8. 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 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Karvy Computershare Private Limited ("Karvy").
9. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link <http://evoting.karvy.com> during the e-voting period commences from 25th September, 2015 (9 a.m. IST) to 27th September, 2015 (5 p.m. IST).
10. The Company has appointed, Mr. Y. Koteswara Rao Practicing Company Secretary, as a Scrutinizer(s) to scrutinize the e-voting and ballot process for Annual General Meeting in a fair and transparent manner.

Remote E-Voting

The Company is pleased to provide e-voting facility to the shareholders of the Company to enable them to cast their votes electronically on the items mentioned in the Notice. The facility for voting by ballot or polling paper shall also be made available at the Annual General Meeting and the shareholders attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Company has appointed Mr. Y. Koteswara Rao, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The e-voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on 21.09.2015, being the Cut-off date for the purpose. The Shareholders of the Company holding shares either in dematerialised or in physical form, as on the Cut-off date, may cast their vote electronically and physically. A person who is not a shareholder on the Cut-off date should treat this Notice for information purposes only.

The process and manner for remote e-voting are as under:

- I. The Company has entered into an arrangement with Karvy Computershare Private Limited ("Karvy") for facilitating remote e-voting for the Annual General Meeting. The instructions for remote e-voting are as under:

- (i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'.
- (ii) Enter the login credentials, i.e. user-id & password, mentioned on the Attendance Slip / Email forwarded through the electronic notice:

User-ID	For shareholder(s)/ Beneficial Owner(s) holding Shares In Demat Form:- a) For NSDL:- 8 Characters DP ID Followed By 8 Digits Client ID b) For CDSL:- 16 Digits Beneficiary ID c) For Members holding shares in Physical Form:- Folio Number registered with the Company
Password	Your Unique password is printed on the AGM Attendance Slip / sent via email forwarded through the electronic notice.
Captcha	Enter the Verification code for Security reasons, i.e., please enter the alphabets and numbers in the exact way as they are displayed.

- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) Members holding shares in Demat / Physical form will now reach password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *, #, @, etc.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that such company opts for e-voting through Karvy's e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID., etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly ensure that you note down your password for future reference. In case you forget it, you will need to go through 'Forgot Password' option available on the Karvy's e-voting website to reset the same.
- (v) You need to login again with the new credentials.
- (vi) On successful login, system will prompt to select the 'Event', i.e. 'GAYATRI PROJECTS LIMITED'.
- (vii) If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any other company, then your existing login id and password are to be used.
- (viii) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If you do not want to cast a vote, you may select 'ABSTAIN'.
- (ix) After selecting the resolution if you have decided to cast vote on the same, click on "SUBMIT" and 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.
- (x) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

- (xi) Corporate / Institutional Members (corporate / FIs / FIIs / Trust / Mutual Funds / Banks, etc.) are required to send scanned copy (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to scrutinizer@gayatri.co.in with a copy to evoting@karvy.com. The file scanned image / pdf file of the Board Resolution should be in the naming format "Corporate Name".
2. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently. Kindly note that once you have cast your vote you cannot modify or vote on poll at the Annual General Meeting. However, you can attend the meeting and participate in the discussions, if any.
 3. The Portal will remain open for voting from: **9 A.M. on September 25, 2015 (Friday) to 5 P.M. on September 27, 2015 (Sunday)** (both days inclusive). The e-voting portal shall be disabled by Karvy thereafter.
 4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com>. In case of any grievances, you may contact Mr. K S Reddy of Karvy Computershare Private Limited at 040-67162222 or at 1800-3454-001 (toll free); email: einward.ris@karvy.com.
 5. The Scrutinizer shall within a period not later than 3 (Three) days from the conclusion of the voting at the annual general meeting, first count the votes cast at the annual general meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (Two) witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 3 (Three) days after the conclusion of the annual general meeting to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting forthwith.
 6. The resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the resolutions.
 7. The results declared along with the Scrutinizer's Report(s) will be placed on the website of the Company www.gayatri.co.in and on Karvy's website (<https://evoting.karvy.com>) immediately after it is declared by the Chairman, or any other person authorised by the Chairman, and the same shall be communicated to National Stock Exchange of India Limited and BSE Limited.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

Item No.5:

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Cost Audit) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the Company.

Based on the recommendation of the Audit Committee, the Board has, considered and approved the appointment of **M/s. N.S.V. KRISHNA RAO & CO**, Cost Accountants as the cost auditors for the financial year 2014-15 and 2015-16 at a remuneration of ₹1.15 lakhs per annum plus applicable service tax and reimbursement of out of pocket expenses.

The Board recommends this resolution for approval of the Members by way of ratification

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested financially or otherwise, in the resolution except to the extent of their equity holdings in the Company.

Item No.6:

Sri J. Brij Mohan Reddy, aged 74 years, is an Engineering Graduate from Berkley University in U.S.A. He has specialized in Harbour Engineering (i.e., construction of break waters, piers, wharf walls, jetties etc.), RCC structures, Steel structures and Highway projects. He joined as Director in the Board of GPL in the year 1994. He is responsible for construction of the entire fisheries harbor at Chennai and major portion of mechanized ORE-handling project for Chennai Port Trust. He is also Director in Board of Western UP Tollway Ltd., Indore Dewas Tollways Limited., Gayatri Jhansi Roadways Ltd., Gayatri Lalitpur Roadways Ltd., Gayatri Infra Ventures Limited., Chamundeswari Builders Pvt. Ltd., Balaji Highway Holdings Pvt. Ltd.,. Considering his experience, the Board proposes to extend his appointment for further 3 years without any change in remuneration and present designation, i.e from 1st October 2015 to 30th September 2018 subject to the approval of the members in the ensuing Annual General Meeting.

The Board recommends the above resolution for approval of the members by way of special resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives excepting Mr. T.V. Sandeep Kumar Reddy Mr. J. Brij Mohan Reddy directors, are in any way concerned or interested financially or otherwise, in the resolution.

Item No.7:

The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013 ("the Act").

The Act is now largely in force with Rules thereon. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction/confirmation of the National Company Law Tribunal ("Tribunal")). However, substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles.

Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act except to which provision is made in the new set of articles. The Members attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- (a) Existing definitions have been aligned with the Act;
- (b) new provisions relating to appointment of chief executive officer and chief Financial officer, in addition to manager and company secretary;
- (c) new provisions relating to appointment of a person as Chairperson and Managing Director or Chief Executive Officer;
- (d) existing articles have been streamlined and aligned with the Act;
- (e) the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included.
- (f) general powers has been included i.e wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders. The proposed new draft AoA is also available for inspection at the Registered Office of the Company on all working days, except Saturdays, between 10.00 a.m. and 12.00 noon up to the date of declaration of the result of Postal Ballot.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said Special Resolution.

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 7 of the accompanying Notice.

Item No.8:

It is informed to the members that the operations of the Company had come under strain due to various internal and external reasons and hence, the Company had requested the Lenders for debt restructuring. The request of the Company was referred to the Joint Lenders' Forum, (hereinafter referred to as the "**JLF**") and in the meeting was convened by BoB, the lead bank on August 13, 2014 (the "**Joint Lenders' Meeting**") the Lenders decided to restructure the Existing Loans under the JLF as a corrective action taken by the Existing Lenders. Pursuant thereto, the members of the Company as per the result of the postal Ballot on 1st September, 2014, in terms of the provisions of the Section 180 and other applicable provisions of the Companies Act 2013 ("**Act**") accorded to the Board of Directors of the Company for borrowing from time to time any sums of money not exceeding Rs. 9000 Crore on such security and on such terms and conditions as the board may deem fit.

Subsequent thereto, MITCON was requested to draw a Techno Economic Viability Report (the "**TEV Report**") and based on it a Restructuring package was drawn by IDBI Capital Market Service Limited and by a Resolution passed by Board in its meeting held on 30th of December, 2014, the Board approved the execution of Master Restructuring Agreement ("**MRA**") and other related document in line with the said Restructuring Package proposed by IDBI Capital Market Service Ltd. The said Package was placed before the JLF on January 19, 2015, JLF and was approved by it (hereinafter referred to as the "**Approved JLF Package**"),

It is further informed to the members that to implement the Approved JLF Package, pursuant to the resolution passed by the shareholders by way of Postal Ballot on September 1, 2014 and the resolution of the Board of Directors passed at the meeting held on December 30, 2014, the Company has executed the Master Restructuring Agreement ("**Master Restructuring Agreement**") and other Financing Documents on 23rd of January, 2015.

The Article 7.3 (b) of the Master Restructuring Agreement, *inter alia* deals with the conversion right as available to the Lenders and lays down that the Lenders shall have;

- (i) a right to convert the whole of the outstanding amount of the Facilities and / or 20% of rupee equivalent of the defaulted amount into fully paid-up equity shares of the Borrower;
- (ii) a right of conversion up to 20% of the term debt outstanding beyond 7 years and
- (iii) an option to convert the FITL at any time during the Restructuring Period at par, in the manner mentioned in the said Article.

The Chairman informed the Shareholders that since the Article 7.3 (b) contain provision for conversion of the loan into equity, pursuant to section 62 (3) of the Act, approval of the shareholders was required by way of special resolution for such loan which is convertible to equity shares. Since the Master Restructuring Agreement containing the condition for conversion of loan to equity shares was already executed, ratification of the same had to be ratified by the Shareholders by way of special resolution.

The Board of Directors accordingly recommends the Special Resolution as set out at Item No. 8 of the accompanying Notice for approval of the Members by way of special resolution.

None of the Directors or Key Managerial Personnel or their Relatives are in any way concerned or interested in the Resolution, except to the extent of their equity holdings in the Company.

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

Place : Hyderabad
Date : 3rd September, 2015

CS I.V. LAKSHMI
Company Secretary & Compliance Officer

DIRECTORS' REPORT

To
The Members,

The Directors have pleasure in presenting before you the Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS (Standalone) :

₹ in Lakhs

Particulars	2014-15	2013-14
Turnover	1,60,114.16	1,81,501.85
Profit Before Interest Depreciation and Taxes	21,196.12	27,217.96
Less: Interest and Finance Charges	14,867.18	15,972.69
Profit before Interest and Deprecation	6,328.94	11,245.27
Less: Depreciation	2,820.08	2,997.75
Profit before Tax	3,508.86	8,247.52
Provision for Tax	1,303.54	3,486.79
Profit after Tax	2,205.32	4,760.73
Profit brought forward	26,730.03	23,176.58
Profit available for appropriation	28,935.35	27,937.31
Appropriations:		
Proposed Dividend at Rs1.00 per share (10%)	302.27	604.54
Dividend Tax on proposed Dividend	51.37	102.74
Transfer to General Reserve	500.00	500.00
Surplus carried to Balance Sheet	27,887.46	26,730.03

REVIEW OF OPERATIONS :

During the year 2014-15, the growth in operating income and profitability of construction companies remained muted which implies that execution is yet to pick up in a meaningful manner. This can be partly attributed to stretched financial position of many construction companies which has constrained resources for speeding up execution. The improvement in liquidity profile and credit metrics of construction companies will take some more time and will be subject to improvement in working condition.

The construction/infrastructure sector is likely to get major boost from the Government's focus on development of infrastructure in India. With the political stability, sharper focus on infrastructure development and improvement in economy, new projects announcements by both the public and private sector are likely to pickup in FY16. The Budget 2015 has taken a pro-growth stance and it does appear that the government is keen to expedite the growth process by directly contributing to investment. In the Budget the government announced increase in investment in infrastructure by ₹70,000 crores for 2015-16 and the allocation in the roads sector has been increased by ₹14,000 crores and that in railways by ₹10,000 crores. Therefore that the recovery in the construction sector is certain but expected to be gradual linked to policy measures of the government.

During the year under review the company turnover has been declined to ₹1601.14 crores from ₹1812.53 crores in the previous year. The turnover is declined during the year 2014-15 mainly due to slow progress of the road projects in the north-east sector and held up irrigation projects in the Telangana State for technical/political reasons and land acquisitions issues. The EBITDA margins have decreased to 13.20% as compared to 15.00% in the previous year and PAT margin have decreased to 1.37% as against 2.62% in the previous year. The decrease in profit margins is due to fixed overheads such as financial cost, work expenses and other expenses vis-a-vis lower level of revenue.

Future Outlook :

The Company outstanding order book as on 31st March 2015 is of ₹6,200 crores and so far during the current year company has short listed as lowest bidder for new road orders valued about ₹ 4,875 crores. The total order book

including new works is about ₹ 11,075 crores. The strong order book coupled with the future tenders the company planning to bid will give major boost to the company in terms of revenue and profitability in the coming time.

DIVIDEND:

Despite the Difficult economic conditions your directors are pleased to recommend a dividend of ₹1.00 per equity share (10%) of the face value of ₹10/- for the period ended 31st March, 2015.

The dividend, subject to approval at the AGM on 28th day of September, 2015, will be paid to the shareholders; whose names appear on the Register of Members on 22nd September, 2015.

It is proposed to transfer ₹500.00 Lakhs to the General Reserves of the Company from the current year profits.

SHARE CAPITAL

The paid up Equity Share Capital of the Company has been increased from ₹ 30.22 Crs to ₹ 33.83 Crs pursuant to allotment of 36,04,000 equity shares of the company to Foreign Institutional Investors (deemed FPI) by way of Preferential Issue.

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 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 8 times in the Financial Year 2014-15 on 05th Day of May 2014, 29th Day of May 2014, 26th Day of July 2014, 14th of August 2014, 03rd of September 2014, 07th of November 2014, 30th December 2014, 14th of February 2015.

DIRECTORS AND KEY MANAGERIAL PERSONNEL :

During the year under review, the Company has re-appointed Mr. T. V. Sandeep Kumar Reddy as Managing Director of the Company for a further period of five years w.e.f 01.10.2014 and Shri. V. L. Moorthy, Shri. G. Siva kumar Reddy and Shri. CH. Hari Vittal Rao as Independent Directors for a term of 5 years (Second term) by way of special resolution as per the provisions of Section 149 of the Companies Act, 2013.

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 meet with the criteria of their Independence laid down in Section 149(6).

COMPOSITION OF AUDIT COMMITTEE:

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

Mr. Ch Hari Vittal Rao	– Chairman
Dr. V. L. Moorthy	– Member
Mr. G Siva Kumar Reddy	– Member

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 Nomination, Remuneration and Evaluation Policy of the company is enclosed at Annexure-I of this report.

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 Clause 49 of the Listing Agreement, 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 Clause 49 of the Listing agreement, the Nomination and Remuneration Committee at its meeting held on 14.02.2015

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.

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 14.02.2015 (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 except Dr. V.L. Moorthy as on 14.02.2015 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 Members of the Committee 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 Chairperson decided that the Chairperson has good experience, knowledge and understanding of the Board's functioning and his 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 its own performance, the Directors individually (excluding the director being evaluated) as well as the evaluation of the working of its Committees. 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 fulfill its responsibilities, execution and performance of specific duties etc. The Board decided that the performance of individual directors, its own performance and working of the committees 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 COMPANIES, ASSOCIATES AND JOINT VENTURES:

The Company has six subsidiary companies (including step down subsidiaries) as on 31st March, 2015 as per the Companies Act, 2013.

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-I are given in Annexure- II.

The Company will make available the Annual Accounts of the subsidiary companies and the related information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept opened for inspection by any member at the Registered office of the Company and that of the respective subsidiary companies.

The company has adopted the policy for determining 'material' subsidiaries and the same has been placed on the website of the company at [http://www.gayatri.co.in/Investors/Corporate Governance/Policies](http://www.gayatri.co.in/Investors/Corporate%20Governance/Policies).

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 in- Annexure III.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

STATUTORY AUDITORS AND THEIR REPORT:

The Auditors, M/s. M O S & Associates LLP, Chartered Accountants, Hyderabad retire at the ensuing Annual General Meeting and, being eligible; offer themselves for reappointment for a period of one year from the conclusion of this Annual General Meeting [AGM] till the conclusion of next AGM. Your Board of Directors have recommended their reappointment based on the recommendation of the Audit Committee to the members for their approval at the forthcoming Annual general meeting for a term of one year till the conclusion of the next AGM.

The Auditors Report to the members of the Company on the financial statements for the Financial Statements for the financial Year ended 31st March 2015 forming part of this report does not contain any Qualifications(s) or adverse observations.

SECRETARIAL AUDIT:

As per the provisions of the Section 204(1) of the Companies Act, 2013, the Company has appointed Mr. Y. Koteswara Rao, Practising 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, 2015 in Form No MR-3 is annexed to the Directors Report - 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, 2015 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 ₹ Lacs
1	Foreign Travel	15.38
2	Repayment of ECB Loan	577.55
3	Repayment of ECB Interest	1599.81

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 Clause 32 of the Listing Agreement, 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 the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, 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 [http://www.gayatri.co.in/Investors/Corporate Governance/Policies](http://www.gayatri.co.in/Investors/Corporate%20Governance/Policies).

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.

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 [http://www.gayatri.co.in/Investors/Corporate Governance/Policies](http://www.gayatri.co.in/Investors/Corporate%20Governance/Policies).

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant & material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

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. The policy on dealing with Related Party Transactions are disseminated on the website of the company at [http://www.gayatri.co.in/Investors/ Corporate Governance/Policies](http://www.gayatri.co.in/Investors/Corporate%20Governance/Policies).

FIXED DEPOSITS

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

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 2014-15 and re-appointed for the Financial Year 2015-16.

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. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered Office of the Company

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 – VII and forms part of this Report.

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to NSE and BSE 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 Clause 49 of the Listing Agreement. A report on Corporate Governance is included as a part of this Annual Report (Annexure -VIII). Certificate from the Practicing Company Secretary of the company confirming the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

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

(T. INDIRA SUBBARAMI REDDY)
Chairperson

(T.V.SANDEEP KUMAR REDDY)
Managing Director

Place : Hyderabad
Date : 3rd September, 2015

(P. SREEDHAR BABU)
Chief Financial Officer

(I.V. LAKSHMI)
Company Secretary & Compliance Officer

ANNEXURE -I

NOMINATION, REMUNERATION AND EVALUATION POLICY

I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted Remuneration Committee comprising of three non-executive Independent Directors as required under Listing Agreement. In order to align with the provisions of the Companies Act, 2013 and the amended Listing Agreement from time to time, the Board on 29th May 2014 changed the nomenclature of the “Remuneration Committee” as “Nomination and Remuneration Committee”.

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

II. OBJECTIVE

The Key Objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

III. DEFINITIONS

- ◆ “Board” means Board of Directors of the Company.
- ◆ “Company” means “Gayatri Projects Limited.”
- ◆ “Employees’ Stock Option” means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- ◆ “Independent Director” means a director referred to in Section 149 (6) of the Companies Act, 2013.
- ◆ “Key Managerial Personnel” (KMP) means
 - (i) Chief Executive Officer or the Managing Director or the Manager,
 - (ii) Company Secretary,
 - (iii) Whole-time Director,
 - (iv) Chief Financial Officer and
 - (v) Such other officer as may be prescribed.
- ◆ “Nomination and Remuneration Committee” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.
- ◆ “Policy or This Policy” means, “Nomination, Remuneration and Evaluation Policy.”
- ◆ “Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- ◆ “Senior Management” means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

IV. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

V. GUIDING PRINCIPLES

The Policy 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.
- ◆ Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- ◆ 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.

VI. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- ◆ To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- ◆ Formulate criteria for evaluation of Independent Directors and the Board.
- ◆ Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- ◆ To carry out evaluation of every Director's performance.
- ◆ To recommend to the Board the appointment and removal of Directors and Senior Management.
- ◆ To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- ◆ Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- ◆ To devise a policy on Board diversity.
- ◆ To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- ◆ To perform such other functions as may be necessary or appropriate for the performance of its duties.

VII. MEMBERSHIP

- ◆ The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- ◆ The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- ◆ Minimum two (2) members shall constitute a quorum for the Committee meeting.
- ◆ Membership of the Committee shall be disclosed in the Annual Report.
- ◆ Term of the Committee shall be continued unless terminated by the Board of Directors.

VIII. CHAIRMAN

- ◆ Chairman of the Committee shall be an Independent Director.
- ◆ Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- ◆ In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- ◆ Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

IX. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

X. COMMITTEE MEMBERS' INTERESTS

- ◆ A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- ◆ The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

XI. VOTING

- ◆ Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- ◆ In the case of equality of votes, the Chairman of the meeting will have a casting vote.

XII. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

◆ Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Managing Director/ Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

◆ Term / Tenure:

1. Managing Director/Whole-time Director/Manager (Managerial Person):
The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
2. Independent Director:
 - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1 October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
 - At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

◆ Evaluation:

- The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

◆ Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with

reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

◆ **Retirement:**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

XIII. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

◆ **General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

◆ **Remuneration to Managerial Person, KMP and Senior Management:**

1. Fixed pay:
Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
2. Minimum Remuneration:
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
3. Provisions for excess remuneration:
If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

◆ **Remuneration to Non-Executive / Independent Director:**

1. Remuneration / Commission:
The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Limit of Remuneration /Commission:

Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

XIV. Criteria Formulated by the Committee for Determining Qualifications, Positive Attributes, Independence of a Director:**(a) Qualifications of Non-Independent Director :**

A Non-Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

(b) Positive attributes of Non-Independent Directors:

A Non-Independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively, exercise his responsibilities in a bonafide manner in the interest of the company, devote sufficient time and attention to his obligations as Director, for informed and balanced decision making and assist the company in implementing the best Corporate governance practices.

(c) Independence of Independent Directors:

In addition to (a) and (b) above, an Independent Director should meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning the independence of directors.

XV. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

XVI. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

ANNEXURE-II

FORM AOC-I

(PURSUANT TO FIRST PROVISO TO SUB SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

Part A: Subsidiaries

₹ in Lakhs

S. No	Name of the Subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment (Other than Subsidiary)	Turnover (including other income)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1.	Sai Maatarini Tollways Limited	1000.08	22,001.06	1,07,049.00	87,843.95	0.00	0.19	(20.48)	0.00	(20.48)	0	100%
2.	Gayatri Infra Ventures Ltd	177.08	13345.03	33804.63	20282.52	37839.47	231.85	(2238.76)	0.00	(2238.76)	0	70.59%
3.	Gayatri Energy Ventures Pvt Ltd	652.40	48930.67	73306.77	23723.70	495.78	0.00	(2701.43)	0.00	(2701.43)	0	100%
4.	Gayatri Jhansi Roadways Limited	4240.00	(2479.50)	36935.49	35174.99	0	6084.86	(578.45)	0	(578.45)	0	51%
5.	Gayatri Lalitpur Roadways Limited	3179.80	(1875.83)	28081.44	26777.46	0	4952.67	(226.52)	0	(226.52)	0	51%
6.	Bhandara Thermal Power Corporation Limited	498.33	(23.03)	8935.72	8460.42	0	0	(1.60)	0	(1.60)	0	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	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 in Consolidation
Associate Companies									
1.	Hyderabad Expressways Limited	31.03.15	9.90	99.90	50	Associate Company	Considered for Consolidation in our Subsidiary	(568.01)	36.78
2.	Cyberabad Expressways Limited	31.03.15	9.90	99.90	50	Associate Company		(2,768.57)	(901.08)
3.	Western UP Tollways Limited	31.03.15	49.37	4606.10	49	Associate Company		4,529.29	(555.26)
4.	HKR Roadways Limited	31.03.15	12.07	120.70	26	Associate Company	Considered for consolidation	(9,075.48)	(1,555.05)
5.	Balaji Highways Holding Limited	31.03.15	0.49	4.90	48.99	Associate Company	Considered for consolidation	(0.94)	(0.87)
6.	Indore Dewas Tollways Limited	31.03.15	0.17	1.67	33.32	Associate Company	Considered for consolidation	2.27	(0.16)
7.	Thermal Powertech Corporation India Ltd	31.03.15	2416.00	24160.00	28.76	Associate Company	Considered for Consolidation in our Subsidiary	48434.07	(300.96)
Joint Ventures									
1.	Gayatri- RNS Joint Venture	31.03.15	—	—	60	Joint Venture	Considered for consolidation	Nil	—
2.	IJM Gayatri Joint Venture	31.03.15	—	—	40	Joint Venture	Considered for consolidation	34.81	16.98
3.	Gayatri-GDC Joint Venture	31.03.15	—	—	70	Joint Venture	Considered for consolidation	Nil	—
4.	Gayatri-BCBPPL Joint Venture	31.03.15	—	—	60	Joint Venture	Considered for consolidation	7.69	—
5.	Jaiprakash Gayatri Joint Venture	31.03.15	—	—	49	Joint Venture	Considered for consolidation	6.21	—
6.	Gayatri ECI Joint Venture	31.03.15	—	—	50	Joint Venture	Considered for consolidation	886.57	186.42
7.	Maytas-Gayatri Joint Venture	31.03.15	—	—	37	Joint Venture	Financials not available	NA	—
8.	Gayatri – Ratna Joint Venture	31.03.15	—	—	80	Joint Venture	Considered for consolidation	5.38	—
9.	Meil- Gayatri –ZVS-ITT Consortium	31.03.15	—	—	48.44	Joint Venture	Considered for consolidation	Nil	—
10.	Gayatri- JMC joint venture	31.03.15	—	—	75	Joint Venture	Considered for consolidation	Nil	—
11.	Viswanath- Gayatri Joint Venture	31.03.15	—	—	50	Joint Venture	Considered for consolidation	Nil	—
12.	GPL-RKTCPJ Joint Venture	31.03.15	—	—	51	Joint Venture	Considered for consolidation	Nil	—
13.	Gayatri-SPL Joint Venture	31.03.15	—	—	51	Joint Venture	Considered for consolidation	Nil	—

ANNEXURE-III**EXTRACT OF ANNUAL RETURN-MGT-9**

as on the financial year ended on 31/03/2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(I) 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, Telengana-500082.
- (vi) Whether listed company : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Karvy Computershare Private Limited.
Karvy Selenium Tower No.B,
Plot No.31-32,Gachibowli, Financial District,
Nanakramguda, Hyderabad : 500 032
P : 040 67161591

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 of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Roads Projects	Not Applicable	47.10
2	Industrial Projects	Not Applicable	19.87
3	Power Projects	Not Applicable	18.35

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gayatri Energy Ventures Private Limited	U40108TG2008PTC057788	Subsidiary	100	2(87)
2	Gayatri Infra Ventures Ltd	U45209TG2008PLC057269	Subsidiary	70.42	2(87)
3	Sai Maatarini Tollways Limited	U45400TG2011PLC076396	Subsidiary	100	2(87)
4	Gayatri Jhansi Road ways Limited	U50403TG2006PLC050569	Subsidiary	51	2(87)
5	Gayatri Lalitpur Roadways Limited	U45203TG2006PLC050554	Subsidiary	51	2(87)
6	Bhandara Thermal Power Corporation Limited	U40102TG2008PLC057008	Subsidiary	100	2(87)

S. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
7	Hyderabad Expressways Limited (Beneficial Interest – Gayatri Infraventures Ltd)	U45209TG2007PLC054992	Associate	13.26	2(6)
8	Cyberabad Expressways Limited (Beneficial Interest – Gayatri Infraventures Ltd)	U45209TG2007PLC054996	Associate	13.26	2(6)
9	Western UP Tollway Limited (Holding through Gayatri Infraventures Ltd)	U90000TG2005PLC045940	Associate	49.00	2(6)
10	HKR Roadways Limited	U45203TG2010PLC069897	Associate	26	2(6)
11	Balaji Highways Holding Private Limited	U45400TG2010PTC068181	Associate	49	2(6)
12	Indore Dewas Tollways Limited	U45200TG2010PLC068238	Associate	33.32	2(6)
13	Thermal Powertech Corporation India Ltd	U40103AP2008PLC057031	Associate	28.76	2(6)

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

Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/HUF	15211536	0	15211536	50.32	15211536	0	15211536	50.32	00
(b) Central Govt	0	0	0	0	0	0	0	0	0
(c) State Govt (s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	0	0	0	0	0	0	0	0	0
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-Total (A) (1)	15211536	0	15211536	50.32	15211536	0	15211536	50.32	0
(2) Foreign									
(a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b) Other - Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter(A) = (A) (1) + (A) (2)	15211536	0	15211536	50.32	15211536	0	15211536	50.32	

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Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks/FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt (s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital funds	588351	0	588351	1.95	0	0	0	0	1.95
(f) Insurance Companies	1243359	0	1243359	4.11	1243359	0	1243359	4.11	0
(g) FIs 8441796	0	8441796	27.93	9221266		9221266	30.51	2.58	
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	10273506		10273506	33.99	10985514		10985514	36.34	2.36
(2) Non- Institutions									
(a) Bodies Corp									
i. Indian	889128		889128	2.94	788999		788999	2.61	0.33
ii. Overseas	0	0	0	0	0	0	0	0	0
(b) individuals									
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	2300633	2989	2303622	7.62	1771743	64	1771807	5.86	1.76
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1209579		1209579	4.00	1124269		1124269	3.72	.28
(C) Others (Specify)									
Non Resident Indians	252022		252022	.83	302785		302785	1.00	-0.17
Clearing Member	87376		87376	.29	41859		41859	.14	.15
Sub-Total (B)(2)	4738963	2989	4741952	15.69	4029880	64	4029944	13.33	2.36
Total Shareholding of Public= (B) (1) + (B) (2)	15012469	2989	15015458	49.68	15015394	64	15015458	49.68	
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total(A+B+C)	30224005	2989	30226994	100.00	30226930	64	30226994	100.00	

(ii) Shareholding of Promoters:

S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged encumbered to total shares	
1	Indira Tikkavarapu	10630932	35.17	99.99	10630932	35.17	10630932	0
2	Sandeep Kumar Reddy Tikkavarapu	4579544	15.15	99.80	4579544	15.15	99.98	0
3	Sulochanamma Gunupati	450	0	0	450	0	0	0
4	Jenna Reddy Brij Mohan Reddy	450	0	0	450	0	0	0
5	Tikkavarapu Sarita Reddy	160	0	0	160	0	0	0
	Total	15211536			15211536			

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

S. No	Particulars	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
	At the beginning of the year	15211536	50.32	15211536	50.32
	Date wise Increase /Decrease in PromotersShare holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	15211536	50.32	15211536	50.32

Note : No change in Promoters Shareholding.

