

Date: October 1, 2016.

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

Sub: Submission of Annual Report under regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Reg.,

Pursuant to regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed 27th Annual Report of the Company for the Financial Year ended 31.03.2016 being approved and adopted in the 27th Annual General Meeting of the Company.

This is for your kind information and record please.

Thanking you,

Yours truly,

For GAYATRI PROJECTS LIMITED


(CS I.V. LAKSHMI)
Company Secretary and Compliance Officer
Membership No.17607



Encl: As above



GAYATRI

GAYATRI PROJECTS LIMITED

Annual Report 2015–16



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CORPORATE INFORMATION

Board of Directors

Smt. T. Indira Subbarami Reddy	- Chairperson	(DIN: 00009906)
Sri. T.V. Sandeep Kumar Reddy	- Managing Director	(DIN: 00005573)
Sri. J. Brij Mohan Reddy	- Executive Vice Chairman	(DIN: 00012927)
Sri. G. Siva Kumar Reddy	- Independent Director	(DIN: 00439812)
Sri. V. L. Moorthy	- Independent Director	(DIN: 00013083)
Sri. Ch. Hari Vittal Rao	- Independent Director	(DIN: 00012970)
Sri. J. N. Karamchetti	- Independent Director	(DIN: 00940963)
Sri. K. Venkateswarlu	- Nominee Director	(DIN: 06931804)

Company Secretary & Compliance Officer

CS I.V. Lakshmi

Chief Financial Officer

CA P. Sreedhar Babu

Statutory Auditors

M O S & Associates LLP
501, Lahari Benz Apartments,
Somajiguda, Hyderabad – 500 082

Bankers

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

Registered & Corporate Office

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

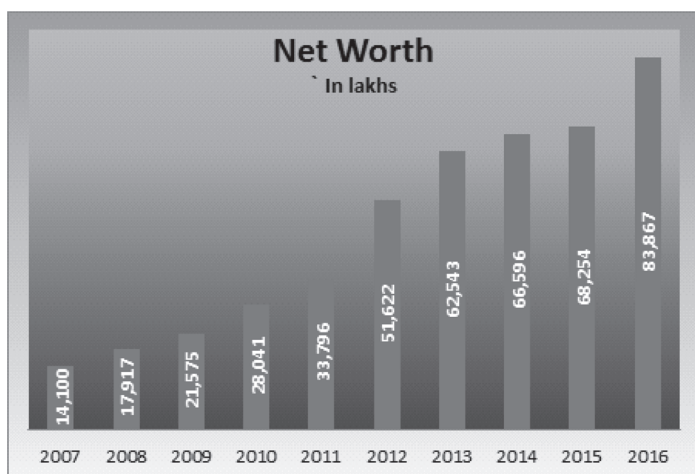
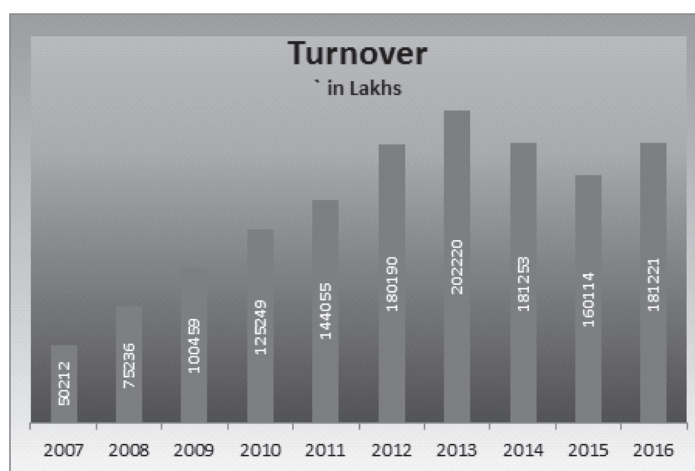
Registrars & Transfer Agents

Karvy Computershare Private Limited
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	2015-16	2014-15	2013-14	2012-13	2011-12
Turnover	1,81,221.25	160,114.16	1,81,253.22	2,02,220.21	1,80,190.39
Profit Before Tax	7,065.43	3,508.86	8,247.52	10,201.08	6,983.99
Profit After Tax	5,864.84	2,205.32	4,760.73	6,308.91	4,597.12
Equity Capital	3,545.04	3,022.70	3,022.70	3,022.70	2,396.82
Reserves & Surplus	80,322.25	65,231.05	63,573.62	59,520.17	49,225.36
Net Worth	83,867.29	68,253.75	66,596.32	62,542.87	51,622.18
Gross Block	47,219.42	46,203.29	45,431.76	45,068.58	44,617.76
Net Block	20,812.12	20,812.12	22,936.36	24,738.09	27,393.87
Book Value (₹) Per Share	236.58	225.80	210.32	206.91	215.38
EPS (₹) Basic	17.50	7.30	15.75	24.53	37.83
Dividend	20%	10%	20%	30%	30%



NOTICE

NOTICE is hereby given that the TWENTY SEVENTH 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 Wednesday the 28th September, 2016 at 3.00 p.m to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016 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, 2016.
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 2016-17.**

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 2016-17 for a remuneration of Rs. 1,15,000 (Rupees One Lakh Fifteen Thousand) per annum plus applicable service tax and out of pocket expenses that may be incurred be and is hereby 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. Appointment of Mr. J.N. Karamchetti as Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. J.N. Karamchetti** (holding DIN 00940963), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 14th of November, 2015 and whose term of office expires at this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 14th of November, 2015.”

7. Authorisation to charge for delivery of documents through a particular mode, if any request received from the member.

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



“RESOLVED THAT pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, the consent of the Company be and is hereby accorded to charge from a member in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode if any request has been made by such member for delivery of such document to him

through such mode of service provided such request along with the requisite fee has been duly received by the Company at least 15 days in advance or any prescribed statutory period for the dispatch of the document by the Company.”

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

By order of the Board

For **GAYATRI PROJECTS LIMITED**

Place : Hyderabad
Date : 26th August, 2016

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 23rd September, 2016 to 28th September, 2016 (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, 2016 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, 2016.

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 No.B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad : 500 032. Phones: P: +91 040 67161591 Fax: 23420814. Members, holding shares in electronic form, are requested to notify any such changes to the concerned Depository Participant.

6. 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 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Karvy Computershare Private Limited ("Karvy").
7. 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, 2016 (9 a.m. IST) to 27th September, 2016 (5 p.m. IST).
8. Details regarding Appointment/ Re-appointment of Directors were disclosed in the Corporate Governance Report.
9. 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.

PROCEDURE AND INSTRUCTIONS FOR e-VOTING

- I. Remote e-voting:** In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

The Company has appointed Mr. Y. Koteswara Rao, Practicing Company Secretary as the Scrutinizer for conducting the e-voting and ballot 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 21st September, 2016, 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. A person who is not a shareholder on the Cut-off date should treat this Notice for information purposes only.

- (A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:

- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric

value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company'
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting

period, Members can login any number of times till they have voted on the Resolution(s).

- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email scrutinizer@gayatri.co.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No."

(B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:

- i. E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
- ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

II. Voting at AGM: The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

OTHER INSTRUCTIONS

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact K.S.Reddy, (Unit: M/s. Gayatri Projects Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad -

500 032 or at evoting@karvy.com or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on 25th September, 2016 (9.00 A.M. IST) and ends on 27th September, 2016 (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2016, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- d. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 21st September, 2016.
- e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 21st September, 2016, he/she may obtain the User ID and Password in the manner as mentioned below :
 - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+ Folio No. or DP ID Client ID to 9212993399

Example for NSDL:
MYEPWD <SPACE> INI2345612345678

Example for CDSL:
MYEPWD <SPACE> I402345612345678

Example for Physical:
MYEPWD <SPACE> XXXX1234567890
 - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter

Folio No. or DP ID Client ID and PAN to generate a password.

- iii. Member may call Karvy's toll free number 1800-3454-001.
- iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.
- f. 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.
- g. The Portal will remain open for voting from: 25th September, 2016 (9.00 A.M. IST) and ends on 27th September, 2016 (5.00 P.M. IST) (both days inclusive). The e-voting portal shall be disabled by Karvy thereafter.
- h. 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.
- i. 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.
- j. 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.

PROCEDURE AND INSTRUCTIONS FOR WEB CHECK-IN/ATTENDANCE REGISTRATION

- k. Web Check- in / Attendance Registration: Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall. Alternatively, to facilitate hassle free and quick registration/entry at the venue of the AGM, the Company has provided a Web-Check in facility through Karvy's website. Web Check-in on the Karvy's website enables the Members to register attendance online in advance and generate Attendance Slip without going through the registration formalities at the registration counters.

Procedure of Web Check-in is as under:

- a. Log on to <https://karisma.karvy.com> and click on "Web Checkin for General Meetings (AGM/EGM/CCM)".
- b. Select the name of the company: M/s. Gayatri Projects Limited
- c. Pass through the security credentials viz., DP ID/Client ID/Folio no. entry, PAN No & "CAPTCHA" as directed by the system and click on the submission button.
- d. The system will validate the credentials. Then click on the "Generate my attendance slip" button that appears on the screen.
- e. The attendance slip in PDF format will appear on the screen. Select the "PRINT" option for direct printing or download and save for the printing.
- f. A separate counter will be available for the online registered Members at the AGM Venue for faster and hassle free entry and to avoid standing in the queue.
- g. After registration, a copy will be returned to the Member.
- h. The Web Check-in (Online Registration facility) is available for AGM during e-voting Period only i.e., 25th September, 2016 (9.00 A.M. IST) and ends on 27th September, 2016 (5.00 P.M. IST).
- i. The Members are requested to carry their valid photo identity along with the above attendance slip for verification purpose.

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 2016-17 at a remuneration of ₹1.15 lakhs per annum plus applicable service tax and reimbursement of out of pocket expenses.

The Board recommends the Ordinary 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:

Mr. J.N. Karamchetti did his Bachelor engineering in the year 1970 from College of Engineering, Kakinada, Andhra Pradesh. Later on he did his Masters in IIT Kharagpur in the year 1973. He is also a member of Indian Institute of Plant Engineers and institution of Engineers (India). He has a very rich experience in all fields of Engineering and in Steel, Energy, Rubber and Starch sectors. He is also very familiar for giving guest lecturers and presenting technical papers in various seminars and workshops especially in the field of Energy.

Mr. J.N. Karamchetti (holding DIN 00940963) was appointed as an Additional (Independent) Director of the Company with effect from 14th November, 2015 by the Board of Directors. In terms of Section 161(I) of the Companies Act, 2013, Mr. J.N. Karamchetti holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from a Member in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

In the opinion of the Board, Mr. J.N. Karamchetti fulfils the conditions specified in the Companies Act, 2013 and rules made

thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. J.N. Karamchetti as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. J.N. Karamchetti as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. J.N. Karamchetti as an Independent Director, for the approval by the shareholders of the Company by way of special resolution.

Except Mr. J.N. Karamchetti, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

Item No.7:

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or residence address or by such electronic or other mode as may be prescribed. Further, proviso to sub-section (2) of Section 20 states that a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the Company in its Annual General Meeting. Accordingly, the Board of Directors in their meeting held on 26th August, 2016 has proposed that a sum equivalent to estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by any member for delivery of such documents to him through such mode of service, be taken to cover the cost of such delivery.

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.

The Board recommends the Ordinary Resolution as set out in the Notice for approval of the Members.

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

CS I.V. LAKSHMI
Company Secretary & Compliance Officer

Place: Hyderabad
Date: 26th August, 2016

DIRECTORS' REPORT

To
The Members,

The Directors have pleasure in presenting before you the Directors' Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

FINANCIAL RESULTS (Standalone) :

₹ in Lakhs

Particulars	2015-16	2014-15
Turnover	1,81,221.25	1,60,114.16
Profit Before Interest Depreciation and Taxes	26,605.83	21,196.12
Less: Interest and Finance Charges	15,792.93	14,867.18
Profit before Interest and Deprecation	10,812.90	6,328.94
Less: Depreciation	3,747.47	2,820.08
Profit before Tax	7,065.43	3,508.86
Provision for Tax	1,200.59	1,303.54
Profit after Tax	5,864.84	2,205.32
Profit brought forward	27,887.46	26,730.03
Profit available for appropriation	33,752.30	28,935.35
Appropriations:		
Proposed Dividend at ₹ 2.00 per share (20%)	709.01	302.27
Dividend Tax on proposed Dividend	144.34	51.37
Other Adjustments	42.16	194.25
Transfer to General Reserve	500.00	500.00
Surplus carried to Balance sheet	32,356.79	27,887.46

Review of Operations :

Our revenue from operations on a standalone basis increased to ₹ 1,81,221.25 lakhs from ₹ 1,60,114.16 lakhs in the previous year, at a growth rate of 13.18%. Out of total revenue, 62.54% came from road works, 20.65% from industrial works, 15.42% from irrigation works and 1.39% from other works.

Our operating profits before depreciation and finance cost on standalone basis amounted to ₹ 26,605.83 lakhs (14.68% revenue), as against ₹ 21,196.12 lakhs (13.24% revenue) in the previous year. Direct cost was 83.73% of our revenue for the year ending 31st March, 2016 as compared to 85.02% in the previous year. The profit before tax was ₹ 7,065.43 lakhs (3.90% of revenue) during the year as compared to ₹ 3,508.86 lakhs (2.19% of revenue) in the previous year. The net profit after tax was ₹ 5,864.84 lakhs (3.24% of revenue) during the year as against ₹ 2,205.32 lakhs (1.38% of revenue) in the previous year.

Our Company has an outstanding order book of ₹ 10,37,572 lakhs as on 31st March 2016 and we have received new orders valued about ₹ 1,39,944 lakhs so far during the current financial year. The total order book including new works is about ₹ 11,77,516 lakhs.

In general the progress of the works being executed by the company is in line with the time lines given by the clients. We have obtained extension of the time wherever required and progress of the work is satisfactory.

Future Outlook :

The International agencies are forecasting huge growth in the Indian construction sector. The Indian construction sector is estimated to grow at an average rate of 8.50% annually. The Union Budget announcement in 2016 has given great boost to the construction sector. Spending in infrastructure sectors, including both current and capital expenditures, is expected to increase significantly by 16 percent. The budget also proposed ₹ 2,21,246 crores total outlay for infrastructure development including the development of smart cities, ₹ 97,000 crores investment

in the road sector and approved nearly 10,000 kms of National Highways in 2016-17. The future outlook of Indian construction sector is positive and bright and our company as leading player in construction industry is in advantageous position to get more orders, revenues and profits.

Dividend:

Despite the difficult economic conditions your directors are pleased to recommend a dividend of ₹ 2.00 per equity share (20%) of the face value of ₹ 10/- for the period ended 31st March, 2016.

The dividend, subject to approval at the AGM on 28th day of September, 2016, will be paid to the shareholders; whose names appear on the Register of Members on 22nd September, 2016.

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 increased from ₹ 30.22 Crs to ₹ 35.45 Crs pursuant to the allotment of 36,04,000 equity shares to Foreign Institutional Investors (deemed FPI's) and 16,19,386 equity shares to promoters by way of preferential allotment.

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

There are no material changes and commitments affecting Financial position of the company between the end of the financial year to which these statements relate and the date of this Board's Report except that the Board has approved Composite Scheme of Arrangement between M/s. Gayatri Projects Limited, M/s. Gayatri Infra Ventures Limited and M/s. Gayatri Domicile Private Limited providing for:

- Transfer of investments in Sai Maatarini Tollways Limited from Gayatri Projects Limited to Gayatri Domicile Private Limited at book value. The lump-sum consideration of ₹ 180,16,03,000 (One Hundred and Eighty Crores Sixteen Lacs Three Thousand only) will be paid in the form of 1,24,60,000 (One Crore Twenty-Four Lacs Sixty Thousand) equity shares of ₹ 10 each (fully paid) and 16,77,00,300 (Sixteen Crore Seventy-Seven Lacs Three Hundred) redeemable preference shares of ₹ 10 each (fully paid) of Gayatri Domicile Private Limited;
- Post transfer of investments, merger of Gayatri Infra Ventures Limited with Gayatri Projects Limited;
- Post merger of Gayatri Infra Ventures Limited with Gayatri Projects Limited, transfer of Infrastructure Road BOT Assets Business from

Gayatri Projects Limited to Gayatri Domicile Private Limited

Pursuant to the above company had filed Scheme of Arrangement along with requisite annexure's with Stock Exchanges on 05th August, 2016.

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 2015-16 on 30th May, 2015, 16th June, 2015, 11th August, 2015, 14th August, 2015, 03rd September, 2015, 14th November, 2015, 28th November, 2015 and 13th February, 2016.

Directors and Key Managerial Personnel:

During the year under review, the Company has:

- Re-appointed Mr. J. Brij Mohan Reddy as Executive Director of the Company for a further period of 3 years w.e.f 01.10.2015.
- Appointed Mr. Umakant. K. Bijapur as a director, Nominee of Bank of Baroda on 03.09.2015 further Mr. Venkateswarlu Kakkera, was appointed as Nominee Director on 13.02.2016 replacing Mr. Umakant K. Bijapur.
- Appointed Mr. J. N. Karamchetti as Independent Director of the Company on 14.11.2015.