(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 at the beginning of the year		Cumulative Shareholding during the year (at the end of the year)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	AFRIN DIA				
	At the beginning of the year	2820000	9.33	2820000	9.33
	NO Increase /Decrease in Share holding during the year				
	At the End of the year (or on the date of separation, if separated during the Year			2820000	9.33
2.	INDIA MAX INVESTMENT FUND LIMITED				
	At the beginning of the year	2357000	7.8	2357000	7.8
	NO Increase /Decrease in Share holding during the year				

S. No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year (at the end of the year)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the End of the year (or on the date of separation, if separated during the Year)	—	—	2357000	7.8
3.	Bajaj Allianz Life Insurance Company Ltd.	—	—	—	—
	At the beginning of the year	1243359	4.11	1243359	4.11
	NO Increase /Decrease in Share holding during the year	—	—	—	—
	At the End of the year (or on the date of separation, if separated during the Year)	—	—	1243359	4.11
4.	Sparrow Asia Diversified Opportunities Fund				
	At the beginning of the year	948490	3.94	948490	3.94
	Date wise increase / Decrease in Share holding during the Year, specifying the reason:				
	Date	Transactions(sales/purchase)	Reason		
	30/05/2014	(948490)	Transfer	0	0
	06/06/2014	129052	Transfer	129052	0.43
	11/07/2014	48398	Transfer	177450	0.59
	18/07/2014	37699	Transfer	215149	0.71
	25/07/2014	9000	Transfer	224149	0.74
	01/08/2014	36797	Transfer	260946	0.86
	22/08/2014	250	Transfer	261196	0.86
	30/09/2014	220000	Transfer	481196	1.59
	03/10/2014	20000	Transfer	501196	1.66
	10/10/2014	20000	Transfer	521196	1.72
	At the End of the year (or on the date of separation, if separated during the Year)			521196	1.72
5.	Leman Diversified Fund				
	At the beginning of the year	894900	2.96	894900	2.96
	Date wise increase / Decrease in Share holding during the Year, specifying the reason:				
	Date	Transactions(sales/purchase)	Reasons		
	30/05/2014	(576510)	Transfer	318390	1.05
	06/06/2014	6405	Transfer	324795	1.07
	30/06/2014	21993	Transfer	346788	1.15
	04/07/2014	8208	Transfer	354996	1.17
	11/07/2014	3671	Transfer	358667	1.19
	10/10/2014	38104	Transfer	396771	1.31
	17/10/2014	1250	Transfer	398021	1.31
	24/10/2014	10000	Transfer	408021	1.35
	At the End of the year (or on the date of separation, if separated during the Year)			408021	1.35

S. No	For each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year (at the end of the year)	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	DAVOS INTERNATIONAL FUND					
	At the beginning of the year		887150	2.93	887150	2.93
	Date wise increase / Decrease in Share holding during the Year, specifying the reason:					
	Date	Transactions(sales/purchase)	Reasons			
	29/08/2014	(887150)	Transfer		0	0
	At the End of the year (or on the date of separation, if separated during the Year				0	0
7.	IL&FS Trust Company Ltd A/C IL&FS Private Equity T					
	At the beginning of the year		588351	1.95	588351	1.95
	Date wise increase / Decrease in Share holding during the Year, specifying the reason:					
	Date	Transactions(sales/purchase)	Reasons			
	23/05/2014	(100000)	Transfer		488351	1.61
	30/05/2014	(213351)	Transfer		275000	0.90
	06/06/2014	(275000)	Transfer		0	0
	At the End of the year (or on the date of separation, if separated during the Year				0	0
8.	ASHISH DHAWAN					
	At the beginning of the year		312869	1.04	312869	1.04
	NO Increase /Decrease in Share holding during the year					
	At the End of the year (or on the date of separation, if separated during the Year				312869	1.04
9.	Eureka Stock And Share Broking Services Ltd.					
	At the beginning of the year		220509	0.73	220509	0.73
	Date wise increase / Decrease in Share holding during the Year, specifying the reason:					
	Date	Transactions(sales/purchase)	Reasons			
	04/04/2014	(5168)	Transfer		215341	0.71
	11/04/2014	676	Transfer		216017	0.71
	18/04/2014	(1017)	Transfer		215000	0.71
	25/04/2014	100	Transfer		215100	0.71
	02/05/2014	930	Transfer		216030	0.71
	02/05/2014	(100)	Transfer		215930	0.71
	09/05/2014	(230)	Transfer		215700	0.71
	16/05/2014	2100	Transfer		217800	0.72

S. No	For each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year (at the end of the year)	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date	Transactions(sales/purchase)	Reasons			
	23/05/2014	4330	Transfer		222130	0.73
	23/05/2014	(5000)	Transfer		217130	0.71
	30/05/2014	(15930)	Transfer		201200	0.66
	06/06/2014	200	Transfer		201400	0.66
	06/06/2014	(31100)	Transfer		170300	0.56
	13/06/2014	1000	Transfer		171300	0.56
	13/06/2014	(25180)	Transfer		146120	0.48
	20/06/2014	30	Transfer		146150	0.48
	20/06/2014	(146000)	Transfer		150	0.00
	30/06/2014	(150)	Transfer		0	0.00
	04/07/2014	3000	Transfer		3000	0.00
	11/07/2014	1157	Transfer		4157	0.01
	11/07/2014	(1834)	Transfer		2323	0.00
	18/07/2014	834	Transfer		3157	0.01
	18/07/2014	(1157)	Transfer		2000	0.00
	25/07/2014	3885	Transfer		5885	0.02
	01/08/2014	(5885)	Transfer		0	0.00
	29/08/2014	200	Transfer		200	0.00
	05/09/2014	(195)	Transfer		5	0.00
	12/09/2014	5515	Transfer		5520	0.02
	19/09/2014	12801	Transfer		18321	0.06
	30/09/2014	(14271)	Transfer		4050	0.01
	03/10/2014	172	Transfer		4222	0.01
	03/10/2014	(221)	Transfer		4001	0.01
	10/10/2014	(4001)	Transfer		0	0.00
	31/10/2014	100	Transfer		100	0.00
	07/11/2014	5069	Transfer		5169	0.01
	14/11/2014	715	Transfer		5884	0.02
	14/11/2014	(2185)	Transfer		3699	0.01
	21/11/2014	(3699)	Transfer		0	0.00
	28/11/2014	2770	Transfer		2770	0.01
	05/12/2014	(2770)	Transfer		0	0.00
	12/12/2014	100	Transfer		100	0.00
	19/12/2014	32	Transfer		132	0.00
	19/12/2014	(74)	Transfer		58	0.00

S. No	For each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year (at the end of the year)	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date	Transactions(sales/purchase)	Reasons			
	31/12/2014	49	Transfer		107	0.00
	31/12/2014	(32)	Transfer		75	0.00
	02/01/2015	7525	Transfer		7600	0.03
	09/01/2015	(7600)	Transfer		0	0.00
	23/01/2015	9958	Transfer		9958	0.03
	30/01/2015	(9958)	Transfer		0	0.00
	06/02/2015	29995	Transfer		29995	0.09
	13/02/2015	(29995)	Transfer		0	0.00
	27/02/2015	426	Transfer		426	0.00
	06/03/2015	100	Transfer		526	0.00
	06/03/2015	(326)	Transfer		200	0.00
	13/03/2015	50	Transfer		250	0.00
	13/03/2015	(200)	Transfer		50	0.00
	20/03/2015	75	Transfer		125	0.00
	27/03/2015	7537	Transfer		7662	0.02
	31/03/2015	(5417)	Transfer		2245	0.00
	At the End of the year (or on the date of separation, if separated during the Year)				2245	0.00
10.	Alpana Mundra					
	At the beginning of the year		216851	0.72	216851	0.72
	Date wise increase / Decrease in Share holding during the Year, specifying the reason:					
	Date	Transactions(sales/purchase)	Reasons			
	06/03/2015	(5091)	Transfer		211760	0.70
	At the End of the year (or on the date of separation, if separated during the Year)				211760	0.70

The Change in the Shareholding in the above shareholders was due to buying / selling of shares by the shareholders on various dates. The Company has not allotted any shares , issued bonus / sweat equity during the year.

(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 (at the end of the year)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Indira Subbarami Reddy Tikkavarapu (Non- Executive Director)				
	At the beginning of the year	10630932	35.17	10630932	35.17
	NO Increase /Decrease in Share holding during the year	—	—	—	—
	At the End of the year			10630932	35.17
2.	Sandeep Kumar Reddy Tikkavarapu (Managing Director)				
	At the beginning of the year	4579544	15.15	4579544	15.15
	NO Increase /Decrease in Share holding during the year	—	—	—	—
	At the End of the year			4579544	15.15
3.	Jenna Reddy Brij Mohan Reddy (Executive Director)				
	At the beginning of the year	450	0	450	0
	NO Increase /Decrease in Share holding during the year	—	—	—	—
	At the End of the year			450	0
4.	Sivakumar Reddy Gunupati (Independent Director)				
	At the beginning of the year	225	0	225	0
	NO Increase /Decrease in Share holding during the year	—	—	—	—
	At the End of the year			225	0
5.	Indani Venkata Lakshmi (Company Secretary)				
	At the beginning of the year	15	0	15	0
	NO Increase /Decrease in Share holding during the year	—	—	—	—
	At the End of the year			15	0
6.	Sreedhar Babu Ponnuru (Chief Financial Officer)				
	At the beginning of the year	5	0	5	0
	NO Increase /Decrease in Share holding during the year	—	—	—	—
	At the End of the year			5	0
6.	Harivithalrao Venkateshwarrao Chintalapati (Independent Director)				
	At the beginning of the year	10	0	10	000
	NO Increase /Decrease in Share holding during the year	—	—	—	—
	At the End of the year			10	0
7.	Linga Moorthy Vajjhala (Independent Director)				
	At the beginning of the year	0	0	0	0
	NO Increase /Decrease in Share holding during the year	—	—	—	—
	At the End of the year			0	0

V. INDEBTEDNESS:

₹ in Lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	144308.60	10000	—	154308.60
ii) Interest due but not paid	1996.08	214.69	—	2210.77
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	146304.68	10214.69	—	156519.37
Change in Indebtedness during the financial year				
Addition	30523.02	—	—	30523.02
Reduction	—	10214.69	—	10214.69
Net Change	30523.02	10214.69	—	20308.33
Indebtedness at the end of the financial year				
i) Principal Amount	174588.71	—	—	174588.71
ii) Interest due but not paid	2238.99	—	—	2238.99
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	176827.70	—	—	176827.70

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

₹ in Lakhs

S.No	Particulars of Remuneration	Name of MD/WTD/Manager				Total
		T.V. Sandeep Kumar Reddy	J. Brij Mohan Reddy			Amount
1	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	444.00	—	—	—	444.00
(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...	—	—	—	—	—
5	Others, please specify	—	—	—	—	—
	Total (A)					444.00
	Ceiling as per the Act	433.41	433.41			866.82

B. Remuneration to other Directors:

₹ in Lakhs

S.No	Particulars of Remuneration	Name of Directors			Total Amount
		V.L. Moorthy	G. Siva Kumar Reddy	CH. Hari Vittal Rao	
	3. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0.75 — —	1.35 — —	1.35 — —	3.45
	Total (1)	0.75	1.35	1.35	3.45
		T. Indira Subbarami Reddy			
	4. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0.90 — —	— — —	— — —	0.90
	Total (2)	0.90	—	—	0.90
	Total (B) = (1)+(2)				4.35
	Total Managerial Remuneration				4.35
	Overall Ceiling as per the Act				86.68

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

₹ in Lakhs

S.No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	19.50	33.72	56.43
(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)	—	19.50	33.72	56.43

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

NIL

For and on behalf of the Board

T. Indira Subbarami Reddy
Chairperson

T.V Sandeep Kumar Reddy
Managing Director

Place: Hyderabad
Date: 14th August, 2015

P. Sreedhar Babu
Chief Financial Officer

I.V.Lakshmi
Company Secretary & Compliance Officer

ANNEXURE-IV

Y. KOTESWARA RAO

Practicing Company Secretary

H.No.48-345, GaneshNagar Colony
Chinthal, HMT Road
Hyderabad – 500 054
Phone No. 2308 6394 (O & R)
Cell: 98491-69831

FORM NO- MR-3

Secretarial Audit Report

For The Financial Year Ended 31st March, 2015

[Pursuant to Section 204(I) 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, Telanagana 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** (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, 2015** (‘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, 2015** 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;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**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 (**Not notified during the audit period and hence not applicable to the Company**).
- ii) The Listing Agreements entered into by the Company with the Stock Exchanges.
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:
 - a) Managerial remuneration was paid / payable during the financial year ended 31.03.2015, is in excess of the limits prescribed under section 197 (1) of the Companies Act, 2013.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

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

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

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

Y. KOTESWARA RAO
ACS No. 3785
C.P. No.: 7427

Place : Hyderabad
Date : 14th August, 2015

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.

Y. KOTESWARA RAO

Practicing Company Secretary

H.No.48-345, GaneshNagar Colony
Chinthal, HMT Road
Hyderabad – 500 054
Phone No. 2308 6394 (O & R)
Cell: 98491-69831

‘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

Y. KOTESWARA RAO

ACS No. 3785

C.P. No.: 7427

Place: Hyderabad

Date : 14th August, 2015

ANNEXURE - V

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

According to a news report, India's construction sector is forecast to grow at 7-8% each year over the next decade after the election of the new stable Government. The country will see increased economic growth and the removal of barriers to foreign investment which will stimulate demand for construction and development activities across the country.

The construction industry in India is the second largest employer and contributes more than 10% of India's GDP. Further, 50% of the demand for construction activity in India is for infrastructure, and the rest comes from industrial activities, residential and commercial development etc. The rapid growth of Indian cities opens huge opportunities for the construction industry. India has the second largest urban population in the world, and it contributes significantly to India's GDP. There is need for re-generation of urban areas in existing cities and the creation of new, inclusive Smart Cities to meet the demands of increasing population and migration from rural to urban areas.

The construction industry in India has seen sustained demand from the industrial and real estate sector. The Indian government has undertaken a number of measures to ease access to funding for the sector. It has permitted 100% foreign direct investment in the construction sector without prior Governmental approval in most cases. Therefore, it accounts for the second highest inflow of FDI after the services sector and employs more than 35 million people.

The construction/infrastructure sector is likely to get major boost from the Government's focus on development of infrastructure in India. With the political stability, sharper focus on infrastructure development and improvement in economy, new projects announcements by both the public and private sector are likely to pickup in FY16.

While the recovery in the sector is possible, it would be gradual as majority of players are still burdened with leveraged balance sheets and stalled or slow moving projects. The Government is seriously working towards removal of structural constraints like uncertainty in land acquisition, delays in approvals, and inadequacy of long term funding avenues etc for the speedy recovery of the infrastructure sector.

The Project Monitoring Group (PMG) was set up in the Cabinet Secretariat to help stalled projects, both in the public and private sectors, by way of support in clearing the implementation bottlenecks. Apart from reviving stalled projects, plans to award major projects after acquiring land and requisite approvals under the plug and play model will significantly reduce execution delays and also attract higher private sector participation.

Many steps have been taken to improve funding avenues to the infrastructure sector. The key policy measures include easing of FDI norms for Construction, Railways, and Defence, liberalization of ECB policy, and providing incentives to promote REITs and INVITs. RBI has also taken multiple steps to ease funding availability to infrastructure project. Some of the key ones include providing incentives to banks in the form of exemption from CRR/SLR for long term bonds raised to lend to infrastructure sector, flexibility in refinancing norms for infrastructure projects by way of 5/25 structure etc.

In the Budget 2015-16, the capital outlays for roads, and railways have been increased by ₹ 140.30 billion and ₹ 100.50 billion respectively which along with significantly higher Road Cess will enable higher public spending towards these infrastructure projects. In total, investment in infrastructure is proposed to increase by ₹ 700 billion in FY16 (BE) over FY15 (RE). Recognizing the need of reviving private sector participation in infrastructure projects, Budget has proposed rebalancing of risks in PPP projects with Government taking up major risks, appointing an Expert Committee for analyzing the possibility of and replacing multiple prior permissions with a pre-existing regulatory mechanism, and rationalizing dispute resolution mechanism. The budget also proposes to set-up 5 UMPPs totalling 20 GW in the plug-and-play mode wherein all clearances and linkages will be obtained before the award of project. It has also announced its intent towards some large infrastructure projects like building 100 smart cities and Sardar Patel Urban Housing Mission, which will provide long term infrastructure opportunities. In the railways sector, the focus is on faster execution of Dedicated Freight Corridor (DFC) which is an important on-going project.

The growth in operating income and profitability of construction companies during 2014-15 remained muted which implies that execution is yet to pick up in a meaningful manner. This can be partly attributed to stretched financial position of many construction companies which has constrained resources for speeding up execution. While the sustainability of improvement in operating profitability remains to be seen, without ramp-up in the scale of operations, the operating profits will not be sufficient to cover the interest expenses for most of the construction companies as has been the case in the last few years.

Any significant improvement in liquidity profile and credit metrics of construction companies will take time and will be subject to improvement in working capital, improvement in speed of execution and ability to raise long term funds by way of stake sale or equity placements. Some large players have raised and many are planning to raise funds via Qualified Institutional Placement (QIP)/Rights Issue/warrants/preference shares or sale of stake in subsidiaries.

Outlook

The recovery in the construction sector is expected to be gradual and would be linked with on-ground impact of the policy measures as well as availability of funding. As we move towards achieving double-digit growth, accelerated focus on the construction sector remains crucial for policymakers. Rapid growth in the construction sector boosts several other linked industries such as cement, chemicals, steel, fittings and fixtures, and paints. Most of the infrastructure development sectors moved forward, but not to the required extent of increasing growth rate. The Union Government has underlined the requirements of the construction industry and massive investment is planned in this sector. Hence, it is extremely important for the policymakers to closely examine and eliminate all possible bottlenecks including clearances, permissions, time lag in land acquisition, and resource constraints among others.

The Company outstanding order book as on 31st March 2015 is of ₹6,200 crores and so far during the year company is short listed as lowest bidder for new road orders valued about ₹ 4,200 crores. The total order book including new works is about ₹ 10,400 crores. The strong order book coupled with the future tenders the company is planning to bid will give major boost to the company in terms of revenue and profitability.

Financial Performance - Stand Alone

₹ in Lakhs

DESCRIPTION	2014-15	2013-14
Turnover	160114.16	1,81,253.22
Profit Before Tax	3508.86	8,247.52
Profit After Tax	2205.32	4,760.74
Equity Capital	3022.70	3,022.70
Reserves & Surplus	65231.05	63,573.62
Net Worth	68253.75	66,596.32
Gross Block	46203.29	45,431.76
Net Block	20812.12	22,936.36
Book Value (₹) Per Share	225.80	210.32
Dividend	10%	20%

Key Financial Ratios

Particulars	2014-15	2013-14
PBDIT / Net Income (%)	13.20	15.00
PBT / Net Income (%)	2.19	4.54
PAT/Net Income(%)	1.37	2.62
RONW (%)	3.23	7.15
EPS	7.30	15.75
Direct Cost to Sales (%)	87.04	85.12
Finance Cost to Sales (%)	9.29	8.81
Total Expenses to Sales (%)	98.08	95.59

Share Capital: During the year under review there are no changes in the capital structure of the company.

Reserves & Surplus: The Reserves & Surplus of the Company has increased to ₹ 65,231.05 Lacs from ₹ 63,573.62 Lacs in the previous year. The increase is due to the plug back of profits made during the year.

Net worth: The overall net worth of the company has increased to ₹68253.75 Lacs from ₹66596.32 Lacs due to profits made during the year.

Turnover: During the year under review the company turnover has been declined to ₹160114.16 lacs from ₹181253.22 Lacs in the previous year. The turnover is less during the year 2014-15 due slow progress of the Nagaland road work, Mizorama Road work and Dummugudem Irrigation works because of technical reasons, land acquisitions etc. The industry witnessed a slowdown in the last couple of years, mainly on account of slowdown in the economy, delay in project awarding and execution due to environmental clearance hurdles, aggressive bidding by players, land acquisition issues and political instability in some states. The company order book is strong and further likely to be improved due to opening of various infra works. The management is confident to regain the lost momentum and sustain the previous year growth level.

Direct Cost: The direct cost consisting of all expenses excluding finance charges and depreciation. Despite the increase in the material cost and other expenses, the company has maintained almost same level of cost because of certain cost saving techniques adopted.

Financial Charges: In percentage terms, the financial charges have increased to 9.29% of sales as compared to 8.81% in the previous year. The increase is due to additional borrowings the company availed for working capital purposes. The interest rates has been reduced by the lenders as per the bilateral restructuring plan from 1st July 2014 onwards and as result in future the financial cost is likely to come down.

EBITDA and PAT: The EBITDA margins have decreased to 13.20% as compared to 15.00% in the previous year and PAT margin have decreased to 1.37% as against 2.62% in the previous year. The decrease in profit margins is due to fixed overheads such as financial cost, work expenses and other expenses vis-a-vis lower level of revenue. When compared to other peers in the industry declared losses, the company is able to control the expenditure and declared marginal profit.

Dividend: The Board of Directors has recommended a Dividend of ₹1/- per Equity share for the year 2014-15 subject to approval of Shareholders at the ensuing Annual General Meeting.

Order Book: The Company has an outstanding order book of ₹6252 crores as on 31st March 2015 and company has been short listed as lowest bidder for new road projects valued about ₹ 4244 crores so far during the year. The total order book including new works is about ₹ 10496 crores. The company is in the process of bidding various works of more than ₹ 50,000 crores works and the order book is likely to further improve in FY 2015-16 on account of opportunities in Road projects and other infra sectors. The strong order book of the company is a positive sign and boost for its future.

Internal Control Systems

The Company has an adequate system of internal control implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with all applicable resources. The Company ensures adherence to all internal control policies and procedures. A qualified and independent audit committee of the Board, comprising all independent directors of the Company, reviews the adequacy of internal controls. An Independent Chartered Accountant firm is conducting internal audit of the Head Office and work sites and reporting to Audit Committee.

Human Resources

The company is committed to providing an environment that is encouraging and appreciative under which the employees can work to their potential and grow professionally as well as personally. The company continuously invests in the development of its human resources through a series of employee friendly measures aimed at talent acquisition, development, motivation and retention. Various training initiatives were rolled out during the year which aimed at training the employees in the areas of skill up-gradation as well as specialized psychological profile support programmes for enhancing the happiness quotient of employees. The relationship with employees remained smooth and cordial throughout the year under review.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the infrastructure sector, significant changes in political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations and interest costs

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 Company's 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 [http://www.gayatri.co.in/Investors/Corporate Governance/Policies](http://www.gayatri.co.in/Investors/Corporate%20Governance/Policies).

2. Composition of CSR Committee:

Sl.	Name	Designation
1	Mrs.T. Indira Subbarami Reddy	Chairman
2	Mr. T.V Sandeep Kumar Reddy	Member
3	Mr. CH. Hari Vittal Rao	Member

3. Average Net profit for the preceding three Financial Years for the purpose of computation of CSR : ₹ 5222.25
4. Prescribed CSR expenditure (2% of Average Net Profit) : ₹ 104.45
5. Details of CSR spend for the financial year
- a. Total amount spent during the financial year 2014-15 : ₹ 203.18
- b. Amount unspent, if any : ₹ Nil

ANNEXURE – VII

Report on remuneration to Directors and Employees in terms of Rule 5(I) of the Companies (Appointment and Remuneration Rules) 2014.**a) Managerial Remuneration :**

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sl.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr.T.V.Sandeep Reddy	162 :1

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sl.	Name of the KMP	Percentage increase in remuneration
1.	Mr.PSreedhar Babu, CFO	12%
2.	Mrs.I.V.Lakshmi, CS	10%

- (iii) The percentage increase in the median remuneration of employees in the financial year : 11.44%
 (iv) The number of permanent employees on the rolls of company : 1796 Employees
 (v) The explanation on the relationship between average increase in remuneration and company performance;

Sl.	Average increase in remuneration	Company performance
1	11.44%	The Turnover of the company decreased by 11.71% and the net profit of the Company has decreased from 2.63% in FY 2013-14 to 1.38 in the current financial year i.e 2014-15. The average increase is given to retain talent and compensate the increase in cost due to inflation.

- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

Sl	Name	Remuneration of Key Managerial Personnel (Incl.Commission) (₹ In Lakhs)	Performance of the Company for the year ended 31 st March, 2015
1	Mr.T.V.Sandeep Reddy	444.00	Profit after tax of ₹ 2205.32 Lakhs
2	Mr.PSreedhar Babu, CFO	33.72	
3	Mrs. I.V. Lakshmi, CS	19.50	

- (vii) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;
- (viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;
- ♦ Average percentile increase in the salaries of the employees other than the managerial personnel in the last financial year is 11.44% and there has been no increase in the managerial remuneration during the last financial year.
- (ix) The key parameters for any variable component of remuneration availed by the directors; Nil
- (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; -N.A.-
- (xi) Affirmation that the remuneration is as per the remuneration policy of the company.- Yes

- b)** There are no Employees drawing remuneration not less than ₹60 lakhs per annum if employed throughout the financial year and ₹5.00 Lakhs per month, if employed for the part of the financial year during the year.

Annexure -VIII

CORPORATE GOVERNANCE REPORT:

(As required by clause 49 of the Listing Agreement entered into with Stock Exchanges)

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, effective supervision and enhancement of value for all stakeholders. 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 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 Clause 49 of the Listing Agreement with the Stock Exchanges ("the Listing Agreement")

II. BOARD OF DIRECTORS

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Memberships held by them in other companies is given below. Other Directorships do not include alternate Directorships and of Companies incorporated outside India. Chairmanship/Membership of Board Committees includes Membership of Audit and Shareholders/Investors Grievance and Share Transfer Committees.

COMPOSITION

The Board represents an optimum mix of professionalism, knowledge and experience. As on 31st March, 2015, we had a total strength 6 Directors in the Board, comprising of: 2 Executive Directors and 4 Non-executive Directors (3 of them are Independent Directors). The Company immensely benefits from the professional expertise of the independent Directors. The Board has an adequate combination of Executive, Non-Executive and Independent Directors.

Table : I Key information pertaining to Directors as on 31st March, 2015

	Mrs. T. Indira Subbarami Reddy	Mr. T. V. Sandeep Kumar Reddy	Mr. J. Brij Mohan Reddy	Mr. G. Siva Kumar Reddy	Dr. V. L. Moorthy	Mr. CH. Hari Vittal Rao
Category	Chairperson Promoter Director	Managing Director	Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director
Date of appointment	08/03/1996	15/09/1989	30/03/1994	30/03/1994	04/11/2005	04/11/2005
Directorship in other Public Companies	06	10	6	2	6	10
Chairmanship in Committees of Board of other Companies	—	2	—	—	2	2
Membership in Committees of Board of other Companies	1	4	—	—	3	6
Directorship in Board of Other Companies*	20	16	8	5	7	10
No. of Board Meetings held / attended	8/6	8/6	8/5	8/7	8/4	8/7
Attendance at the last AGM held on Sept. 29, 2014	No	Yes	No	No	No	Yes
No. of Shares Held as on 31/03/2015	10630932	4579544	450	225	-	10

* Includes private limited companies

BOARD MEETINGS

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

Our Board met 8 times in the Financial Year 2014–15 on 05th Day of May 2014, 29th Day of May 2014, 26th Day of July 2014, 14th of August 2014, 03rd of September 2014, 07th of November 2014, 30th December 2014 and on 14th of February 2015.