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
Mr. J.N. Karamchetti	– 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out evaluation of (i) its own performance, (ii) the directors individually and (iii) working of its Committees. The manner in which the evaluation was carried out as detailed below:

(a) Nomination & Remuneration Committee:

Pursuant to the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has formulated the criteria for evaluation of directors and evaluated every director. A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the company etc., and accordingly the evaluation was made. The Members of the Committee evaluated the individual directors at its meeting held on 13.02.2016.

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 13.02.2016 (a) reviewed the performance of the non-independent directors and Board, (b) reviewed the performance of the Chairperson of the Company and (c) assessed the quality, quantity and timeliness of flow of information between the company management and the Board. All the Independent Directors attended the meeting.

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

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

The Independent Directors after review of the performance of the Chairman decided that the Chairman 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 fulfil 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, 2016 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**.

Further the Company after 31st March, 2016 has acquired 100% shareholding in M/s. Gayatri Domicile Private Limited as a part of proposed restructuring of the Company, pursuant to which M/s. Gayatri Domicile Private Limited is a wholly owned subsidiary of the Company.

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 open 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 is annexed as **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 Independent Auditors of M/s Gayatri Infra Ventures Limited (GIVL), a subsidiary of the company, in their audit report on consolidated financial statements have qualified that they are unable to comment upon the consequential effects on the disinvestment of its entire equity stake amounting to ₹ 4,606.09 Lakhs held in Western UP Tollways Limited, a jointly controlled entity of GIVL. The management is in the process of renegotiating the consideration for the sale of investment and also making arrangements for meeting the other conditions stipulated in the sale agreement. Pending the final outcome of the said process, the management is unable to comment upon the consequential effects, if any, of the said matter, on the financial statements of GIVL. The consequential effects, if any, on the disinvestment will be accounted in the year in which the disinvestment process is completed.

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, 2016 in Form No MR-3 is annexed to the Directors Report as **Annexure - IV** and forms part of this Report. The Secretarial Auditors' Report to the Members of the Company for the Financial Year ended March 31, 2016 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	20.92
2	Repayment of ECB Loan	1,718.22
3	Repayment of ECB Interest	811.95
4	Plant & Machinery purchase	1,155.67

Details of Adequacy of Internal Financial Controls:

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

Particulars of Loans, Guarantees or Investments:

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

Management Discussion & Analysis:

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

Risk Management Policy:

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

Whistle Blower Policy/Vigil Mechanism:

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

Significant & Material Orders Passed by the Regulators:

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

Contracts or Arrangements with Related Parties:

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

The policy on dealing with Related Party Transactions is disseminated on the website of the company at <http://www.gayatri.co.in/Investors/Corporate Governance/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 FY 2015-16 and re-appointed for the Financial Year 2016-17.

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 – VIII** and forms part of this Report.

Listing with Stock Exchanges:

The Company confirms that it has paid the Annual Listing Fees for the year 2016-2017 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 Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report as **Annexure -IX**. Certificate from the practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under aforesaid regulations is attached to this report.

Developments during the year with regard to wholly owned subsidiary M/s. Gayatri Energy Ventures Pvt. Ltd (GEVPL):

a. Launched Power Complex at Krishnapatnam.

GEVPL along with its JV partner Sembcorp Industries launched its 2,640 MW Sembcorp Gayatri Power Complex on 27th February, 2016. Built, at a total project cost of US\$3 billion (Rs. 20,000 crore), the power complex is the largest foreign direct investment-driven project on a single site in the thermal energy sector in India to date. The complex houses two 1,320-megawatt supercritical coal-fired power plants - Thermal Powertech Corporation India (TPCIL), first power plant successfully completed and commenced full commercial operation in September 2015, while Sembcorp Gayatri Power Limited (Formerly NCCPPL), second plant is expected to be fully operational in 2016.

b. Call option agreement with its JV partner Sembcorp Utilities.

GEVPL has entered a call option agreement with its JV partner Sembcorp Utilities to increase its stake up to 30% in Thermal Powertech Corporation India Limited, over the next 5 years.

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
(DIN : 00009906)

(T.V.SANDEEP KUMAR REDDY)

Managing Director
(DIN : 00005573)

Place : Hyderabad
Date : 26th August, 2016

(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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. Objective

The Key Objectives of the Committee would be:

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

III. Definitions

- M** "Board" means Board of Directors of the Company.
- M** "Company" means "Gayatri Projects Limited."
- M** "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.
- M** "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.
- M** "Key Managerial Personnel" (KMP) means
- Chief Executive Officer or the Managing Director or the Manager,

- Company Secretary,
- Whole-time Director,
- Chief Financial Officer and
- Such other officer as may be prescribed.

M "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.

M "Policy or This Policy" means, "Nomination, Remuneration and Evaluation Policy."

M "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.

M "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

- M** 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.
- M** Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- M** 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:

- M** To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

- M Formulate criteria for evaluation of Independent Directors and the Board.
- M 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.
- M To carry out evaluation of every Director's performance.
- M To recommend to the Board the appointment and removal of Directors and Senior Management.
- M To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- M Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- M To devise a policy on Board diversity.
- M 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.
- M To perform such other functions as may be necessary or appropriate for the performance of its duties.

VII. Membership

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

VIII. Chairman

- M Chairman of the Committee shall be an Independent Director.
- M Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- M In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- M 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

- M 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.
- M The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

XI. Voting

- M 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.
- M 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

M 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.

M 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 1st 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.

M Evaluation:

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

M 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.

M 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

M 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.

M 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.

M 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 PROVISIO 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	Date of the Subsidiary acquired	Reporting Period of the Subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment (Other than Subsidiary)	Turnover (including other income)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share holding
1.	Sai Maatarini Tollways Limited	08.09.2011	31.03.2016	1000.08	38469.57	156345.41	116875.75	—	0.43	(8.27)	—	(8.27)	—	100%
2.	Gayatri Infra Ventures Ltd	22.01.2008	31.03.2016	177.08	10930.71	33433.14	22325.34	6994.33	222.79	(2414.31)	—	(2414.31)	—	70.59%
3.	Gayatri Energy Ventures Pvt Ltd	10.02.2009	31.03.2016	652.40	49323.64	89676.42	39700.38	47692.57	1845.91	(418.32)	—	(418.32)	—	100%
4.	Gayatri Jhansi Roadways Limited	06.09.2008	31.03.2016	4240.00	(3031.114)	35218.93	34010.07	—	6129.72	(551.64)	—	(551.64)	—	51%
5.	Gayatri Lalitpur Roadways Limited	06.09.2008	31.03.2016	3179.80	(1996.62)	26419.37	25236.19	—	4992.23	(120.79)	—	(120.79)	—	51%
6.	Bhandara Thermal Power Corporation Limited	25.03.2011	31.03.2016	498.33	(36.97)	25325.11	24863.74	—	1845.66	(13.94)	—	(13.94)	—	100%

Part B

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

₹ in Lakhs

S. No	Name of the Associate/ Joint Venture	Date of which Associate or Joint Venture Acquired	Latest Audited Balance Sheet date	Shares of the Associates / Joint Ventures held by the company on the year end (in lakhs)			Description of how there is significant influence	Reason why the Associate/ Joint Venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit/Loss for the year	
				No.	Amount of investment in Associate/Joint Venture	Extend of holding %				Considered in Consolidation	Not in Consolidation
A. Associate Companies											
1.	Hyderabad Expressways Limited	Holding through Subsidiary	31.03.16	9.90	99.90	50	Associate Company	Considered for Consolidation in our Subsidiary	(316.80)	252.22	—
2.	Cyberabad Expressways Limited	Holding through Subsidiary	31.03.16	9.90	99.90	50	Associate Company		(3426.82)	(658.25)	—
3.	Western UP Tollways Limited	Holding through Subsidiary	31.03.16	49.37	4606.10	49	Associate Company		3036.49	(1492.79)	—
4.	HKR Roadways Limited	13.03.2012	31.03.16	12.07	120.70	26	Associate Company	Considered for consolidation	(29,785.11)	—	—
5.	Balaji Highways Holding Limited	29.04.2010	31.03.16	0.49	4.90	48.99	Associate Company	Considered for consolidation	(1.82)	—	—
6.	Indore Dewas Tollways Limited	04.05.2010	31.03.16	0.17	1.67	33.32	Associate Company	Considered for consolidation	(1203.07)	(1205.35)	—
B. Joint Ventures											
1.	Gayatri- RNS Joint Venture	07.04.2007	31.03.16	—	—	60	Joint Venture	Considered for consolidation	—	—	—
2.	IJM Gayatri Joint Venture	21.12.1998	31.03.16	—	—	40	Joint Venture	Considered for consolidation	41.96	7.15	—
3.	Gayatri-GDC Joint Venture	17.09.2004	31.03.16	—	—	70	Joint Venture	Considered for consolidation	—	—	—
4.	Gayatri-BCBPPL Joint Venture	19.01.2008	31.03.16	—	—	60	Joint Venture	Considered for consolidation	7.27	(0.42)	—
5.	Jaiprakash Gayatri Joint Venture	19.10.2004	31.03.15	—	—	49	Joint Venture	Considered for consolidation	5.66	(0.55)	—
6.	Gayatri ECI Joint Venture	18.08.2005	31.03.16	—	—	50	Joint Venture	Considered for consolidation	1275.46	388.90	—
7.	Maytas-Gayatri Joint Venture	17.06.2010	31.03.16	—	—	37	Joint Venture	Considered for consolidation	(8.55)	(8.55)	—
8.	Gayatri – Ratna Joint Venture	28.08.2008	31.03.16	—	—	80	Joint Venture	Considered for consolidation	5.37	—	—
9.	Mei-Gayatri-ZVS-ITT Consortium	28.01.2009	31.03.16	—	—	48.44	Joint Venture	Considered for consolidation	—	—	—
10.	Gayatri- JMC joint venture	8.12.2008	31.03.16	—	—	75	Joint Venture	Considered for consolidation	—	—	—
11.	Viswanath-Gayatri Joint Venture	29.09.2010	31.03.16	—	—	50	Joint Venture	Considered for consolidation	—	—	—
12.	GPL-RKTCL Joint Venture	27.06.2013	31.03.16	—	—	51	Joint Venture	Considered for consolidation	—	—	—
13.	Gayatri-SPL Joint Venture	10.04.2013	31.03.16	—	—	51	Joint Venture	Considered for consolidation	0.60	0.60	—
14.	Vishwa-Gayatri Joint Venture	29.07.2015	31.03.16	—	—	49	Joint Venture	Considered for consolidation	—	—	—

Note : During the financial year M/s. Thermal Power-Tech Corporation of India Limited is ceased to be an associate of the Company

ANNEXURE-III

EXTRACT OF ANNUAL RETURN-MGT-9

as on the financial year ended on 31/03/2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- (i) CIN : L99999TG1989PLC057289
- (ii) Registration Date : 15.09.1989
- (iii) Name of the Company : GAYATRI PROJECTS LIMITED
- (iv) Category / Sub-Category of the Company : Company Limited by Shares/Indian Non Government Company
- (v) Address of the Registered office and contact details : B1, 1ST Floor, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad, Telangana-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	45203	62.54
2	Industrial Projects	Not Applicable	20.65
3	Power Projects	45207	15.42

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
SUBSIDIARY COMPANIES					
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
ASSOCIATE COMPANIES					
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)

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

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% 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	—	15211536	50.32	16830942	—	16830942	47.48	2.84
(b) Central Govt	—	—	—	—	—	—	—	—	—
(c) State Govt (s)	—	—	—	—	—	—	—	—	—
(d) Bodies Corp.	—	—	—	—	—	—	—	—	—
(e) Banks / FI	—	—	—	—	—	—	—	—	—
(f) Any Other....	—	—	—	—	—	—	—	—	—
Sub-Total (A) (1)	15211536	—	15211536	50.32	16830942	—	16830942	47.48	2.84
(2) Foreign									
(a) NRIs - Individuals	—	—	—	—	—	—	—	—	—
(b) Other - Individuals	—	—	—	—	—	—	—	—	—
(c) Bodies Corp.	—	—	—	—	—	—	—	—	—
(d) Banks / FI	—	—	—	—	—	—	—	—	—
(e) Any Other....	—	—	—	—	—	—	—	—	—
Sub-Total (A) (2)	—	—	—	—	—	—	—	—	—
Total Shareholding of Promoter(A) = (A) (1) + (A) (2)	15211536	—	15211536	50.32	16830942	—	16830942	47.48	2.84

Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% 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	520889	—	520889	1.72	219	—	219	—	1.72
(b) Banks/FI	—	—	—	—	42386	—	42386	0.12	0.12
(c) Central Govt	—	—	—	—	—	—	—	—	—
(d) State Govt (s)	—	—	—	—	—	—	—	—	—
(e) Venture Capital funds	—	—	—	—	—	—	—	—	—
(f) Insurance Companies	1243359	—	1243359	4.11	1113143	—	1113143	3.14	0.97
(g) FIs	9221266	—	9221266	30.51	13504615	—	13504615	38.09	7.58
(h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
(i) Others (Specify)	—	—	—	—	—	—	—	—	—
Sub-Total (B)(1)	10985514	—	10273506	33.99	14660363	—	14660363	36.34	12.26
(2) Non- Institutions									
(a) Bodies Corp									
i. Indian	788999	—	788999	2.61	1436308	—	1436308	4.05	1.44
ii. Overseas	—	—	—	—	—	—	—	—	—
(b) individuals									
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	1771968	64	1772032	5.86	1052183	64	1052247	2.97	2.89
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1124269	—	1124269	3.72	1122267	—	1122267	3.17	0.55
(C) Others (Specify)									
Non Resident Indians	302785	—	302785	1.00	321931	—	321931	0.91	0.09
Clearing Member	41859	—	41859	0.14	26322	—	26322	0.07	0.07
Sub-Total (B)(2)	4029880	64	4029944	15.69	3959011	64	3959075	13.33	2.36
Total Shareholding of Public= (B) (1) + (B) (2)	15015394	64	15015458	49.68	18619374	64	18619438	52.52	2.84
C. Shares held by custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total(A+B+C)	30226930	64	30226994	100.00	35450316	64	35450380	100.00	14.73

(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 Subbarami Reddy Tikkavarapu	10630932	35.17	99.99	11425900	32.23	93.04	2.94
2	Sandeep Kumar Reddy Tikkavarapu	4579544	15.15	99.98	5403962	15.24	84.74	0.09
3	Sulochanamma Gunupati	450	—	—	470	—	—	—
4	Jenna Reddy Brij Mohan Reddy	450	—	—	450	—	—	—
5	Tikkavarapu Sarita Reddy	160	—	—	160	—	—	—
	Total	15211536	50.32	99.99	16830942	47.47	90.37	2.85

(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
	Date Name	(Increase/Decrease)	Reasons (sales/purchase /allotment)		
1.	03.09.2015 Indira Subbarami Reddy Tikkavarapu	794968	Preferential Allotment	11425900	32.33
2.	03.09.2015 Sandeep Kumar Reddy Tikkavarapu	824418	Preferential Allotment	5403962	15.24
3.	04.12.2015 Sulochanamma Gunupati	20	Purchase	470	—
	At the End of the year	16830942	47.47	16830942	47.47

(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.	GMO EMERGING MARKETS FUND				
	at the beginning of the year	—	—	—	—
	Date wise Increase/Decrease in top 10 Share holders during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Date	(Increase/Decrease)	Reasons (sales/purchase /allotment)		
	07.08.2015	3380000	Preferential Allotment	3380000	9.53
	At the End of the year (or on the date of separation, if separated during the Year	3380000	9.53	3380000	9.53
2.	AFRIN DIA				
	At the beginning of the year	2820000	9.33	2820000	9.33
	NO increase/decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year				
	At the End of the year (or on the date of separation, if separated during the Year	2820000	7.95	2820000	7.95
3.	INDIA MAX INVESTMENT FUND LIMITED				
	At the beginning of the year	2357000	7.80	2357000	7.80
	NO increase/decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year				
	At the End of the year (or on the date of separation, if separated during the Year	2357000	6.65	2357000	6.65
4.	GMO EMERGING DOMESTIC OPPORTUNITIES FUND				
	At the beginning of the year	2039278	6.75	2039278	6.75
	Date wise Increase/Decrease in top 10 Share holders during the year specifying the reason: * Dilution in the percentage of holding because of Preferential Allotments.				
	Date	(Increase/Decrease)	Reasons (sales/purchase /allotment)		
	09.10.2015	11735	Purchase	2051013	5.785
	16.10.2015	4606	Purchase	2055619	5.798
	18.12.2015	55350	Purchase	2110969	5.954
	At the End of the year (or on the date of separation, if separated during the Year	2110969	5.954	2110969	5.954
5.	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD				
	At the beginning of the year	1243359	4.11	1243359	4.11
	Date wise Increase/Decrease in top 10 Share holders during the year specifying the reason: * Dilution in the percentage of holding because of Preferential Allotments.				