Details of the Directors seeking re-appointment

Smt. T. Indira Subbarami Reddy Director retire by rotation at this Annual General Meeting and seeking re-appointment.

Details in pursuance of Clause 49 of the Listing Agreement:

Name of the Director	T. Indira Subbarami Reddy
Director Identification No	00009906
Date of Birth	13.03.1951
Date of appointment	08.03.1996
Occupation	Industrialist

Directorship in other companies:

1	Gayatri Projects Limited	Director
2	Gayatri Tissue And Papers Limited	Director
3	Gayatri Sugars Limited	Director
4	Gayatri Energy Ventures Private Limited (Wholly owned Subsidiary of M/s. Gayatri Projects Limited)	Director
5	Gayatri Hi-Tech Hotels Limited	Managing Director
6	Sai Maatarini Tollways Limited	Director
7	Gayatri Hotels and Theatres Pvt Ltd	Director
8	Maheswari Hotels And Theatres Pvt Ltd	Director
9	TSR Holdings Private Limited	Director
10	Gayatri Fin-Holdings Private Limited	Director
11	Indira Constructions Private Limited	Director
12	Gayatri Lease fin Private Limited	Director
13	T.Rajeev Reddy Real Estate Developers Private Limited	Director
14	Gayatri Property Ventures Private Limited	Director
15	Gayatri Contech Private Limited	Director
16	Rajiv Realtors Private Limited	Director
17	Gayatri Hotels (Vizag) Private Limited	Director
18	Indira Energy Holdings Private Limited	Director
19	DLF Gayatri Home Developers Private Limited	Director
20	Balaji Highways Holding Private Limited	Director

She is a Member of the Audit Committee in Gayatri Tissue and Papers Ltd.

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, 1956 read with rules made there under.

III. AUDIT COMMITTEE

- a) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 177 of the Companies Act, 1956.

Powers of Audit Committee:

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

- I. 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.

The Composition of the Audit Committee:

Mr. Ch Hari Vittal Rao	–	Chairman
Dr. V. L. Moorthy	–	Member
Mr. G Siva Kumar Reddy	–	Member

b) Meetings and Attendance:

Four Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows: 29th of May, 2014, 14th of August, 2014, 07th of November, 2014 and 14th of February, 2015. The maximum gap between any two meetings is not more than 4 months.

Table : 2

Name of the Director	No. of Audit Committee Meetings	
	Held	Attended
Mr. Ch Hari Vittal Rao – Chairman	4	4
Dr. V. L. Moorthy – Member	4	2
Mr. G. Siva Kumar Reddy – Member	4	4

The necessary quorum was present at all the meetings.

IV. NOMINATION AND REMUNERATION COMMITTEE

The broad terms of reference of the Nomination and Reumeneration 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 boards report

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

1. Mr. G. Siva Kumar Reddy – Chairman
2. Mrs. T. Indira Subbarami Reddy – Member
3. Dr. V. L. Moorthy – Member

Table: 3 Attendance during the year

Name of the Director	Held	Attended
Mr. G. Siva Kumar Reddy - Chairman	2	2
Mrs. T. Indira Subbarami Reddy - Member	2	2
Dr. V. L. Moorthy - Member	2	1

* The Committee met on 14th August, 2014 and on 14th February, 2015

Table : 4 Remuneration and sitting fees paid to the Directors during 2014-2015

(₹ in Lakhs)

	Mrs. T. Indira Subbarami Reddy	Mr. T. V. Sandeep Kumar Reddy	Mr. J. Brij Mohan Reddy	Mr. G. Siva Kumar Reddy	Dr. V. L. Moorthy	Mr. CH. Hari Vittal Rao
Category	Chairperson Promoter Director	Managing Director	Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director
Relationship with directors	Yes	Yes	Yes	None	None	None
Salary	—	444.00	—	—	—	—
Allowances	—	—	—	—	—	—
Commission/Incentives	—	—	—	—	—	—
Other Annual Compensation	—	—	—	—	—	—
Deferred Benefits	—	—	—	—	—	—
Sitting fees	0.90	—	—	1.35	0.75	1.35

V. STAKEHOLDER'S GRIEVANCE COMMITTEE**a) A Stakeholders Grievance Committee of Directors reviews the following:**

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

The Constitution of Stakeholders Grievance Committee is as follows:

Mr. Ch. Hari Vittal Rao	- Chairman
Mr. J. Brij Mohan Reddy	- Member
Mr. G. Siva Kumar Reddy	- Member

Table : 5 Meetings and Attendance:

Name of the Director	Held	Attended
Mr. Ch. Hari Vittal Rao – Chairman	2	2
Mr. J. Brij Mohan Reddy – Member	2	—
Mr. G. Siva Kumar Reddy – Member	2	2

Stakeholders Grievance Committee met on 30.09.2014 and 31.03.2015 during the financial year 2014-15.

b) Name and Address of Compliance Officer

CS I.V. LAKSHMI

Company Secretary & Compliance Officer

6-3-1090, TSR Towers, Raj Bhavan Road,

Somajiguda, Hyderabad – 500 082

Tel: +91 40 2331 0330 Fax: +91 40 2339 8435

E Mail: cs@gayatri.co.in.

c) Table: 6 Details of complaints/requests received and redressed :

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	05	05	NIL

VI. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company had met during the year on 14.02.2015 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 Familiarisation programme for Independent Directors of the Company and the details of such familiarisation programmes are disseminated on the website of the Company ([http://www.gayatri.co.in/Investors/ Corporate Governance/Policies/ Familiarisation Programme](http://www.gayatri.co.in/Investors/Corporate%20Governance/Policies/Familiarisation%20Programme))

VII. GENERAL BODY MEETINGS

a) Annual General Meeting

- ♦ **Table: 7** 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
2011-12	Surana Udyog Hall, The Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004	20/09/2012 03.00 PM	1. To invest in overseas joint venture companies 2. Authorization to investment committee to invest in specific projects in overseas joint venture companies / joint venture subsidiaries/ spvs 3. To acquire equity in Gayatri Trident Africa FZC an overseas joint venture company. 4. Re-appointment of Sri. Brij Mohan Reddy, Executive Vice Chairman.

Year	Location	Date and Time	Special Resolution passed
2012-13	KLN Prasad Auditorium, The Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004	27/09/2013 11.30 AM	Nil
2013-14	KLN Prasad Auditorium, The Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004	29/09/2014 03.30 PM	1. Re-appointment of Sri. V L Moorthy, Independent Director as per New Companies Act , 2013. 2. Re-appointment of Sri. CH Hari Vittal Rao, Independent Director as per New Companies Act , 2013. 3. Re-appointment of Sri. G Siva Kumar Reddy, Independent Director as per New Companies Act, 2013. 4. Re-appointment of Sri. T V Sandeep Kumar Reddy as Managing Director.

b) Table: 8 - Extra-ordinary General Meetings:

There were no Extra Ordinary General Meetings held during the year.

c) Postal Ballot:

During the year 2014-2015, Pursuant to section 110 of the Companies Act, 2013 the shareholders of the Company approved the following resolutions by means of Postal Ballot. The Postal Ballots were conducted by Mr. Y. Koteswara Rao, Practicing Company Secretary who was appointed by the Board / Committee of the Company at their meeting held on 26th July, 2014 as the Scrutinizer.

Table: 9 - Results of the aforesaid Postal Ballot

Item No. 1: Raising of Funds through Issue of Securities

Resolution required : Special

Mode of voting : Postal ballot /E Voting

Promoter/Public	No. of shares held (1)	No. of votes polled* (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	15211536	15211536	100	15211536	0	100	0
Public – Institutional holders	10559932	3013672	28.5387	1390979	1622693	46.16	53.84
Public-Others	4455301	26179	0.5876	23990	2189	91.64	8.36
Total	30226769	18251387	60.38	16626505	1624882	91.10	8.90

*Only valid postal ballot forms are considered.

Percentage of votes cast in favour : 91.10 Percentage of votes cast against: 8.90

Item No. 2: Increase in Authorised Share Capital of the Company.

Resolution required : Special

Mode of voting : Postal ballot /E Voting

Promoter/Public	No. of shares held (1)	No. of votes polled* (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	15211536	15211536	100	15211536	0	100	0
Public – Institutional holders	10559932	2866052	27.14	2866052	0	100	0
Public-Others	4455301	26179	0.59	24010	2169	91.71	8.29
Total	30226769	18103767	59.89	18101598	2169	99.99	0.01

*Only valid postal ballot forms are considered.

Percentage of votes cast in favour : 99.99 Percentage of votes cast against: 0.01

Item No. 3: Increasing FII / FPI Investment Limits in the Company.

Resolution required : Special

Mode of voting : Postal ballot /E Voting

Promoter/Public	No. of shares held (1)	No. of votes polled* (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	15211536	15211536	100	15211536	0	100	0
Public – Institutional holders	10559932	2866052	27.14	2866052	0	100	0
Public-Others	4455301	25679	0.58	24294	1385	94.61	5.39
Total	30226769	18103267	59.89	18101882	1385	99.99	0.01

*Only valid postal ballot forms are considered.

Percentage of votes cast in favour : 99.99 Percentage of votes cast against: 0.01

Item No. 4: Increasing the Borrowing Powers of the Company and Creation of Security on the Properties of the Company.

Promoter/Public	No. of shares held (1)	No. of votes polled* (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	15211536	15211536	100	15211536	0	100	0
Public – Institutional holders	10559932	2866052	27.14	2866052	0	100	0
Public- Others	4455301	25579	0.57	16724	8855	65.38	34.62
Total	30226769	18103167	59.89	18094312	8855	99.95	0.05

*Only valid postal ballot forms are considered.

Percentage of votes cast in favour: 99.95 Percentage of votes cast against: 0.05

The Resolutions were approved by the overwhelming majority of the shareholders. The results were also published in Business Standard and Andhra Prabha and intimated to the Stock Exchanges.

d) Conducted the postal ballot exercise:

The Postal Ballot was conducted by Mr. Y. Koteswara Rao, Practicing Company Secretary, Hyderabad as Scrutinizer to scrutinize the Postal Ballots in a fair and transparent manner. The Scrutinizer submitted his report on the following dates as provided in the table, with the Company and based on the said report, results of Postal Ballot were declared by Managing Director on following dates as tabled below:

Date of the notice of the postal ballot	Last date for receipt of the postal ballot	Date of the Scrutinizers report	Declaration of Results by the company
26 th day of July, 2014	30 th day of August, 2014	01 st day of September, 2014	01 st day of September, 2014

Any special resolution(s) are proposed to be conducted through postal ballot

Special Resolution(s) under Section 110 of the Companies Act, 2013 is proposed to be passed by way of Postal Ballot.

e) Procedure for Postal Ballot

After receiving the approval of the Board of Directors, Notice of the Postal Ballot, text of the Resolution and Explanatory Statement, relevant documents, Postal Ballot Form and self-addressed postage pre-paid envelopes will be sent to the shareholders to enable them to consider and vote for or against the proposal within a period of 30 days from the date of dispatch. The calendar of events containing the activity chart will be filed with the Registrar of Companies within 7 days of the passing of the Resolution by the Board of Directors. After the last date for receipt of ballots, the Scrutinizer, after due verification, submits the results to the Chairman. Thereafter, the Chairman declares the result of the Postal Ballot. The same will be published in the Newspapers and displayed on Website and Notice board.

SUBSIDIARY COMPANIES

Company has two (2) material non listed Indian subsidiary viz.. M/s. Gayatri Infra Ventures Limited, M/s. Gayatri Energy Ventures Private Limited and the company has appointed independent director on the Board of a material non listed Indian subsidiary company as per the Listing Agreement. The Audit Committee of the company regularly reviews the financial statements, and the investments made by the unlisted subsidiary

companies. The minutes of the Board meetings and a statement of all significant transaction and arrangements entered into by the unlisted subsidiary company will be placed at the Board meeting of the company.

f) 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 2014-15, 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, 2015, 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 Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006, have been reported in the Notes to the Accounts and they are not in conflict with the interest of the Company at large.

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

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

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

- NIL -

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

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

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

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement and are being reviewed from time to time.

(v) Risk Management:

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

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

- | | |
|--|------------|
| 1. T.V. Sandeep Kumar Reddy, Managing Director | – Chairman |
| 2. T. Indira Subbarami Reddy, Non Executive Director | – Member |
| 3. Ch. Hari Vittal Rao, Independent Director | – Member |
| 4. P. Sreedhar Babu, Chief Financial Officer | – Member |

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.

g) MEANS OF COMMUNICATION

Quarterly Results, Press Releases, presentations and Publications:

Our quarterly results are generally published in widely circulated national newspapers the Business Standard, Economic Times and Nav Bharat Times 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 are also displayed on the Company's web site www.gayatri.co.in. Official news releases, presentations made to media are displayed on the Company's website.

Management Discussion and Analysis detailed report is forming part of this Annual Report.

h) GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting :

Financial Year : 2014 – 2015
 Date : 28th September 2015
 Time : 11.30 A.M
 Venue : KLN Prasad Auditorium,
 The Federation of Telengana and Andhra Pradesh
 Chambers of Commerce and Industry,
 Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004.

b) Financial Calendar (tentative): Financial Year 1st April, 2015 to 31st March, 2016

Table: 10 Calendar for Reporting

Quarter Ending	Release of Results
June 30, 2015	August 14, 2015
September 30, 2015	November 14, 2015
December 31, 2015	February 14, 2016
March 31, 2016	May 30, 2016*

**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 Stock Exchange Guidelines.*

c) Dates of Book Closure :

The Books shall be closed from 23rd September, 2015 to 28th September, 2015 (both days inclusive).

d) Dividend Disclosure :

Announcement Dividend

The Board of Directors has proposed a dividend of 10% i.e. ₹1/- per share for the Financial Year ended 31.03.2015 subject to approval of the shareholders at the Annual General Meeting.

Mode of Dividend payment and date

Dividend shall be remitted through National Electronic Clearing Service (NECS) at approved locations, wherever NECS details are available with the Company; and in all other cases, through warrants payable at par. These warrants shall be valid for a period of 3 Months. Post expiry of validity period, these may be sent to the Company's Office at 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad – 500 082 for revalidation.

Date of payment: On or after 28th September 2015, but within the statutory time limit of 30 days.

e) Listing on Stock Exchanges:

The shares of the Company are listed on The Bombay Stock Exchange and National Stock Exchange of India Ltd and Non-Convertible Debentures of the company are listed on Bombay Stock Exchange Limited.

The Company confirms that it has paid annual listing fees due to the stock exchanges for the financial year 2015-2016.

f) Stock Code:

(i) Trading Symbol

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

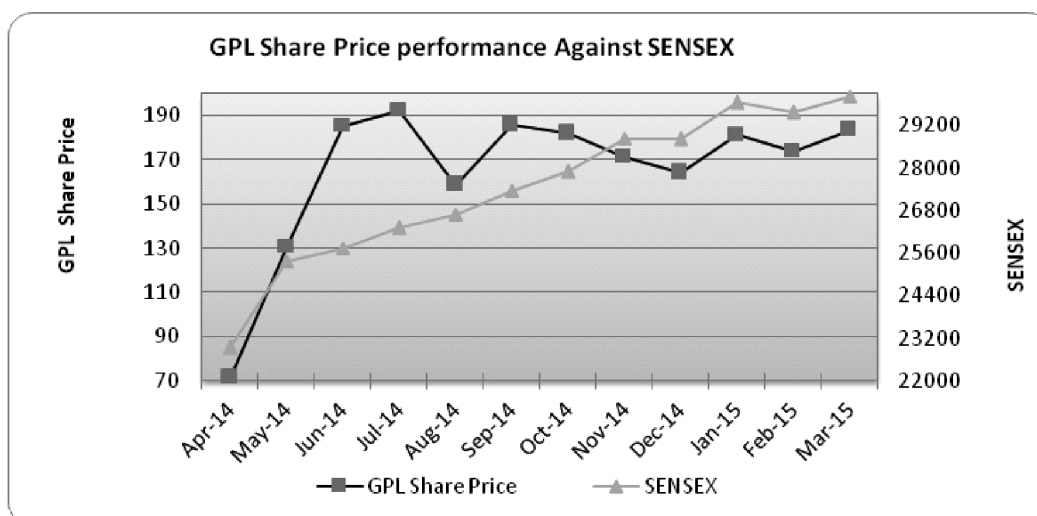
(ii) Depository for Equity Shares : NSDL and CDSL

(iii) Demat ISIN Number : INE336H01015

g) Table: I I Stock Market Price Data:

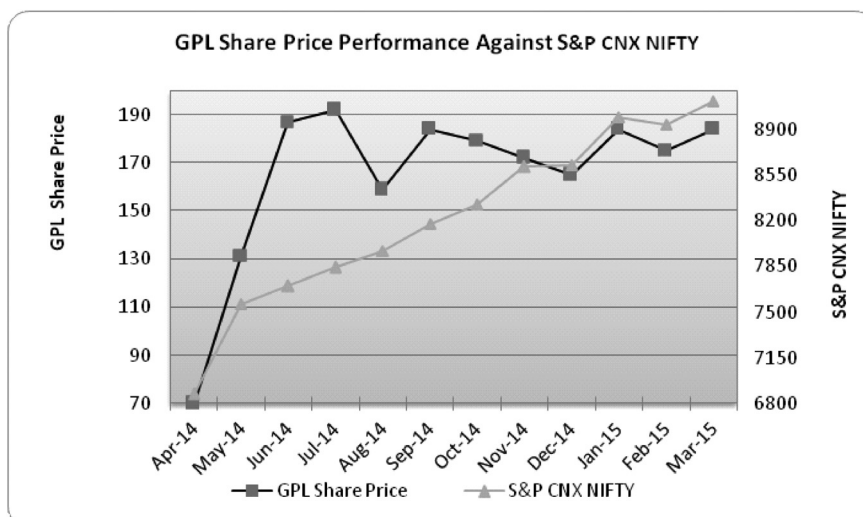
Month	BSE SHARE PRICE		BSE SENSEX	
	High	Low	High	Low
Apr-14	71.45	56.2	22939.31	22197.51
May-14	130.25	58.4	25375.63	22277.04
Jun-14	185.05	126.5	25725.12	24270.2
Jul-14	192	150.5	26300.17	24892
Aug-14	158.7	108.05	26674.38	25232.82
Sep-14	185.9	128.15	27354.99	26220.49
Oct-14	182	136	27894.32	25910.77
Nov-14	171	141.6	28822.37	27739.56
Dec-14	164.25	133	28809.64	26469.42
Jan-15	181.1	151.5	29844.16	26776.12
Feb-15	173.6	145.45	29560.32	28044.49
Mar-15	183.5	136.2	30024.74	27248.45

h) Stock Price Performance in comparison with BSE SENSEX



i) Stock Price Performance in comparison with NSE NIFTY

Month	NSE SHARE PRICE		NSE NIFTY INDEX	
	High Price	Low Price	High Price	Low Price
Apr-14	70	56.4	6869.85	6650.4
May-14	131	57.75	7563.5	6638.55
Jun-14	186.7	126	7700.05	7239.5
Jul-14	192	151.55	7840.95	7422.15
Aug-14	158.8	112	7968.25	7540.1
Sep-14	184	126.15	8180.2	7841.8
Oct-14	179	136.65	8330.75	7723.85
Nov-14	172.05	143	8617	8290.25
Dec-14	165	132.8	8626.95	7961.35
Jan-15	184	151.2	8996.6	8065.45
Feb-15	175	144.05	8941.1	8470.5
Mar-15	184	132.1	9119.2	8269.15



j) Registrar and Transfer Agents : (RTA)

Karvy Computershare Private Limited

Unit: Gayatri Projects Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032.
Tel: 040-67162222, Fax: 040-23001153
Email: einward.ris@karvy.com
Website: www.karvycomputershare.com

k) Share Transfer System :

Transfers of shares held on dematerialized form are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with the Registrars at the above mentioned addresses. Transfers of shares in physical form are normally processed within 15 days from the date of receipt, if the documents are complete in all respects. The Directors, the Chief Finance Officer and the Company Secretary are severally empowered to approve transfers.

a. (i) Table 12: Distribution of shareholding as on 31st March, 2015:

Category (Amount)	No. of cases	% of Cases	Total shares	Amount	% of Amount
upto 1 – 5000	8193	91.43	739451	7394510.00	2.45
5001 – 10000	347	3.87	281869	2818690.00	0.93
10001 – 20000	171	1.91	260153	2601530.00	0.86
20001 – 30000	64	0.71	160431	1604310.00	0.53
30001 – 40000	43	0.48	155231	1552310.00	0.51
40001 – 50000	32	0.36	151221	1512210.00	0.50
50001 – 100000	49	0.55	365674	3656740.00	1.21
100001 & ABOVE	60	0.69	28112964	281129640.00	93.01
Total	8959	100.00	30226994	302269940	100%

(ii) Table : 13 Categories of shareholders as on 31st March, 2015:

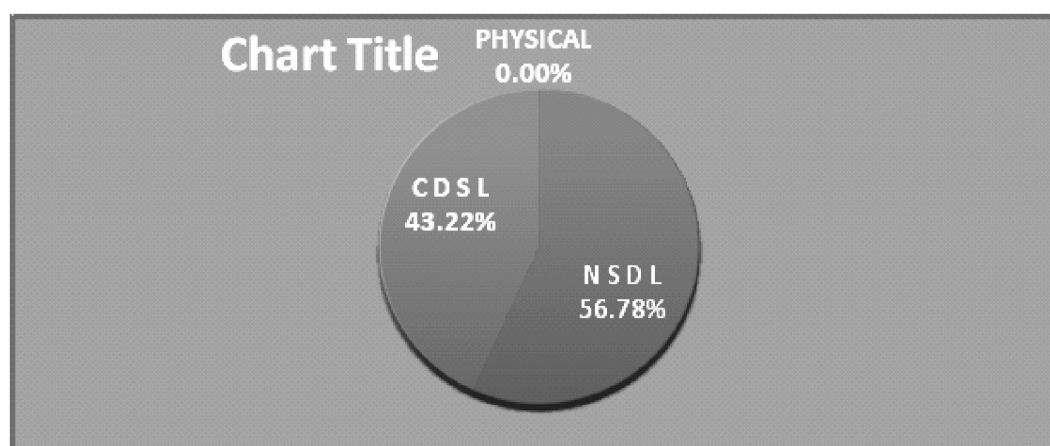
S. No	Category	No. of Cases	Total shares	% to Equity
1	Promoters & Directors	5	15211536	50.32%
2	Foreign Institutional Investors	14	9221266	30.51%
3	Resident Individuals	8228	2704426	8.95%
4	Insurance Companies	1	1243359	4.11%
5	Bodies Corporates	236	788999	2.61%
6	Mutual Funds	4	520889	1.72%
7	Non Resident Indians	171	302785	1.00%
8	H U F	251	191650	0.63%
9	Clearing Members	48	41859	0.14%
10	Directors And Relatives	1	225	0.00%
	Total	8959	30226994	100.00%

l) Dematerialization of Shares and Liquidity:

As on 31st March, 2015, 99.99% 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 14: As on 31st March, 2015 the Equity shares of the Company are dematerialized as follows:

Sl. No	Category	Total No. of Shares	% To Equity
1	Physical	64	0.00021
2	Dematerialized	30226930	99.99
	Total	30226994	100%



m) 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.

n) Listing of Debt Securities :

The Non – Convertible Debentures issued by the company are listed on Bombay Stock Exchange (BSE).

Debenture Trustee for Privately placed debentures:

IL & FS Trust Company Limited
IL & FS Financial Centre, Plot No C22, G Block,
Bandra Kurla Complex, Bandra East
Mumbai- 400051.

o) Address for Correspondence:

CS I.V. LAKSHMI
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;

p) 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 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 are requested to claim the unpaid/unclaimed dividend from the Company before transfer to the above mentioned fund.

Table: 15

Financial Year	Rate of Dividend	Date of Declaration	Unclaimed Amount (₹)	Due for transfer to IEPF on
2007-08	25%	September 29, 2008	28751.00	October 12, 2015
2008-09	40%	September 24, 2009	46156.00	October 11, 2016
2009-10 (INTERIM)	25%	September 27, 2010	29698.00	February 10, 2017
2009-10 (FINAL)	25%		38485.00	October 6, 2017
2010-11	50%	September 30, 2011	96720.00	October 12, 2018
2011-12	30%	September 20, 2012	80757.00	October 2, 2019
2012-13	30%	September 27, 2013	67782.00	October 16, 2020
2013-14	20%	September 23, 2014	95200.00	October 16, 2021

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 shareholder 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 Karvy Computershare Pvt. Limited, Hyderabad for encashing the unclaimed Dividend standing to the credit of their account.

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

q) Unpaid dividend:

Under the provisions of the Companies Act, 2013, Dividends that remains unclaimed in the Unpaid Dividend Account of the Company for a period of seven years from the date of its transfer to the said account, has to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Accordingly, during the year under review the amount of Refund of Unpaid Dividend for the year 2006-07 remain unpaid/ unclaimed for the period of seven years, has been transferred by the Company to the Investor Education Provident Fund (IEPF).

r) 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.

s) SEBI Complaints Rederess System (SCORES)

The investor complaints are processed in a centralised web based complaints redress system. The salient features of this system are centralised 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.

As per Clause 5A(l)(g) of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the Unclaimed Shares Demat Suspense Account, which were issued pursuant to the Company's public issue:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Shares Demat Suspense Account, as on April 01, 2014.	1	25
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Shares Demat Suspense Account during the year	Nil	Nil
Number of shareholders to whom shares were transferred from the Unclaimed Shares Demat Suspense Account during the year.	Nil	Nil
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Shares Demat Suspense Account, as on March 31, 2015	1	25

B. COMPLIANCE REPORT ON NON-MANDATORY REQUIREMENTS UNDER CLAUSE 49

1. The Board – Chairperson's Office

The Chairperson of Gayatri is a Non-Executive Promoter Director and is not maintaining any office and has not incurred any expenses during the year. Independent Directors possess the requisite qualification and experience to contribute effectively to the company in their capacity as independent director.

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 2014-15.

3. Audit Qualifications

The Auditors Report to the members of the Company on the financial statements for the Financial Statements for the financial Year ended 31st March 2015 forming part of this report does not contain any Qualifications(s) or adverse observations.

5. Reporting of Internal Auditor:

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

6. Reconciliation of Share Capital Audit

As stipulated by SEBI, a Reconciliation of Share Capital Audit is carried out by an Independent Practicing Company Secretary on quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialised and physical mode and the status of the register of members

CEO / CFO CERTIFICATION

To

The Board of Directors

GAYATRI PROJECTS LIMITED

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

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

T.V. SANDEEP KUMAR REDDY
Managing Director

P. SREEDHAR BABU
Chief Financial Officer

Place: Hyderabad

Date: 14th August, 2015

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

**To
The Members of Gayatri Projects Limited**

As required under Clause 49(II)(E) of the Listing Agreement with the Stock Exchanges, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2015.

For GAYATRI PROJECTS LIMITED

Place: Hyderabad
Date: 14th August, 2015

T.V. SANDEEP KUMAR REDDY
Managing Director

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE AS PER THE LISTING AGREEMENT

To the Members of Gayatri Projects Limited

I have examined the compliance of conditions of corporate governance by Gayatri Projects Ltd for the year ended 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management of the Company. My examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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 conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

Signature :

Name of Practicing

Company Secretary: : **Y. KOTESWARA RAO**
C. P. No. : 7427

Place : Hyderabad

Date : 14th August, 2015

INDEPENDENT AUDITORS' REPORT

To The Members of Gayatri Projects Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Gayatri Projects Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility 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 to give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 accounting records, relevant to the preparation and presentation of these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made there under including the accounting standards and auditing standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, and its profit and cash flows for the year ended on that date.

Emphasis of Matters

(Note Nos. referred hereunder are with reference to respective Notes forming part of the standalone financial statement)

We draw member's attention to the following matters:

- i) Note No.31.12 regarding excess managerial remuneration paid by the company.
- ii) Note No.31.21 & 31.23 regarding recovery of loans & Advances and work advances given to some of the sub-contractors.

- iii) Note No.31.22 regarding conversion of long pending Trade Receivables of ₹218.51 crores for which necessary statutory formalities / compliances are pending.
- iv) Note No.31.26 regarding pending confirmation of balances in respect of certain items and balances reported in the financial statements.

Our Opinion is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 accounts 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 and the cash flow statement 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 Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f. 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 knowledge and belief and according to the information and explanations given to us:
 - i. As stated in Note No. 19 & 31.2(a) & (d), the company has disclosed the impact of pending litigations on its standalone financial position.
 - 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, the amounts which are required to be transferred to Investor Education & Protection Fund have been transferred.