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	(Increase/Decrease)	Reasons (sales/purchase/allotment)		
	10.07.2015	(130216)	Sales	1113143	3.68
	At the End of the year (or on the date of separation, if separated during the Year)	1113143	3.68	1113143	3.68
6.	MENTOR CAPITAL LIMITED				
	At the beginning of the year	—	—	—	—
	Date wise Increase/Decrease in top 10 Share holders during the year specifying the reason: * Dilution in the percentage of holding because of Preferential Allotments.				
	Date	(Increase/Decrease)	Reasons (sales/purchase/allotment)		
	15/05/2015	32146	Purchase	32146	0.11
	22/05/2015	47765	Purchase	79911	0.26
	29/05/2015	10883	Purchase	90794	0.30
	05/06/2015	73458	Purchase	164252	0.54
	12/06/2015	24253	Purchase	188505	0.62
	19/06/2015	35693	Purchase	224198	0.74
	26/06/2015	35700	Purchase	259898	0.86
	30/06/2015	28646	Purchase	288544	0.95
	03/07/2015	18373	Purchase	306917	1.02
	10/07/2015	66597	Purchase	373514	1.24
	17/07/2015	285803	Purchase	659317	2.18
	24/07/2015	37201	Purchase	696518	2.30
	31/07/2015	143945	Purchase	840463	2.78
	07/08/2015	(80000)	Sale	760463	2.52
	14/08/2015	10959	Purchase	771422	2.55
	21/08/2015	17526	Purchase	788948	2.61
	28/08/2015	15881	Purchase	804829	2.66
	04/09/2015	45791	Purchase	850620	2.81
	11/09/2015	10000	Purchase	860620	2.85
	18/09/2015	2600	Purchase	863220	2.55
	25/09/2015	(74130)	Sale	789090	2.33
	02/10/2015	50008	Purchase	839098	2.48
	09/10/2015	14603	Purchase	853701	2.52
	16/10/2015	19125	Purchase	872826	2.58
	23/10/2015	13239	Purchase	886065	2.62
	30/10/2015	10245	Purchase	896310	2.53
	06/11/2015	(15208)	Sale	881102	2.49
	13/11/2015	458	Purchase	881560	2.49
	20/11/2015	423	Purchase	881983	2.49
	27/11/2015	(25037)	Sale	856946	2.42
	04/12/2015	(52514)	Sale	804432	2.27

	11/12/2015	18267	Purchase	822699	2.32
	18/12/2015	15629	Purchase	838328	2.36
	18/12/2015	(211176)	Sale	627152	1.77
	25/12/2015	7846	Purchase	634998	1.79
	25/12/2015	(39125)	Sale	595873	1.68
	31/12/2015	(11734)	Sale	584139	1.65
	01/01/2016	10000	Purchase	594139	1.68
	08/01/2016	16753	Purchase	610892	1.72
	15/01/2016	35252	Purchase	646144	1.82
	22/01/2016	62241	Purchase	708385	2.00
	29/01/2016	13621	Purchase	722006	2.04
	12/02/2016	1000	Purchase	723006	2.04
	19/02/2016	862	Purchase	723868	2.04
	26/02/2016	37447	Purchase	761315	2.15
	04/03/2016	17205	Purchase	778520	2.20
	11/03/2016	17586	Purchase	796106	2.25
	18/03/2016	38020	Purchase	834126	2.35
	25/03/2016	200	Purchase	834326	2.35
	31/03/2016	7774	Purchase	842100	2.38
	At the End of the year (or on the date of separation, if separated during the Year	842100	2.38	842100	2.38
7. SPARROW ASIA DIVERSIFIED OPPORTUNITIES FUND					
	At the beginning of the year	521196	1.72	521196	1.72
	No increase / decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year				
	At the End of the year (or on the date of separation, if separated during the Year	521196	1.47	521196	1.47
8. LEMAN DIVERSIFIED FUND					
	At the beginning of the year	408021	1.35	408021	1.35
	No increase / decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year				
	At the End of the year (or on the date of separation, if separated during the Year	408021	1.15	408021	1.15
9. STREAM VALUE FUND					
	At the beginning of the year	308169	1.02	308169	1.02
	No increase / decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year				
	At the End of the year (or on the date of separation, if separated during the Year	308169	0.87	308169	0.87
10. FORSTA AP-FONDEN AS MANAGED BY GMO UK LTD					
	At the beginning of the year	—	—	—	—
	Date wise increase / Decrease in Share holding during the Year, specifying the reason: * Dilution in the percentage of holding because of Preferential Allotments.				
	Date	(Increase/ Decrease)	Reasons (sales/purchase)		
	30/09/2015	224750	Purchase	224750	0.63
	09/10/2015	12666	Purchase	237416	0.67
	At the End of the year (or on the date of separation, if separated during the Year	237416	0.67	237416	0.67

(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.	Mrs. Indira Subbarami Reddy Tikkavarapu (Non- Executive Director)				
	At the beginning of the year	10630932	35.17	10630932	35.17
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Date	(Increase/ Decrease)	Reasons (sales/purchase/allotment)		
	03.09.2015	794968	Preferential Allotment	11425900	32.23
	At the End of the year	11425900	32.23	11425900	32.23
2.	Mr. Sandeep Kumar Reddy Tikkavarapu (Managing Director)				
	At the beginning of the year	4579544	15.15	4579544	15.15
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Date	(Increase/ Decrease)	Reasons (sales/purchase/allotment)		
	03.09.2015	824418	Preferential Allotment	5403962	15.24
	At the End of the year	5403962	15.24	5403962	15.24
3.	Mr. Jenna Reddy Brij Mohan Reddy (Executive Vice Chairman)				
	At the beginning of the year	450	—	450	—
	No Increase / Decrease in Share holding during the year				
	At the End of the year	450	—	450	—
4.	Mr. Sivakumar Reddy Gunupati (Independent Director)				
	At the beginning of the year	225	—	225	—
	No Increase / Decrease in Share holding during the year				
	At the End of the year	225	—	225	—
5.	Mr. Harivithalrao Venkateshwarrao Chintalapati (Independent Director)				
	At the beginning of the year	10	—	10	—
	No Increase / Decrease in Share holding during the year				
	At the End of the year	10	—	10	—
6.	Mr. Linga Moorthy Vajjhala (Independent Director)				
	At the beginning of the year	—	—	—	—
	No Increase / Decrease in Share holding during the year				
	At the End of the year	—	—	—	—
7.	Mr. Jawarhar Lal Nehru Karamchetti (Independent Director)				
	At the beginning of the year	—	—	—	—
	No Increase / Decrease in Share holding during the year				
	At the End of the year	—	—	—	—

8.	Mr. Venkateswarlu Kakkerla (Nominee Director)				
	At the beginning of the year	—	—	—	—
	No Increase / Decrease in Share holding during the year				
	At the End of the year	—	—	—	—
9.	Ms. Indani Venkata Lakshmi (Company Secretary & Compliance Officer)				
	At the beginning of the year	15	—	15	—
	No Increase / Decrease in Share holding during the year				
	At the End of the year	15	—	15	—
10.	Mr. Sreedhar Babu Ponnuru (Chief Financial Officer)				
	At the beginning of the year	5	—	5	—
	No Increase / Decrease in Share holding during the year				
	At the End of the year	5	—	5	—

V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning 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
Change in Indebtedness during the financial year				
Addition	21657.75	—	—	21657.75
Reduction	—	—	—	—
Net Change	21657.75	—	—	21657.75
Indebtedness at the end of the financial year				
i) Principal Amount	197657.08	—	—	197657.08
ii) Interest due but not paid	828.37	—	—	828.37
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	198485.45	—	—	198485.45

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/WT/Manager		Total
		T.V. Sandeep Kumar Reddy (MD)	J. Brij Mohan Reddy (WTD)	Amount
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	408.00	132.00	540.00
(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)	—	—	540.00
	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	J. N. Karamchetti	
	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	2.05	1.90	2.05	0.75	6.75
	Total (1)	2.05	1.90	2.05	0.75	6.75
		T. Indira Subbarami Reddy	K.Venkateswarlu			
	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	1.35	0.25			1.60
	Total (2)	1.35	0.25	—		1.60
	Total (B) = (1)+(2)					8.35
	Total Managerial Remuneration					8.35
	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	—	21.81	38.60	60.41
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—	—
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission- as % of profit- others, specify...	—	—	—	—
5	Others, please specify	—	—	—	—
	Total (A)	—	21.81	38.60	60.41

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					

For and on behalf of the Board

(T. INDIRA SUBBARAMI REDDY)

Chairperson
(DIN : 00009906)

(T.V.SANDEEP KUMAR REDDY)

Managing Director
(DIN : 00005573)

Place : Hyderabad
Date : 26th August, 2016

(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 : 040 40210182 (office)

FORM NO- MR-3

Secretarial Audit Report

For The Financial Year Ended 31st March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

M/s. GAYATRI PROJECTS LIMITED

Hyderabad, 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 (CIN: L99999TG1989PLC057289)** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31st March, 2016** (‘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, 2016** according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Applicable w.e.f. 15th May, 2015);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 (**Not Applicable during the audit period**);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable during the audit period**);

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 (**Not Applicable during the audit period**) and;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998 (**Not Applicable during the audit period**);

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified from time to time.
- ii) The Listing Agreements entered by the Company with BSE Limited upto 30th November, 2015.
- iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 1st December, 2015.

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

I further report that:

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

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

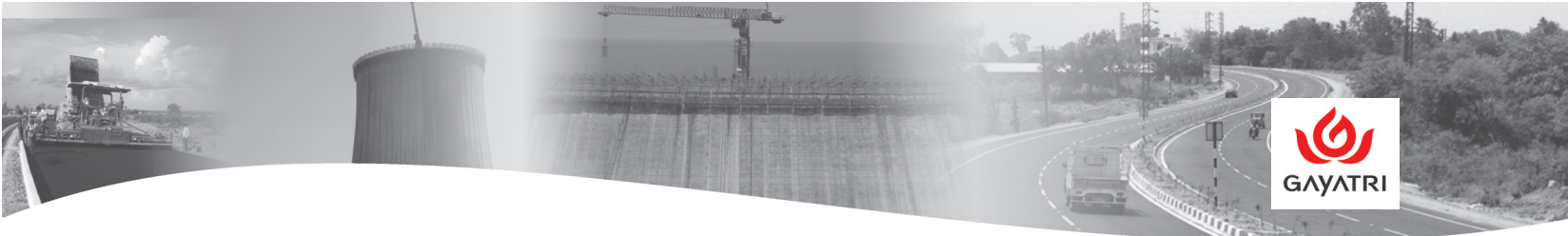
All decisions at Board Meetings and Committee Meetings are carried out and are recorded in the minutes of the meeting of the Board of Directors or Committee of the Board as the case may be and majority decision is carried through while the dissenting members' views, if any, are captured and recorded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

I further report that as 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 : 26th August, 2016

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: 040 40210182 (office)

‘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 : 26th August, 2016

ANNEXURE - V

MANAGEMENT DISCUSSION AND FINANCIAL ANALYSIS

Overview

World Bank in its latest report on India has said that “the infrastructure push would continue and spending in infrastructure sectors, including both current and capital expenditures, is expected to increase significantly by 16 percent. Highways alone were allocated INR 2,21,246 crores. The budget also proposed five new ultra-mega power projects of 4,000 MW each, besides aiming to corporatize public sector ports to improve efficiency”.

The past couple of years have been very encouraging for the road sector. A record length of about 10,000 km was awarded and about 6,000km of road stretches were completed in 2015-16. The current construction rate for national highways has gone up to about 18 km per day. The Construction sector also received a 25 per cent higher allocation (central plan outlay) in the 2016-17 Budget.

EPC continued to be the dominant mode of project award and implementation. Nearly 80 percent of the projects awarded by NHAI during the year were on an EPC basis. In addition, National Highways and Infrastructure Development Corporation Limited (NHIDCL) is implementing 109 contracts (7,150 km) on an EPC basis in the Northeast.

At the same time, attempts are being made to modify the PPP model with new models such as hybrid annuity and toll-operate-transfer (ToT) are being considered for private participation. A total of 14 projects have been awarded on a hybrid annuity basis. The ministry also plans to offer about 104 toll projects for a 20-year lease period on a ToT basis.

On the funding front, new sources are being explored. The government’s decision to remove dividend distribution tax on infrastructure investment trusts has encouraged companies to list their assets under InvITs. The ministry is also planning to tap ₹ 500 billion from LIC India to finance its expressway development programme. Meanwhile, NHAI has been allowed to raise ₹ 500 billion ₹ 550 billion through market borrowings.

Operational asset sales have become prominent in the sector, especially post the policy change that allowed companies to fully exit their projects after two years of construction. This is helping road developers deleverage their balance sheets to infuse fresh liquidity into the sector. Some of the companies in the infra development have already divested their assets to new promoters.

India needs ₹ 31 trillion (US\$ 454.83 billion) to be spent on infrastructure development over the next five years, with 70 per cent of funds needed for power, roads and urban infrastructure segments. India is witnessing significant interest from international investors in the infrastructure space. Many Foreign Investors are keen on collaborating with India on infrastructure, high speed trains, renewable energy and developing smart cities.

Some of the key developments in construction sector in recent past are:

- m Airports Authority of India (AAI) plans to develop city-side infrastructure at 13 regional airports across India, with help from private players for building of hotels, carparks and other facilities, and thereby boost its non-aeronautical revenues.
- m The Government of India has earmarked ₹ 50,000 crore to develop 100 smart cities across the country. The Government released its list of 98 cities for the smart cities project in August 2015.
- m The Government of India has unveiled plans to invest US\$ 137 billion in its rail network over the next five years.
- m The Government of India has announced highway projects worth US\$ 93 billion, which include government flagship National Highways Building Project (NHDP) with total investment of US\$ 45 billion over next three years.
- m Government of India plans to use the new hybrid-annuity model for allocating contracts under the Public Private Partnership (PPP) projects in highways, Namami Gange and Railway Projects, which will help overcome the challenges faced by private developers in the Build-Operate-Transfer (BOT) Toll and BOT-Annuity models.
- m Budgetary allocation for Roads and Railways in the Union Budget 2016 has been increased to ₹ 218,000 crore (US\$ 31.98 billion) with an aim to boost the private investment cycle.
- m The Ministry of Road Transport and Highways plans to build five more greenfield expressways across the country, which are expected to reduce travel time and propel economic growth.
- m The Union Cabinet has approved several reforms such as allowing National Highways Authority of India (NHAI) to extend the concession period for current incomplete projects in build-operate-transfer (BOT) mode.

- m Government of India plans to launch the National Infrastructure Investment Fund (NIFF) with an initial corpus of at least ₹ 40,000 crore (US\$ 5.87 billion).
- m The Ministry of Urban Development has approved an investment of ₹ 19,170 crore (US\$ 2.81 billion) for improving basic urban infrastructure in 474 cities in 18 states and Union Territories (UTs).
- m The Government of India plans to award 100 highway projects under the public-private partnership (PPP) mode in 2016, with expectations that recent amendments in regulations would revive investor sentiments in PPP projects in the infrastructure sector.
- m The Reserve Bank of India (RBI) has notified 100 per cent foreign direct investment (FDI) under automatic route in the construction development sector.

Future Outlook

Forecasts estimate huge growth for India construction. The recent survey report highlights that India as one of the most promising growth economies in the construction sector across the world, and "forecasts that the volume of construction output will grow by 85% to \$15.5 trillion worldwide by 2030, with three countries, China, US and India, leading the way and accounting for 57% of all global growth." The survey also concludes that the Indian construction market will grow at an average rate of 8.5% annually. With 1.2 billion people and the world's fourth-largest economy, India's recent growth and development has been one of the most significant achievements of our times. The future outlook of construction sector is positive and bright.

Our company as leading player in construction industry is in advantageous position and looking forward to take advantage of business opportunities in infra development sector.

Financial Performance - Stand Alone

₹ in Lakhs

DESCRIPTION	2015-16	2014-15
Turnover	1,81,221.25	1,60,114.16
EBITDA	26,605.83	21,196.12
Profit After Tax	5,864.84	2,205.32
Equity Capital	3,545.04	3,022.70
Reserves & Surplus	80,322.25	65,231.05
Net Worth	83,867.29	68,253.75
Gross Block	47,219.42	46,203.29
Net Block	22,686.19	20,812.12
Book Value per Share	236.58	225.80
Dividend	20.00%	10.00%

Key Financial Ratios

Particulars	2015-16	2014-15
EBITDA / Net Income (%)	14.68%	13.20%
PAT/Net Income(%)	3.24%	1.37%
RONW (%)	6.99%	3.23%
EPS	17.50%	7.30%
Direct Cost to Sales (%)	85.68%	87.04%
Finance Cost to Sales (%)	8.71%	9.29%
Total Expenses to Sales (%)	96.47%	98.08%

Share Capital:

During the year under review, the company issue 16,19,386 Equity Share of ₹ 10/- each at a premium of ₹ 193.78 per equity share by way of preferential allotment to promoters and further issued 36,04,000 Equity Shares of ₹ 10/- each at a premium of ₹ 193.78 on preferential allotment / private placement. The share capital and share premium stands increased on account above preferential allotment.



Reserves & Surplus:

The Reserves & Surplus of the Company has increased to ₹ 80,322.25 Lacs from ₹ 65,231.05 Lakhs in the previous year. The increase is due to premium received on preferential allotment and retention of profits made during the year. The overall net worth of the company has increased to ₹ 83,867.29 Lakhs from ₹ 68,253.75 Lakhs.

Turnover:

During the year under review the company achieved turnover of ₹ 1,81,221.25 Lakhs as against ₹ 1,60,114.16 Lakhs in the year 2014-15. The Company has an outstanding order book of ₹ 10,375.72 crores as on 31st March 2016 and company has bagged new orders valued about ₹ 1399.44 crores so far during the current financial year. The total order book including new works is about ₹ 11,775.16 crores. The company is able to achieve better turnover due to strong order book and improved business environment.

Direct Cost:

The direct cost consists of all expenses excluding finance charges and depreciation. Despite the increase in the material cost and other expenses, the company is able to marginally reduce the direct cost as compared to previous year.

Financial Charges:

The financial cost is within the permissible limits and recorded 8.71% to the sales as against 9.29% in the previous year. The lenders of the company have sanctioned the working capital and other loans at concessional interest rate as per the restructure plan.

EBITDA and PAT:

The EBITDA margin increased marginally during the year to 14.68% as compared to 13.20% in the previous year. The PAT margins have substantially increased to 3.24% as against 1.37% in the previous year due to spread of fixed cost over the turnover.

Dividend:

The Board of Directors has recommended a Dividend of ₹ 2/- per Equity share for the year 2015-16 subject to approval of Shareholders at the ensuing Annual General Meeting.

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 Company has taken personal accident insurance to all its permanent employees as a supportive gesture. The relationship with employees remained smooth and cordial through out 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.

- M** Eradicating extreme hunger, poverty;
- M** Promotion of education including special education ;
- M** Promoting gender equality and empowering women;
- M** Ensuring environmental sustainability and ecological balance;
- M** Rural Development Projects;
- M** Social business projects;
- M** 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	Chairperson
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 : ₹ 4424.99 Lakhs
4. Prescribed CSR expenditure (2% of Average Net Profit) : ₹ 88.50 Lakhs
5. Details of CSR spend for the financial year
- a. Total amount spent during the financial year 2015-16 : ₹ 88.79 Lakhs
 - b. Amount unspent, if any : ₹ Nil

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

S.No.	CSR Project or activity identified	Sector in which the project is covered	Projects of Programmes (1) Local area or other (2) Specify the state and district where projects or programme was undertaken	Amount in lakhs outlay (budget) project or programs wise	Amount in lakhs spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
1	Medical Camps	Promoting Health care including preventive health care	Visakhapatnam, Andhra Pradesh	100.00	50.28	50.28	Agency : Balaji Charitable Trust
2	Medical Camps	Promoting Health care including preventive health care	Through Andhra Pradesh and Telangana	40.00	38.51	38.51	Agency : GVK Emergency Management System
				140.00	88.79	88.79	

(T. INDIRA SUBBARAMI REDDY)

Chairperson CSR Committee
(DIN : 00009906)

(T.V.SANDEEP KUMAR REDDY)

Managing Director
(DIN : 00005573)

Place: Hyderabad

Date : 26th August, 2016

Annexure -VII

Related Party Disclosures– Chapter IX

Form No. AOC-2

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

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

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Gayatri Infra Ventures Limited , a Subsidiary of the Company and directors Mr. T. V. Sandeep Kumar Reddy, Mrs. T. Indira Subbarami Reddy and Mr. J. Brij Mohan Reddy interested as common directors and promoters of the Company.	To acquire 5,20,833 Equity shares held by M/s. AMP Capital in Gayatri Infra Ventures Limited.	N.A	Acquisition of 5,20,833 Equity shares held by M/s. AMP Capital in Gayatri Infra Ventures Limited @ ₹ 883.25/- per share and thereby making a wholly owned subsidiary of the Company	28.11.2015	—
Gayatri Hi-Tech Hotels Limited , a promoter group company in which Mr. T. V. Sandeep Kumar Reddy, Mrs. T. Indira Subbarami Reddy interested as common promoters and directors.	Conversion of outstanding EPC Receivables of ₹235.00 Crores in to Non Convertible Cumulative Redeemable Preference Shares.	Redeemable after 10 Years and can be exceeded for maximum period of 20 years from the date of issue.	Conversion EPC Payables of ₹ 235 Crores into 9% Non-Convertible Cumulative Redeemable Preference Shares (“NCRPS”) of ₹ 10/- each at a premium of ₹ 90/- per share.	13.02.2016	—

For and on behalf of the Board

(T. INDIRA SUBBARAMI REDDY)

Chairperson
(DIN : 00009906)

(T.V.SANDEEP KUMAR REDDY)

Managing Director
(DIN : 00005573)

Place : Hyderabad
Date : 26th August, 2016

(P. SREEDHAR BABU)

Chief Financial Officer

(I.V. LAKSHMI)

Company Secretary & Compliance Officer

ANNEXURE – VIII

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 Kumar Reddy	170:1
2.	Mr. J. Brij Mohan Reddy	55:1

- (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.P.Sreedhar Babu, CFO	10%
2.	Mrs.I.V.Lakshmi, CS	10%

- (iii) The percentage increase in the median remuneration of employees in the financial year: 12.00%
- (iv) The number of permanent employees on the rolls of company: 1970 Employees
- (v) 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 12.00% and there has been no increase in the managerial remuneration during the last financial year.

- (vi) The key parameters for any variable component of remuneration availed by the directors; Nil
- (vii) Affirmation that the remuneration is as per the remuneration policy of the company.- Yes

- b) There are no Employees drawing remuneration not less than ₹ 1.02 Crores per annum if employed throughout the financial year and ₹ 8.5 Lakhs per month, if employed for the part of the financial year during the year.

Annexure -IX

CORPORATE GOVERNANCE REPORT:

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

A. MANDATORY REQUIREMENTS

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's philosophy on corporate governance encompasses not only regulatory and legal requirements, such as the terms of listing agreements with stock exchanges, but also several voluntary practices aimed at a high level of business ethics, 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:

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

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

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 Stake Holders Relationship Committee.

COMPOSITION

The Board represents an optimum mix of professionalism, knowledge and experience. As on 31st March, 2016, we had a total strength 8 Directors in the Board, comprising of: 2 Executive Directors and 6 Non-executive Directors (4 of them are Independent Directors and 1 is Nominee Director). The Company immensely benefits from the professional expertise of the independent Directors. The Board has an adequate combination of Executive, Non-Executive and Independent Directors.

Table : I Key information pertaining to Directors as on 31st March, 2016

	Mrs. T. I ndira 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	Mr. J.N. Karamchetti	Mr. K.Venkateswarlu
Category	Chairperson Promoter Director	Managing Director	Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Non-Executive Director (Nominee Director)
Date of appointment	08/03/1996	15/09/1989	30/03/1994	30/03/1994	04/11/2005	04/11/2005	14.11.2015	13.02.2016
No of Other Directorships	19	16	7	5	6	8	3	1
Chairmanship in Committees of Board of other Companies*	—	1	—	—	2	2	—	—
Membership in Committees of Board of other Companies*	1	3	—	—	3	7	2	—
No. of Board Meetings held / attended	8/7	8/7	8/2	8/7	8/8	8/8	3/3	1/1
Attendance at the last AGM held on Sept. 28, 2015	No	Yes	No	No	Yes	Yes	No	No
No. of Shares Held as on 31/03/2016	11425900	5403962	450	225	—	10	—	—
Inter-se relationship	Mother of T. V. Sandeep Kumar Reddy	Son of T. Indira Subbarami Reddy	Father in law of T. V. Sandeep Kumar Reddy	—	—	—	—	—

* includes only membership and chairmanship in Audit and Stakeholder Relationship Committee

Note: Mr. Umakanth K. Bijapur, who was appointed as director, Nominee of Bank of Baroda has attended one board meeting which was held on 03.09.2015 and the Bank of Baroda withdrawn its nomination and appointed Mr. K. Venkateswarlu as its nominee on 13.02.2016.

Details of the familiarization programmes imparted to Independent Directors are disclosed in the company's website: http://www.gayatri.co.in/pdf/Familiarisation_Programmes.pdf

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 2015–16 on 30th May, 2015, 16th June, 2015, 11th August, 2015, 14th August, 2015, 03rd September, 2015, 14th November, 2015, 28th November, 2015, 13th February, 2016.

Details of the Directors seeking re-appointment

Details in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of the Director	T. Indira Subbarami Reddy	J.N. Karamchetti
Director Identification No	00009906	00940963
Date of Birth	13.03.1951	01.06.1946
Date of appointment	08.03.1996	14.11.2015
Occupation	Industrialist	Service
Relationship between directors inter-se	Mother of T. V. Sandeep Kumar Reddy	Nil
Nature of expertise in specific functional area	25 years of experience in the construction industry	15 years experience in all fields of Engineering and in Steel, Energy, Rubber and Starch sectors
Directorship in Listed Entities	Gayatri Tissue and Papers Limited and Gayatri Sugars Limited	Gayatri Bio-Organics Limited and Gayatri Sugars Limited.
Membership of Committees of other Listed Companies (includes only Audit Committee and Stakeholders Relationship Committee)	1	1
Shareholding in the Company	11425900	Nil

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

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

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

III. AUDIT COMMITTEE

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

Powers of Audit Committee:

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

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

Role of Audit Committee:

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

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

The Composition of the Audit Committee:

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

a) Meetings and Attendance:

Four Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows: 30th May, 2015, 14th August, 2015, 14th November, 2015 and 13th February, 2016. The maximum gap between any two meetings is not more than 120 days.

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	4
Mr. G. Siva Kumar Reddy – Member	4	4
*Mr. J N Karamchetti – Member	1	1

***Note:** Appointed as a member on 13.02.2016 pursuant to the re-constitution of the Audit Committee.

The necessary quorum was present at all the meetings.

IV. NOMINATION AND REMUNERATION COMMITTEE

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

- a) To ensure that the level and composition of remuneration is reasonably and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay.
- b) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- c) To identify persons who may be appointed in senior management in accordance with the criteria laid down.
- d) To carry out evaluation of every director's performance and recommend to the board his/her appointment and removal based on the performance.

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

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 Meetings and Attendance:

Name of the Director	Held	Attended
Mr. G. Siva Kumar Reddy - Chairman	3	3
Mrs. T. Indira Subbarami Reddy - Member	3	3
Dr. V. L. Moorthy - Member	3	3

* The Committee met on 30th May 2015, 03rd September 2015 and 13th February, 2016.

Table : 4 Remuneration and sitting fees paid to the Directors during 2015-2016

(₹ 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	Mr. J.N. Karamchetti	Mr. K. Venkateswarlu
Category	Chairperson Promoter Director	Managing Director	Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Non-Executive Director (Nominee Director)
Relationship with directors	Yes	Yes	Yes	None	None	None	None	None
Salary	-	408.00	132.00	-	-	-	-	-
Allowances	-	-	-	-	-	-	-	-
Commission/Incentives	-	-	-	-	-	-	-	-
Other Annual Compensation	-	-	-	-	-	-	-	-
Deferred Benefits	-	-	-	-	-	-	-	-
Sitting fees	1.35	-	-	1.90	2.05	2.05	0.75	0.25

Note: Mr. Umakanth. K. Bijapur, Nominee of Bank of Baroda has received ₹ 25000 as sitting fees for the board meeting attended on 03.09.2015.

Performance Evaluation Criteria for Independent Directors

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

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

V. STAKEHOLDER'S RELATIONSHIP COMMITTEE

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

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

The Constitution of Stakeholders Relationship 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 Relationship Committee met on 30.09.2015 and 30.03.2016 during the financial year 2015-16.

b) Name and Address of Compliance Officer

CS I.V. LAKSHMI

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

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

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

VI. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company had met during the year on 13.02.2016 to review the performance of non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

The Company had also further during the year, conducted Familiarization programmes for Independent Directors of the Company and the details of such familiarization programmes are disseminated on the website of the Company ([http://www.gayatri.co.in/Investors/CorporateGovernance/Policies/Familiarization Programme](http://www.gayatri.co.in/Investors/CorporateGovernance/Policies/FamiliarizationProgramme))

VII. GENERAL BODY MEETINGS

a) Annual General Meeting

m **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
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.
2014-15	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	28/09/2015 11.30 AM	1. Re-appointment of Sri. J. Brij Mohan Reddy, Executive Vice Chairman. 2. Ratification of Master Restructuring Agreement (MRA) entered into by the Company for conversion of loan into equity

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

Year	Location	Date and Time	Special Resolution passed
2014-15	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	10/07/2015 11.30 AM	1. Issue of equity shares on preferential basis 2. Issue of equity shares to the promoters by way of conversion of unsecured loan of ₹ 33.00 Crores.
	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	05/09/2015 11.30 AM	1. Typo error in the investors names 2. Disclosure of identity of the ultimate beneficial owners of the allottees as per regulation 73 (1) (e) of chapter vii of SEBI (ICDR) regulations, 2009 as amended from time to time.

c) Postal Ballot:

During the year 2015-2016, 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 28th November, 2015 and 13th February, 2016 as the Scrutinizer.

Table: 9 – a) Results of the aforesaid Postal Ballot Notice dated. 28th November, 2015

Item No. 1 To acquire/purchase shares held by M/s. AMP Capital Mauritius Limited in M/s. Gayatri Infra Ventures Limited thereby increasing the stake in M/s. Gayatri Infra Ventures Limited up to 100%:

Date of AGM/EGM:				Postal ballot notice dated 28th November, 2015				
Total no. of share holders as on record date				7489				
No. of Shareholders present in the meeting either in person or through proxy.				Not Applicable				
No. of Shareholders attended the meeting through video conferencing:				Not Applicable				
Resolution Required: (Ordinary/Special)				Special				
Whether promoter/promoter group are interested in the agenda/resolution:				No				
Category	Mode of voting	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	E-Voting	16830922	16830922	100.00	16830922	0.00	100.00	0.00
	Poll	16830922	—	—	—	—	—	—
	Postal Ballot (if applicable)	16830922	—	—	—	—	—	—
	Total	16830922	16830922	100.00	16830922	—	100.00	—
Public – Institutions	E-Voting	14359511	6972257	48.55	6972257	—	100.00	—
	Poll	14359511	—	—	—	—	—	—
	Postal Ballot	14359511	—	—	—	—	—	—
	Total	14359511	6972257	48.55	6972257	—	100.00	—
Public-Non Institutions	E-Voting	4259947	24897	0.58	24897	—	100.00	—
	Poll	4259947	—	—	—	—	—	—
	Postal Ballot	4259947	1481	0.03	1481	—	100.00	—
	Total	4259947	26378	0.62	26378	—	100.00	—
	Total	35450380	23829557	67.22	23829557	—	100.00	—

*Only valid postal ballot forms are considered.

Percentage of votes cast in favour: 100.00 and Percentage of votes cast against: 0.00

Item No. 2: Alteration/Substitution of Memorandum of Association.

Date of AGM/EGM:				Postal ballot notice dated 28th November, 2015				
Total no. of share holders as on record date				7489				
No. of Shareholders present in the meeting either in person or through proxy.				Not Applicable				
No. of Shareholders attended the meeting through video conferencing:				Not Applicable				
Resolution Required: (Ordinary/Special)				Special				
Whether promoter/promoter group are interested in the agenda/resolution:				No				
Category	Mode of voting	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	E-Voting	16830922	16830922	100.00	16830922	0.00	100.00	0.00
	Poll	16830922	—	—	—	—	—	—
	Postal Ballot (if applicable)	16830922	—	—	—	—	—	—
	Total	16830922	16830922	100.00	16830922	—	100.00	—
Public – Institutions	E-Voting	14359511	6972257	48.55	6972257	—	100.00	—
	Poll	14359511	—	—	—	—	—	—
	Postal Ballot	14359511	—	—	—	—	—	—
	Total	14359511	6972257	48.55	6972257	—	100.00	—
Public-Non Institutions	E-Voting	4259947	24897	0.58	24897	—	100.00	—
	Poll	4259947	—	—	—	—	—	—
	Postal Ballot	4259947	1481	0.03	1481	—	100.00	—
	Total	4259947	26378	0.62	26378	—	100.00	—
	Total	35450380	23829557	67.22	23829557	—	100.00	—

*Only valid postal ballot forms are considered.

Percentage of votes cast in favour: 100.00 and Percentage of votes cast against: 0.00

Item No. 3: Alteration/Substitution of Articles of Association.

Date of AGM/EGM:				Postal ballot notice dated 28th November, 2015				
Total no. of share holders as on record date				7489				
No. of Shareholders present in the meeting either in person or through proxy.				Not Applicable				
No. of Shareholders attended the meeting through video conferencing:				Not Applicable				
Resolution Required: (Ordinary/Special)				Special				
Whether promoter/promoter group are interested in the agenda/resolution:				No				
Category	Mode of voting	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	E-Voting	16830922	16830922	100.00	16830922	0.00	100.00	0.00
	Poll	16830922	—	—	—	—	—	—
	Postal Ballot (if applicable)	16830922	—	—	—	—	—	—
	Total	16830922	16830922	100.00	16830922	—	100.00	—
Public – Institutions	E-Voting	14359511	6972257	48.55	6972257	—	100.00	—
	Poll	14359511	—	—	—	—	—	—
	Postal Ballot	14359511	—	—	—	—	—	—
	Total	14359511	6972257	48.55	6972257	—	100.00	—
Public-Non Institutions	E-Voting	4259947	24897	0.58	24897	—	100.00	—
	Poll	4259947	—	—	—	—	—	—
	Postal Ballot	4259947	1481	0.03	1481	—	100.00	—
	Total	4259947	26378	0.62	26378	—	100.00	—
	Total	35450380	23829557	67.22	23829557	—	100.00	—

*Only valid postal ballot forms are considered.

Percentage of votes cast in favour: 100.00 and Percentage of votes cast against: 0.00

The above results were announced on Wednesday, the 6th day of January, 2016.

d) Results of the Postal Ballot Notice dated. 13th February, 2016

Item No. 1: To invest in 9% Non-Convertible Cumulative Redeemable Preference Shares issued by M/s. Gayatri Hi-Tech Hotels Limited in lieu of EPC receivables.