For M O S & Associates LLP
(Formerly M O S & Associates)
Chartered Accountants
Firm Registration No.: 001975S/S200020

S.V.C. Reddy
Partner
Membership Number: 224028

Place: Hyderabad
Date: 30th May 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- 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.
- ii) In respect of Inventory:
 - a. 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.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, the material discrepancies noticed on physical verification of inventories as compared to the book records has been properly dealt with.
- iii) According to information and explanations given to us, the Company has granted unsecured Loans of ₹11,196.73 lakhs to parties covered in the Register maintained under section 189 of the Companies Act, 2013. In respect of such loans,
 - a. The principal amount is repayable on demand
 - b. There is no repayment schedule and therefore there is no overdue amount.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventories, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system. *However, the internal controls over accounting of consumption and procurement of materials, wastages, material reconciliation need further strengthening.*
- 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). Accordingly the provisions of clause (v) of paragraph 3 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, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Sales Tax, Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess with the appropriate authorities during the year. We further state that the undisputed amounts payable in respect thereof outstanding as on 31.03.2015 for a period of more than six months from the date they became payable are as follows:

S.No	Name of the Statutory Due	Amount in ₹	Delay period
I	Service tax	38.22 lakhs	> 6 months

- b. According to the information and explanation given to us, there are no dues of Sales tax, Income Tax, Wealth Tax, Service Tax, Customs Duty and Cess which have not been deposited as on 31st March, 2015 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
1	Mines and Minerals (Development and Regulation) Act, 1957	Department of Mines and Geology	Supreme Court	1,043.51
2	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.	3,436.55
3	Central Excise Act, 1944	Service Tax	Appeals pending before various Authorities	1,168.69
4	Income Tax Act, 1961	Income Tax	Appeal pending before CIT(Appeals)	8,968.58

- c. As per the information and explanations given by the company, the amounts which are required to be transferred to Investor Education & Protection Fund as on 31.03.2015 have been transferred.

- viii) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- ix) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has been regular in repayment of dues to banks and financial institutions *except in some cases as stated below. The period and amount of continuing default as on the Balance Sheet date is as follows:*

Long Term Loans:

Nature of the Loan	Period of Default	Default amount (₹ in lakhs)	
		Principal	Interest
Term Loans from Banks	Up to 30 days	213.33	21.15
Term Loans from Banks	31 to 60 days	679.57	282.56

Short Term Loans:

Nature of the Loan	Period of Default	Default amount (₹ in lakhs)	
		Principal	Interest
Working Capital from Banks	Up to 30 days	—	620.51
Working Capital from Banks	31 to 60 days	—	1317.85
Letter of Credit Facilities from Banks	Up to 30days	19.72	—
Letter of Credit Facilities from Banks	31 to 60 days	1781.25	—

- x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from Banks or Financial Institutions are not, *prima-facie*, prejudicial to the interests of the Company.

- xi) 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.
- xii) In our opinion and according to the information and explanations given to us and on our examination of books and records, no fraud on or by the Company has been noticed or reported during the year.

For M O S & Associates LLP
(Formerly M O S & Associates)
Chartered Accountants
Firm Registration No.: 001975S/S200020

Place: Hyderabad
Date: 30th May 2015

S. V. C. Reddy
Partner
Membership Number: 224028

BALANCE SHEET AS AT 31st MARCH, 2015

₹ in Lakhs

Particulars	Note	As at 31 st March, 2015	As at 31 st March, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	3	3,022.70	3,022.70
(b) Reserves and surplus	4	65,231.05	63,573.62
		68,253.75	66,596.32
(2) Non-current liabilities			
(a) Long-term borrowings	5	92,715.38	30,075.13
(b) Deferred Tax Liabilities (net)	6	2,876.25	3,111.91
(c) Other Long term liabilities	7	49,721.61	61,152.64
(d) Long-Term provisions	8	694.21	736.63
		146,007.45	95,076.31
(3) Current liabilities			
(a) Short-term borrowings	9	79,178.76	101,384.83
(b) Trade payables	10	44,561.16	38,563.97
(c) Other current liabilities	11	12,752.99	29,546.27
(d) Short term provisions	12	463.44	715.49
		136,956.35	170,210.56
Total		351,217.55	331,883.19
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	13	20,812.12	22,936.36
(ii) Capital work-in-progress	13	—	497.18
(b) Non-Current Investments	14	94,677.03	94,560.03
(c) Long term loans and advances	15	33,095.03	25,693.19
(d) Other Non- Current Assets	16	21,851.46	—
		170,435.64	143,686.76
(2) Current assets			
(a) Current Investments	17	71.79	189.56
(b) Inventories	18	24,202.29	23,753.01
(c) Trade receivables	19	62,355.90	94,067.05
(d) Cash and cash equivalents	20	14,515.83	20,134.79
(e) Short term loans and advances	21	79,505.42	49,965.07
(f) Other Current Assets	22	130.68	86.95
		180,781.91	188,196.43
Total		351,217.55	331,883.19
Significant Accounting Policies	2		
Other Notes forming part of the Financial Statements	31		

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

For and on behalf of the Board

S.V.C. Reddy
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

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

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

Place : Hyderabad.
Date : 30th May 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

₹ in Lakhs

Particulars	Note	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
I. Revenue			
(a) Revenue from operations	23	160,114.16	181,253.22
(b) Other Income	24	439.21	248.63
Total Revenue		160,553.37	181,501.85
II. Expenses			
(a) Consumption of Materials and Cost of Purchases & Services	25	58,338.78	66,012.48
(b) Work Expenditure	26	74,744.65	83,813.57
(c) Changes in Inventories of Work in Progress	27	(588.37)	(3,576.78)
(d) Employee benefits expenses	28	3,632.82	4,096.31
(e) Finance costs	29	14,867.18	15,972.69
(f) Depreciation and amortization expense	13	2,820.08	2,997.75
(g) Other Expenses	30	3,229.37	3,938.31
Total Expenses		157,044.51	173,254.33
III. Profit/ (Loss) before Exceptional & Extraordinary items and Tax (I-II)		3,508.86	8,247.52
IV. Exceptional items		—	—
V. Profit/(Loss) before Extraordinary items and Tax		3,508.86	8,247.52
VI. Extraordinary items		—	—
VII. Profit/(Loss) before Tax		3,508.86	8,247.52
VIII. Tax Expenses			
(a) Current Tax - paid		1,439.18	3,148.80
(b) Current Tax - for earlier years		—	391.95
(c) Deferred Tax (Net)		(135.64)	(53.97)
IX. Profit for the year		2,205.32	4,760.74
X. Earning per Share (of ₹10/- each):			
Basic & Diluted		7.30	15.75
Significant Accounting Policies	2		
Other Notes forming part of the Financial Statements	31		

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

For and on behalf of the Board

S.V.C. Reddy
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

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

Place : Hyderabad.
Date : 30th May 2015

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
A Cash Flow from Operating Activities:		
Profit before Tax excluding extraordinary and exceptional items	3,508.86	8,247.52
Adjustments for:		
Depreciation and amortization	2,820.08	2,997.75
Interest and other Income	(439.21)	(248.63)
Loss on sale of Fixed Assets	214.47	3.67
Finance Costs	14,573.91	15,194.88
Foreign Currency Translation and Transactions – ECB	293.27	777.81
Other non-cash items/ Provisions	(43.57)	190.70
Operating Profit before working Capital Changes	20,927.81	27,163.70
Adjustments for:		
(Increase) / Decrease in Trade Receivables	9,859.69	(5,275.79)
(Increase) / Decrease in long term loans and Advances	(7,401.84)	(209.33)
(Increase) / Decrease in Short term loans and Advances	(29,540.35)	(12,674.51)
(Increase) / Decrease in Other current assets	(43.73)	3,390.27
(Increase) / Decrease in Inventory	(449.28)	(1,341.22)
Increase / (Decrease) in other current liabilities	405.09	(248.41)
Increase / (Decrease) in other Long Term liabilities	(11,431.03)	10,026.38
Increase / (Decrease) in Trade Payables	5,997.19	3,754.51
Cash (used in) / generated from Operating activities	(11,676.45)	24,585.60
Direct Taxes paid	(1,439.18)	(3,540.75)
Net Cash (used in)/ generated from Operating Activities	(13,115.63)	21,044.85
B Cash Flow from Investing Activities		
Purchase of fixed assets including capital working progress	(957.46)	(832.83)
Purchase of Non-Current Investments	(117.00)	(17,732.58)
Investments in Mutual Funds	117.77	(189.55)
Proceeds from sale of Fixed Assets	250.05	302.90
Interest and other income received	439.21	248.63
Net Cash (used in)/ generated from Investing Activities	(267.43)	(18,203.43)
C Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including share premium	—	—
Redemption of Debentures	(712.16)	(1,560.00)
Net Proceeds from Long term borrowings (Ref.Note No.31.19)	11,498.35	4,645.12
Net Proceeds from Short term borrowings (Ref.Note No.31.19)	12,793.93	10,284.83
Finance Costs	(14,918.21)	(14,139.94)
Foreign Currency Translation and Transactions loss paid	(293.27)	(777.81)
Dividend & Dividend Tax paid	(604.54)	(1,053.92)
Net Cash (used in)/ generated from Financing Activities	7,764.10	(2,601.72)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(5,618.96)	239.70
Cash and Cash Equivalents at the beginning of the year	20,134.79	19,895.09
Cash and Cash Equivalents at the end of the year	14,515.83	20,134.79

Note:

- 1 Cash & Cash Equivalents consist of Cash on hand and balances with banks includes Margin Money Deposits for Bank Guarantees of ₹9,017.02 lakhs (Previous Year ₹ 12,249.87 lakhs).
- 2 The cash flow statement is prepared in accordance with the indirect method as stated in Accounting Standard 3 issued by ICAI on "Cash Flow Statements" and presents cash flows by Operating, Investing and Financing activities
- 3 Figures in brackets represent cash outflows.
- 4 The Accompanying Notes and other explanatory information form an integral part of the Financial Statements.

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

For and on behalf of the Board

S.V.C. Reddy
 Partner

T. INDIRA SUBBARAMI REDDY
 Chairperson
 DIN : 00009906

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

P. SREEDHAR BABU
 Chief Financial Officer

I.V. LAKSHMI
 Company Secretary &
 Compliance Officer

Place : Hyderabad.
 Date : 30th May 2015

1. CORPORATE INFORMATION

Gayatri Projects Limited founded in 1989 is one of India's premier infrastructure company based in Hyderabad executing major civil works including Roads, Canals, Airport Runways, Ports/Harbors, Dams & Reservoirs, Railways etc., across India.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and Presentation of Financial Statements

The Company's Financial statements have been prepared to comply with generally accepted accounting principles (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Act. Till the Standards of Accounting or any other addendum thereto are prescribed by the Central Government these financial statements are prepared to comply in all material aspects with the Accounting Standards notified under sub section (3C) of section 211 of the Companies (Accounting Standard) Rules, 2006. 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.

The Financial statements are prepared on accrual basis following the historical cost convention except in certain cases of fixed assets which are carried at revalued amounts. The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) - 3 "Cash Flow Statements". 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 the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

2.2 Use of estimates

The preparation of financial statements in conformity with GAAP 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 of the date of the financial statements. 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, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/ materialized.

2.3 Revenue recognition

A. Revenue from Operations

a. Revenue from Construction activity:

- i) Income is recognized on fixed price construction contracts in accordance with the percentage 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. Such estimates, made by the Company and certified to the Auditors have been relied upon by them, as these are of technical nature.
- 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 can be measured reliably.
- iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:
 - a) The contract is sufficiently advanced 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) Insurance claims are accounted for on cash basis.

- vi) Contract Claims raised by the company which can be reliably measured and have reached an advanced stage of arbitration pending in High court have been recognized as income.

b. Revenue from supply of materials:

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

c. Revenue from generation and distribution of Wind Power:

Revenue from wind power operations is recognized when the units are reliably measured and billed and it is reasonable to expect ultimate collection.

d. Revenue receipts on 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.

e. Other Operational Revenue:

All other revenues are recognized only when collectability of the resulting receivable is reasonably assured. Revenue is reported net of discounts

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.

2.4 Inventories and work in progress

Raw Materials, construction materials and stores & spares are valued at weighted average cost. Expenditure incurred towards construction work and yet to be certified is carried forward as work in progress. Cost includes direct material, work expenditure, labour cost and appropriate overheads.

2.5 Fixed Assets and Depreciation & Amortization

a) Tangible Fixed Assets

Tangible Fixed Assets are stated at cost of acquisition, less accumulated depreciation thereon. Expenditure which are capital in nature are capitalized at cost, which comprises 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.

b) Capital work in progress

Tangible assets which are purchased but not yet installed and not ready for the intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress".

c) Depreciation and amortization

In respect of fixed assets (other than land and Capital Work in Progress) depreciation / amortization is charged on a straight line basis over the useful lives as prescribed in Schedule II to the Companies Act, 2013. For the assets acquired prior to April 1, 2014 the carrying amount i.e. net value as on 31.03.2014 is depreciated over the remaining useful life as stipulated in the Act.

However, the use full life of certain class of plant & machinery is considered as 6 years (w.e.f. 01.04.2014) based on the technical assessment, managements experience of use of those assets, present condition of the asset etc.

Leasehold improvements or assets are amortized over the period of lease.

2.6 Foreign Currency Transactions

The reporting currency of the company is Indian Rupee. Foreign exchange transactions are accounted at the rates prevailing on the date of transactions. Monetary assets and current liabilities related to foreign currency transactions remaining unsettled at the exchange rate date 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.

2.7 Investments

Trade investments comprise investments in subsidiary companies, joint ventures, associate companies and in the entities in which the Company has strategic business interest. Investments are classified as Current investments and Non-Current investments.

Investments, which are readily realizable and are intended to be held for not more than 1 year from the date of acquisition, are classified as current investments. All other investments are classified as long term investments.

Non-Current Investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

2.8 Employee Benefits

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 Accounting Standard (AS) 15 "Employee Benefits" issued by the Companies (Accounting Standard) Rules, 2006.

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

Liability for compensated absence is treated as a long term liability and is provided on the basis of valuation by an independent actuary as at the year end.

2.9 Deferred Revenue Expenditure

Projects and Other amenities expenditure incurred up to 31st March, 2015, 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.

2.10 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

2.11 Leases

Assets taken on finance lease are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

Operating leases in respect of office & other equipment, house for employees, Office buildings are cancelable / renewable by mutual consent on agreed terms. Lease payments under an operating lease are recognized as an expense in the Profit and Loss Account.

2.12 Earnings per Share (EPS)

In arriving at the EPS, the Company's net profit after tax, computed in terms of the Indian GAAP, is divided by the weighted average number of equity shares outstanding on the last day of the reporting period. 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 potential equity shares.

2.13 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.

ii) Deferred Taxes

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. 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.

2.14 Impairment of Fixed Assets

The carrying amount of assets, other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

2.15 Provisions for 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 each Balance Sheet date.

2.16 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.

2.17 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/product line/service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

2.18 Cash Flow Statement

Cash Flow Statement 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 with investing or financing cash flows

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

2.19 Cash and Cash Equivalents

Cash and cash equivalents include cash, bank balances, fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being not free from more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

Amounts in the financial statements are presented in ₹ lakhs, except for per share data and as otherwise stated.

3. SHARE CAPITAL

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital Equity shares of ₹10/- each	80,000,000	8,000.00	40,000,000	4,000.00
(ii) Issued Share Capital Equity shares of ₹10/- each	30,226,994	3,022.70	30,226,994	3,022.70
(iii) Subscribed and fully paid up Share Capital Equity shares of ₹10/- each	30,226,994	3,022.70	30,226,994	3,022.70
Total	30,226,994	3,022.70	30,226,994	3,022.70

3(b) 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 ₹10/-. 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.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

The Board of Directors have recommended dividend of ₹1/ per equity share in their meeting held on 30th May, 2015, subjected to approval of the shareholders in the ensuing Annual General Meeting (For the year ended 31st March, 2014 : ₹ 2.00 per equity share).

3(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹10/- each with voting rights At the beginning of the period	30,226,994	3,022.70	30,226,994	3,022.70
Add: Shares issued during the year	—	—	—	—
Outstanding at the end of the period	30,226,994	3,022.70	30,226,994	3,022.70

3(d) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil

3(e) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹10/- each with voting rights:				
Indira Subbarami Reddy Tikkavarapu	10,630,932	35.17	10,630,932	35.17
Sandeep Kumar Reddy Tikkavarapu	4,579,544	15.15	4,579,544	15.15
Afrin Dia	2,820,000	9.33	2,820,000	9.33
India Max Investment Fund Limited	2,357,000	7.80	2,357,000	7.80
GMO Emerging Domestic Opportunities Fund	2,039,278	6.75	—	—

4. Reserves & Surplus

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Capital Reserve		
Opening balance	143.40	143.40
Add : Additions to Reserve during the year	—	—
Closing balance (A)	143.40	143.40
(b) General Reserve		
Opening balance	10,000.00	9,500.00
Add: Amount transferred from Statement of Profit and Loss	500.00	500.00
Closing balance (B)	10,500.00	10,000.00
(c) Securities Premium Account		
Opening balance	25,400.19	25,400.19
Closing balance (C)	25,400.19	25,400.19
(d) Debenture Redemption Reserve		
Opening balance	1,300.00	1,300.00
Add: Amount transferred from Statement of Profit and Loss	—	—
Closing balance (D)	1,300.00	1,300.00
(e) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	26,730.03	23,176.58
Add : Surplus / (Deficit) for the year	2,205.32	4,760.73
Amount available for Appropriation	28,935.35	27,937.31
Less: Appropriations		
Dividend and Dividend Tax	353.64	707.28
Adjustment relating to Fixed Assets (Refer Note No. 31.24)	194.25	—
Transferred to General Reserve	500.00	500.00
Closing balance (E)	27,887.46	26,730.03
Total (A+B+C+D+E)	65,231.05	63,573.62

5 Long-term borrowings (Refer Note No 31.19)

₹ in Lakhs

Particulars	As at 31 st March 2015		As at 31 st March 2014	
	Non-Current	Current	Non-Current	Current
Secured				
(i) Non-Convertible Debentures (Refer note 5.1) Nil (31 st March, 2014: 208) 11.50% Redeemable, Non-Convertible Debentures (NCDs) of ₹ 10,00,000/- each	—	2,927.84	2,080.00	1,560.00
ii) Term Loans from Banks				
a. Equipment Loans (Refer note 5.2)	56.03	1,560.38	769.57	1,906.26
b. Other Term Loans (Refer note 5.3)	70,774.17	520.83	11,312.49	16,455.78
c. External Commercial Borrowings (Refer note 5.4)	13,510.27	—	13,224.09	552.46
iii) Term Loans from others				
a. Equipment Loans (Refer note 5.2)	5,074.91	982.64	2,685.92	2,300.27
b. Vehicle Loans (Refer note 5.5)	—	2.87	3.06	73.86
Un-secured				
From Directors (Interest Free Loans) (Refer Note No 31.20)	3,300.00	—	—	—
Total	92,715.38	5,994.56	30,075.13	22,848.63

5.1 11.50% Redeemable, Non-Convertible Debentures (secured):

Details & Terms of Repayment

The Company has issued 520, 11.50% Secured Redeemable Non-Convertible Debentures (NCDs) of ₹10,00,000/- each on private placement in the form of Separately Transferable Redeemable Principal Parts (STRPPs) for cash at par aggregating to ₹ 5200 Lakhs in the year 2010-11. The debentures are redeemable in the 3rd, 4th and 5th years in the ratio of 30:30:40. The company has redeemed 1st tranche of ₹1560.00 lakhs during the previous year. During the year the Company has redeemed ₹712.16 lakhs in accordance with the rescheduled terms of redemption agreed to by the debenture holders.

Nature of Security

The Debentures are secured by the paripassu first charge on the fixed assets of a group company.

5.2 Equipment Loans

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

5.3 Term loans

The secured term loans are secured by hypothecation of construction equipments not specifically charged to other banks and these loans are guaranteed by directors. The rate of interest on these loans varies between 11% to 16%

Period and amount of principal and interest default as on balance sheet date:

Nature of the Loan	Period of Default	Default amount (₹ In lakhs)	
		Principal	Interest
Term Loans from Banks	Upto 30 days	213.33	21.15
Term Loans from Banks	31 to 60 days	679.57	282.56

5.4 External Commercial Borrowing:

Details of External Commercial Borrowings

The Company availed Foreign Currency Loan of USD \$ 24.42 million from an Indian Scheduled Bank to meet a part of funds requirement towards redemption of outstanding FCCBs. The ECB loan is repayable in 24 quarterly installments commencing from October 2013 with rate of interest at 3 months USD LIBOR+500bps.

Nature of Security

- (i) Equitable mortgage of immovable property of 600 acres in the name of step down subsidiary company.
- (ii) Pledge of unencumbered equity shares of promoters in Gayatri Projects Ltd.
- (iii) Personal guarantee of the two promoter directors.

5.5 Vehicle Loans:

The Vehicle loans availed are secured by hypothecation of specific vehicles purchased out of the said loans.

5.6 Maturity Profile of long term borrowings is set out below:

₹ in Lakhs

Particulars	2016-17	2017-18	2018-19	2019-20 onwards
Equipment loans from Banks	56.03	—	—	—
Term Loans from Banks	7,249.95	3,599.91	3,599.91	35,549.10
Term Loans -WCTL	845.47	1,352.75	1,352.75	13,358.40
Term Loans FITL	231.96	463.91	695.87	2,474.21
ECB Loan	675.51	1,080.82	1,080.82	10,673.12
Equipment loans from Others	1,314.23	1,654.09	1,670.37	436.21

5.7 Current Maturities of long term borrowings have been disclosed under the head "Other Current Liabilities" (Refer Note - 11).**6. Deferred Tax Liabilities (Net)**

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Deferred Tax (Asset) on timing Differences due to: Provision for Gratuity and Leave Encashment	(8.27)	(64.82)
(b) Deferred Tax Liability on timing differences due to: Depreciation (Refer Note No.31.24)	2,884.52	3,176.73
Total	2,876.25	3,111.91

7. Other Long-Term Liabilities

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Advances from Contractees	42,572.22	53,615.68
(b) Margin Money Deposits received	7,149.39	7,536.96
Total	49,721.61	61,152.64

8. Long-Term Provisions

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Employee Benefits	694.21	736.63
Total	694.21	736.63

9. Short Term Borrowings (refer Note No 31.19)

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Secured Term loans:		
(i) Banks (Refer Note No.9.1)	94.50	15,000.00
(b) Unsecured Term loans:		
(i) Banks	—	10,000.00
(c) Secured Working Capital Facilities / Overdraft Facility (Refer Note No.9.2)	79,084.26	76,384.83
Total	79,178.76	101,384.83

Nature of Security and Terms of Repayment

9.1 Term Loans (Secured)

The Secured Term Loans availed from banks are secured by way of:

- Mortgage of non agricultural land belonging to group company M/s. Chamundeswari Builders Pvt Ltd situated at Nandigama Village, Kothur Mandal, Mahaboob Nagar Distrtict.
- Pledge of equity shares of the Company held by the directors.
- 1st Pari passu hypothication charge on the fixed assets of the Company.
- Personal guarantee of managing director of the Company.
- Corporate Guarantee of M/s Chamundeswari Builders Pvt Ltd.

9.2 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 *pari passu* with consortium banks.
- Hypothecation against first charge on all unencumbered fixed assets of the Company both present and future ranking *pari passu* with consortium banks.
- Equitable mortgage of properties belonging to promoters, directors, group companies.
- Personal guarantee of promoter directors, group companies/firms and relatives.

Period and amount of principal and interest default as on balance sheet date:

Name of the Loan	Default Amount (₹ In lakhs)	
	No. of Days delay	Interest
Wokring Capital Facilities	0 to 30	620.51
	31 to 60	1,317.85

10. Trade Payables:

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Micro, Small and Medium Enterprises (refer Note No.31.13)	—	—
(b) Others	44,561.16	38,563.97
Total	44,561.16	38,563.97

11. Other current liabilities

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Current maturities of Long Term Borrowings		
- Non Convertible Debentures	2,927.84	1,560.00
156 (31 st March, 2014: 156) 11.50% Redeemable		
Non-Convertible Debentures (NCDs) of ₹ 10,00,000/- each		
- Term Loans	3,066.72	21,288.63
(b) Interest accrued but not due on Borrowings - NCD's	42.67	67.66
(c) Interest accrued and due on Borrowings	2,238.99	2,558.30
(d) Unpaid Dividends	5.43	5.05
(e) Remuneration payable to Directors	109.11	148.74
(f) Statutory Payables	1,799.07	1,595.46
(g) Other Payables	2,563.16	2,322.43
Total	12,752.99	29,546.27

12. Short-Term Provisions

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Employee Benefits	7.06	8.21
(b) Provision for Dividend	302.27	604.54
(c) Provision for Dividend Distribution Tax	154.11	102.74
Total	463.44	715.49

13. Statement of Fixed Assets and Depreciation & Amortization

₹ in Lakhs

Particulars	Original Cost			Depreciation and Amortization				Net Book Value	
	As at 1 st April 2014	Additions/ Adjustment during the period	Deletions/ Retirement during the period	As at 31 st March, 2015	Up to 1 st April, 2014	For the year	Deductions/ Adjustment during the period	Up to 31 st March 2015	As at 31 st March 2014
i) Tangible Assets									
Land	35.12	—	—	35.12	—	—	—	—	35.12
Plant and Equipment	36,370.40	1,436.87	683.11	37,124.16	19,903.91	2,621.43	218.59	22,306.75	16,466.49
Wind Power Equipment	5,936.86	—	—	5,936.86	880.79	263.22	—	1,144.01	5,056.07
Furniture and Fixtures	404.43	0.45	—	404.88	227.35	41.71	—	269.06	177.08
Vehicles	2,684.95	17.32	—	2,702.27	1,483.35	188.00	—	1,671.35	1,201.60
Total	45,431.76	1,454.64	683.11	46,203.29	22,495.40	3,114.36	218.59	25,391.17	22,936.36

Transfer to Reserves & Surplus (refer note no 31.24)

294.28

Net Depreciation

2,820.08

ii) **Capital Work in Progress:** Capital work in progress represents machinery purchased (Current Year : Nil; Previous year ₹ 497.18 Lakhs) which is yet to be installed and put to use.

14. Non-current investments

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Non-Trade investments (valued at cost unless stated otherwise)		
<u>Unquoted Equity Shares</u>		
A. Investment in Subsidiary Companies		
(i) 12,50,000 (Previous Year 12,50,000) Equity Shares of ₹10/- each, fully paid in Gayatri Infra Ventures Ltd., (Refer note 14.1)	12,532.38	12,532.38
(ii) 65,24,030 (Previous year 65,24,030) Equity Shares of ₹10/- each, fully paid in Gayatri Energy Ventures Pvt. Ltd., (Refer note 14.2)	63,983.28	63,983.28
(iii) 25,500 (Previous Year 25,500) Equity Shares of ₹10/- each, fully paid in Bhandara Thermal Power Corporation Ltd.,	2.55	2.55
(iv) 1,00,00,843 (Previous year 1,00,00,843) Equity Shares of ₹10/- each, fully paid in Sai Maatarani Tollways Ltd. (Refer note 14.3)	18,016.03	18,016.03
B. Investment in Associate Companies		
(i) 12,07,000 (Previous Year 37,000) Equity Shares of ₹10/- each, fully paid in HKR Roadways Ltd. (Refer note 14.5)	120.70	3.70
(ii) 49,000 (Previous Year 49,000) Equity Shares of ₹10/- each, fully paid in Balaji Highways Holdings Pvt. Ltd.,	4.90	4.90
(iii) 16,660 (Previous Year 16,660) Equity Shares of ₹10/- each, fully paid in Indore Dewas Tollways Ltd., (Refer note 14.4)	1.67	1.67
C. Other Investments		
Quoted - at Cost		
(i) 11,63,607 (Previous Year 11,63,607) Equity Shares of ₹10/- each in Gayatri Sugars Ltd., (Refer note 14.6)	293.10	293.10
(ii) 1,728 (Previous Year 1,728) Equity Shares of ₹10/- each in Syndicate Bank Ltd., Less: Provision for diminution in value of Investment (Refer note 14.6)	0.86 (278.44)	0.86 (278.44)
Total	94,677.03	94,560.03
Details of Quoted and Unquoted Investments:		
Aggregate Amount of Quoted Investment	15.52	15.52
Aggregate Market value of Quoted Investment	19.55	16.33
Aggregate Amount of Unquoted Investment	94,654.94	94,544.51

14.1 Of these, 12,00,000 Equity shares of Gayatri Infra Ventures Limited have been pledged to IL & FS for the term loan availed by Gayatri Infra Ventures Limited

14.2 (a) Of these, 16,96,248 Equity shares of Gayatri Energy Ventures Pvt. Ltd. have been pledged to IFCI for the loan availed by the same company.

(b) Of these, 50,000 Equity shares of Gayatri Energy Ventures Pvt. Ltd. have been pledged to PTC for the loan availed by Thermal Powertech Corporation India Limited (an Associate Company of Gayatri Energy Ventures Private Limited).

- 14.3 Of these, 51,00,930 Equity shares of Sai Maatarani Tollways Limited have been pledged to IDBI Trusteeship Ltd for the Loan availed by the Company.
- 14.4 Of these, 16,660 Equity shares of Indore Dewas Tollways Limited have been pledged to SBI Capital Security Trustee Company Limited for the Loan availed by Indore Dewas Tollways Limited.
- 14.5 Of these, 36,995 Equity shares of HKR Roadways Limited have been pledged to ITCL for the loan availed by HKR Roadways Limited.
- 14.6 The company has made provision for the diminution in the market value of quoted investments in the books as envisaged in the Companies (Accounting Standard) Rules, prescribed by the Central Government

15. Long-term loans and advances

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
To Others - Unsecured, Considered Good		
- Security Deposit with Govt. Depts and Others	62.89	45.71
- Other Loans and Advances (Refer Note No. 31.21)	33,032.14	25,647.48
Total	33,095.03	25,693.19

16. Other Non-Current assets

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Unsecured, Considered Good		
- Receivables from Related Party (Refer Note No.31.22)	21,851.46	—
Total	21,851.46	—

17. Current Investments

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Mutual Funds	71.79	189.56
Total	71.79	189.56

18. Inventories

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Construction materials, Stores and Spares	9,994.76	10,133.85
(b) Work in Progress	14,207.53	13,619.16
Total	24,202.29	23,753.01

19. Trade Receivables

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good*	59,405.83	69,993.02
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	2,950.07	24,074.03
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
Total	62,355.90	94,067.05

* Includes claims amount receivable of ₹ 4,106.84 lakhs

20. Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Cash on hand	42.58	28.49
(b) Balances with banks		
In current accounts	2,712.47	4,289.38
In deposit accounts (due within 12 months)		
i. Margin money for Bank Guarantees / LCs	9,017.02	12,249.87
ii. Other Deposits	2,743.76	3,567.05
Total	14,515.83	20,134.79

21. Short-term loans and advances

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
To Related Parties - Unsecured, Considered Good		
- Loans and Advances to Subsidiaries	19,056.37	7,266.40
- Loans and Advances to Joint Ventures (Refer Note No.31.5)	—	3,902.52
- Loans and Advances to Associates	7,801.73	7,599.67
To Others - Unsecured, Considered Good		
- Advances to Suppliers	646.59	1,457.96
- Advances to Sub-Contractors (Refer Note No.31.23)	44,175.78	24,895.18
- Staff Advances	188.24	175.02
- Advances with Govt. Departments	5,890.86	3,910.06
- Other Advances	1,745.85	758.26
Total	79,505.42	49,965.07

22. Other current assets

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Others	130.68	86.95
Total	130.68	86.95

23. Revenue from Operations

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
(a) Construction Revenue	119,198.81	153,259.46
(b) Materials Supply Revenue	35,631.22	27,217.99
(c) Claims (Refer Note No 2.3 (vi))	4,518.20	—
(d) Revenue from Electricity Generation	579.51	618.54
(e) Share of profit from Joint Ventures	186.42	157.23
Total	160,114.16	181,253.22

24. Other income

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
(a) Interest income from Fixed Deposits	322.38	234.19
(b) Other Miscellaneous Income	116.83	14.44
Total	439.21	248.63

25. Consumption of Materials and Cost of Purchases & Services

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
(a) Steel	9,076.24	6,478.75
(b) Cement	3,787.40	4,029.50
(c) Bitumen	5,949.91	12,455.20
(d) Metal	4,726.62	5,750.41
(e) Sand & Gravel	1,135.62	809.52
(f) Electrical Materials	8,812.23	9,005.05
(g) Railway Line Materials	4,519.49	4,688.77
(h) Coal Handling System Materials	13,228.08	12,630.65
(i) RCC & GI Pipes	128.74	570.61
(j) HSD Oils & Lubricants	6,213.69	7,585.13
(k) Stores and Consumables	691.37	731.42
(l) Other Materials	69.39	1,277.45
Total	58,338.78	66,012.48

26. Work Expenditure

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
(a) Departmental Recoveries	2,873.01	4,947.96
(b) Work executed by sub contractors	19,088.46	19,622.77
(c) Earth Work	12,829.14	11,279.99
(d) Concrete Work	11,498.77	20,529.95
(e) Transport Charges	1,481.33	1,968.44
(f) Hire Charges	2,055.25	1,515.03
(g) Road work	10,293.31	7,641.09
(h) Repairs and Maintenance	1,419.86	1,452.81
(i) Taxes and Duties	5,434.36	6,126.87
(j) Royalties, Seigniorage and Cess	856.08	735.27
(k) Insurance	203.22	306.92
(l) Other Work Expenditure	6,711.86	7,686.48
Total	74,744.65	83,813.57

27. Change in Inventories of Work-in-Progress

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
Opening Work in Progress	13,619.16	10,042.38
Less : Closing Work in Progress	(14,207.53)	(13,619.16)
Changes in Inventory	(588.37)	(3,576.78)

28. Employee benefits expense

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
(a) Salaries & Wages	2,630.20	3,085.55
(b) Director's Remuneration	444.00	602.75
(c) Staff Welfare Expenses	466.29	335.44
(d) Contribution to Statutory Funds	92.33	72.57
Total	3,632.82	4,096.31

29. Finance costs

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
(a) Interest on Term Loans (Refer Note No.31.19)	6,949.71	5,645.83
(b) Interest on Non Convertible Debentures	409.56	538.53
(c) Interest on Working Capital Facilities	10,349.55	10,526.71
(d) Interest on ECB Loan *	1,306.55	1,461.64
(e) Exchange loss on ECB Loan	293.27	777.81
(f) Interest on Others	8.49	112.14
(g) Bank Guarantee & Other Financial Charges	397.71	896.17
(h) Less : Interest received on BG/LC Margin Money Deposits	(1,059.48)	(1,380.63)
(i) Less : Interest Received on Loans & Advances	(3,788.18)	(2,605.50)
Total	14,867.18	15,972.69

* includes premium paid on foreign currency forward contract.

30. Other expenses

₹ in Lakhs

Particulars	For the Year Ended 31st March, 2015	For the Year Ended 31st March, 2014
(a) Advertisement expenses	43.94	161.94
(b) Audit fee	59.55	47.19
(c) CSR Expenditure & Donations	24.28	618.28
(d) Donations	289.40	462.19
(e) Insurance charges	23.38	29.24
(f) Consultancy, Legal & professional charges	810.53	681.75
(g) General Expenses	163.25	138.80
(h) Power & fuel	191.15	221.68
(i) Miscellaneous expenses	179.49	124.48
(j) Printing & stationery	75.82	65.66
(k) Rent	464.97	413.79
(l) Provision for diminution in the value of Investments	—	278.44
(m) Taxes & licenses	60.45	45.09
(n) Tender Expenses	39.30	47.63
(o) Telephone	101.17	97.18
(p) Traveling, Conveyance & Stay expenses	488.22	501.30
(q) Loss on sale of assets / Impairment of assets	214.47	3.67
Total	3,229.37	3,938.31

31.0 Other Notes forming part of the financial statements**31.1 Leases**

Disclosure under Accounting Standard – 19 “Leases”, issued by the Institute of Chartered Accountants of India.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss on a straight-line basis. The Company has taken various residential/godown/office premises (including Furniture and Fittings if any) under lease and license agreements for periods which generally range between 11 months to 3 years. These arrangements are renewable by mutual consent on mutually agreed terms. Under some of these arrangements the Company has given refundable security deposits. The lease payments are recognized in Profit and Loss Account under Rent, Rates and Taxes.

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

The Company has taken vehicles on financial lease from banks / Financial Institutions. The details of contractual payments under the agreement are as follows:

Lease Obligations Payable

₹ in Lakhs

Due	Minimum Lease Payments
Less than one year	75.90
Between one and five years	—
More than five years	—

Lease Obligations Recognized

₹ in Lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Lease Rentals recognized during the year	82.80	82.80

31.2 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, 2015	As at 31st March, 2014
a) Claims against the company not acknowledged as debt *	5,565.55	5,565.55
b) Guarantees given by the Banks towards performance & Contractual Commitments		
i) issued on behalf of the Company	47,097.06	51,639.03
ii) Issued on behalf of subsidiaries/group companies	30,442.35	30,630.36
c) Corporate Guarantees given to group companies	8,38,456.00	7,48,110.00
d) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	14,617.34	10,603.75

* Some of the contractees /employer have made claims against company for which the company has preferred appeal and in the opinion of the management the award will be in favour of the company. Therefore the said claims have not been provided.

b. Commitments

₹ in Lakhs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Commitments towards investment in subsidiaries, Joint Ventures and Associates	25,480.00	18,016.03

31.3 Particulars of Loans and Advances in the nature of loans as required by clause 32 of the Listing Agreement.

₹ in Lakhs

Name of the Company	Relationship	Balances as at		Maximum outstanding	
		31.03.2015	31.03.2014	2014-15	2013-14
IJM Gayatri Joint Venture	Joint Venture	—	3,902.52	3,902.52	3,902.52
Wetern UP Tollways Ltd	Associate	3,266.72	2,948.29	3,266.72	2,948.29
Sai Maatarini Tollways Ltd	Subsidiary	10,015.99	204.88	10,015.99	204.88
Indore Dewas Tollways Ltd	Associate	3,395.00	2,395.00	3,395.00	2,395.00
HKR Roadways Ltd	Associate	4,535.01	4,651.36	4,652.01	4,651.36
Gayatri Energy Ventures P. Ltd	Subsidiary	5,645.37	—	5,645.37	—

31.4 Impairment of Assets

In the opinion of the management, there are no impaired assets requiring provision for impairment loss as per the accounting standard 28 on Impairment of assets. The recoverable amount of building, plant and machinery and computers has been determined on the basis of 'Value in use' method.

31.5 Joint Venture Losses

IJM-Gayatri Joint Venture

IJM – Gayatri Joint Venture is a joint venture in which IJM Corporation Berhad, Malaysia holds 60% and Gayatri Projects Limited holds 40% share. The Joint venture has executed road works during the period 1998-2006 in Package I, II & III and AP 13 of NHAI, APSH 7 and APSH 8 in the State of Andhra Pradesh.

An excess expenditure of ₹ 134.45 crores is incurred for completion of the IJM Gayatri JV by our company and the same is debited to the JV account. The JV has not accounted the same due to pending claims with the employers and with an intention to account the same as and when the claims are actually realized.

The JV has raised claims in excess of ₹ 300 Crores on the National Highways Authority of India and Andhra Pradesh State Government, which are pending for consideration before the appropriate legal forum.

During the previous year, SEBI has referred the above matter to "Financial Reporting and Review Board (FRRB)" for further examination. As per the Directions of the FRRB the company has provided an amount of ₹45.01 Crores (included in work expenditure) towards its 40% share of loss in the joint venture which was hitherto been the subject matter of qualification in the Auditors Report till previous year.

31.6 Disclosure pursuant to Accounting Standard (AS) – 15(Revised) “Employee’s Benefits”:

- i) 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 Accounting Standard – 15 (Revised) issued by the Institute of Chartered Accountants of India are as under:-

ii) (a) Changes in the Benefit Obligations:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Present Value of Obligation as at the beginning of the year	542.01	398.57	202.83	155.56
Interest Cost	43.36	31.89	16.23	12.44
Current Service Cost	25.25	25.69	17.04	14.09
Benefits Paid	(5.77)	(37.20)	(3.85)	(35.68)
Actuarial loss / (gain) on Obligations	(49.22)	123.06	(86.61)	56.42
Present Value of Obligation at year end	555.63	542.01	145.64	202.83

(b) Amount Recognized in Balance Sheet:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Estimated Present Value of obligations as at the end of the year	555.63	542.01	145.64	202.83
Fair value of Plan Assets as at the end of the year	—	—	—	—
Net Liability recognized in Balance Sheet	555.63	542.01	145.64	202.83

(c) Expenses recognized in Statement of Profit & Loss:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Current Service Cost	25.25	25.69	17.04	14.09
Interest Cost	43.36	31.89	16.23	12.44
Expected return on Plan Asset	—	—	—	—
Net Actuarial (Gain)/Loss recognized during the period	(49.22)	123.06	(86.61)	56.43
Total expenses recognized in Statement of Profit & Loss	19.39	180.64	(53.34)	82.96

(d) Principal Actuarial Assumption:

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Discount Rate	8.00%	8.00%	8.00%	8.00%
Salary Escalation Rate	4.00%	4.00%	4.00%	4.00%
Retirement Age	60	60	60	60
Mortality	LIC (2006-08)	LIC (1994-96)	LIC (2006-08)	LIC (1994-96)
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.

31.7 Related Party Transactions pursuant to Accounting Standard(AS)-18

Details of related parties:

Subsidiary Companies	Step-down Subsidiaries Companies
Gayatri Energy Ventures Pvt.Ltd Gayatri Infra Ventures Ltd Sai Matarani Tollways Limited	Gayatri Lalitpur Roadways Ltd Gayatri - Jhansi Roadways Ltd Bhandra Thermal Power Corporation Ltd
Associate Companies	Key Management Personnel and their Relatives
Hyderabad Expressways Limited Cyberabad Expressways Limited Western UP Tollway Limited HKR Roadways Limited Balaji Highways Holding Limited Thermal Powertech Corporation India Ltd Indore Dewas Tollways Limited (Considered as Subsidiary as per AS-21 for consolidation)	Mr. T. V. Sandeep Kumar Reddy Mr. J. Brij Mohan Reddy Mrs.T. Indira Subbarami Reddy Mr. T. Rajiv Reddy Mr. P. Sreedhar Babu (CFO) Mrs. I. V. Lakshmi (CS & CO)
Entities in which KMP are interested	Joint Ventures
Deep Corporation Pvt. Ltd Indira Constructions Pvt. Ltd Gayatri Tissue & Papers Ltd Gayatri Sugars Ltd Gayatri Hi-Tech Hotels Ltd Gayatri Property Ventures Pvt. Ltd. Gayatri Hotels & Theaters Pvt. Ltd GSR Ventures Pvt. Ltd. T.V. Sandeep Kumar Reddy & Others Gayatri Bio-Organics Limited TSR Foundation Dr. T. Subbarami Reddy (HUF) Balaji Charitable Trust TSR Lalitakala Parishad	Gayatri- RNS Joint Venture IJM Gayatri Joint Venture Gayatri Ranjit Joint Venture Gayatri - GDC Joint Venture Gayatri – BCBPPL Joint Venture Jaiprakash Gayatri Joint Venture Gayatri ECI Joint Venture Maytas-Gayatri Joint Venture Gayatri – Ratna Joint Venture MEIL-GAYATRI-ZVS-ITT Consortium Gayatri-SPL Joint Venture Gayatri-JMC Joint Venture Viswanath - Gayatri Joint Venture GPL-RKTCPL Joint Venture

Transactions with the related parties:
₹in Lakhs

SI No.	Particulars	2014-15				
		Subsidiary & Step-down Subsidiaries	Associate Companies	Entities in which KMP are interested	Joint ventures	KMP and their Relatives
1	Equity contribution	117.00 (18,011.03)	— —	— —	— —	— —
2	Contract Receipts	46,528.22 (75,739.67)	15,909.24 (12,169.65)	1,105.22 (-)	23,002.40 (18,934.49)	— —
3	Contract payments	— —	— —	385.10 (526.13)	— —	— —
4	Office Rent & Maintenance	— —	— —	110.14 (106.16)	— —	— —
5	Other Payments	— (90.00)	— (90.00)	52.48 (99.69)	— —	11.38 —
6	Donations	— —	— —	176.90 (423.66)	— —	— —
7	Remuneration Paid	— —	— —	— —	— —	444.00 (602.75)
8	Contract Advances/ Other Adv.	14,944.23 (4,990.23)	2,881.60 (1,196.65)	— —	8,297.36 (1,309.07)	— —
9	Unsecured Loans received	— —	— —	— —	— —	3,300.00 —
10	Corporate Guarantees	8,000.00 (1,74,735.00)	79,863.00 —	— —	— —	— —
11	Closing balances – Debit	29,248.65 (29,459.59)	15,742.72 (9,262.56)	25,099.87 (24,948.91)	20,532.32 (24,659.00)	— —
12	Closing balances – Credit	6,102.79 (13,560.63)	12,080.44 (—)	110.53 (259.30)	13,759.62 (8,507.20)	3,409.11 (148.71)

Figures in brackets relate to previous year.
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	2014-15	2013-14
HKR Roadways Limited	Contract Receipts	8,081.05	27,726.86
Thermal Powertech Corpn.(India) Ltd.	Contract Receipts	4,476.02	10,810.18
Sai Maatarani Tollways Ltd.	Contract Receipts	44,597.48	35,231.90
Indore Dewas Tollways Limited	Contract Receipts	3,037.93	11,840.95
Gayatri - ECI Joint Venture	Contract Receipts	9,453.61	6,796.98
Jaiprakash-Gayatri Joint Venture	Contract Receipts	2,761.99	1,463.46
Gayatri - RNS Joint Venture	Contract Receipts	3,267.26	3,902.00
Meil-Gayatri-ZVS - ITT Consortium	Contract Receipts	2,347.56	1,332.04
Gayatri-RKTCPL Joint Venture	Contract Receipts	2,710.63	—
Indore Dewas Tollways Limited	Financial Guarantees	62613.00	1,895.00
HKR Roadways Limited	Contract Adv./ Other Adv.	3,344.23	—
Sai Maatarani Tollways Ltd.	Contract Adv./ Other Adv.	5,106.40	3,430.01

31.8 Un-hedged Foreign Currency Exposures as at 31st March, 2015

The year end foreign exposures that have not been hedged by a derivate instrument or otherwise are given below:

₹ in Lakhs

Particulars	Hedged/Un hedged	2014-15		2013-14	
		Foreign Currency USD	₹ Equivalent	Foreign Currency USD	₹ Equivalent
Amount payable in Foreign Currency:					
External Commercial Borrowings (ECB)	Un-hedged	Nil	Nil	Nil	Nil
	Hedged	229.78	13,510.27	239.38	13,776.56

31.9 Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Accounting Standard – 17. 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.

31.10 Earnings Per Share (EPS)

Basic and Diluted Earnings per share calculated in accordance with Accounting Standard (AS) 20 "Earning per share".

₹ in Lakhs

Particulars	2014-15	2013-14
Profit After Tax for calculation of Basic EPS (₹ in Lakhs)	2205.32	4,760.73
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	2205.32	4,760.74
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No.s in Lakhs)	302.27	302.27
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No.s in Lakhs)	302.27	302.27
Basic EPS (₹)	7.30	15.75
Diluted EPS (₹)	7.30	15.75

31.11 Disclosure in respect of Joint Ventures pursuant to Accounting Standard – 27 “Financial Reporting of Interest in Joint Ventures”
a) List of Joint Ventures/Jointly controlled entities

Sl. No	Name of the Joint Venture Jointly controlled entities	Description of Interest	% of Holding	Country of residence
1	IJM Gayatri Joint Venture	Jointly controlled entity (construction of Road works)	40 (40)	India
2	Jaiprakash Gayatri Joint Venture	Jointly controlled entity (construction of Canals, Dams etc., works)	49 (49)	India
3	Gayatri Ranjit Joint Venture	Jointly controlled entity (construction of Road works)	60 (60)	India
4	Gayatri ECI Joint Venture	Jointly controlled entity (construction of Road works)	50 (50)	India
5	Gayatri – Ratna Joint Venture	Jointly controlled entity (construction of Road and Irrigation works)	80 (80)	India
6	Gayatri – GDC Joint Venture	Jointly controlled entity (construction of Road works)	70 (70)	India
7	Gayatri – BCBPPL Joint Venture	Jointly controlled entity (construction of Canals, Dams etc., works)	60 (60)	India
8	Gayatri-RNS Joint Venture	Jointly controlled entity (construction of Road works)	60 (60)	India
9	Gayatri- JMC Joint Venture	Jointly controlled entity (construction of Road works)	75 (75)	India
10	MEIL-Gayatri-ZVS-ITT Consortium	Jointly controlled entity (construction of Canals, Dams etc., works)	48.44 (48.44)	India
11	Viswanath - Gayatri Joint Venture	Jointly controlled entity (Transmission and Distribution works)	50 (50)	India
12	Maytas-Gayatri Joint Venture	Jointly controlled entity (construction of Road works)	37 (37)	India
13	GPL-RKTCPL Joint Venture	Jointly controlled entity (construction of Road works)	51 (51)	India
14	Gayatri-SPL Joint Venture	Jointly controlled entity (construction of Road works)	51 (—)	India

Figures in brackets relate to previous year

b) Financial Interest in Joint Ventures / Jointly Controlled Entities:

₹in Lakhs

Sl. No.	Name of integrated Joint Ventures/ Jointly controlled entities	Company's Share						
		As at March 31, 2015		For the Year Ended 31st March, 2015				
		Assets	Liabilities	Income	Expenses	Tax	Net Profit	Net Loss
1	IJM Gayatri Joint Venture	3,821.88 (3,305.51)	3,787.07 (3,287.68)	536.14 (3.88)	621.88 (94.24)	(102.72) 75.67	16.98 —	— (14.70)
2	Jaiprakash Gayatri Joint Venture	1,685.64 (692.98)	1,679.43 (686.77)	1,353.38 (927.68)	1,353.38 (927.68)	— —	— —	— —
3	Gayatri ECI Joint Venture	3,360.03 (3,093.68)	2,473.47 (2,393.54)	6,388.86 (5,624.40)	6,202.43 (5,467.17)	— —	186.42 (157.23)	— —
4	Gayatri – Ratna Joint Venture	8,828.00 (5,453.34)	8,822.62 (5,447.96)	157.60 (269.90)	157.60 (269.90)	— —	— —	— —
5	Gayatri – GDC Joint Venture	368.46 (382.94)	368.46 (382.94)	1.02 —	1.02 —	— —	— —	— —
6	Gayatri – BCBPPL Joint Venture	748.97 (751.00)	741.29 (743.31)	744.96 (2,077.34)	744.96 (2,077.34)	— —	— —	— —
7	Gayatri- RNS Joint Venture	737.76 (1,119.08)	737.76 (1,119.08)	1,979.20 (2,341.20)	1,979.20 (2,341.20)	— —	— —	— —
8	Gayatri- JMC Joint Venture	168.91 (322.48)	168.91 (322.48)	856.82 (1,221.80)	856.82 (1,221.80)	— —	— —	— —
9	MEIL-Gayatri-ZVS-ITT Consortium	513.02 (406.33)	513.02 (406.33)	1,265.11 (2,471.22)	1,265.11 (2,471.22)	— —	— —	— —
10	Viswanath-Gayatri Joint Venture	1,320.55 (1,262.18)	1,320.55 (1,262.18)	93.74 (209.46)	93.74 (209.46)	— —	— —	— —
11	Gayatri-Ranjit Joint Venture	154.40 (154.40)	154.40 (154.40)	— —	— —	— —	— —	— —
12	Maytas-Gayatri Joint Venture	— (6,049.63)	— (6,049.57)	— -	— (0.25)	— -	— -	— (0.25)
13	GPL-RKTCPL Joint Venture	182.22 (225.60)	182.22 (225.60)	— —	— —	— —	— —	— —
14	GPL-SPL Joint Venture	223.94 —	223.94 —	330.93 —	330.93 —	— —	— —	— —
Total:		22,113.78 (23,219.13)	21,173.13 (22,481.82)	13,707.74 (15,146.87)	13,607.06 (15,080.26)	(102.72) 75.67	203.40 (157.23)	— (14.95)
Share of net assets in jointly controlled entities		940.65 (737.31)						

Figures in brackets relate to previous year.

31.12 Managerial Remuneration:

The excess managerial remuneration paid/payable for the year will be recovered in the subsequent financial year.

31.13 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.

31.14 There are no amounts due and outstanding to be credited to Investors Education & Protection Fund as on 31-03-2015 and amounts which are required to be transferred to such funds have been transferred.

31.15 Auditors' Remuneration (excluding service tax and reimbursement of expenses):

₹ in Lakhs

Sl. No.	Particulars	2014-15	2013-14
a	Statutory Audit	23.00	18.00
b	Limited Review	16.00	12.00
c	Tax Audit	6.50	5.00
d	Certification Fee	6.50	7.00
e	Certification Fee for QIP/Rights issue of Shares	—	—
	Total :	52.00	42.00

31.16 Disclosure pertaining to Accounting Standard -29 is as below.

₹ in Lakhs

Account Head	Opening Balance	Provisions made During the year	Paid/Utilized during the year	Closing Balance
Gratuity	542.01	19.38	5.76	555.63
Leave Encashment	202.83	(53.34)	3.85	145.64
Taxation	—	1439.18	1439.18	—
Proposed Dividend & Dividend Tax	707.28	353.64	604.54	456.38

31.17 Disclosure pursuant to Accounting Standard – 7 (Revised) “Construction Contracts”

₹ in Lakhs

Sl.No.	Particulars	2014-15	2013-14
1	Contract revenue recognized for the year ended	1,59,534.65	1,80,634.67
2	Contract cost incurred and recognized profits, less losses	1,44,106.38	1,63,637.72
3	Amount of advances received till date, net of recoveries	42,572.22	53,615.88
4	Gross amount due from customers for contract works	62,137.14	82,758.87

Since the principal business of the Company is in construction activities, quantitative data as required by Schedule III to the Companies Act, 2013 is not furnished.

31.18 Additional Information pursuant to Schedule III of the Companies Act, 2013.**i) CIF value of Imports**

₹ in Lakhs

Sl. No.	Particulars	2014-15	2013-14
1	Purchase of Capital Goods	Nil	Nil

ii) Expenditure / (Income) in Foreign Currency:

₹ in Lakhs

Sl. No.	Particulars	2014-15	2013-14
1	Travelling Expenses	15.37	16.51
2	Interest on ECB Loan	1,599.81	1,461.64

iii) Details of major raw materials consumption

₹ in Lakhs

Particulars	2014-15		2013-14	
	Value	%	Value	%
Steel	9,076.24	15.80	6,478.75	10.21
Cement	3,787.40	6.59	4,029.50	6.35
Bitumen	5,949.91	10.36	12,455.20	19.64
Metal	4,726.62	8.23	5,750.41	9.07
Electrical Materials	8,812.23	15.34	9,005.05	14.20
Railway Line Materials	4,519.49	7.87	4,688.77	7.39
Coal Handling System Materials	13,228.08	23.03	12,630.65	19.91
HSD Oil & Lubricants	6,213.69	10.82	7,585.13	11.96
Sand & Gravel	1,135.62	1.98	809.52	1.28
Total :	57,449.28	100.00	63,432.98	100.00

31.19 Bilateral Restructuring of Debt under Joint Lenders Forum (JLF) Scheme

Due to liquidity constraints on account of stretched working capital cycles, increased cost of inputs, higher interest cost, slowdown in Infrastructure sector etc, which has led to a strain on the resulting cash flows of the Company. Keeping in view of the above the Company has restructured its debt obligations under bilateral restructuring route monitored by the Joint Lenders forum (JLF). The scheme was approved by the lenders on 19.01.2015 and the relevant agreements like MRA, TRA etc., were executed on 23.01.2015. The restructuring is effected from 1st July 2014. Pursuant to this scheme, some of the Long Term and Short Term Loans have been rescheduled along with reduced rate of interest.

31.20 Unsecured Loans from the Directors

As a part of the restructuring package, the promoters contribution amounting to ₹3300.00 lakhs is brought in by promoter directors. The company is planning to raise the money through equity route and promoters have option to take refund of the unsecured loan from the equity proceeds.

31.21 Long term Loans and Advances

During the previous years, the Company has given advances to its subcontractors for execution of various projects. The recovery of advances is delayed due to slow progress of the works on account of changes in government policy and bifurcation of the State. In view of this, the parties have mutually decided to convert the advance as interest bearing loans carrying an interest equivalent to the bank deposit rate. Such loans during the current year have been grouped under "Long term loans & Advances". The advances will be recovered in future from the bill proceeds.

31.22 Receivables from Related Parties

Other Non Current Assets include an amount of ₹218.51 crores receivable from Gayatri Hi-tech Hotels Ltd (GHHL), a related party of the Company. The Company has executed the hotel project of the GHHL under EPC scheme and the amount represents the balance receivables. GHHL has expressed its inability to pay dues immediately due to its liquidity constraints and has placed a proposal to convert the outstanding dues into 9% Cumulative Redeemable Preference Shares (CRPS) of ₹1,000/- each. The Company has agreed in-principal for conversion of outstanding into CRPS and necessary statutory formalities are yet to be completed.