Date of AGM/EGM:				Postal ballot notice dated 13th February, 2016				
Total no. of share holders as on record date				7071				
No. of Shareholders present in the meeting either in person or through proxy.				Not Applicable				
No. of Shareholders attended the meeting through video conferencing:				Not Applicable				
Resolution Required: (Ordinary/Special)				Special				
Whether promoter/promoter group are interested in the agenda/resolution:				Yes				
Category	Mode of voting	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	E-Voting	16830942	—	—	—	—	—	—
	Poll	16830942	—	—	—	—	—	—
	Postal Ballot (if applicable)	16830942	—	—	—	—	—	—
	Total	16830942	—	—	—	—	—	—
Public – Institutions	E-Voting	14759544	6168705	41.79	6168705	—	100.00	—
	Poll	14759544	6168705	41.79	6168705	—	—	—
	Postal Ballot	14759544	6168705	41.79	6168705	—	—	—
	Total	14759544	6168705	41.79	6168705	—	100.00	—
Public-Non Institutions	E-Voting	3859894	23968	0.61	23648	50	99.78	0.20
	Poll	3859894	—	—	—	—	—	—
	Postal Ballot	3859894	3070	0.08	1469	1601	47.85	52.15
	Total	3859894	26768	0.69	25117	1651	93.83	6.17
	Total	35450380	6195473	17.47	6193822	1651	99.97	0.03

Percentage of votes cast in favour: 99.97 and Percentage of votes cast against: 0.03

The above results were announced on Tuesday, the 22nd March, 2016.

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

e) 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
28 th day of November, 2015	05 th January, 2016	05 th January, 2016	06 th January, 2016
13 th day of February, 2016	19 th day of March, 2016	21 st March, 2016	22 nd March, 2016

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.

f) 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.

g) Subsidiary Companies:

Company has two (2) material non listed Indian subsidiary viz.. M/s. Sai Maatarini Tollways 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 SEBI (LODR) Regulations, 2015. 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.

h) 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 2015-16, 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, 2016, 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.

Further the Company has invested in 9% Non- Convertible Redeemable Preference Shares of ₹ 100/- each with a face value of ₹ 10/- each at a premium of ₹ 90/- each issued by M/s. Gayatri Hi-Tech Hotels Limited (GHHL), a related party in which the directors of the Company are interested, by way of Conversion of Outstanding EPC Receivables of ₹ 235.00 Crores from (GHHL) being a material related party transaction company has obtained necessary approval from the unrelated shareholders.

Further the Company has entered Share Purchase Agreement with M/s. AMP Capital to purchase 520833 equity shares (constituting 29.41%) of M/s. Gayatri Infra Ventures Limited (GIVL), thereby making GIVL a wholly owned subsidiary of the Company. For this company has obtained necessary approvals of the shareholders.

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

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

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

- NIL -

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

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

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

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

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

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

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

Nil

- (vii) Risk Management:**

The Risk Management Committee has 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:

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

h) MEANS OF COMMUNICATION

Quarterly Results, Press Releases, presentations and Publications:

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

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

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

i) GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting:

Financial Year : 2015 – 2016
 Date : 28th September 2016
 Time : 3.00 P.M
 Venue : 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.

b) Financial Calendar (tentative): Financial Year 1st April, 2016 to 31st March, 2017

Table: 10 Calendar for Reporting

Quarter Ending	Release of Results
June 30, 2016	August 14, 2016
September 30, 2016	November 14, 2016
December 31, 2016	February 14, 2017
March 31, 2017	May 30, 2017*

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

c) Dates of Book Closure:

The Books shall be closed from 23rd September, 2016 to 28th September, 2016 (both days inclusive).

d) Dividend Disclosure:

Announcement Dividend

The Board of Directors has proposed a dividend of 20% i.e. 2/- per share for the Financial Year ended 31.03.2016 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 2016, 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.

The Company confirms that it has paid annual listing fees due to the stock exchanges for the financial year 2016-2017.

f) Stock Code:

(i) Trading Symbol

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

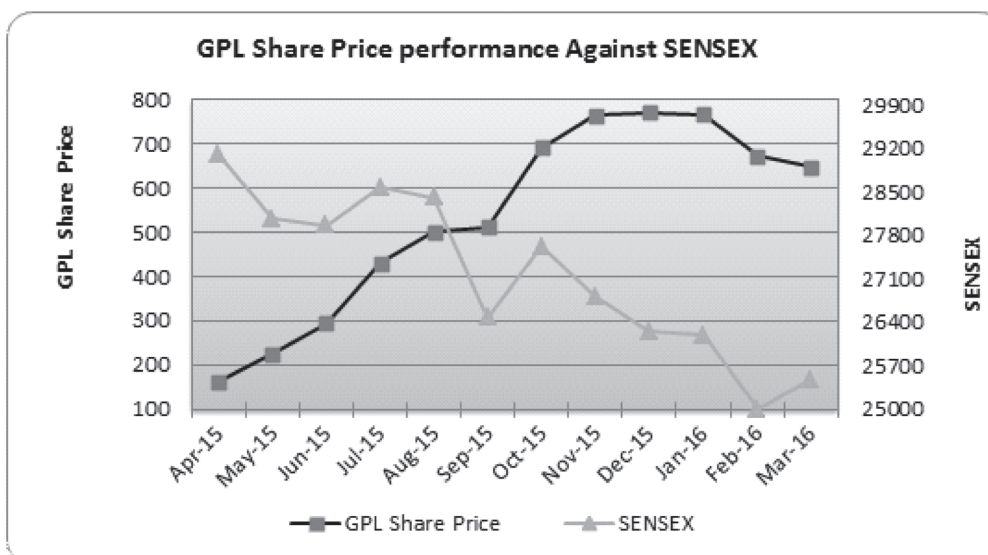
(ii) Depository for Equity Shares : **NSDL and CDSL**

(iii) Demat ISIN Number : **INE336H01015**

g) Table: I I Stock Market Price Data:

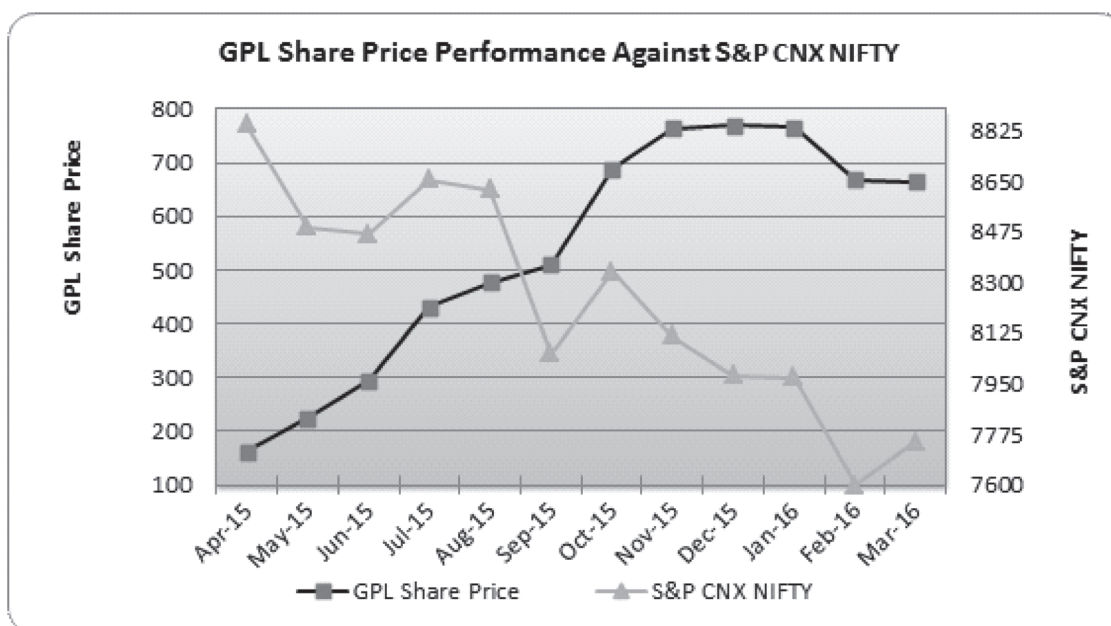
Month	BSE SHARE PRICE		BSE SENSEX	
	High	Low	High	Low
Apr-15	162.50	141.00	29094.61	26897.54
May-15	224.50	149.80	28071.16	26423.99
Jun-15	294.60	189.50	27968.75	26307.07
Jul-15	429.50	280.00	28578.33	27416.39
Aug-15	500.00	338.20	28417.59	25298.42
Sep-15	510.50	400.20	26471.82	24833.54
Oct-15	689.25	499.25	27618.14	26168.71
Nov-15	763.00	623.25	26824.30	25451.42
Dec-15	769.20	692.00	26256.42	24867.73
Jan-16	764.95	523.75	26197.27	23839.76
Feb-16	671.20	482.00	25002.32	22494.61
Mar-16	646.10	498.75	25479.62	23133.18

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-15	163.00	138.90	8844.80	8144.75
May-15	224.80	150.00	8489.55	7997.15
Jun-15	295.00	189.80	8467.15	7940.30
Jul-15	430.00	277.00	8654.75	8315.40
Aug-15	477.00	335.25	8621.55	7667.25
Sep-15	510.00	400.00	8055.50	7359.50
Oct-15	689.00	495.70	8336.30	7930.65
Nov-15	763.00	601.00	8116.10	7714.15
Dec-15	769.00	682.60	7979.30	7551.05
Jan-16	764.65	525.70	7972.55	7241.50
Feb-16	668.90	497.00	7600.45	6825.80
Mar-16	664.15	490.20	7777.60	7035.10



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, 2016:

Category (Amount)	No. of cases	% of Cases	Total shares	Amount	% of Amount
upto 1 – 5000	6748	92.79	460991	4609910.00	1.30
5001 – 10000	197	2.71	155962	1559620.00	0.44
10001 – 20000	102	1.40	147370	1473700.00	0.42
20001 – 30000	50	0.69	128006	1280060.00	0.36
30001 – 40000	24	0.33	84038	840380.00	0.24
40001 – 50000	28	0.38	132946	1329460.00	0.38
50001 – 100000	44	0.61	325417	3254170.00	0.92
100001 & ABOVE	79	1.09	34015650	340156500.00	95.95
Total	7272	100.00	35450380	354503800.00	100.00

(ii) Table: 13 Categories of shareholders as on 31st March, 2016:

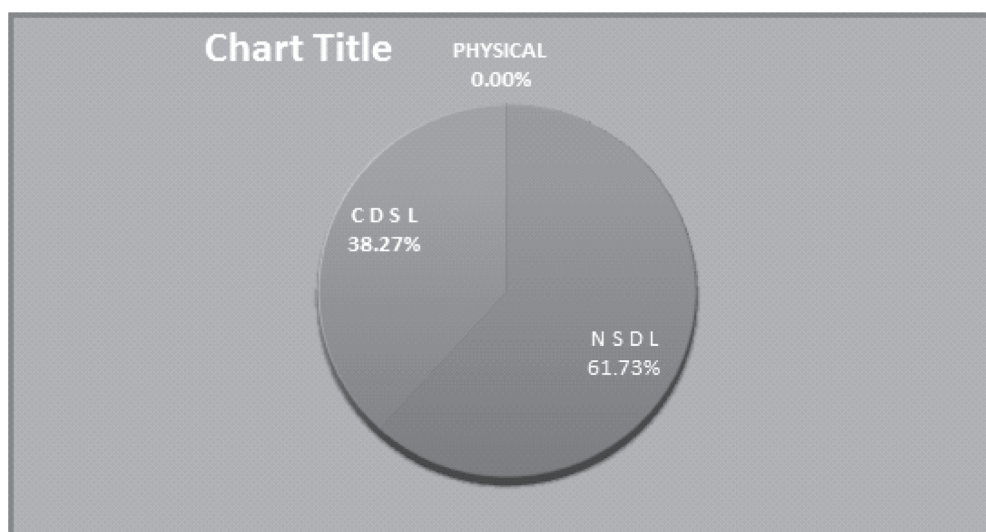
S. No	Category	No. of Cases	Total shares	% to Equity
1	Banks	2	42386	0.12
2	Clearing Members	67	26322	0.07
3	Directors And Their Relatives	2	235	0.00
4	Foreign Institutional Investor	22	9858581	27.81
5	Foreign Portfolio Investors	18	3646034	10.28
6	H U F	192	115636	0.33
7	Insurance Companies	1	1113143	3.14
8	Bodies Corporates	260	1436308	4.05
9	Mutual Funds	1	219	0.00
10	Non Resident Indians	152	321931	0.91
11	Promoters & Directors	5	16830942	47.48
12	Resident Individuals	6549	2058143	5.81
13	Trusts	1	500	0.00
	Total:	7272	35450380	100.00

l) Dematerialization of Shares and Liquidity:

As on 31st March, 2016, 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, 2016 the Equity shares of the Company are dematerialized as follows:

Sl. No	Category	Total No. of Shares	% To Equity
1	Physical	64	0.00
2	Dematerialized	35450316	100.00
	Total	35450380	100%



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

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

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

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

n) 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;

o) 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, 2013-14 and 2014-15 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
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%		36750.00	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	64782.00	October 16, 2020
2013-14	20%	September 23, 2014	71680.00	October 16, 2021
2014-15	10%	September 22, 2015	7536.00	October 15, 2022

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.

p) 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 2007-08 remain unpaid/ unclaimed for the period of seven years, has been transferred by the Company to the Investor Education and Protection Fund (IEPF).

q) Code of Conduct:

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

r) SEBI Complaints Redress System (SCORES):

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

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

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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, 2015.	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
Numbers 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, 2016	1	25

B. COMPLIANCE REPORT ON DISCRETIONARY REQUIREMENTS

1. The Board – Chairperson's Office

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

2. Shareholders rights

We display our quarterly and half yearly results on our web site, www.gayatri.co.in and also publish our results in widely circulated newspapers. We did not send half yearly results to each household of the shareholders in the financial year 2015-16.

3. Audit Qualifications

The Independent Auditors of M/s Gayatri Infra Ventures Limited (GIVL), a subsidiary of the company, in their audit report on consolidated financial statements have qualified that they are unable to comment upon the consequential effects on the divestment of its entire equity stake amounting to ₹ 4,606.09 Lakhs held in Western UP Tollways Limited, a jointly controlled entity of GIVL. The management is in the process of renegotiating the consideration for the sale of investment and also making arrangements for meeting the other conditions stipulated in the sale agreement. Pending the final outcome of the said process, the management is unable to comment upon the consequential effects, if any, of the said matter, on the financial statements of GIVL. The consequential effects, if any, on the disinvestment will be accounted in the year in which the disinvestment process is completed.

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 dematerialized and physical mode and the status of the register of members.



CEO AND 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
(DIN : 00005573)

P. SREEDHAR BABU
Chief Financial Officer

Place : Hyderabad
Date : 26th August, 2016



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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the 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, 2016.

For GAYATRI PROJECTS LIMITED

Place: Hyderabad
Date: 26th August, 2016

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



Y. KOTESWARA RAO
Practicing Company Secretary

H.No.48-345,Ganeshnagar Colony
Chinthal, HMT Road
Hyderabad – 500 054
Phone: 040 40210182 (office)

CERTIFICATE ON CORPORATE GOVERNANCE

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

I have examined the compliance of conditions of Corporate Governance by **M/s. Gayatri Projects Limited (CIN: L99999TG1989PLC057289)** ('the Company'), for the year ended 31st March 2016, as stipulated in clause 49 of the Listing Agreement ("Listing Agreement") of the Company with the Stock Exchanges for the period April 01, 2015 to November 30, 2015 and as stipulated in Regulations 17,18,19,20,22,23,24,25,26,27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period December 01, 2015 to March 31, 2016.

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

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

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

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

Place : Hyderabad
Date : 26th August, 2016

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 2016, 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, 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.

Auditors' 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of 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 2016, 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 matter:

- i) Note No.31.21 & 31.22 regarding certain loans & advances and work advances given to some of the sub-contractors which are long pending for recovery. 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, 2016', 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", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our

- knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the
- g. Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - 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 (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.