31.23 Advances to sub-contractors include amounts paid as work advances to certain sub-contractors wherein the corresponding contract works are yet to commence. In the opinion of the management, the said contract works have not commenced due to certain extraneous factors beyond the control of such sub-contractor and without any default/failure of performance from their end. The management is confident to commence the works in near future and recover the advances from the sub-contractors.

- 31.24 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation and Amortization. The net value of Fixed Assets amounting to ₹ 294.28 Lakhs whose lives have expired as at 1st April 2014, of which ₹ 194.25 Lakhs (net of Deferred Tax of ₹ 100.03 lakhs) has been adjusted in the opening balance of Profit and Loss.
- 31.25 In the opinion of the management and to the best of their knowledge and belief, the value under the head of current assets are approximately of the value stated, if realized in ordinary course of business, unless stated otherwise. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.
- 31.26 The balances under Other Long Term Liabilities, Trade Payables, Trade Receivables, Other Current Liabilities, Long Term Loans and Advances, Short Term Loans and Advances and Other Current Assets are subject to reconciliation and confirmation.
- 31.27 All amounts are rounded off to nearest thousand.
- 31.28 Previous year figures have been regrouped wherever considered necessary.

For and on behalf of the Board

For M O S & Associates LLP
(Formerly M O S & Associates)
Chartered Accountants

S.V.C. Reddy
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

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

Place : Hyderabad.
Date : 30th May 2015

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

Independent Auditors' Report

To The Members of Gayatri Projects Limited.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Gayatri Projects Limited** ("the holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates, comprising the Consolidated Balance Sheet as at 31st March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position and consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates 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 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 accounting records, relevant to the preparation and presentation of the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and presentation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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 point no. a and b of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group,

its associates as at 31st March 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

(Note Nos. referred hereunder is with reference to respective Notes forming part of the consolidated financial statement)

We draw member's attention to the following matters:

- i) Note No.30.11 regarding excess managerial remuneration paid by the holding company.
- ii) Note No.30.13 & 30.15 regarding recovery of loans & advances and work advances given to some of the sub-contractors
- iii) Note No.30.14 regarding conversion of long pending trade receivables of ₹218.51 crores for which necessary statutory formalities / compliances are pending.
- iv) Note No.30.20 regarding pending confirmation of balances in respect of certain items and balances reported in the financial statements.
- v) Note No.30.10 regarding qualifications made by the independent auditors of a subsidiary company in their consolidated audit report.

Our Opinion is not qualified in respect of the above matters.

Other Matters

- a. We did not audit the financial statements / consolidated financial statements of three subsidiaries whose financial statements / consolidated financial statements reflect total assets (net) of ₹ 1,35,689.74 lakhs as at 31st March 2015, total revenues (net) of ₹21,443.51 lakhs and net cash inflows amounting to ₹5,548.62 lakhs for the year ended on that date. These financial statements / consolidated financial statements have been audited by other auditors whose audit reports 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 in respect of these subsidiaries, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- b. We did not audit the financial statements of two associates in which the share of loss of the Group is ₹176.66 lakhs. These financial statements have been audited by other auditors whose audit reports 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 in respect of these associates, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.
- c. We did not audit the financial statements of six joint ventures whose financial statements to the extent of company's share reflected in the consolidated financial statements with a total assets of ₹8,494.74 lakhs as at 31st March 2015, total revenues of ₹10,091.94 lakhs and net cash inflows amounting to ₹244.25 lakhs for the year ended on that date. These financial statements have been audited by other auditors and 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 these joint ventures, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures, is based solely on such financial statements.
- d. We have relied on the unaudited (management certified) financial statements / financial information of one subsidiary company whose financial statements reflect assets (net) of ₹27,936.31 lakhs as at 31st March 2015 and net cash inflows amounting to ₹ 44 lakhs for the year ended on that date. These financial statements/financial information are unaudited and 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 this subsidiary, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements/financial information.
- e. We have relied on the unaudited (management certified) financial statements of three joint ventures whose financial statements to the extent of company's share reflected in the consolidated financial statements with a total assets of ₹1035.88 lakhs as at 31st March 2015, total revenues of ₹ 1266.13 lakhs and net cash outflows amounting to ₹3.75 lakhs for the year ended on that date. These financial statements/financial information are unaudited and 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 these joint ventures, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to 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 modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements / financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and based on the comments in the auditor's report of the holding company, subsidiary companies and associate companies, we give in the Annexure 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 of the consolidated financial statements;
 - b. In our opinion, proper books of accounts as required by law relating to preparation of the 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 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 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 holding company as on 31st March, 2015 taken on record by the board of directors of the holding company and reports of the statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group Companies and its associate companies incorporated in India is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f. 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 knowledge and belief and according to the information and explanations given to us:
 - i. the Group and its associates have disclosed the impact of pending litigations on its consolidated financial position, as stated in Note No. 19 & 30.4(d).
 - ii. the Group and its associates did not have any material foreseeable losses relating to long-term contracts including derivative contracts.
 - iii. The amounts which are required to be transferred to Investor Education & Protection Fund by the Holding Company have been transferred and there were no amounts which were required to be transferred to Investor Education & Protection Fund by the subsidiary and associate companies.

For M O S & ASSOCIATES LLP
(Formerly MOS & Associates)
Chartered accountants
Firm Registration No.: 001975S/S200020

S.V.C.REDDY
Partner
Membership No.: 224028

Place: Hyderabad
Date: 30th May 2015

Annexure to the Independent Auditor's Report

(Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Gayatri Projects Limited (Holding Company) and three subsidiary companies (namely Gayatri Infra Ventures Limited (GIVL), Sai Maatarini Tollways Limited (SMTL) & Indore Dewas Tollways Limited (IDTL)) and one associate company namely HKR Roadways Limited (HKRL) are the companies for which the provisions of the 'Order' apply. Our reporting, hereunder, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the reports of other auditors who have audited the financial statements of subsidiaries and associates.

- i) In respect of Fixed Assets:
 - a. In our opinion and as per the information and explanations given to us and in the opinion of the other auditors of the subsidiary and associate companies, the holding company and the subsidiary and associate companies have maintained proper records showing particulars, including quantitative details and situation of fixed assets;
 - b. The management of the holding company and the subsidiary and associate companies have verified the fixed assets at reasonable intervals during the year. No material discrepancies were noticed on such physical verification.
- ii) As per report of the other auditors of the subsidiary and associate companies, there are no inventories in all the subsidiary and associate companies. In respect of holding company, we report that:
 - a. 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.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the holding Company and the nature of its business.
 - c. The holding Company has maintained proper records of inventories. As explained to us, the material discrepancies noticed on physical verification of inventories as compared to the book records has been properly dealt with.
- iii) As per the reports of the other auditors, none of the subsidiary & associate company have granted secured / unsecured loans to parties covered in the register maintained under section 189 of the Act. In respect of holding company, according to the information and explanations given to us, the holding company has granted unsecured loans of ₹11,196.73 lakhs to parties covered in the register maintained under section 189 of the Companies Act, 2013. In respect of such loans,
 - a. The principal amount is repayable on demand
 - b. There is no repayment schedule and therefore there is no overdue amount.
- iv) In our opinion and according to the information and explanations given to us and based on the other auditors reports of the subsidiary and associate companies, there is an adequate internal control system commensurate with the size of the holding company and the subsidiary and associate companies and the nature of their business for the purchase of inventories, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system. *However, the internal controls over accounting of consumption and procurement of materials, wastages, material reconciliation need further strengthening in respect of holding company.*
- v) According to the information and explanations given to us and based on the other auditors reports of the subsidiary and associate companies, the holding company and the subsidiary and associate companies have 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).
- vi) According to the information and explanations given to us and based on the reports of other auditors of subsidiary and associate companies, in our opinion and the opinion of the other auditors, the holding company and the subsidiary and associate companies have, prima facie, made and maintained the prescribed cost records 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, wherever applicable. Neither we nor the other auditors of subsidiary and associate companies, however, 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 the report of other auditors of the subsidiary and associate companies, the holding company and the subsidiary and associate companies have been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Sales Tax, Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess with the appropriate authorities during the year. We further state that the undisputed amounts payable in respect thereof outstanding as on 31.03.2015 for a period of more than six months from the date they became payable are as follows:

Holding Company:

S.No	Name of the Statutory Due	Amount in ₹	Delay period
1	Service tax	38.22 lakhs	> 6 months

GIVL- Subsidiary Company:

Name of the statute	Nature of the dues	Amount in ₹	Period to which the amount relate	Due Date
Income Tax Act, 1961	Tax Deducted at Source	77.31 Lakhs	Financial Year 2013-14	Various Dates
Income Tax Act, 1961	Tax Deducted at Source	102.94 Lakhs	Financial Year 2014-15	Various Dates
The Finance Act, 1994	Service Tax	55.00 Lakhs	Financial Year 2012-13	5 th September 2012

- b. According to the information and explanation given to us and the other auditors of the subsidiary and associate companies, there are no dues of Sales tax, Income Tax, Wealth Tax, Service Tax, Customs Duty and Cess which have not been deposited as on 31st March, 2015 on account of any dispute in respect of the holding company and the subsidiary and associate companies have, except the following:

Holding Company:

Sl. No.	Name of the Statute	Name of the Tax Due	Forum where Dispute is pending	Amount ₹ in Lakhs
1	Mines and Minerals (Development and Regulation) Act, 1957	Department of Mines and Geology	Supreme Court	1,043.51
2	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.	3,436.55
3	Central Excise Act, 1944	Service Tax	Appeals pending before various Authorities	1,168.69
4	Income Tax Act, 1961	Income Tax	Appeal pending before CIT(Appeals)	8,968.58

GIVL- Subsidiary Company:

Name of the statute	Nature of the dues	Amount in ₹	Amount paid under protest ₹	Period to which the amount relate	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	8.93 Lakhs	4.55 Lakhs	Financial Year 2008-09	Commissioner of Income-tax (Appeals), Hyderabad

- c. The amounts which are required to be transferred to Investor Education & Protection Fund by the holding company have been transferred and there were no amounts which were required to be transferred to Investor Education & Protection Fund by the subsidiary and associate companies.

viii) The holding company does not have accumulated losses at the end of the financial year. The holding company has not incurred any cash losses during the financial year covered by the audit and in the immediately preceding financial year. Further based on the reports of other auditors who have audited the subsidiary and associate companies a) some of the subsidiary and associate companies (namely, HKRL, SMTL and IDTL) have been incorporated for less than five years and hence we are not required to comment under clause 3(vii) of the Order as the same is not applicable b) in the case of GIVL – subsidiary company:

- the accumulated losses of two subsidiaries and two jointly controlled entities of GIVL at the end of the financial year are more than fifty percent of its network. The accumulated losses of GIVL and one of its jointly controlled entity at the end of the financial year are less than fifty percent of its network. The GIVL group and its jointly controlled entities have not incurred cash losses during the year as well as in the immediately preceding year except in case of GIVL, which has incurred cash losses in the current and the immediately preceding financial year.

ix) Based on our audit procedures and according to the information and explanations given to us and based on the reports of other auditors who have audited the subsidiary and associate companies, the holding company and the subsidiary and associate companies have delayed / defaulted in repayment of dues to banks and financial institutions. The period and amount of continuing default as on the Balance Sheet date is as follows:

Holding Company:

Long Term Loans:

Nature of the Loan	Period of Default	Default amount (₹ in lakhs)	
		Principal	Interest
Term Loans from Banks	Up to 30 days	213.33	21.15
Term Loans from Banks	31 to 60 days	679.57	282.56

Short Term Loans:

Nature of the Loan	Period of Default	Default amount (₹ in lakhs)	
		Principal	Interest
Working Capital from Banks	Up to 30 days	—	620.51
Working Capital from Banks	31 to 60 days	—	1317.85
Letter of Credit Facilities from Banks	Up to 30days	19.72	—
Letter of Credit Facilities from Banks	31 to 60 days	1781.25	—

GIVL – Subsidiary Company:

Long Term Loans:

Nature of the Loan	Period of Default	Default amount (₹ in lakhs)	
		Principal	Interest
Term Loans from FI	30 to 365 days	—	644.92
Term Loans from Banks	1 day	1646.36	282.56

IDTL – Subsidiary Company:

Long Term Loans:

Nature of the Loan	Period of Default	Default amount (₹ in lakhs)	
		Principal	Interest
Term Loans from Banks & FIs	275 days	—	441.70

SMTL – Subsidiary Company:

Long Term Loans:

Nature of the Loan	Period of Default	Default amount (₹ in lakhs)	
		Principal	Interest
Term Loans from Banks & FIs	275 days	—	6.72

- x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the holding company for loans taken by others from Banks or Financial Institutions are not, *prima-facie*, prejudicial to the interests of the holding company. According to the report of other auditors of the subsidiary and associate companies, these companies have not given guarantees for loans taken by others from banks and financial institutions.
- xi) Based on our audit procedures and according to the information and explanations given to us, in our opinion and in the opinion of the other auditors of the subsidiary and associate companies, the term loans availed by the holding company and the subsidiary and associate companies were, *prima facie*, applied for the purpose for which they were obtained.
- xii) In our opinion and according to the information and explanations given to us and on our examination of books and records and based on the opinion of the other auditors of the subsidiary and associate companies, no fraud on or by the holding company and the subsidiary and associate companies have been noticed or reported during the year.

For M O S & Associates LLP
(Formerly M O S & Associates)
Chartered Accountants
Firm Registration No.: 001975S/S200020

S. V. C. Reddy
Partner
Membership Number: 224028

Place: Hyderabad
Date: 30th May 2015

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015

₹ in Lakhs

Particulars	Note	As at 31 st March, 2015	As at 31 st March, 2014
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	2	3,022.70	3,022.70
(b) Reserves and surplus	3	70,134.56	60,716.21
		73,157.26	63,738.91
2 Minority Interest		3,035.75	41,849.22
3 Non-current liabilities			
(a) Long-term borrowings	4	301,588.19	563,317.06
(b) Deferred Tax Liabilities (net)	5	2,519.00	2,857.37
(c) Other Long term liabilities	6	58,319.18	109,295.67
(d) Long-Term provisions	7	2,982.22	2,744.92
		365,408.59	678,215.02
4 Current liabilities			
(a) Short-term borrowings	8	89,596.81	102,166.08
(b) Trade payables	9	39,934.61	92,171.09
(c) Other current liabilities	10	56,905.06	336,930.87
(d) Short term provisions	11	6,934.32	5,609.95
		193,370.80	536,877.99
Total		634,972.40	1,320,681.14
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12a	27,433.27	52,959.04
(ii) Intangible assets	12b	106,594.50	117,048.79
(iii) Capital work-in-progress	12c	582.96	690,644.23
(iv) Intangible Assets under Development	12d	147,485.18	102,666.81
(b) Non-Current Investments	13	73,862.81	25,597.31
(c) Long term loans and advances	14	47,965.02	47,145.34
(d) Other non-current Assets	15	31,851.46	17,738.06
		435,775.20	1,053,799.58
2 Current assets			
(a) Current Investments	16	76.79	352.58
(b) Inventories	17	24,202.29	23,753.01
(c) Trade receivables	18	59,176.28	85,058.94
(d) Cash and cash equivalents	19	25,083.65	68,665.60
(e) Short term loans and advances	20	85,287.26	70,586.83
(f) Other Current Assets	21	5,370.93	18,464.60
		199,197.20	266,881.56
Total		634,972.40	1,320,681.14
Significant Accounting Policies	I		
Other Notes forming part of the Financial Statements	30		

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

For and on behalf of the Board

S.V.C. Reddy
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

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

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

Place : Hyderabad.
Date : 30th May 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

₹ in Lakhs

Particulars	Note	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
I. Revenue			
(a) Revenue from operations	22	150,076.92	159,401.75
(b) Other Income	23	784.95	594.52
Total Revenue		150,861.87	159,996.27
II. Expenses			
(a) Const of Materials and cost of Purchase & Services	24	48,176.81	46,987.62
(b) Work Expenditure	25	62,326.17	69,306.47
(c) Changes in Inventories of Work in Progress	26	(588.37)	(3,576.77)
(d) Employee benefits expenses	27	2,940.75	3,333.81
(e) Finance costs	28	26,528.01	26,862.37
(f) Depreciation and amortization expense	12(a&b)	11,971.05	11,108.91
(g) Other Expenses	29	3,054.72	10,264.66
Total Expenses		154,409.14	164,287.06
III. Profit/ (Loss) before Exceptional & Extraordinary items and Tax (I-II)		(3,547.27)	(4,290.79)
IV. Exceptional items		—	—
V. Profit/(Loss) before Extraordinary items and Tax		(3,547.27)	(4,290.79)
VI. Extraordinary items		—	—
VII. Profit/(Loss) before Tax		(3,547.27)	(4,290.79)
VIII. Tax Expenses			
(a) Current Tax - paid		1,444.25	3,202.32
(b) Current Tax - for earlier years		—	391.95
(c) Deferred Tax (Net)		(238.36)	(129.63)
IX. Profit / (Loss) for the year before Minority Interest		(4,753.16)	(7,755.43)
X. Less: Minority Interest		(1,583.78)	(1,258.78)
XI. Profit / (Loss) for the year after Minority Interest		(3,169.38)	(6,496.65)
XII. Earning per Share (of ₹10/- each):			
Basic & Diluted		(10.49)	(21.49)
Significant Accounting Policies	I		
Other Notes forming part of the Financial Statements	30		

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

For and on behalf of the Board

S.V.C. Reddy
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

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

Place : Hyderabad.
Date : 30th May 2015

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2015	For the Year Ended 31 st March, 2014
A. Cash Flow from Operating Activities:		
Profit before Tax excluding extraordinary and exceptional items	(3,547.27)	(4,290.79)
Adjustments for:		
Depreciation and amortization	11,971.05	11,522.81
Interest and other Income	(367.96)	(256.70)
Loss on sale of Fixed Assets	214.47	3.67
Loss on Sale of Investment	—	6,834.08
Finance Costs	26,328.63	26,084.56
Foreign Currency Translation and Transactions – ECB	199.38	777.81
Other non-cash items/ Provisions	1,862.02	2,116.28
Operating Profit before working Capital Changes	36,660.32	42,791.72
Adjustments for:		
(Increase) / Decrease in Trade Receivables	5,843.44	(5,857.37)
(Increase) / Decrease in long term loans and Advances	(39,985.62)	6,442.11
(Increase) / Decrease in other non-current Assets	(11,779.65)	—
(Increase) / Decrease in Short term loans and Advances	8,947.09	(1,024.74)
(Increase) / Decrease in Other current assets	12,690.14	(9,729.09)
(Increase) / Decrease in Inventory	(449.28)	19,896.95
Increase / (Decrease) in other current liabilities	49,819.16	(6,194.45)
Increase / (Decrease) in other Long Term liabilities	(10,418.57)	(15,277.55)
Increase / (Decrease) in Trade Payables	(52,236.48)	32,586.17
Cash (used in) / generated from Operating activities	(909.45)	63,633.75
Direct Taxes paid	1,444.25	3,594.27
Net Cash (used in)/ generated from Operating Activities	(2,353.70)	60,039.48
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets including Capital work in progress and intangible assets under development	(51,314.06)	(3,07,031.75)
Adjustment for change in status of erstwhile Subsidiary into Associate	(20,407.79)	2.14
Net Sale / (Purchase) of Non-current investment	(21,973.43)	3,326.93
Proceeds from Sale of Investments / (investment) in Mutual Funds	275.79	(307.31)
Proceeds from sale of Fixed Assets	3,023.50	304.15
Interest and other income received	367.96	256.70
Net Cash (used in)/ generated from Investing Activities	(90,028.03)	(3,03,449.14)
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including share premium	—	4,163.97
Redemption of Debentures	(712.16)	(1,560.00)
Net Proceeds from Long term borrowings	51,967.48	2,83,421.45
Net Proceeds from Short term borrowings	22,430.73	7,888.43
Capital Grant Received	3,102.27	—
Proceeds from Minority Interest (net)	(813.75)	—
Finance Cost	(26,268.13)	4,001.46
Foreign Currency Translation and Transactions loss paid	(199.38)	(24,228.02)
Dividend & Dividend Tax paid	(707.28)	(1,053.92)
Net Cash (used in)/ generated from Financing Activities	48,799.78	2,72,633.37
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(43,581.95)	29,223.71
Cash and Cash Equivalents at the beginning of the year	68,665.60	39,441.89
Cash and Cash Equivalents at the end of the year	25,083.65	68,665.60

Note:

- Cash & Cash Equivalents consist of Cash on hand and balances with banks includes Margin Money Deposits for Bank Guarantees of ₹ 9,017.02 Lakhs (Previous Year ₹ 11,249.87 lakhs).
- The cash flow statement is prepared in accordance with the indirect method as stated in Accounting Standard 3 issued by ICAI on "Cash Flow Statements" and presents cash flows by Operating, Investing and Financing activities
- Figures in brackets represent cash outflows.
- The Accompanying Notes and other explanatory information form an integral part of the Financial Statements.

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

For and on behalf of the Board

S.V.C. Reddy
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00005573

T.V.SANDEEP KUMAR REDDY
Managing Director
DIN : 00009906

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

Place : Hyderabad.
Date : 30th May 2015

I SIGNIFICANT ACCOUNTING POLICIES**I.1 Basis of Preparation and Presentation of Consolidated Financial Statements**

The Consolidated Financial statements of the Company and its Subsidiaries and Associates and Jointly Controlled Entities (constitutes the 'Group') have been prepared to comply with generally accepted accounting principles (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Act. Till the Standards of Accounting or any other addendum thereto are prescribed by the Central Government these consolidated financial statements are prepared to comply in all material aspects with the Accounting Standards notified under sub section (3C) of section 211 of the Companies (Accounting Standard) Rules, 2006. 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.

The Consolidated Financial statements are prepared on accrual basis following the historical cost convention except in certain cases of fixed assets which are carried at revalued amounts. The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Consolidated Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) - 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Consolidated Balance Sheet and Consolidated 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 the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

I.2 Use of estimates

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes 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 of the date of the financial statements. 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, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known/materialized.

I.3 Revenue recognition**A. Revenue from Operations****a. Revenue from Construction activity:**

- i) Income is recognized on fixed price construction contracts in accordance with the percentage 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. Such estimates, made by the Company and certified to the Auditors have been relied upon by them, as these are of technical nature.
- 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 can be measured reliably.
- iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:
 - a) The contract is sufficiently advanced 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) Insurance claims are accounted for on cash basis.
- vi) Contract Claims raised by the company which can be reliably measured and have reached an advanced stage of arbitration pending in High court have been recognized as income.

b. Revenue from supply of materials:

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

c. Revenue form generation and distribution of Wind Power:

Revenue from wind power operations is recognized when the units are reliably measured and billed and it is reasonable to expect ultimate collection.

d. Income from development of highways i.e Toll Revenue & Annuity Income:

In case of companies involved in construction and maintenance of roads, toll revenue from operations is recognized on accrual basis which coincides with the collection of toll. In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the concessionaire agreements entered into with NHAI or with respective state governments or authorities. Claims raised on NHAI or with respective state governments or authorities under concessionaire agreements are accounted for in the year of acceptance.

e. Revenue receipts on 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.

f. Other Operational Revenue:

All other revenues are recognized only when collectability of the resulting receivable is reasonably assured.

B. Other Income

- i) Interest income is accounted on accrual basis as per applicable interest rates and on time proportionate 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.

I.4 Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

- a) 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 Accounting Standard - 21 "Consolidated Financial Statements" issued by Institute of Chartered Accountants of India ('AS-21') specified Under Section 133 of the Companies Act, 2013.
- b) Investments in associate companies have been accounted for, by using equity method as per Accounting Standard – 23 "Accounting for Investments in Associates in Consolidated Financial Statements" specified Under Section 133 of the Companies Act, 2013, 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.
- c) The Company's interests in joint ventures are consolidated as follows:

Type of Joint Venture	Accounting treatment
Jointly controlled operations	Company's share of revenues, common expenses, assets and liabilities are included in revenues, expenses, assets and liabilities respectively.
Jointly controlled assets	Share of the assets, according to nature of the assets, and share of the liabilities are shown as part of gross block and liabilities respectively. Share of expenses incurred on maintenance of the assets is accounted as expense. Monetary benefits, if any, from use of the assets are reflected as income.
Jointly controlled entities	The Company's interest in jointly controlled entities are proportionately consolidated on a line-by-line basis by adding together the book values of assets, liabilities, income and expenses, after eliminating the unrealized profits/losses on intra-group transactions.

- d) The financial statements are presented to the extent possible, in the same manner as the parent company's independent financial statements.
- e) Goodwill/Capital Reserve arrived on account of consolidation of Associates in accordance with AS-23 is included /adjusted in the carrying amount of the investment.
- f) Minority interest in the net assets of the consolidated subsidiaries is computed and presented in consolidated balance sheet separately from current liabilities and equity of the Company.
- g) Minority interest in the net assets of consolidated subsidiaries consists of:
 - i) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - ii) The minorities' share of changes in the equity since the date the parent subsidiary relationship came into existence.
- h) Minority 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.

1.5 Inventories and work in progress

Raw Materials, construction materials and stores & spares are valued at weighted average cost.

Expenditure incurred towards construction work and yet to be certified is carried forward as work in progress. Cost includes direct material, work expenditure, labour cost and appropriate overheads.

1.6 Fixed Assets and Depreciation & Amortization**a) Tangible Fixed assets**

Tangible Fixed Assets are stated at cost of acquisition, less accumulated depreciation thereon. Expenditure which are capital in nature are capitalized at cost, which comprises 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.

b) Capital work in progress

Tangible assets which are purchased but not yet installed and not ready for the intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress".

c) Depreciation

In respect of fixed assets (other than land and Capital Work in Progress) depreciation / amortization is charged on a straight line basis over the useful lives as prescribed in Schedule II to the Companies Act 2013. For the assets acquired prior to April 1, 2014 the carrying amount is depreciated over the remaining useful life as stipulated in the Act.

However, the use full life of certain class of plant & machinery is considered as 6 years (w.e.f. 01.04.2014) based on the technical assessment, managements experience of use of those assets, present condition of the asset etc.

Leasehold improvements or assets are amortized over the period of lease.

d) Intangible Assets and Amortization

- i. Carriageway : Carriageways represents commercial rights to collect toll fee in relation to roads projects and to receive annuity in the case of annuity based projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.
- ii. Goodwill represents the difference between the Group's share in the net worth of a subsidiary or an associate or a joint venture, and the cost of acquisition at each point of time of making the investment in the subsidiary or the associate or the joint venture. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

1.7 Foreign Currency Transactions

The reporting currency of the Group is Indian Rupee. Foreign exchange transactions are accounted at the rates prevailing on the date of transactions. Monetary assets and current liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. 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.

1.8 Investments

Trade investments comprise investments in subsidiary companies, joint ventures, associate companies and in the entities in which the Company has strategic business interest. Investments are classified as Current investments and Non-Current investments.

Investments, which are readily realizable and are intended to be held for not more than 1 year from the date of acquisition, are classified as current investments. All other investments are classified as long term investments.

Non-Current Investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value. Dividend income is accounted when the right to receive dividend is established.

1.9 Employee Benefits

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 Accounting Standard (AS) 15 "Employee Benefits" issued by the Companies (Accounting Standard) Rules, 2006.

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 expenses as incurred.

iii) Compensated Absences

Liability for compensated absence is treated as a long term liability and is provided on the basis of valuation by an independent actuary as at the year end.

iv) Actuarial gains and losses are immediately recognized and taken to the profit and loss account and are not deferred.

1.10 Deferred Revenue Expenditure

Projects and Other amenities expenditure incurred up to 31st March, 2015, 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

1.11 Grants

Grants or subsidies from the government or any regulatory authority are recognized when there is reasonable assurance that the grant/subsidy will be received and all conditions attached to the grant / subsidy will be complied with.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant or subsidy relates to an asset, the grant or subsidy amount (net of direct amount incurred to earn aforesaid grant or subsidy) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

1.12 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.14 Leases

Assets taken on finance lease are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

Operating leases in respect of office & other equipment, house for employees, Office buildings are cancelable / renewable by mutual consent on agreed terms. Lease payments under an operating lease are recognized as an expense in the Statement of Profit and Loss.

1.15 Earnings per Share (EPS)

In arriving at the EPS, the Company's net profit after tax, computed in terms of the Indian GAAP, is divided by the weighted average number of equity shares outstanding on the last day of the reporting period. 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 shares 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 potential equity shares.

1.16 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.

ii) Deferred Taxes

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. 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.

1.17 Impairment of Fixed Assets

The carrying amount of assets, other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

1.18 Provisions for 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.

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. Provisions for Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

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 Company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

1.21 Cash Flow Statement

Cash Flow Statement 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 with investing or financing cash flows

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

1.22 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being not free from more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

2. SHARE CAPITAL

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital Equity shares of ₹10/- each	80,000,000	8,000.00	40,000,000	4,000.00
(ii) Issued Share Capital Equity shares of ₹10/- each	30,226,994	3,022.70	30,226,994	3,022.70
(iii) Subscribed and fully paid up Share Capital Equity shares of ₹10/- each	30,226,994	3,022.70	30,226,994	3,022.70
Total	30,226,994	3,022.70	30,226,994	3,022.70

2(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 ₹10/-. 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.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

The Board of Directors have recommended dividend of ₹1 per equity share in their meeting held on 30th May, 2015, subjected to approval of the shareholders in the ensuing Annual General Meeting (For the year ended 31st March, 2014 : ₹ 2.00 per equity share).

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

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹10/- each with voting rights At the beginning of the period	30,226,994	3,022.70	30,226,994	3,022.70
Add: Shares issued during the year	—	—	—	—
Outstanding at the end of the period	30,226,994	3,022.70	30,226,994	3,022.70

2(c) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil

2(d) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹10/- each with voting rights:				
Indira Subbarami Reddy Tikkavarapu	10,630,932	35.17	10,630,932	35.17
Sandeep Kumar Reddy Tikkavarapu	4,579,544	15.15	4,579,544	15.15
Afrin Dia	2,820,000	9.33	2,820,000	9.33
India Max Investment Fund Limited	2,357,000	7.80	2,357,000	7.80
GMO Emerging Domestic Opportunities Fund	2,039,278	6.75	—	—

3. RESERVES & SURPLUS

₹ in Lakhs

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
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	10,000.00	9,500.00
Add: Amount transferred from Statement of Profit and Loss	500.00	500.00
Closing balance	10,500.00	10,000.00
c. Capital Grant	5,052.40	1,950.13
d. Capital Reserve on Consolidation	24,274.07	—
e. Securities Premium Account		
Opening balance	42,929.60	38,765.63
Add: Premium received on Shares issue under the Qualified Institutional Placement/ Issue of Shares	—	4,163.97
Less: Adjusted due to Subsidiary become Associate	(14,409.67)	—
Closing balance	28,519.93	42,929.60
f. Debenture Redemption Reserve		
Opening balance	1,300.00	1,300.00
Add: Amount transferred from Statement of Profit and Loss	—	—
Closing balance	1,300.00	1,300.00
g. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	4,393.08	12,097.85
Add : Surplus / (Deficit) for the year	(3169.38)	(6,496.65)
(+)Add / (-) Less : Other Adjustments	171.97	(0.84)
Amount available for Appropriation	1,395.67	5,600.36
Less: Appropriations		
Dividend and Dividend Tax	353.64	707.28
Adjustment relating to Fixed Assets (Refer Note No. 30.16)	197.27	—
Transferred to General Reserve	500.00	500.00
Closing balance	344.76	4,393.08
Total (a+b+c+d+e+f+g)	70,134.56	60,716.21

4 LONG-TERM BORROWINGS

₹ in Lakhs

Particulars	As at 31 st March 2015		As at 31 st March 2014	
	Non-Current	Current	Non-Current	Current
(i) Non-Convertible Debentures				
Nil (31 st March, 2014: 293) 11.50% Redeemable, Non-Convertible Debentures (NCDs) of ₹ 10,00,000/- each (Refer note No. 4.1)	—	2,927.84	2,080.00	1,560.00
3,75,00,000 (31 March 2013: 11,25,00,000) 10.50% Compulsorily Convertible Debentures (CCD) of ₹10/- each (Refer note No. 4.2)	3,750.00	11,250.00	11,250.00	3,750.00
ii) Term Loans from Banks				
a. Equipment Loans (Refer note No. 4.3)	56.03	1,560.38	769.57	1,906.26
b. Other Term Loans (Refer note No.4.4)	70,774.17	520.83	11,312.49	16,455.78
c. Project Loans (Refer note No. 4.5, 4.6 & 4.7)	129,581.76	5,849.18	214,992.05	20,713.77
d. External Commercial Borrowings (Refer note No.4.8)	13,510.27	—	13,224.10	552.46
iii) Term Loans from others				
a. Equipment Loans (Refer note No.4.3)	5,074.91	982.64	2,685.92	2,300.27
b. Project Loans (Refer note No.4.5, 4.6 & 4.7)	57,208.18	16,302.85	297,960.40	230,082.88
c. Vehicle Loans (Refer note No.4.9)	—	2.87	3.06	73.86
Un-Secured				
i) Term Loans from related parties	519.19	—	5,691.74	—
ii) From Directors (Interest Free Loans) (Refer Note No. 30.12)	3,300.00	—	—	—
iii) Term Loans from others	17,813.67	—	3,347.73	—
Total	301,588.19	39,396.59	563,317.06	277,395.28

4.1 11.50% Redeemable, Non-Convertible Debentures (secured):

Details & Terms of Repayment

The Company has issued 520 11.50% Secured Redeemable Non-Convertible Debentures (NCDs) of ₹ 10,00,000/- each on private placement in the form of Separately Transferable Redeemable Principal Parts (STRPPs) for cash at par aggregating ₹ 5200 Lakhs in the year 2010-11. The debentures are redeemable in the 3rd, 4th and 5th years in the ratio of 30:30:40. The company has redeemed 1st tranche of ₹ 1560.00 lakhs during the previous year. During the year the Company has redeemed 712.16 lakhs in accordance with the rescheduled terms of redemption agreed to by the debenture holders.

Nature of Security

The Debentures are secured by the paripassu first charge on the fixed assets of a group company.

4.2 10.50% Compulsorily Convertible Debentures (CCD) (secured):

Terms of Repayment

Quarterly Interest payment @ 10.50% p.a and Debentures are to be bought back at premium in four equal installments at the end of 42, 48, 54 & 60 months from the date of subscription i.e. 16 May, 2011.

Nature of Security

- 7,47,49,590 Equity Shares of NCC Infrastructures Holdings Ltd held by the Gayatri Energy Ventures Pvt. Ltd. are pledged in favour of IFCI Limited as collateral security for the debentures issued by the Subsidiary Company.
- 26% of Total equity shares of the subsidiary Company held by Gayatri Projects Ltd i.e. 16,96,248 as on 31-03-2015 are pledged in favour of IFCI Limited as collateral security for the debentures issued by the Subsidiary Company.
- The debentures are guaranteed by the personal guarantee of T.V. Sandeep Kumar Reddy and T. Indira Reddy, Directors of the Company.
- The Company i.e. Gayatri Projects Limited has given buy back guarantee to IFCI Ltd.

Period and amount of principal & interest Default on Debentures as on Balance Sheet Date:

₹ in Lakhs

Default Period	Principal	Interest
135 days	3,750.00	—
45 to 200 days	—	1,808.34

4.3 Equipment Loans

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

4.4 Term loans pertaining to Company

The secured term loans are secured by hypothecation of construction equipments not specifically charged to other banks and these loans are guaranteed by the directors. The rate of interest on these loans varies between 11% to 16%

Period and amount of principal and interest default as on balance sheet date:

Nature of the Loan	Period of Default	Default amount (₹ In lakhs)	
		Principal	Interest
Term Loans from Banks	Upto 30 days	213.33	21.15
Term Loans from Banks	31 to 60 days	679.57	282.56

4.5 Project Loans pertaining to subsidiary company i.e GIVL and its subsidiaries companies amounting to ₹ 83405.05 lakhs (after eliminating intra-group loans)

(a) Details of Loans

- (i) Unsecured term loans aggregating to ₹13,500.00 Lakhs (31 March 2014: ₹13,500.00 Lakhs) obtained by Gayatri Infra Ventures Limited is sought by way of:

- pledge of 1,200,000 Equity shares held by the holding company, M/s Gayatri Projects Ltd,
- corporate guarantee of Gayatri Projects Limited.

The facility carry interest at the rate as at 31 March 2015 of 16.00% per annum (31 March 2014: 16.00% per annum).

- (ii) Secured terms loans aggregating to ₹20581.51 Lakhs (31 March 2014: ₹21081.07 Lakhs) obtained by Gayatri Jhansi Roadways Limited is secured by way of:

- First mortgage and charge of all the borrower's immovable properties, present and future.
- First charge by way of hypothecation of:
 - all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - all intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.

The facilities carry an interest rate of 11.20% per annum (31 March 2014: 11.20% per annum).

- (iii) Secured terms loans aggregating to ₹ 7310.85 Lakhs (31 March 2014: ₹7226.43 Lakhs) obtained by Gayatri Jhansi Roadways Limited is secured by way of:

- Second mortgage and charge of all the borrower's immovable properties, present and future.
- Second charge by way of hypothecation of:
 - all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.

- All intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital
- The facilities carry an interest rate ranging from 11.50% to 12.85% per annum (31 March 2014: 10.95% to 12.80% per annum).
- (iv) Secured terms loans aggregating to ₹16,465.61 Lakhs (31 March 2014: ₹17,345.06 Lakhs) obtained by Gayatri Lalitpur Roadways Limited is secured by way of:
- (a) First mortgage and charge of all the borrower's immovable properties, present and future.
- (b) First charge by way of hypothecation of:
- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - all intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital.
- The facilities carry an interest rate of 11.25% per annum (31 March 2014: 11.25% per annum).
- (v) Secured terms loans aggregating to ₹4309.39 Lakhs (31 March 2014: ₹4528.94 Lakhs) obtained by Gayatri Lalitpur Roadways Limited, is secured by way of:
- (a) Second mortgage and charge of all the borrower's immovable properties, present and future.
- (b) Second charge by way of hypothecation of:
- all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.
 - Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future.
 - All intangibles, including but not limited to goodwill, uncalled capital, present and future.
 - Assignment or creation of security interest in i) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in the project documents, duly acknowledged and consented to by the relevant counter-parties to such project documents. ii) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the clearances. iii) all the right, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantees, performance bond provided by any party to the Project Documents and iv) all Insurance Contracts/Insurance proceeds.
 - Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained.
 - Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital

The facilities carry an interest rate ranging from 11.50% to 12.85% per annum (31 March 2014: 10.95% to 12.80% per annum).

- (vi) Unsecured term loans to the tune of ₹3224.00 Lakhs (31 March 2014: ₹3224.00 Lakhs) borrowed by Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited from its shareholder's represents zero interest subordinate loan repayable after the repayment of other secured loans from banks and financial institutions.
- (vii) Secured term loans aggregating to ₹13471.66 Lakhs (31 March 2014: ₹15029.27 Lakhs) obtained by Cyberabad Expressways Limited is secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:
 - a) All monies including annuity receivable from Hyderabad Growth Corridor Limited (HGCL) to the credit of the escrow Account.
 - b) All rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement.
 - c) Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project.

The facilities carry an interest rate of 11.50% per annum (31 March 2014: 11.50% per annum).

- (viii) Secured term loans aggregating to ₹9770.94 Lakhs (31 March 2014: ₹11043.63 Lakhs) obtained by Hyderabad Expressways Limited is secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:
 - a) All monies including annuity receivable from HGCL to the credit of the escrow Account.
 - b) All rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement.
 - c) Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project.

The facilities carry an interest rate of 11.50% per annum (31 March 2014: 11.50% per annum).

- (ix) Secured term loans aggregating to ₹19488.19 Lakhs (31 March 2014: ₹20701.49 Lakhs) obtained by Western UP Tollways Limited are secured by way of:
 - (a) first mortgage and charge in a form satisfactory to all company's immovable properties, present and future expect project assets.
 - (b) first charge by way of hypothecation of all the company's movables, including movable plant and machinery, present and future except the project assets, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets.
 - (c) A first charge on operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising present or future.
 - (d) subject to provisions of provisions on concession agreement, first charge on the escrow account, debt service reserve, MMR and other reserves.
 - (e) A first pledge of 100% of paid up capital till three years of commencement of commercial operations and thereafter minimum 51% of total paidup capital of the company held by the promoters during the tenure of the loan.

The facilities carry an interest rate ranging from 11.50% to 12.06% per annum (31 March 2014: 11.50% to 14.00% per annum).

- (x) Unsecured term loans to the tune of ₹2467.74 Lakhs (31 March 2014: ₹2467.74 Lakhs) is obtained by Western UP Tollways Limited from related parties carrying interest at the rate of 12% per annum (31 March 2014: 12% per annum).

(b) Terms of repayment for secured loans from banks and others and the unsecured loans from others

₹ in Lakhs

Period	As at	
	31 st March 2015	31 st March 2014
Up to 1 year	22,012.29	20,713.77
2 to 5 years	43,201.51	35,568.14
Above 5 years	45,376.09	59,865.72
	110,589.89	116,147.63

(c) Details of overdue installments of principal and interest on unsecured loans from banks and others

₹ in Lakhs

Period	As at	
	31 st March 2015	31 st March 2014
Principal		
0-30 days	742.24	706.25
Interest		
0-30 days	191.18	444.24
30-90 days	5,19.40	751.66
90-180 days	34.05	12.97
above 180 days	77.94	16.10
	822.57	1,224.97

4.6 Project Loans pertaining to subsidiary company i.e IDTL amounting to ₹ 55,329.82 lakhs

During the year the company has applied to NHAI for the deferment of premium payable to NHAI, and NHAI has in turn approved the proposal for the deferment of premium payable to them. Based on the approval received from NHAI the company has applied to the consortium of lenders for restructuring of the term loan. The Consortium of Lenders have approved the restructuring package with the cutoff date being 1st July, 2014 with a interest and principal repayment Moratorium of 2.9 Years. Hence there are no current maturities with respect to the Term loan principal repayment

a) Terms of the Restructuring Package:

- The Restructuring package is approved with a cut off date of July 01, 2014.
- Reduction in interest rates on all Term Loan facilities (TL -I ₹ 450 Crs, FITL ₹ 136.13 Crs & TL -II ₹ 40 Crs) to 11% fixed p.a. upto FY: 2017-18, which is to be linked to the Base Rate of the Lead Lender.
- The interest on Term Loan for 11 quarters from cut-off date (July 1, 2014) to March 31, 2017 is to be funded by FITL (₹136.13 Crs).
- Moratorium of 2 years 9 months for the repayment of TL - I & FITL.

b) Security for Term Loans:

Term Loans from lenders are secured by

Security to be created on behalf of lenders by first charge on:

- All monies including Toll collected on the Project Highway to the credit of the Escrow Account as per the provisions of the Concession Agreement.
- All the Borrower's properties and assets excluding the Project Assets.
- All Tangible Assets of the Company not limited to goodwill, undertaking and uncalled capital of the company.
- Pledge of shares aggregating to 51% of the paid-up equity capital of the Borrower, Provided that any enforcement of the pledge over shares shall be subject to prior approval of NHAI as provided in the Concession Agreement.

(v) A first charge by way of assignment or creation on Security Interest on:

- All rights. title. interest, benefits, claims and demands of IDTL under project documents subject to the provisions of the Concession Agreement.
- Assignment of rights in favour of the lenders in accordance with the substitution agreement in respect of financing by the senior lenders under the financing documents for the project.
- Lenders to be named as loss payees in the insurance policies.

c) Terms of Repayment of Term Loan from Lenders

- The tenor of the repayment of the TL - I for ₹ 450 crs shall be for a period of 12 years (twelve years) excluding 2.9 years of moratorium with 48 structured unequal quarterly Instalments ranging from ₹ 5 lacs to ₹ 78.66 crs per annum as per the approved restructuring package.

- ii. The tenor of the repayment of FITL for Rs 136 crs shall be for a period of 8 years excluding 2.9 years of moratorium with 28 structured unequal quarterly instalments ranging from ₹ 1 cr to ₹ 38.80 crs per annum as per the approved restructuring package.
- iii. The tenor of the repayment of Additional Term Loan - II for ₹ 40 crs shall be for 20 monthly Instalments starting from Dec 2015 subject to the completion of the disbursements as per the approved restructuring package.

4.7 Project Loans pertaining to subsidiary company i.e SMTL amounting to ₹ 79115.26 lakhs

I Nature of Security for Secured Loans :

A. Term Loans from banks and financial institutions are secured by :

- a) First mortgage and charge on all the borrower's immovable properties, present and future, if any, save and except the Project Assets.
- b) a first charge by way of hypothecation on all the Borrower's tangible moveable assets, including but not limited to all current/ non-current assets, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets, both present and future, save and except the Project Assets.
- c) a first charge on all the Borrower's bank accounts including but not limited to the Escrow Account/its Sub-Accounts that may be opened in accordance with the Common Loan Agreement, the Supplementary Escrow Agreement, or any of the other Project Documents where all revenues, disbursements, receivables shall be deposited and on all funds from time to time deposited therein and on all permitted investments or other securities representing all amounts credited to the Escrow Account.
- d) a first charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertakings, uncalled capital and intellectual property rights, both present and future, save and except the Project Assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the priority specified in the Clause 31 of the Concession Agreement and Clause 4 of the Escrow Agreement). Further, a charge on uncalled capital, as set in above, shall be subject however to the provisions of Clauses 5.3 and 7.1 (k) and Clause 31 of the Concession Agreement.
- e) an assignment by way of security:
 - i) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents to the extent not expressly provided in each such Project Document, all as amended, varied or supplemented from time to time;
 - ii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under all the Approvals and Insurance Contracts; and
 - iii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.
- f) pledge of equity shares (in dematerialised form) held by the Sponsor constituting 51% (fifty one percent) of the total paid up and voting equity share capital of the Borrower until the Final Settlement Date.
- g) an irrevocable and unconditional guarantee from the Sponsor for meeting the shortfall between Secured Obligations then outstanding and the amounts receivable by the Lenders in accordance with Clause 4.2 of the Escrow Agreement in case of Termination of Concession Agreement for any reason.

Subordinate Debt from India Infrastructure Finance Co. Ltd. is secured by:

- a) Mortgage and second charge on all the borrower's immovable properties, present and future, if any, save and except the Project Assets.
- b) A second charge by way of hypothecation on all the Borrower's tangible moveable assets, including but not limited to all current/ non-current assets, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets, both present and future, save and except the Project Assets.
- c) A second charge on all the borrower's bank accounts including but not limited to the Escrow Account/its sub-accounts that may be opened in accordance with any of the Project Agreement.
- d) A second charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertakings, uncalled capital and intellectual property rights, both present and future, save and except the Project Assets

(provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the priority specified in the Clause 31 of the Concession Agreement and Clause 4 of the Escrow Agreement). Further, a charge on uncalled capital, as set in above, shall be subject however to the provisions of Clauses 5.3 and 7.1 (k) and Clause 31 of the Concession Agreement.

- e) An assignment by way of security
 - (i) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents to the extent not expressly provided in each such Project Document, all as amended, varied or supplemented from time to time;
 - (ii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under all the Approvals and Insurance Contracts; and
 - (iii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.
- f) An irrevocable and unconditional corporate guarantee from the Sponsor.

II. Terms of Repayment of Secured Loans

- A.** The Company shall repay the Term Loans to the Lenders in 48 (forty eight) unequal quarterly instalments commencing after the Moratorium Period, as specified in the Amortization Schedule to the Common Loan Agreement dated June 26, 2013. The first repayment instalment shall be due on January 1, 2016. The last repayment instalment shall be paid on October 1, 2027.
- B.** The Company shall repay the Subordinate Loan to the Subordinate Lender in 18 quarterly installments commencing after the Moratorium Period, as specified in the Amortization Schedule to the Subordinate Loan Agreement. The first repayment installment shall be due on January 1, 2023. The last repayment installment shall be paid on April 1, 2028. However, the Sponsor, in addition to the Sponsor's Contribution without any recourse to the lenders and/or the secured property to the satisfaction of the lenders infuse an amount equivalent to the debt service obligations of the borrower under the subordinate facility, in advance on year-on-year basis, as per the repayment schedule stipulated by the subordinate lender.

III. Rate of Interest on Secured Loans

- A.** Applicable Interest Rate on Term Loans shall be floating at - (a) Spread @ 2% p.a. above the Base Rate of the Lead Bank viz. IDBI Bank Ltd.; or (b) Spread @ 2% p.a. above the IIFCL benchmark rate, whichever is higher.
- B.** Applicable Interest Rate on Subordinate Loan shall be floating at Spread, i.e. 2% p.a. above the Interest rate applicable to IDBI Bank Ltd. as per the Common Loan Agreement.

IV. Terms relating to Interest and Repayment of Unsecured Loans:

The amount advanced by holding Company is in the nature of promoters' contribution which carries Nil rate of Interest. The loan is sub-ordinate to the Term Loan to be availed from the lenders and the same will be paid after repayment of Term Loans in full.

4.8 External Commercial Borrowing :

Details of External Commercial Borrowings

The Company availed Foreign Currency Loan of USD \$ 24.42 million from an Indian Scheduled Bank to meet a part of funds requirement towards redemption of outstanding FCCBs. The ECB loan is repayable in 24 quarterly installments commencing from October 2013 with rate of interest at 3 months USD LIBOR+500bps.

Nature of Security

- (i) Equitable mortgage of immovable property of 600 acres in the name of step down subsidiary company.
- (ii) Pledge of unencumbered equity shares of promoters in Gayatri Projects Ltd.
- (iii) Personal guarantee of the two promoter directors.

4.9 Vehicle Loans:

The Vehicle loans availed are secured by hypothecation of specific vehicles purchased out of the said loans.

4.10 Maturity Profile of Term Loans is set out below:

₹ in Lakhs

Particulars	2016-17	2017-18	2018-19	2019-20 onwards
Equipment loans from Banks	56.03	—	—	—
Term Loans from Banks	7,249.95	3,599.91	3,599.91	35,549.10
Term Loans -WCTL	845.47	1,352.75	1,352.75	13,358.40
Term Loans FITL	231.96	463.91	695.87	2,474.21
ECB Loan	675.51	1,080.82	1,080.82	10,673.12
Equipment loans from Others	1,314.23	1,654.09	1,670.37	436.21

4.11 Current Maturities of long term borrowings have been disclosed under the head “Other Current Liabilities” (Refer Note - 10).

5. Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
(a) Deferred Tax (Asset) on timing Differences due to: Provision for Gratuity and Leave Encashment Carry Forward losses	(8.27) (357.25)	(64.82) (254.54)
(b) Deferred Tax Liability on timing differences due to: Depreciation (Refer Note No. 30.16)	2,884.52	3,176.73
Total	2,519.00	2,857.37

6. Other Long-Term Liabilities

₹ in Lakhs

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
(a) Advances from Contractees	46,359.03	57,442.36
(b) Margin Money Deposits received	7,149.39	740.78
(c) Capital Creditors	—	1,421.84
(d) Interest accrued but not due	1,181.77	265.49
(e) 5% Cumulative Participatory Redeemable convertible Preference Shares (CPRCPS) of Subsidiary Company	—	49,019.61
(f) Retention Money Payable	3,628.99	405.59
Total	58,319.18	109,295.67

7. Long-Term Provisions

₹ in Lakhs

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
(a) Employee Benefits	704.65	786.86
(b) Provision for Periodic Maintenance	2,277.57	1,958.06
Total	2,982.22	2,744.92

8. Short Term Borrowings

₹ in Lakhs

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
(a) Secured Term loans:		
(i) Banks (Refer Note No. 8.1)	94.50	15,000.00
(b) Secured Working Capital Facilities / Overdraft Facility (Refer Note No. 8.2)	79,084.26	76,384.83
(c) Unsecured Term loans:		
(i) Banks		10,781.22
(ii) Related parties (Refer Note No. 8.3)	6,216.62	—
(iii) Others	4,201.43	0.03
Total	89,596.81	102,166.08

Nature of Security and Terms of Repayment**8.1 Term Loans (Secured)**

The Secured Term Loans availed from banks are secured by way of:

- Mortgage of non agricultural land belonging to group company M/s. Chamundeswari Builders Pvt Ltd situated at Nandigama Village, Kothur Mandal, Mahaboob Nagar District.
- Pledge of equity shares of the Company held by the directors.
- 1st Pari passu hypothecation charge on the fixed assets of the Company.
- Personal guarantee of managing director of the Company.
- Corporate Guarantee of M/s Chamundeswari Builders Pvt Ltd.

8.2 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, group companies/firms and relatives.

Period and amount of principal and interest default as on balance sheet date:

Name of the Loan	Default amount (₹ in Lakhs)	
	No. of Days delay	Interest
Working Capital Facilities	0 to 30	620.51
	31 to 60	1,317.85

8.3 Unsecured loans from related parties

The unsecured loans received from related parties are repayable on demand along with interest rate at 16% p.a.

9. Trade Payables:

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Micro, Small and Medium Enterprises	—	—
(b) Others	39,934.61	92,171.09
Total	39,934.61	92,171.09

* There are no Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

10. Other current liabilities

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Current maturities of Long Term Borrowings		
- Non Convertible Debentures		
292.78 (31 st March, 2013: 156) 11.50% Redeemable	2,927.84	1,560.00
Non-Convertible Debentures (NCDs) of ₹ 10,00,000/- each	11,250.00	3,750.00
11,25,00,000 10.50% Compulsorily Convertible Debentures (CCD)	25,218.75	272,085.28
of ₹ 10/- each	2,519.35	6,242.81
- Term Loans	3,682.58	4,377.46
(b) Interest accrued but not due on Borrowings	5.43	5.05
(c) Interest accrued and due on Borrowings	109.11	148.74
(d) Unpaid Dividends	1,028.20	335.69
(e) Remuneration payable to Directors	2,853.65	40,273.69
(f) Application Money received for allotment	3,419.38	3,248.87
(g) Capital Creditors	3,890.77	4,903.28
(h) Statutory Payables		
(i) Other Payables		
Total	56,905.06	336,930.87

11. Short-Term Provisions

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Employee Benefits	7.20	12.60
(b) Provision for Periodic Maintenance	6,460.18	4,888.63
(c) Provision for Dividend & Dividend Distribution Tax	456.38	707.28
(d) Provision for Expenses	10.56	1.44
Total	6,934.32	5,609.95

12. Statement of Fixed Assets and Depreciation /Amortization

₹ in Lakhs

Particulars	Original Cost			Depreciation And Amortization				Net Book Value	
	As at 1st April 2014	Additions/ Adjustment during the year	Deductions/ Retirement/ Adjustment during the year	As at 31 March 2015	Up to 1st April 2014	For the year	Deductions/ Adjustment during the year	As at 31st March 2015	As at 31st March 2014
a) TANGIBLE ASSETS									
Land	21,971.57	5.25	15,727.21	6,249.61	—	—	—	6,249.61	21,971.57
Roads & Buildings	5,489.08	—	5,489.08	—	138.15	—	138.15	—	5,350.93
Plant and Equipment	39,250.85	1,437.40	2,858.53	37,829.72	20,472.38	2,632.22	462.13	15,187.25	18,778.47
Vehicles	2,913.42	18.06	161.13	2,770.35	1,545.22	202.24	40.56	1,063.45	1,368.20
Wind Power Equipment	5,936.86	—	—	5,936.86	880.79	263.22	—	4,792.85	5,056.07
Furniture and Fixtures	688.21	0.89	272.76	416.34	254.41	42.60	20.78	140.11	433.80
Sub-total :	76,249.99	1,461.60	24,508.71	53,202.88	23,290.95	3,140.28	661.62	27,433.27	52,959.04
b) INTANGIBLE ASSETS									
Goodwill on consolidation	2,061.55	315.11	—	2,376.66	—	—	—	2,376.66	2,061.55
Goodwill on Amalgamation	0.97	—	—	0.97	—	—	—	0.97	0.97
Carriage Way	140,059.06	1,253.44	2,762.61	138,549.89	25,369.20	9,129.17	—	104,051.52	114,689.86
Computer Software	401.08	—	208.07	193.01	104.67	7.73	84.74	165.35	296.41
Sub-total :	142,522.66	1,568.55	2,970.68	141,120.53	25,473.87	9,136.90	84.74	106,594.50	117,048.79
Total	218,772.65	3,030.15	27,479.39	194,323.41	48,764.82	12,277.18	746.36	134,027.77	170,007.83

Less : Transferred to Preoperative Expenditure/Capital Work in Progress

(108.86)

Transfer to Reserves & Surplus (Refr note No. 31.16)

(197.27)

Net Depreciation charged to Statement of Profit and Loss

11,971.05

12.c Capital work in progress

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Opening Balance	690,644.23	461,937.36
Add : Expenditure incurred during the year	45.01	239,334.15
Less : Transfer to Asset / Capitalised during the year / Adjusted	(690,106.28)	(10,627.28)
Closing Balance	582.96	690,644.23

12.d Intangible assets under development

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Opening Balance	102,666.81	35,017.13
Add : Expenditure incurred during the year	46,836.37	67,649.68
Less : Adjustment for change in status of erstwhile Subsidiary into Associate	(2,018.00)	—
Closing Balance	147,485.18	102,666.81

13. Non-current investments

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Non-Trade investments (valued at cost unless stated otherwise)		
A. Investment in Associate Companies		
Nil (Previous Year 49,000) Equity Shares of ₹10/- each, fully paid in Balaji Highways Holdings Pvt. Ltd.,	—	4.90
22,47,27,125 (Previous Year:Nil) Equity share of ₹10/- each fully paid - NCC Infrastructure Holdings Ltd (Refer note No.13.1)	22,376.03	—
30,000 (Previous Year:30,000) equity share of ₹10/- each fully paid up - Sembcorp Gayatri O&M Co. Pvt Ltd	2.20	2.34
Nil (Previous Year:28,32,66,074) Equity share of ₹10/- each fully paid - NCC Power Projects Ltd	—	22,514.29
Nil (Previous Year 52,647) Equity Shares of ₹10/- each, fully paid in HKR Roadways Ltd.	—	5.26
241600000 (Previous Year:236600000) equity share of ₹10/- each fully paid up Thermal Powetech Corporation India Limited (Refer note 13.2)	48,434.07	—
B. Other Investments		
Quoted - at Cost		
24,79,338 (Previous Year:24,79,338) Equity shares of ₹10/- each fully paid up - Jimbhuish Power Generation Pvt Ltd	3,000.00	3,000.00
11,63,607 (Previous Year 11,63,607) Equity Shares of ₹10/- each in Gayatri Sugars Ltd., (Refer note 13.3)	293.10	293.10
1,728 (Previous Year 1,728) Equity Shares of ₹10/- each in Syndicate Bank Ltd.,	0.86	0.86
Investments in Mutual Funds	35.00	55.00
Less: Provision for diminution in value of Investment (Refer note 13.3)	(278.44)	(278.44)
Total	73,862.81	25,597.31

Details of Quoted and Unquoted Investments:

Aggregate Amount of Quoted Investment	70.52	70.52
Aggregate Market value of Quoted Investment	54.55	80.52
Aggregate Amount of Unquoted Investment	73,812.30	25,526.79

13.1 7,47,49,590 Equity Shares of NCC Infrastructure Holdings Ltd held by the Gayatri Energy Ventures Pvt Ltd are pledged in favour of IFCL Limited as collateral security for the debentures issued by the Subsidiary Company.