Place: Hyderabad
Date: 30th May 2016

For M O S & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 001975S/S200020

S V C REDDY
Partner
Membership No.: 224028

Annexure "A" 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.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) According to the information and explanations given to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records, which in our opinion were not material, have been properly dealt with.
- iii) According to the information and explanations given to us, the Company has granted unsecured Loans of Rs. 11,550.50 lakhs to parties covered in the Register maintained under section 189 of the Companies Act, 2013. In respect of such loans,
 - a. In our opinion and according to information and explanations given to us, the terms and conditions of such loans given by the Company are not prima facie prejudicial to the interest of the company.
 - b. The Schedule of repayment of the principal and interest has not been stipulated as the principal amount is repayable on demand.
 - c. There is no repayment schedule and therefore there is no overdue amount.
- iv) According to the information and explanations given to us and in our opinion, the company has complied with the provisions of sections 185 and 186 of the Act, to the extent applicable, in respect of grant of loans, making investments and providing guarantees and securities.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). 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.
 - 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, 2016 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	323.03
4	Income Tax Act, 1961	Income Tax	Appeal pending before CIT(Appeals) Hyderabad	3768.07

- viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government and dues to debenture holders as at the Balance Sheet date.
- ix) According to information and explanations given to us, the company has not raised moneys by way of public offer (including debt instruments). Based on our audit procedures and according to the information and explanations given to us, in our opinion, the Term loans availed by the Company were, prima facie, applied for the purpose for which they were obtained.
- x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
- xi) The company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii) The Company has entered into transactions with the related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard - 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv) The Company has made preferential allotment and private placement of equity shares during the year. According to the information and explanations given to us, the preferential allotment and private placement of equity shares are in compliance with the provisions of Section 42 of the Act and the amounts raised have been used for the purpose for which they were raised.
- xv) According to the information and explanations given to us, the company has not entered into any non cash transactions with its directors or persons connected with them and accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For M O S & ASSOCIATES LLP

Chartered Accountants

Firm's Registration No.: 001975S/S200020

S V C REDDY

Partner

Membership Number: 224028

Place: Hyderabad
Date: 30th May 2016

Annexure "B" to Independent Auditor's Report

(Referred to in paragraph 2(f) under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of Gayatri Projects Limited ("the Company"), as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial control system over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any



evaluation of the internal financial control system over financial reporting to future periods are subject to the risk that the internal financial control system over financial reporting may become inadequate because of the changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial control system over

financial reporting were operating effectively as at 31st March 2016, based on the internal financial control system over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M O S & ASSOCIATES LLP

Chartered Accountants

Firm's Registration No.: 001975S/S200020

S V C REDDY

Partner

Membership Number: 224028

Place: Hyderabad
Date: 30th May 2016

BALANCE SHEET AS AT 31st MARCH, 2016

₹ in Lakhs

Particulars	Note No.	As at 31 st March, 2016	As at 31 st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	3,545.04	3,022.70
(b) Reserves and Surplus	4	80,322.25	65,231.05
		83,867.29	68,253.75
2 Non-Current Liabilities			
(a) Long-Term Borrowings	5	97,197.13	92,715.38
(b) Deferred Tax Liabilities (net)	6	2,308.89	2,876.25
(c) Other Long Term Liabilities	7	62,711.66	49,721.61
(d) Long-Term Provisions	8	894.56	694.21
		163,112.24	146,007.45
3 Current Liabilities			
(a) Short-Term Borrowings	9	89,021.38	79,178.76
(b) Trade Payables	10	41,801.40	44,561.16
(c) Other Current Liabilities	11	10,013.35	12,752.99
(d) Short Term Provisions	12	862.79	463.44
		141,698.92	136,956.35
Total		388,678.45	351,217.55
II ASSETS			
1 Non-Current Assets			
(a) Fixed Assets - Tangible Assets	13	22,686.19	20,812.12
(b) Non-Current Investments	14	118,177.03	94,677.03
(c) Long Term Loans and Advances	15	51,026.05	51,041.04
(d) Other Non-Current Assets	16	—	21,851.46
		191,889.27	188,381.65
2 Current Assets			
(a) Current Investments	17	—	71.79
(b) Inventories & Work in progress	18	15,488.43	24,202.29
(c) Trade Receivables	19	78,766.06	57,183.35
(d) Cash and Cash Equivalents	20	18,004.94	14,515.83
(e) Short Term Loans and Advances	21	84,303.83	66,731.96
(f) Other Current Assets	22	225.92	130.68
		196,789.18	162,835.90
Total		388,678.45	351,217.55
Significant Accounting Policies	2		
Other Notes forming part of the Financial Statements	31		

As per our report attached
For **M O S & ASSOCIATES LLP**
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 2016

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

₹ in Lakhs

Particulars	Note No.	For the Year Ended 31 st March, 2016	For the Year Ended 31 st March, 2015
I. Revenue			
(a) Revenue from Operations	23	181,221.25	160,114.16
(b) Other Income	24	659.89	439.21
Total Revenue		181,881.14	160,553.37
II. Expenses			
(a) Consumption of Materials and Cost of Purchases & Services	25	50,574.16	58,338.78
(b) Work Expenditure	26	91,329.40	74,744.65
(c) Changes in Inventories of Work in Progress	27	5,643.82	(588.37)
(d) Employee Benefits Expenses	28	4,206.24	3,632.82
(e) Finance Costs	29	15,792.93	14,867.18
(f) Depreciation and Amortization Expenses	13	3,747.47	2,820.08
(g) Other Expenses	30	3,521.69	3,229.37
Total Expenses		174,815.71	157,044.51
III. Profit/ (Loss) Before Exceptional & Extraordinary items and Tax (I-II)		7,065.43	3,508.86
IV. Exceptional items		—	—
V. Profit/ (Loss) Before Extra ordinary items and Tax		7,065.43	3,508.86
VI. Extraordinary items		—	—
VII. Profit/ (Loss) Before Tax		7,065.43	3,508.86
VIII. Tax Expenses			
(a) Current Tax - paid (Refer Note No. 31.18)		1,767.94	1,439.18
(b) Deferred Tax (Net)		(567.35)	(135.64)
IX. Profit for the year		5,864.84	2,205.32
X. Earning per Share (of ₹10/- each):			
Basic & Diluted		17.50	7.30
Significant Accounting Policies	2		
Other Notes forming part of the Financial Statements	31		

As per our report attached
For **M O S & ASSOCIATES LLP**
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 2016

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

₹ in Lakhs

Particulars	For the Year Ended 31 st March, 2016	For the Year Ended 31 st March, 2015
A Cash Flow from Operating Activities		
Profit before Tax excluding extraordinary and exceptional items	7,065.43	3,508.86
Adjustments for:		
Depreciation and amortization	3,747.47	2,820.08
Interest and other Income	(659.89)	(439.21)
Loss on sale of Fixed Assets	—	214.47
Finance Costs	15,746.74	14,573.91
Foreign Currency Translation and Transactions – ECB	46.19	293.27
Other non-cash items/ Provisions	202.73	(43.57)
Operating Profit before Working Capital Changes	26,148.67	20,927.81
Adjustments for :		
(Increase) / Decrease in Trade Receivables	(23,231.25)	9,859.69
(Increase) / Decrease in long term loans and Advances	14.99	(7,401.84)
(Increase) / Decrease in Short term loans and Advances	(17,571.87)	(29,540.35)
(Increase) / Decrease in Other current assets	(95.24)	(43.73)
(Increase) / Decrease in Inventory	8,713.86	(449.28)
Increase / (Decrease) in other current liabilities	(1,072.44)	405.09
Increase / (Decrease) in other Long Term liabilities	12,990.05	(11,431.03)
Increase / (Decrease) in Trade Payables	(2,759.76)	5,997.19
Cash (used in) / generated from Operating Activities	3,137.01	(11,676.45)
Direct Taxes paid	(1,767.94)	(1,439.18)
Net Cash (used in) / generated from Operating Activities	1,369.07	(13,115.63)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(5,621.54)	(957.46)
Purchase of Non-Current Investments	—	(117.00)
Investments in Mutual Funds	71.79	117.77
Proceeds from sale of Fixed Assets	—	250.05
Interest and other income received	659.89	439.21
Net Cash (used in) / generated from Investing Activities	(4,889.86)	(267.43)
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including Share Premium	10,644.21	—
Redemption of Debentures	(2,927.84)	(712.16)
Net Proceeds from Long term borrowings	7,195.68	11,498.35
Net Proceeds from Short term borrowings	9,842.62	12,793.93
Finance Costs	(17,200.03)	(14,918.21)
Foreign Currency Translation and Transactions loss paid	(46.19)	(293.27)
Dividend & Dividend Tax paid	(498.55)	(604.54)
Net Cash (used in) / generated from Financing Activities	7,009.90	7,764.10
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	3,489.11	(5,618.96)
Cash and Cash Equivalents at the beginning of the year	14,515.83	20,134.79
Cash and Cash Equivalents at the end of the year	18,004.94	14,515.83

- a Cash & Cash Equivalents consist of Cash on hand and balances with banks includes Margin Money Deposits for Bank Guarantees of ₹ 12556.51 lakhs (Previous Year ₹ 9017.02 lakhs).
- b 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.
- c Figures in brackets represent cash outflows.
- d 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
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 2016

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

I. 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 (to the extent notified). Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations viz. SEBI guidelines override the same requiring a different treatment. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy used previously.

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 and in case of certain financial instruments which are measured at fair values. The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed 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, estimation of costs as a proportion to the total costs. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/ materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material are disclosed in the notes to Account.

2.3 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. 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.
- 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 is depreciated over the remaining useful life as stipulated in the Act.

However, the remaining 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 Institute of Chartered Accountants of India.

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, 2016, 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:

- Estimated amount of contracts remaining to be executed on capital account and not provided for
- Uncalled liability on shares and other investments partly paid
- Funding related commitment to subsidiary, associate and joint venture companies and
- 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:

- transactions of a non-cash nature
- any deferrals or accruals of past or future operating cash receipts or payments and
- 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, 2016		As at 31 st March, 2015	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) <u>Authorised Share Capital</u> Equity shares of ₹10/- each	80,000,000	8,000.00	80,000,000	8,000.00
(ii) <u>Issued Share Capital</u> Equity shares of ₹10/- each	35,450,380	3,545.04	30,226,994	3,022.70
(iii) <u>Subscribed and fully paid up Share Capital</u> Equity shares of ₹10/- each	35,450,380	3,545.04	30,226,994	3,022.70
Total	35,450,380	3,545.04	30,226,994	3,022.70

(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 ₹ 2/- per equity share in their meeting held on 30th May, 2016, subjected to approval of the shareholders in the ensuing Annual General Meeting (For the year ended 31st March, 2015 : ₹ 1.00 per equity share).

(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, 2016		As at 31 st March, 2015	
	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	5,223,386	522.34	—	—
Outstanding at the end of the period	35,450,380	3,545.04	30,226,994	3,022.70

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

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

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹10/- each with voting rights				
Indira Subbarami Reddy Tikkavarapu	11,425,900	32.23	10,630,932	35.17
Sandeep Kumar Reddy Tikkavarapu	5,403,962	15.24	4,579,544	15.15
GMO Emerging Markets Fund	3,380,000	9.53	—	—
Afrin Dia	2,820,000	7.95	2,820,000	9.33
India Max Investment Fund Limited	2,357,000	6.65	2,357,000	7.80
GMO Emerging Domestic Opportunities Fund	2,110,969	5.95	2,039,278	6.75

4. RESERVES & SURPLUS

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
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	10,500.00	10,000.00
Add Amount transferred from DRR	1,300.00	—
Add: Amount transferred from Statement of Profit and Loss	500.00	500.00
Closing balance	12,300.00	10,500.00
c. Securities Premium Account		
Opening balance	25,400.19	25,400.19
Add: Premium received on Shares issued during the year	10,121.87	—
Closing balance	35,522.06	25,400.19
d. Debenture Redemption Reserve		
Opening balance	1,300.00	1,300.00
Amount transferred to General Reserve	(1,300.00)	—
Closing balance	—	1,300.00
e. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	27,887.46	26,730.03
Add : Surplus / (Deficit) for the year	5,864.84	2,205.32
Amount available for Appropriation	33,752.30	28,935.35
Less: Appropriations		
Dividend and Dividend Tax (Prev. Year)	42.16	—
Dividend and Dividend Tax	853.35	353.64
Adjustment relating to Fixed Assets	—	194.25
Transferred to General Reserve	500.00	500.00
Closing balance	32,356.79	27,887.46
Total (a+b+c+d+e)	80,322.25	65,231.05

5 LONG-TERM BORROWINGS

₹ in Lakhs

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Non-Current	Current	Non-Current	Current
Secured				
(i) Non-Convertible Debentures				
Nil (31 st March, 2015: NIL) 11.50% Redeemable, Non-Convertible Debentures (NCDs) of ₹ 10,00,000/- each	—	—	—	2,927.84
ii) Term Loans from Banks				
a. Equipment Loans (Refer note 5.1)	1,949.75	1,091.03	56.03	1,560.38
b. Other Term Loans (Refer note 5.2)	76,814.71	3,810.00	70,774.17	520.83
c. External Commercial Borrowings (Refer note 5.3)	11,792.05	620.63	13,510.27	—
iii) Term Loans from others				
a. Equipment Loans (Refer note 5.1)	6,448.91	250.58	5,074.91	982.64
b. Vehicle Loans (Refer note 5.4)	39.61	8.41	—	2.87
Un-Secured				
From Directors (Interest Free Loans) (Refer Note 5.6)	152.10	—	3,300.00	—
Total	97,197.13	5,780.65	92,715.38	5,994.56

5.1 Equipment Loans

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

5.2 Term Loans:

The secured term loans are secured by hypothecation of construction equipments not specifically charged to other banks, immovable properties of group companies and personal guarantees of the promoters. The rate of interest varies between 11% to 13% with an average yield of 12.04% p.a.

5.3 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

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

5.4 Vehicle Loans:

The Vehicle loans availed are secured by hypothecation of specific vehicles purchased out of the said loans. The vehicle loans carry interest rate between 11% to 15% p.a.

5.5 Maturity Profile of Long Term Borrowings is set out below:

₹ in Lakhs

Particulars	2017-18	2018-19	2019-20	2020-21 onwards
Equipment loans from Banks	1,392.00	557.75	—	—
Term Loans from Banks	7,303.97	8,906.30	10,220.80	50,383.62
ECB Loan	993.02	993.02	993.02	8,813.01
Equipment loans from Others	332.57	1,256.05	2,591.97	2,307.93

- 5.6 The promoters have brought back the dividend amount of ₹ 152.10 Laks as unsecured loan in compliance of the lenders stipulation for distribution of dividend to share holders.
- 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, 2016	As at 31 st March, 2015
(a) Deferred Tax (Asset) on timing Differences due to: Provision for Gratuity and Leave Encashment	(70.16)	(8.27)
(b) Deferred Tax Liability on timing differences due to: Depreciation	2,379.05	2,884.52
Total	2,308.89	2,876.25

7. Other Long-Term Liabilities

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Advances from Contractees	55,951.41	42,572.22
(b) Margin Money Deposits received	6,760.25	7,149.39
Total	62,711.66	49,721.61

8. Long-Term Provisions

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Employee Benefits (Refer Note No.31.5)	894.56	694.21
Total	894.56	694.21

9. Short Term Borrowings

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Secured Working Capital Facilities (Refer Note No.9.1)	89,021.38	79,178.76
Total	89,021.38	79,178.76

Nature of Security and Terms of Repayment

9.1 Working Capital Facilities (Secured)

The working capital facilities from the consortium of Banks are secured by:

- Hypothecation against first charge on stocks, book debts and other current assets of the Company both present and future ranking paripassu with consortium banks.
- Hypothecation against first charge on all unencumbered fixed assets of the Company both present and future ranking paripassu with consortium banks.
- Equitable mortgage of properties belonging to promoters, directors and group companies.
- Personal guarantee of promoter directors, group companies/firms and relatives.

Period and amount of interest due as on balance sheet date:

- Interest amount of ₹ 8.28 crores for the month of March, 2016 charged on 31.03.2016 is due as on Balance Sheet date.

10. Trade Payables:

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Micro, Small and Medium Enterprises (refer Note No.31.11)	—	—
(b) Others	41,801.40	44,561.16
Total	41,801.40	44,561.16

11. Other current liabilities

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Current maturities of Long Term Borrowings		
- Non Convertible Debentures	—	2,927.84
- Term Loans	5,780.65	3,066.72
(b) Interest accrued but not due on Borrowings - NCD's	—	42.67
(c) Interest accrued and due on Borrowings	828.37	2,238.99
(d) Unpaid Dividends	4.34	5.43
(e) Remuneration payable to Directors	109.69	109.11
(f) Statutory Payables	642.84	1,799.07
(g) Other Payables	2,647.46	2,563.16
Total	10,013.35	12,752.99

12. Short-Term Provisions

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Employee Benefits (Refer Note No.31.5)	9.44	7.06
(b) Provision for Dividend	709.01	302.27
(c) Provision for Dividend Distribution Tax	144.34	154.11
Total	862.79	463.44

₹ in Lakhs

Particulars	Original Cost				Depreciation and Amortization				Net Book Value	
	As at April 1, 2015	Additions/ Adjustment during the year	Deductions/ Retirement during the year	As at March 31, 2016	As at April 1, 2015	For the year	Deductions/ Adjustment during the year	As at March 31, 2016	As at March 31, 2015	
Tangible Assets										
Land	35.12	—	—	35.12	—	—	—	35.12	35.12	
Plant and Equipment	37,124.16	5,138.47	4,266.69	37,995.94	22,306.75	3,128.46	4,266.69	21,168.52	14,817.41	
Wind Power Equipment	5,936.86	—	—	5,936.86	1,144.01	263.95	—	1,407.96	4,792.85	
Furniture and Fixtures	404.88	12.38	90.08	327.18	269.06	31.48	90.08	210.46	135.82	
Vehicles	2,702.27	470.69	248.64	2,924.32	1,671.35	323.58	248.64	1,746.29	1,030.92	
Total	46,203.29	5,621.54	4,605.41	47,219.42	25,391.17	3,747.47	4,605.41	24,533.23	20,812.12	

14. Non-current investments

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Non-Trade investments (valued at cost unless stated otherwise)		
Unquoted		
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. (Refer note 14.3)	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 14.4)	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	120.70
(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 14.6)	1.67	1.67
C. Other Investments		
Un-quoted - at Cost		
2,35,00,000 (Previous year Nil) 9% non- Convertible Redeemable Cumulative Preferential Shares of Rs.10/- each, fully paid in Gayatri Hitech Hotels Ltd. (Refer note 31.17)	23,500.00	—
Quoted - at Cost		
(i) 11,63,607 (Previous Year 11,63,607) Equity Shares of ₹10/- each in Gayatri Sugars Ltd., (Refer note 14.7)	293.10	293.10
(ii) 1,728 (Previous Year 1,728) Equity Shares of ₹10/- each in Syndicate Bank.	0.86	0.86
Less: Provision for diminution in value of Investment (Refer note 14.7)	(278.44)	(278.44)
Total	118,177.03	94,677.03

Details of Quoted and Unquoted Investments:

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Aggregate Amount of Quoted Investment	15.52	15.52
Aggregate Market value of Quoted Investment	59.35	19.55
Aggregate Amount of Unquoted Investment	118,161.51	94,654.94

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 Bhandara Thermal Power Corporation Limited, a step-down subsidiary of the Company.