13.2 23,65,99,300 Equity Shares of TPCIL are pledged in favour of Rural Electrification Corporation Ltd as collateral security for the loan availed by TPCIL.

13.3 The company has made provision for the diminution in the market value of quoted investments in the books as envisaged in the Companies (Accounting Standard) Rules, prescribed by the Central Government.

14. Long-term loans and advances

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
To Related Parties - Unsecured, Considered Good		
Subordinate Shareholders' Contribution to Associate Companies	6,414.59	6,840.87
Other Advances	0.45	58.53
To Others - Unsecured, Considered Good		
- Capital Advances	7,193.73	8,340.01
- Other Advances (Refer No. 30.13)	33,032.14	25,647.48
- Security Deposit with Govt. Depts and Others	73.60	116.27
- Deposits with Customs departments	1,250.51	6,142.18
Total	47,965.02	47,145.34

15. Other Non-Current Assets

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Margin Deposit against Bank Guarantees / Letter of Credits.	—	16,078.06
(b) Unamortised process fees	—	1,660.00
(c) Advance for purchase of Equity Shares (Refer Note No. 30.17)	10,000.00	—
(c) Receivable from Related Parties (Refer Note No. 30.14)	21,851.46	—
Total	31,851.46	17,738.06

16. Current Investments

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Mutual Funds	76.79	352.58
Total	76.79	352.58

17. Inventories

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Construction materials, Stores and Spares	9,994.76	10,133.85
(b) Work in Progress	14,207.53	13,619.16
Total	24,202.29	23,753.01

18. Trade Receivables

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good*	55,877.80	60,549.13
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	3,298.48	24,509.81
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
Total	59,176.28	85,058.94

* Includes claims amount receivable of ₹ 4106.84 lakhs

19. Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Cash on hand	63.46	57.61
(b) Balances with banks		
In current accounts	12,474.56	32,415.86
In deposit accounts (due with in 12 months)		
i. Margin money for Bank Guarantees / LCs	9,801.87	7,442.26
ii. Other Deposits	2,743.76	28,749.87
Total	25,083.65	68,665.60

20. Short-term loans and advances

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
To Related Parties - Unsecured, Considered Good		
- Advances to Holding Company	6,660.24	6,838.50
- Loans and Advances to Subsidiaries		
- Loans and Advances to Joint Ventures (Refer Note No.30.5)	—	3,902.52
- Loans and Advances to Associates	9,882.28	7,662.23
- Mobilisation Advance to a company where KMP are having substantial interest	—	1,984.15
- Other advances (JV Share)	—	1,542.79
To Others - Unsecured, Considered Good		
- Advances to Suppliers	646.59	1,114.08
- Advances to Sub-Contractors (Refer Note No.30.15)	58,023.51	38,443.90
- Staff Advances	189.33	183.33
- Advances with Govt. Departments	7,829.10	7,727.75
- Other Advances	2,056.21	1,187.58
Total	85,287.26	70,586.83

21. Other current assets

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Interest accrued but not due	74.04	1,902.27
(b) Advance for purchase of Equity Shares (Refer Note No. 30.18)	2,471.40	12,444.86
(d) Annuity Income accrued but not due	2,287.93	2,095.45
(e) Prepaid Expenses	183.50	1,583.16
(f) Others	354.06	438.86
Total	5,370.93	18,464.60

22. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
(a) Construction Revenue	86,717.95	109,327.28
(b) Materials Supply Revenue	35,631.22	27,217.99
(c) Claims (refer Note No. 1.3 (vi))	4,518.20	—
(d) Revenue from Electricity Generation	579.51	618.54
(e) Share of profit from Joint Ventures	186.42	157.23
(f) Annuity Income	17,779.00	17,778.94
(g) Toll Revenue	4,664.62	4,301.77
Total	150,076.92	159,401.75

23. Other income

₹ in Lakhs

Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
(a) Interest income from Fixed Deposits	367.96	256.70
(b) Other Miscellaneous Income	416.99	337.82
Total	784.95	594.52

24. Consumption of Materials and Cost of Purchases & Services

₹ in Lakhs

Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
(a) Steel	6,170.64	4,330.13
(b) Cement	2,574.93	2,934.51
(c) Bitumen	4,045.15	8,324.54
(d) Metal	3,213.47	3,843.33
(e) Sand & Gravel	772.07	541.05
(f) Electrical Materials	8,823.74	9,132.43
(g) Railway Line Materials	4,519.49	4,688.77
(h) Coal Handling System Materials	13,228.08	6,305.65
(i) RCC & GI Pipes	87.53	415.56
(j) HSD Oils & Lubricants	4,224.48	5,069.59
(k) Stores and Consumables	470.04	488.85
(l) Other Materials	47.19	913.21
Total	48,176.81	46,987.62

25. Work Expenditure

₹ in Lakhs

Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
(a) Departmental Recoveries	1,953.27	3,603.38
(b) Work executed by sub contractors	19,069.56	28,655.97
(c) Earth Work	8,722.11	8,078.57
(d) Concrete Work	7,817.64	5,662.97
(e) Transport Charges	1,007.11	1,315.63
(f) Hire Charges	1,397.30	1,103.33
(g) Road work	8,438.94	5,565.13
(h) Repairs and Maintenance	965.32	971.00
(i) Taxes and Duties	3,738.18	4,217.54
(j) Royalties, Seigniorage and Cess	582.02	491.42
(k) Insurance	138.16	205.13
(l) Operation & Maintenance Expenses	3,805.96	3,415.29
(m) Other Work Expenditure	4,690.60	6,021.11
Total	62,326.17	69,306.47

26. Change in Inventories of Work-in-Progress

₹ in Lakhs

Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
Opening Work in Progress	13,619.16	10,042.39
Closing Work in Progress	14,207.53	13,619.16
Changes in Inventory	(588.37)	(3,576.77)

27. Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
(a) Salaries & Wages	2,084.35	2,437.51
(b) Director's Remuneration (Refer Note No.30.11)	444.00	602.75
(c) Staff Welfare Expenses	318.26	236.70
(d) Contribution to Statutory Funds	94.14	56.85
Total	2,940.75	3,333.81

28. Finance costs

₹ in Lakhs

Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
(a) Interest on Term Loans	19,498.22	17,972.11
(b) Interest on Debentures	3,079.31	2,203.97
(c) Interest on Working Capital Facilities	7,012.03	7,921.21
(d) Interest on ECB Loan	1,306.55	1,461.64
(e) Exchange loss on ECB Loan	199.38	777.81
(f) Bank Guarantee & Other Financial Charges	280.18	511.76
(h) Less : Interest received on BG/LC Margin Money Deposits	(1,059.48)	(1,380.63)
(i) Less : Interest Received on Loans & Advances	(3,788.18)	(2,605.50)
Total	26,528.01	26,862.37

29. Other expenses

₹ in Lakhs

Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
(a) Advertisement expenses	29.87	108.24
(b) Audit fee	65.83	66.24
(c) Corporate Social Responsibility Expenditure	203.18	618.28
(d) Donations	110.50	462.19
(e) Insurance charges	56.70	47.81
(f) Consultancy, Legal & professional charges	742.11	573.11
(g) General Expenses	111.54	92.87
(h) Power & fuel	129.96	150.66
(i) Miscellaneous expenses / Other administration expenses	445.67	408.60
(j) Printing & stationery	52.10	45.72
(k) Rent	358.47	321.00
(l) Loss on sale of Investments	—	6,834.08
(m) Taxes & licenses	60.17	49.34
(n) Tender Expenses	39.30	31.84
(o) Telephone	69.20	69.13
(p) Traveling, Conveyance & Stay expenses	365.65	381.88
(q) Loss on sale of assets / Impairment of assets	214.47	3.67
Total	3,054.72	10,264.66

30. Other Notes forming part of the Consolidated Financial Statements:

30.1 All amounts in the financial statements are presented in ₹ in Lakhs except per share data and as otherwise stated. Figures in brackets represent corresponding previous year figures in respect of Profit & Loss items and in respect of Balance Sheet items as on the Balance Sheet date of the previous year. Figures for the previous year have been regrouped / rearranged wherever considered necessary to conform to the figures presented in the current year.

30.2 Basis of preparation of consolidated financial statements:

Gayatri Projects Limited ("the company") has presented consolidated Financial statements by consolidating its own financial statements with those of its Subsidiaries, Associates and Joint Ventures in accordance with Accounting Standard- 21 (Consolidated Financial statements), Accounting Standard-23 (Accounting for Investments in Associates in consolidated Financial statements) and Accounting Standard – 27 (Financial reporting of Interests in joint ventures) notified in section 211 (3C) of the Companies Act, 1956.

The Financial statements of each of those Subsidiaries, Associates and Joint Ventures are prepared in accordance with the generally accepted accounting principles & accounting policies of Parent Company. The effects of inter-company transactions between consolidated companies/entities are eliminated in consolidation.

30.3 Disclosure of particulars regarding Subsidiaries, Joint ventures and Associates.

Subsidiaries, Joint Ventures and Associates Included in Consolidated Financial statements in terms of AS-21, AS-23 and AS-27 are as follows :

S. No	Name of the Entity	Nature of the Entity	% of Holding	Country of Incorporation
1	Gayatri Energy Ventures Private Limited	Wholly owned Subsidiary	100	India
2	Gayatri Infra Ventures Limited	Subsidiary	70.59	India
3	Sai Maatarini Tollways Limited	Subsidiary	99.51	India
4	Balaji Highways Holding Limited	Associate	49	India
5	HKR Roadways Limited	Associates	26(33.77 along with subsidiary)	India
6	Indore Dewas Tollways Limited (Considered as subsidiary as per AS-21 for consolidation)	Associate	33.33(66.66 along with subsidiary)	India
7	IJM Gayatri Joint Venture	Joint Venture	40	India
8	Jaiprakash Gayatri Joint Venture	Joint Venture	49	India
9	Gayatri ECI Joint Venture	Joint Venture	50	India
10	Gayatri Ratna Joint Venture	Joint Venture	80	India
11	Gayatri – Ranjit Joint Venture	Joint Venture	60	India
12	Gayatri – GDC Joint Venture	Joint Venture	70	India
13	Gayatri – BCBPPL Joint Venture	Joint Venture	60	India
14	Gayatri – RNS Joint Venture	Joint Venture	60	India
15	Gayatri - JMC Joint Venture	Joint Venture	75	India
16	MEIL-Gayatri-ZVS-ITT Consortium	Joint Venture	48.44	India
17	Viswanath-Gayatri Joint Venture	Joint Venture	50	India
18	Maytas-Gayatri Joint Venture	Joint Venture	37	India
19	GPL-RKTCPL Joint Venture	Joint Venture	51	India
20	GPL-SPL Joint Venture	Joint Venture	51	India

30.4. Contingent Liabilities and Commitments

The details of the Contingent Liabilities and Commitments to the extent not provided as follows:

a. Contingent Liabilities

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
a) Guarantees given by the Banks towards performance & Contractual Commitments		
i) issued on behalf of the Company	47,097.06	51,639.03
ii) Issued on behalf of Subsidiaries / Group Companies	30,442.35	30,630.36
b) Corporate Guarantees given to group companies	8,38,456.00	748,110.00
c) Other money for which the company is contingently liable	—	—
d) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	19,681.91	15,521.11

b. Commitments

₹ in Lakhs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Contracts remaining to be executed on capital accounts (net of advances)	1,019.64	1,061.64
Commitments towards investment in subsidiaries, Joint Ventures and Associates	25,480.00	—
Other Commitments (as stated in subsidiary company financials.	2,410.00	—

30.5 Joint Venture Losses not considered - IJM-Gayatri Joint Venture

IJM – Gayatri Joint Venture is a joint venture in which IJM Corporation Berhad, Malaysia holds 60% and Gayatri Projects Limited holds 40% share. The Joint venture has executed road works during the period 1998-2006 in Package I, II & III and AP 13 of NHAI, APSH 7 and APSH 8 in the State of Andhra Pradesh.

An excess expenditure of ₹ 134.45 crores is incurred for completion of the IJM Gayatri JV by our company and the same is debited to the JV account. The JV has not accounted the same due to pending claims with the employers and with an intention to account the same as and when the claims are actually realized.

The JV has raised claims in excess of ₹ 300 Crores on the National Highways Authority of India and Andhra Pradesh State Government, which are pending for consideration before the appropriate legal forum.

During the previous year, SEBI has referred the above matter to “Financial Reporting and Review Board (FRRB)” for further examination. As per the Directions of the FRRB the company has provided an amount of ₹ 45.01 Crores (included in work expenditure) towards its 40% share of loss in the joint venture which was hitherto been the subject matter of qualification in the Auditors Report till previous year.

30.6. EARNING PER SHARE (EPS)

Basic Earning Per Share is calculated as per Accounting Standard 20 on Earnings Per Share.

₹ in Lakhs

Particulars	2014-15	2013-14
Profit After Tax for calculation of Basic EPS (₹ in Lakhs)	(3,547.27)	(6,496.65)
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	(3,547.27)	(6,496.65)
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	302.27	302.27
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	302.27	302.27
Basic EPS (₹)	(10.49)	(21.49)
Diluted EPS (₹)	(10.49)	(21.49)

30.7 Related party transactions pursuant to Accounting Standard AS-18

(i) Details of related parties:

Entities in which KMP are interested	Key Management Personnel (KMP)
Deep Corporation Pvt. Ltd Indira Constructions Pvt. Ltd Gayatri Sugars Ltd Gayatri Hi-Tech Hotels Ltd Gayatri Property Ventures Pvt. Ltd. Gayatri Hotels & Theaters Pvt. Ltd GSR Ventures Pvt. Ltd. Gayatri Tissue & Papers Ltd. Indira Energy Holdings P.Ltd. Gayatri Bio-Organics Limited TSR Foundation Dr.T.Subbarami Reddy (HUF) Balaji Charitable Trust TSR Lalitakala Parishad T.V.Sandeep Kumar Reddy & Others	Mr. T.V.Sandeep Kumar Reddy Mr. J.Brij Mohan Reddy Mrs.T. Indira Subbirami Reddy Mr.T.Rajiv Reddy Mr.PSreedhar Babu (CFO) Mrs.I.V.lakshmi (CS& CO)

(ii) Transactions with the related parties:

₹ in Lakhs

Sl. No.	Description	2014-15		2013-14	
		Entities in which KMP are interested	KMP	Entities in which KMP are interested	KMP
1	Contract Receipts	—	—	—	—
2	Contract payments	—	385.10	526.13	—
3	Office Rent & Maintenance	—	110.14	106.16	—
4	Other Payments	52.48	11.38	99.69	—
5	Donations	176.90	—	423.66	—
6	Remuneration Paid	—	444.00	—	602.75
7	Contract Advances/ Other Adv.	—	—	—	—
8	Unsecured Loans received	—	3300.00	—	—
9	Closing balances – Debit	25,099.87	—	24,948.91	—
10	Closing balances – Credit	110.53	3409.11	259.30	148.71

30.8 Hedged Foreign Currency Exposures

The yearend foreign exposures that have been hedged by a derivate instrument or otherwise are given below:

Amount in Lakhs

Particulars	Currency	2014-15		2013-14	
		Foreign Currency Equivalent	Rupee Equivalent	Foreign Currency Equivalent	Rupee Equivalent
Amount payable in Foreign Currency:					
Hedged :					
External Commercial Borrowings (ECB)	USD	229.78	13510.27	239.38	13776.56
Un-hedged					
External Commercial Borrowings (ECB)	USD	Nil	Nil	Nil	Nil
Buyers credit	USD	Nil	Nil	2680.39	145784.95
Capital creditors	USD	Nil	Nil	1150.09	67791.56
Capital creditors	SGD	Nil	Nil	0.19	8.36
Estimated amount of contracts remaining to be executed on capital account and not provided for)	USD	Nil	Nil	1237.88	67327.39

30.9 Segment Reporting

The Company's operations predominantly consist of providing infrastructure facilities. Hence there are no reportable segments under Accounting Standard – 17. 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.

30.10 Observations and Qualifications made by the Independent Auditors of the Subsidiary Companies:

The Independent auditors of Gayatri Infra Ventures Limited, the subsidiary of the Company, have qualified their consolidated audit report on the financial statements as at 31st March, 2015 of step down subsidiaries of the company namely Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited in respect of following matters:

- For non-compliances with the provisions of Accounting Standard – 29, where in Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited have not disclosed contingent liabilities to the extent of ₹1,202,718,645 (31 March 2014: ₹1,202,718,645) and ₹ 996,673,320 (31 March 2014: ₹ 996,673,320), respectively, on account of escalation claims raised by the EPC contractor and not acknowledged as debts.
- Loans and advances of Gayatri Jhansi Roadways Limited and Gayatri Lalitpur Roadways Limited include receivables of ₹ 272,960,257 (31 March 2014: ₹ 272,960,257) and ₹ 283,594,725 (31 March 2014: ₹ 283,594,725), respectively, given to Gayatri Projects Limited and is doubtful of recovery. The Hon'ble High Court of Andhra Pradesh has appointed an arbitrator in respect of this matter and the related proceedings are under progress.

30.11. Managerial Remuneration:

The excess managerial remuneration paid/payable for the year will be recovered in the subsequent financial year.

30.12 Unsecured Loans from the Directors

As a part of the restructuring package, the promoters contribution amounting to ₹3300.00 lakhs is brought in by promoter Directors. The company is planning to raise the money through equity route and promoters have option to take refund of the unsecured loan from the equity proceeds.

30.13 Long term Loans and Advances

During the previous years, the Holding Company has given advances to its subcontractors for execution of various projects. The recovery of advances is delayed due to slow progress of the works on account of changes in government policy and bifurcation of the State. In view of this the parties have mutually decided to convert the advance as interest bearing loans carrying an interest equivalent to the bank deposit rate. Such loans during the current year have been grouped under "Long term loans & Advances". The advances will be recovered in future from the bill proceeds.

30.14 Receivables from Related Parties

Other Non-current Assets include an amount of ₹218.51 crores receivable from Gayatri Hi-tech Hotels Ltd (GHHL), a related party of the Group. The Holding Company has executed the hotel project of the GHHL under EPC scheme and the amount represents the balance receivables. GHHL has expressed its inability to pay dues immediately due to its liquidity constraints and has placed a proposal to convert the outstanding dues into 9% Cumulative Redeemable Preference Shares (CRPS) of ₹ 1,000/- each. The Holding Company has agreed in-principal for conversion of outstanding into CRPS and necessary statutory formalities are yet to be completed.

30.15 Advances to sub-contractors include amounts paid as work advances to certain sub-contractors wherein the corresponding contract works are yet to commence. In the opinion of the management, the said contract works have not commenced due to certain extraneous factors beyond the control of such sub-contractor and without any default/failure of performance from their end. The management is confident to commence the works in near future and recover the advances from the sub-contractors.

30.16 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation and Amortization. The net value of Fixed Assets amounting to ₹ 297.30 Lakhs whose lives have expired as at 1st April 2014, of which ₹ 197.27 Lakhs (net of Deferred Tax of ₹ 100.03 lakhs) has been adjusted in the opening balance of Profit and Loss.

30.17 During the previous financial years one of the subsidiary company had given an Amount of ₹100 crores to NCC Limited for the purpose of acquisition of equity shares of NCC Infrastructure Holdings Limited. As per the amended agreement dated on 14/11/2014 the shares will be allotted to subsidiary company in 3 tranches on or before 31st March 2017 from the date of agreement.

30.18 During the previous financial years one of the subsidiary company had made various investments in JPGPL by way of acquisition of shares, share application money, advance for purchase of equity shares all together amounting to ₹54.44 crores. The subsidiary company had entered into an exit agreement dated 25th may 2013 with the said party, which was duly amended by various letter agreements from time to time and as per the latest letter agreement dated 30th December 2014, the company shall exit from JPGPL by 31st October 2015.

30.19 In the opinion of the management and to the best of their knowledge and belief, the value under the head of current assets are approximately of the value stated, if realized in ordinary course of business, unless stated otherwise. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.

30.20 The balances under Other Long Term Liabilities, Trade Payables, Trade Receivables, Other Current Liabilities, Other Non-Current Assets, Long Term Loans and Advances, Short term loans and advances and Other Current Assets are subject to reconciliation and confirmation.

30.21 There are no amounts due and outstanding to be credited to Investors Education & Protection Fund as on 31-03-2015 and amounts which are required to be transferred to such funds have been transferred. There were no amounts which were required to be transferred to Investor Education & Protection Fund by the subsidiary and associate companies.

30.22 Additional Information pursuant to Schedule III of the Companies Act, 2013.

i) CIF value of Imports

₹ in Lakhs

Sl. No.	Particulars	2014-15	2013-14
1.	Purchase of Capital Goods	Nil	Nil

ii) Expenditure / (Income) in Foreign Currency :

Sl. No.	Particulars	2014-15	2013-14
1.	Travelling Expenses	15.37	16.51
2.	Interest on ECB Loan	1,599.81	1,461.64

30.23 Bilateral Restructuring of Debt under Joint Lenders Forum (JLF) Scheme

Due to liquidity constraints on account of stretched working capital cycles, increased cost of inputs, higher interest cost, slowdown in Infrastructure sector etc., which has led to a strain on the resulting cash flows of the Holding Company. Keeping in view of the above the Holding Company has restructured its debt obligations under bilateral restructuring route monitored by the Joint Lenders forum (JLF). The scheme was approved by the lenders on 19.01.2015 and the relevant agreements like MRA, TRA etc., were executed on 23.1.2015. The restructuring is effected from 1st July 2014. Pursuant to this scheme, some of the Long Term and Short Term Loans have been rescheduled along with reduced rate of interest.

30.24 Additional information as required by paragraph 2 of the General Instructions for the preparation of Consolidated Financial Statements to Schedule III of Companies Act, 2013.

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or Loss	
	As % of Consolidated net assets	Amount (₹ in Lakhs)	As % of Consolidated Profit/(Loss)	Amount (₹ in Lakhs)
Parent - GPL	86.93	66,235.75	69.59	2,205.30
Subsidiary - Indian				
Gayatri Energy Ventures Private Limited	12.93	9,850.83	(85.29)	(2,703.03)
Gayatri Infra Ventures Limited	(7.64)	(5,822.82)	(90.06)	(2,854.26)
Sai Maatarini Tollways Limited	6.54	4,985.12	(0.65)	(20.47)
Indore Dewas Tollways Limited	—	3.48	(0.01)	(0.32)
Associates - Indian				
Balaji Highways Holding Limited	—	—	—	—
HKR Roadways Limited	—	—	—	—
Joint Ventures - Indian				
IJM Gayatri Joint Venture	0.05	34.81	0.54	16.98
Jaiprakash Gayatri Joint Venture	0.01	6.21	—	—
Gayatri ECI Joint Venture	1.16	886.57	5.88	186.42
Gayatri Ratna Joint Venture	0.01	5.37	—	—
Gayatri – Ranjit Joint Venture	—	—	—	—
Gayatri – GDC Joint Venture	—	—	—	—
Gayatri – BCBPPL Joint Venture	0.01	7.69	—	—
Gayatri – RNS Joint Venture	—	—	—	—
Gayatri – JMC Joint Venture	—	—	—	—
MEIL-Gayatri-ZVS-ITT Consortium	—	—	—	—
Viswanath-Gayatri Joint Venture	—	—	—	—
Maytas-Gayatri Joint Venture	—	—	—	—
GPL-RKTCPL Joint Venture	—	—	—	—
GPL-SPL Joint Venture	—	—	—	—
Minority Interest				
Gayatri Infra Ventures Limited	3.98	3,033.48	(49.97)	(1,583.62)
Indore Dewas Tollways Limited	—	2.27	(0.01)	(0.16)

- 30.25 One of the Joint Venture namely Maytas-Gayatri Joint Venture is not considered for consolidated financial statements since the financials of the said JV are not available.
- 30.26 Figures pertaining to the subsidiary companies and Joint ventures have been reclassified wherever necessary to bring them in line with the company's financial statements.
- 30.27 All amounts are rounded off to nearest thousand.
- 30.28 Current year figures are not comparable to previous year figures since one of the subsidiary company has become Associate which has major impact on the balances of Loans, CWIP, Other Long Term Liabilities, Trade Payables Cash and Bank Balances etc.,.
- 30.29 Previous year figures have been regrouped wherever considered necessary.

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

For and on behalf of the Board

S.V.C. Reddy
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

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

Place : Hyderabad.
Date : 30th May 2015

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L99999TG1989PLC057289

Name of the company: Gayatri Projects Limited

Registered office: B-1, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500 082.

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

Name of the member (s): Registered address:		Email Id: Folio No./ Client Id No.: DP Id No.:	
I. Name: Address: E-Mail Id: Signature: or failing him	I. Name: Address: E-Mail Id: Signature: or failing him	I. Name: Address: E-Mail Id: Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual general meeting of the company, to be held on the 28th day of September 2015 At 11.30 a.m. at KLN Prasad Auditorium, The Federation of Telengana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad - 500 004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution	For	Against
1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.		
2. To declare Dividend on Equity Shares for the Year ended 31st March, 2015.		
3. To appoint a Director in place of Smt. T. Indira Subbarami Reddy, who retires by rotation, and being eligible, offers herself for re-appointment.		
4. To Appoint Auditors and fix their Remuneration.		
5. 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 FY 2014-15 and FY 2015-16.		
6. Re-appointment of Sri. J. Brij Mohan Reddy, Executive Vice Chairman.		
7. Adoption of New Set of Articles of Association of Company inter-alia pursuant to the Companies Act, 2013		
8. Ratification of Master Restructuring Agreement (MRA) entered into by the Company for conversion of loan into equity		

Signed this..... day of..... 20....

Signature of shareholder:

Signature of Proxy holder(s):

Affix
₹ 1/-
revenue
stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

GAYATRI PROJECTS LIMITED

CIN: L99999TGI989PLC057289

Regd. & Corp. Office : B-1, 1st Floor, T.S.R. Towers, 6-3-1090, Rajbhavan Road,
Somajiguda, Hyderabad – 500 082

ATTENDANCE SLIP

I hereby record my presence at the 26th ANNUAL GENERAL MEETING at 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 on Monday the 28th day of September, 2015 at 11.30 a.m.

.....
Full Name of the Shareholder (in block letters)

.....
Signature

Folio Number/DP ID No. :

Client ID :

No.of Shares Held :

.....
Full Name of the Proxy (in block letters)
(To be filled if the Proxy attends instead of member(s))

.....
Signature

Note : Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall. Please carry a copy of the Annual Report.

If undelivered, please return to :

GAYATRI PROJECTS LIMITED

CIN: L99999TG1989PLC057289

Regd. & Corp. Office : B-1, 1st Floor,
T.S.R. Towers, 6-3-1090, Rajbhavan Road,
Somajiguda, Hyderabad – 500 082