- 14.2 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.
- 14.3 Of these, 25,500 Equity shares of Bhandara Thermal Power Corporation Limited have been pledged to IL & FS for the term loan availed by same company.
- 14.4 Of these, 51,00,930 Equity shares of Sai Maatarani Tollways Limited (SMTL) have been pledged to IDBI Trusteeship Services Ltd for the Loan availed by SMTL.
- 14.5 Of these, 11,80,151 Equity shares of HKR Roadways Limited have been pledged to ITCL for the loan availed by HKR Roadways Limited.
- 14.6 Of these, 16,660 Equity shares of Indore DewasTollways Limited have been pledged to SBI Capital Security Trustee Company Limited for the Loan availed by Indore DewasTollways Limited.
- 14.7 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, 2016	As at 31 st March, 2015
To Related Parties - Unsecured, Considered Good		
- Loans and Advances to Subsidiaries	13,411.00	13,411.00
- Loans and Advances to Associates	4,535.01	4,535.01
To Others - Unsecured, Considered Good		
- Security Deposit with Govt. Depts and Others	47.90	62.89
- Other Loans and Advances (Refer Note No. 31.21)	33,032.14	33,032.14
Total	51,026.05	51,041.04

16. Other Non-Current Assets

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, Considered Good		
- Receivables from Related Party (Refer Note No.31.17)	—	21,851.46
Total	—	21,851.46

17. Current Investments

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Mutual Funds	—	71.79
Total	—	71.79

18. Inventories & Work in Progress

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Construction materials, Stores and Spares	6,924.72	9,994.76
(b) Work in Progress	8,563.71	14,207.53
Total	15,488.43	24,202.29

19. Trade Receivables

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good*	61,038.97	54,233.28
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	17,727.09	2,950.07
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
Total	78,766.06	57,183.35

* Includes claims amount receivable of ₹ 4106.84 lakhs (Previous year : ₹ 4106.84 lakhs)

20. Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Cash on hand	49.84	42.58
(b) Balances with banks		
In current accounts	3,660.37	2,712.47
In deposit accounts (due with in 12 months)		
i. Margin money for Bank Guarantees / LCs	12,556.51	9,017.02
ii. Other Deposits	1,738.22	2,743.76
Total	18,004.94	14,515.83

21. Short-term loans and advances

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
To Related Parties - Unsecured, Considered Good		
- Loans and Advances to Subsidiaries	11,450.67	10,817.92
- Loans and Advances to Associates	3,620.49	3,266.72
To Others - Unsecured, Considered Good		
- Advances to Suppliers	1,784.82	646.59
- Advances to Sub-Contractors (Refer Note No.31.22)	58,144.81	44,175.78
- Staff Advances	231.75	188.24
- Advances with Govt. Departments	7,571.18	5,890.86
- Other Advances	1,500.11	1,745.85
Total	84,303.83	66,731.96

22. Other current assets

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Prepaid Expenses	25.91	130.68
Others (Refer Note No.31.19)	200.01	—
Total	225.92	130.68

23. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Construction Revenue	170,169.84	119,198.81
(b) Materials Supply Revenue	10,160.60	35,631.22
(c) Claims	—	4,518.20
(d) Revenue from Electricity Generation	501.91	579.51
(e) Share of profit from Joint Ventures	388.90	186.42
Total	181,221.25	160,114.16

24. Other income

₹ in Lakhs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Interest income from Fixed Deposits	385.60	322.38
(b) Other Miscellaneous Income	274.29	116.83
Total	659.89	439.21

25. Consumption of Materials and Cost of Purchases & Services

₹ in Lakhs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Steel	8,068.34	9,076.24
(b) Cement	4,976.47	3,787.40
(c) Bitumen	8,751.07	5,949.91
(d) Metal	9,743.51	4,726.62
(e) Sand & Gravel	1,364.95	1,135.62
(f) Electrical Materials	2,586.96	8,812.23
(g) Railway Line Materials	2,449.20	4,519.49
(h) Coal Handling System Materials	5,651.93	13,228.08
(i) RCC & GI Pipes	135.25	128.74
(j) HSD Oils & Lubricants	5,803.85	6,213.69
(k) Stores and Consumables	509.66	691.37
(l) Other Materials	532.97	69.39
Total	50,574.16	58,338.78

26. Work Expenditure

₹ in Lakhs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Departmental Recoveries	5,252.19	2,873.01
(b) Work executed by sub contractors	38,427.73	19,088.46
(c) Earth Work	16,473.75	12,829.14
(d) Concrete Work	5,671.93	11,498.77
(e) Transport Charges	1,374.46	1,481.33
(f) Hire Charges	2,304.11	2,055.25
(g) Road work	4,961.83	10,293.31
(h) Repairs and Maintenance	1,925.36	1,419.86
(i) Taxes and Duties	5,315.74	5,434.36
(j) Royalties, Seigniorage and Cess	1,804.82	856.08
(k) Insurance	261.97	203.22
(l) Commission to Banks on BG/LC	986.20	1,419.61
(m) Other Work Expenditure	6,569.31	5,292.25
Total	91,329.40	74,744.65

27. Change in Inventories of Work-in-Progress

₹ in Lakhs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Opening Work in Progress	14,207.53	13,619.16
Less : Closing Work in Progress	(8,563.71)	(14,207.53)
Changes in Inventory	5,643.82	(588.37)

28. Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Salaries & Wages	3,062.41	2,630.20
(b) Director's Remuneration	529.41	444.00
(c) Staff Welfare Expenses	483.98	466.29
(d) Contribution to Statutory Funds	130.44	92.33
Total	4,206.24	3,632.82

29. Finance costs

₹ in Lakhs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Interest on Term Loans	9,001.25	6,949.71
(b) Interest on Non Convertible Debentures	194.38	409.56
(c) Interest on Working Capital Facilities	9,657.25	9,600.03
(d) Interest on Equipment Loans	761.62	749.52
(e) Interest on ECB Loan *	1,239.95	1,306.55
(f) Exchange loss on ECB Loan	46.19	293.27
(g) Interest on Others	3.23	8.49
(h) Bank Guarantee & Other Financial Charges	412.47	397.71
	21,316.34	19,714.84
(i) Less : Interest on BG/LC Margin Money Deposits	(1,106.92)	(1,059.48)
Interest on Loans & Advances	(4,416.49)	(3,788.18)
Total	15,792.93	14,867.18

* includes premium paid on foreign currency forward contract.

30. Other expenses

₹ in Lakhs

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Advertisement expenses	75.10	43.94
(b) Audit fee	59.54	59.55
(c) CSR Expenditure & Donations	301.99	313.68
(d) Insurance charges	52.49	23.38
(e) Consultancy, Legal & professional charges	867.00	810.53
(f) General Expenses	191.33	163.25
(g) Power & fuel	199.30	191.15
(h) Miscellaneous expenses	286.04	179.49
(i) Printing & stationery	87.10	75.82
(j) Rent	497.05	464.97
(k) Taxes & licenses	63.03	60.45
(l) Tender Expenses	61.99	39.30
(m) Telephone	95.18	101.17
(n) Traveling, Conveyance & Stay expenses	684.55	488.22
(o) Loss on sale of assets / Impairment of assets	—	214.47
Total	3,521.69	3,229.37

31. 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.

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 31 st March, 2016	As at 31 st March, 2015
a) Claims against the company not acknowledged as debt	—	5,565.55
b) Guarantees given by the Banks towards performance & Contractual Commitments	1,23,892.32	77,539.41
c) Corporate Guarantees given to group companies	2,98,048.00	8,38,456.00
d) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	8,571.16	14,617.34

b. Commitments

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Commitments towards investment in subsidiaries, Joint Ventures and Associates	—	25,480.00

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	
		31.03.2016	31.03.2015	2015-16	2014-15
IJM Gayatri Joint Venture	Joint Venture	—	—	—	3,902.52
Western UP Tollways Ltd	Associate	3,620.49	3,266.72	3,620.49	3,266.72
Sai Maatarini Tollways Ltd	Subsidiary	10,015.99	10,015.99	10,015.99	10,015.99
Indore Dewas Tollways Ltd	Associate	3,395.00	3,395.00	3,395.00	3,395.00
HKR Roadways Ltd	Associate	4,535.01	4,535.01	4,652.01	4,652.01
Gayatri Energy Ventures P. Ltd	Subsidiary	5,934.00	5,645.37	5,934.00	5,645.37
Gayatri Infra Ventures Ltd	Subsidiary	5516.68	5172.55	5729.70	5172.55

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 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	
	2015-16	2014-15	2015-16	2014-15
Present Value of Obligation as at the beginning of the year	555.63	542.01	145.64	202.83
Interest Cost	44.45	43.36	11.65	16.23
Current Service Cost	33.69	25.25	11.81	17.04
Benefits Paid	(6.17)	(5.77)	(15.12)	(3.85)
Actuarial loss / (gain) on Obligations	91.13	(49.22)	31.30	(86.61)
Present Value of Obligation at year end	718.73	555.63	185.28	145.64

(b) Amount Recognized in Balance Sheet:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Estimated Present Value of obligations as at the end of the year	718.73	555.63	185.28	145.64
Fair value of Plan Assets as at the end of the year	—	—	—	—
Net Liability recognized in Balance Sheet	718.73	555.63	185.28	145.64

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

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Current Service Cost	33.69	25.25	11.81	17.04
Interest Cost	44.45	43.36	11.65	16.23
Expected return on Plan Asset	—	—	—	—
Net Actuarial (Gain)/Loss recognized during the period	91.13	(49.22)	31.30	(86.61)
Total expenses recognized in Statement of Profit & Loss	169.27	19.39	54.76	(53.34)

(d) Principal Actuarial Assumption:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
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	LIC	LIC	LIC
	(2006-08)	(2006-08)	(2006-08)	(2006-08)
Attrition Rate	1%	1%	1%	1%

- (e) The entire present value of funded obligation at the yearend is unfunded and hence, fair value of assets is not furnished.

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

Details of related parties:

Subsidiary Companies	Step-down Subsidiary Companies
Gayatri Energy Ventures Pvt.Ltd Gayatri Infra Ventures Ltd Sai MataraniTollways Limited	Gayatri Lalitpur Roadways Ltd Gayatri Jhansi Roadways Ltd Bhandara 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 Indore DewasTollways 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.T. Anirudh 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 Lalita KalaParishad (Trust) Invento Labs Pvt.Ltd.	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 Vishwa-Gayatri Joint Venture

Transactions with the related parties:
₹ in Lakhs

Sl. No.	Description	2015-16				
		Subsidiary & Step-down Subsidiaries	Associate Companies	Entities in which KMP are interested	Joint ventures	KMP & their Relatives
1	Equity contribution	— (117.00)	— (—)	23,500.00 (—)	— (—)	— (—)
2	Contract Receipts	64,106.61 (46,528.22)	5,998.10 (15,909.24)	515.08 (1,105.22)	29,097.10 (23,002.40)	— (—)
3	Contract payments	— (—)	— (—)	359.32 (385.10)	— (—)	— (—)
4	Office Rent & Maintenance	— (—)	— (—)	113.00 (110.14)	— (—)	— (—)
5	Other Payments	— (—)	— (—)	12.83 (52.48)	— (—)	79.12 (67.81)
6	Interest Received	(—)	637.84 (567.36)	— (—)	231.87 (31.40)	— (—)
7	Donations	— (—)	— (—)	149.52 (176.90)	— (—)	— (—)
8	Remuneration Paid	— (—)	— (—)	— (—)	— (—)	529.41* (444.00)
9.	Contract Advances/ Other Adv.	645.77 (14,944.23)	— (2,881.60)	84.00 (—)	— (8,297.36)	— (—)
10	Unsecured Loans received	243.00 (—)	45.70 (—)	— (—)	3757.00 (—)	152.10 (3300.00)
11	Corporate Guarantees	15,000.00 (8,000.00)	— (79,863.00)	— (—)	— (—)	— (—)
12	Closing balances - Debit	30,007.83 (29,248.65)	15,969.01 (15,742.72)	1,156.58 (25,099.87)	27,883.84 (20,532.32)	— (—)
13	Closing balances - Credit	5,261.87 (6,102.79)	382.78 (12,080.44)	417.12 (110.53)	14,669.87 (13,759.62)	261.79 (3,409.11)

Figures in brackets relate to previous year.

* Net off of Excess remuneration of ₹10.59 Lakhs repaid by the Managing Director

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	2015-16	2014-15
HKR Roadways Limited	Contract Receipts	2,051.40	8,081.05
Sai Maatarani Tollways Ltd	Contract Receipts	63,158.34	44,597.48
Indore Dewas Tollways Limited	Contract Receipts	3,761.40	3,037.93
Gayatri - ECI Joint Venture	Contract Receipts	10,758.18	9,453.61
Jaiprakash-Gayatri Joint Venture	Contract Receipts	12,617.89	2,761.99
Gayatri - RNS Joint Venture	Contract Receipts	1,857.51	3,267.26
MEIL-Gayatri-ZVS-ITT Consortium	Contract Receipts	1,833.34	2,347.56
Gayatri-RKTCPL Joint Venture	Contract Receipts	1,564.22	2,710.63
Indore Dewas Tollways Limited	Financial Guarantees	—	62,613.00
Bhandara Thermal Power Corporation Ltd	Financial Guarantee	15,000.00	—
Gayatri Hitech Hotels Ltd	Equity contribution	23,500.00	—
HKR Roadways Limited	Contract Adv./ Other Adv.	—	3,344.23
Sai Maatarani Tollways Ltd	Contract Adv./ Other Adv.	—	5,106.40
MEIL-Gayatri-ZVS-ITT Consortium	Contract Adv./ Other Adv.	2,430.40	—

31.7 Un-hedged Foreign Currency Exposure as at 31st March, 2016

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

₹ in Lakhs

Particulars	Hedged/ Un-hedged	2015-16		2014-15	
		Foreign Currency USD	Rupee Equivalent	Foreign Currency USD	Rupee Equivalent
Amount payable in Foreign Currency:					
External Commercial Borrowings (ECB)	Un-hedged	Nil	Nil	Nil	Nil
	Hedged	210.38	12,412.69	229.78	13,510.27

31.8 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.

31.9 Earnings Per Share (EPS)

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

Particulars	2015-16	2014-15
Profit After Tax for calculation of Basic EPS (₹ in Lakhs)	5,864.84	2,205.32
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	5,864.84	2,205.32
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	335.04	302.27
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	335.04	302.27
Basic EPS (₹)	17.50	7.30
Diluted EPS (₹)	17.50	7.30

31.10 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 (51)	India
15	Vishwa-Gayatri Joint Venture	Jointly controlled entity (construction of Water works)	49 (-)	India

Figures in brackets relate to previous year

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

₹ in Lakhs

Sl. No.	Name of the Integrated Joint Ventures/ Jointly controlled entities	Company's Share						
		As at 31st March, 2016		For the Year ended 31st March, 2016				
		Assets	Liabilities	Income	Expenses	Tax	Net Profit	Net Loss
1	IJM Gayatri Joint Venture	3,096.45 (3,821.88)	3,054.49 (3,787.07)	83.08 (536.14)	72.74 (621.88)	3.20 102.72	7.15 (16.98)	— (—)
2	Jaiprakash Gayatri Joint Venture	1,561.77 (1,685.64)	1,556.11 (1,679.43)	3,352.09 (1,353.38)	3,352.09 (1,353.38)	0.55 (—)	— (—)	0.55 (—)
3	Gayatri ECI Joint Venture	2,276.12 (3,360.03)	1,000.66 (2,473.47)	8,283.18 (6,388.86)	7,876.52 (6,202.43)	16.26 (—)	390.40 (186.42)	— (—)
4	Gayatri - Ratna Joint Venture	8,701.19 (8,828.00)	8,695.82 (8,822.62)	3.21 (157.60)	3.21 (157.60)	— (—)	— (—)	— (—)
5	Gayatri - GDC Joint Venture	368.46 (368.46)	368.46 (368.46)	— (1.02)	— (1.02)	— (—)	— (—)	— (—)
6	Gayatri - BCBPPL Joint Venture	537.32 (748.97)	530.05 (741.29)	234.61 (744.96)	234.61 (744.96)	0.42 (—)	— (—)	0.42 (—)
7	Gayatri- RNS Joint Venture	520.12 (737.76)	520.12 (737.76)	1,123.19 (1,979.20)	1,123.19 (1,979.20)	— (—)	— (—)	— (—)
8	Gayatri- JMC Joint Venture	226.53 (168.91)	226.53 (168.91)	111.47 (856.82)	111.47 (856.82)	— (—)	— (—)	— (—)
9	MEIL-Gayatri-ZVS-ITT Consortium	1,596.52 (513.02)	1,596.52 (513.02)	1,788.45 (1,265.11)	1,788.45 (1,265.11)	— (—)	— (—)	— (—)
10	Viswanath-Gayatri Joint Venture	1,327.43 (1,320.55)	1,327.43 (1,320.55)	21.61 (93.74)	21.61 (93.74)	— (—)	— (—)	— (—)
11	Gayatri-Ranjit Joint Venture	154.40 (154.40)	154.40 (154.40)	— (—)	— (—)	— (—)	— (—)	— (—)
12	Maytas-Gayatri Joint Venture	5,874.82 (—)	5,883.37 (—)	— (—)	8.55 (—)	— (—)	— (—)	8.55 (—)
13	GPL-RKTCPL Joint Venture	732.25 (182.22)	732.25 (182.22)	1,564.22 (—)	1,564.22 (—)	— (—)	— (—)	— (—)
14	GPL-SPL Joint Venture	1,472.30 (223.94)	1,471.70 (223.94)	510.66 (330.93)	510.05 (330.93)	— (—)	0.61 (—)	— (—)
15	Vishwa-Gayatri Joint Venture	347.67 (—)	347.67 (—)	— (—)	— (—)	— (—)	— (—)	— (—)
	Total	28,708.21 (22,113.78)	27,380.41 (21,173.13)	17,075.77 (13,707.74)	16,666.70 (13,607.06)	20.43 (102.72)	398.15 (203.40)	9.52 (—)
	Share of net assets in jointly controlled entities	1,327.80 (940.65)						

Figures in brackets relate to previous year.

31.11 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.

31.12 There are no amounts due and outstanding to be credited to Investors Education & Protection Fund as on 31-03-2016 and amounts which are required to be transferred to such funds have been transferred.

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

₹ in Lakhs

Sl.No	Particulars	2015-16	2014-15
a	Statutory Audit	23.00	23.00
b	Limited Review	16.00	16.00
c	Tax Audit	6.50	6.50
d	Certification Fee	6.50	6.50
	Total	52.00	52.00

31.14 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	555.63	169.27	6.17	718.73
Leave Encashment	145.64	54.76	15.12	185.28
Taxation	—	1,767.94	1,767.94	—
Proposed Dividend & Dividend Tax	456.38	853.35	456.38	853.35

31.15 Disclosure pursuant to Accounting Standard - 7 (Revised) "Construction Contracts"

₹ in Lakhs

Sl.No	Particulars	2015-16	2014-15
1	Contract revenue recognized for the year ended	1,80,719.34	1,59,534.65
2	Contract cost incurred and recognized profits, less losses	1,65,586.30	1,44,106.38
3	Amount of advances received till date, net of recoveries	55,951.41	42,572.22
4	Gross amount due from customers for contract works	78,491.27	62,137.14

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.

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

i) CIF value of Imports

₹ in Lakhs

Sl. No.	Particulars	2015-16	2014-15
1	Purchase of Capital Goods	1,155.67	Nil

ii) Expenditure / (Income) in Foreign Currency:

₹ in Lakhs

Sl. No.	Particulars	2015-16	2014-15
1	Travelling Expenses	20.92	15.37
2	Interest on ECB Loan	811.95	1,599.81

iii) Details of major raw materials consumption

₹ in Lakhs

Particulars	2015-16		2014-15	
	Value	%	Value	%
Steel	8,068.34	16.33	9,076.24	15.80
Cement	4,976.47	10.07	3,787.40	6.59
Bitumen	8,751.07	17.72	5,949.91	10.36
Metal	9,743.51	19.73	4,726.62	8.23
Electrical Materials	2,586.96	5.24	8,812.23	15.34
Railway Line Materials	2,449.20	4.96	4,519.49	7.87
Coal Handling System Materials	5,651.93	11.44	13,228.08	23.03
HSD Oil & Lubricants	5,803.85	11.75	6,213.69	10.82
Sand & Gravel	1,364.95	2.76	1,135.62	1.98
Total	49,396.28	100.00	57,449.28	100.00

- 31.17 As per the approval of Board and Shareholders of the Company, Gayatri Hi-tech Hotels Ltd (GHHL), a related party of the Company, has allotted 2,35,00,000 - 9% Cumulative Redeemable Preference Shares (CRPS) of ₹ 10/- each at a premium of ₹ 90/- per share against receivables from GHHL.
- 31.18 As per an expert opinion, during the year the Company has claimed deduction u/s 80IA of the Income Tax Act, 1961 in respect of income earned on infrastructure projects.
- 31.19 In pursuance of share purchase agreement entered between the Company and AMP Capital Finance Mauritius Limited (AMP) to purchase shares of Gayatri Infra Ventures Limited held by AMP, an amount of ₹ 200.01 Lakhs has been paid as an advance towards purchase of shares.
- 31.20 (a) During the year, the Company has issued 16,19,386 Equity Share of ₹ 10/- each at a premium of ₹ 193.78 per equity share by way of preferential allotment to promoters against unsecured loans of ₹ 33.00 crores received during the previous year, in terms of the Master Restructuring Agreement entered with the Company's Lenders.
- (b) The company has further issued 36,04,000 Equity Shares of ₹ 10 each at a premium of ₹ 193.20 on preferential allotment / private placement.
- 31.21 Some of the Contract Advances given by the Company in earlier years and which are long pending for recovery due to reasons beyond the control of both the parties have been converted into interest bearing loans and are grouped under "Long term Loans & Advances". The management of the Company has already initiated steps to recover the same and is confident that these advances / loans will be recovered and hence no provision has been made in the financials.
- 31.22 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.

- 31.23 In the opinion of the management and to the best of their knowledge and belief, the value of the assets reported under Long Term Loans and Advances and 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.
- 31.24 The company has spent an amount of Rs.88.79 Lakhs towards Corporate Social Responsibility during the year 2015-16 which is 2.01% of average net profits of the company made during the three immediate preceding financial years. This amount has been spent as per the recommendations of the Corporate Social Responsibility committee of the Board.
- 31.25 All amounts are rounded off to nearest thousand
- 31.26 Previous year figures have been regrouped wherever considered necessary.

As per our report attached
For M O S & ASSOCIATES LLP
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 2016

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 and jointly controlled entities, comprising the Consolidated Balance Sheet as at 31st March 2016, 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, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities 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 (as amended). The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities 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 of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. 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 Board of 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, b and c of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for qualified Opinion

In stated in note no. 30.20, M/s Gayatri Infra Ventures Limited (GIVL), a subsidiary of the company, has entered into a definitive sale agreement for divestment of its entire equity stake amounting to ₹ 4606.09 lakhs held in Western UP Tollway Limited, a jointly controlled entity of GIVL. The Independent Auditors of GIVL in their audit report on consolidated financial statements of GIVL have qualified the above said matter by stating that pending final outcome of the said process, they are unable to comment upon the consequential effects, if any, of the said matter, on the financial statements of GIVL.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the

effects of Imatter described in the Basis for Qualified Opinion paragraph above, 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 and jointly controlled entities as at 31st March 2016, and their consolidated profit 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:

Note No.30.14 & 30.15 regarding certain loans & advances and work advances given to some of the sub-contractors which are long pending for recovery.

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 ₹ 3,91,971.25 lakhs as at 31st March 2016, total revenues (net) of ₹ 27,564.70 lakhs and net cash outflows amounting to ₹ 3021.01 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 / jointly controlled entities whose financial statements to the extent of company's share reflected in the consolidated financial statements with a total assets of ₹ 6,926.67 lakhs as at 31st March 2016, total

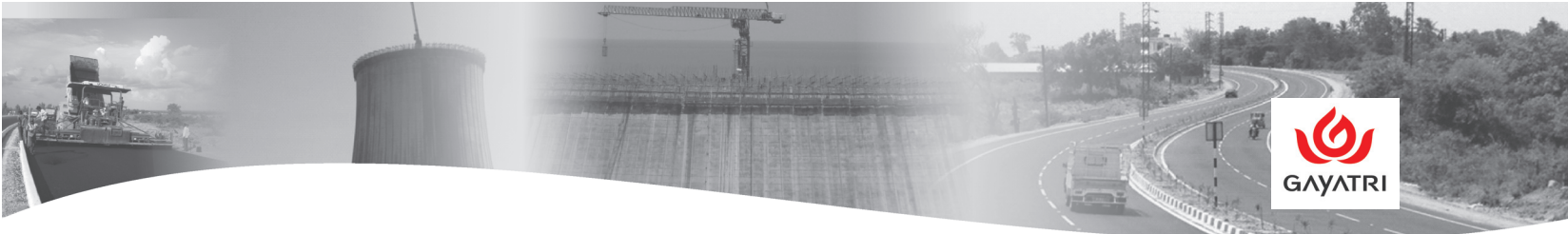
revenues of ₹ 18,086.36 lakhs and net cash outflows amounting to ₹ 36.26 lakhs for the year ended on that date. These financial statements have been audited by other auditors and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates 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 of four joint ventures whose financial statements to the extent of company's share reflected in the consolidated financial statements with a total assets of ₹ 9,494.13 lakhs as at 31st March 2016, total revenues of ₹ 84.11 lakhs and net cash outflows amounting to ₹ 370.21 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

- I. As required by Section 143 (3) of the Act, and based on the auditor's report of the subsidiaries, associates and jointly controlled entities, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the 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 financial statements 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 (as amended);
- e. On the basis of the written representations received from the directors of holding company as on 31st March, 2016 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 2016 from being appointed as a director in terms of Section 164 (2) of the Act.;
- f. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the basis for qualified opinion paragraph;
- g. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditors' reports of the Holding

Company, subsidiary companies and associate companies; and

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Group, its associates and jointly controlled entities have disclosed the impact of pending litigations on its consolidated financial position, as stated in Note No. 19 & 30.4.
 - ii. The Group, its associates and jointly controlled entities 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.

Place: Hyderabad
Date: 30th May 2016

For M O S & ASSOCIATES LLP

Chartered accountants

Firm's Registration No.: 001975S/S200020

S V C REDDY

Partner

Membership No.: 224028

Annexure "A" to Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Gayatri Projects Limited ("the holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate as of 31st March 2016 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate companies, which are companies incorporated in India, based on our audit.

We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operating effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting of the Holding Company, its subsidiary and associate companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial control system over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control system over financial reporting to future periods are subject to the risk that the internal financial control system over financial reporting may become inadequate because of the changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary and associate companies, have, in all material respects, adequate internal financial control system over financial reporting and such internal financial control system over financial reporting were operating effectively as at 31st March 2016, based on the internal financial control system over financial reporting criteria established by the Company considering the essential components of internal control

stated in the Guidance note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

We did not audit the Internal Financial Controls over Financial Reporting insofar as it relates to three subsidiaries whose financial statements / consolidated financial statements reflect total assets (net) of ₹ 3,91,971.25 lakhs as at 31st March 2016, total revenues (net) of ₹ 27,564.70 lakhs and net cash outflows amounting to ₹ 3,021.01 lakhs for the year ended on that date; and two associates, in respect of which, the share of loss of the Group is ₹ 176.66 lakhs for the year ended 31st March 2016 has been considered in the consolidated financial statements. Our report on the adequacy and operating effectiveness of the Internal Financial Controls over Financial Reporting for the Holding Company, its subsidiary and associate companies, under section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiaries and associates, is solely based on the corresponding reports of the auditors of such companies.

For M O S & ASSOCIATES LLP

Chartered accountants

Firm's Registration No.: 001975S/S200020

S V C REDDY

Partner

Membership No.: 224028

Place: Hyderabad
Date: 30th May 2016

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016

₹ in Lakhs

Particulars	Note	As at 31 st March, 2016	As at 31 st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	2	3,545.04	3,022.70
(b) Reserves and surplus	3	72,520.82	70,134.56
		76,065.86	73,157.26
2 Minority Interest		134.22	3,035.75
3 Non-current liabilities			
(a) Long-term borrowings	4	334,539.78	301,588.18
(b) Deferred Tax Liabilities (net)	5	1,951.64	2,519.00
(c) Other Long term liabilities	6	191,717.14	62,520.61
(d) Long-Term provisions	7	8,708.31	8,057.68
		536,916.87	374,685.47
4 Current liabilities			
(a) Short-term borrowings	8	90,797.82	85,395.38
(b) Trade payables	9	46,008.11	39,934.61
(c) Other current liabilities	10	59,021.38	56,905.06
(d) Short term provisions	11	2,187.93	1,858.86
		198,015.24	184,093.91
Total		811,132.19	634,972.40
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12a	28,928.49	27,433.27
(ii) Intangible assets	12b	245,239.48	106,594.50
(iii) Capital work-in-progress	12c	636.85	582.96
(iv) Intangible Assets under Development	12d	149,960.80	147,485.18
(b) Non-Current Investments	13	71,211.19	73,862.82
(c) Long term loans and advances	14	45,630.22	52,500.03
(d) Other non-current Assets	15	10,000.00	31,851.46
		551,607.03	440,310.22
2 Current assets			
(a) Current Investments	16	30.00	76.79
(b) Inventories	17	15,497.29	24,202.29
(c) Trade receivables	18	81,120.12	59,176.28
(d) Cash and cash equivalents	19	32,639.96	25,083.65
(e) Short term loans and advances	20	98,171.57	80,752.25
(f) Other Current Assets	21	32,066.21	5,370.92
		259,525.15	194,662.18
Total		811,132.18	634,972.40
Significant Accounting Policies	I		
Other Notes forming part of the Financial Statements	30		

As per our report attached
For **M O S & ASSOCIATES LLP**
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 2016

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

₹ in Lakhs

Particulars	Note	For the Year Ended 31 ST March, 2016	For the Year Ended 31 ST March, 2015
I. Revenue			
(a) Revenue from operations	22	162,040.91	150,076.92
(b) Other Income	23	1,319.17	784.95
Total		163,360.08	150,861.87
II. Expenses			
(a) Const of Materials and cost of Purchase & Services	24	31,046.17	48,176.81
(b) Work Expenditure	25	77,833.75	62,326.17
(c) Changes in Inventories of Work in Progress	26	5,643.82	(588.37)
(d) Employee benefits expenses	27	3,322.67	2,940.75
(e) Finance costs	28	28,518.10	26,528.01
(f) Depreciation and amortization expense	12(a,b)	15,149.08	11,971.05
(g) Other Expenses	29	3,338.16	3,054.72
Total		164,851.75	154,409.14
III. Profit/ (Loss) before Exceptional & Extraordinary items and Tax (I-II)		(1,491.67)	(3,547.27)
IV. Exceptional items		—	—
V. Profit/(Loss) before Extraordinary items and Tax		(1,491.67)	(3,547.27)
VI. Extraordinary items		—	—
VII. Profit/(Loss) before Tax			
VIII. Tax Expenses			
(a) Current Tax - paid		1,853.37	1,444.25
(b) Current Tax - for earlier years		0.97	—
(c) Deferred Tax		(567.35)	(238.36)
IX. Profit / (Loss) for the year before Minority Interest		(2,778.66)	(4,753.16)
X. Less: Share of Profit / (Loss) transferred to Minority Interest		(2,901.53)	(1,583.78)
XI. Profit / (Loss) for the year after Minority Interest		122.87	(3,169.38)
XII. Earning per Share (of ₹10/- each):			
Basic & Diluted		0.35	(10.49)
Significant Accounting Policies	I		
Other Notes forming part of the Financial Statements	30		

As per our report attached
For **M O S & ASSOCIATES LLP**
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 2016

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary &
Compliance Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

₹ in Lakhs

Particulars	For the Year Ended 31 ST March, 2016	For the Year Ended 31 ST March, 2015
A Cash Flow from Operating Activities:		
Profit before Tax excluding extraordinary and exceptional items	(1,491.67)	(3,547.27)
Adjustments for:		
Depreciation and amortization	15,149.08	11,971.05
Interest and other Income	(1,319.17)	(367.96)
Loss on sale of Fixed Assets	—	214.47
Loss on sale of Investments	—	—
Finance Costs	28,471.91	26,328.63
Foreign Currency Translation and Transactions – ECB	46.19	199.38
Other non-cash items/ Provisions	566.47	1,862.02
Operating Profit before working Capital Changes	41,422.81	36,660.32
Adjustments for:		
(Increase) / Decrease in Trade Receivables	(21,943.84)	5,843.44
(Increase) / Decrease in long term loans and Advances	6,869.81	(39,985.62)
(Increase) / Decrease in Other current assets	(1,648.54)	(11,779.65)
(Increase) / Decrease in short term loans and Advances	(17,419.32)	8,947.09
(Increase) / Decrease Other current assets	(26,695.29)	12,690.14
(Increase) / Decrease in Inventory	8,705.00	(449.28)
Increase / (Decrease) in other current liabilities	19,794.42	49,819.16
Increase / (Decrease) in other Long Term liabilities	16,268.46	(10,418.57)
Increase / (Decrease) in Trade Payables	6,073.50	(52,236.48)
Cash (used in) / generated from Operating activities	31,427.01	(909.45)
Direct Taxes paid	(1,838.08)	(1,444.25)
Net Cash (used in)/ generated from Operating Activities	29,588.93	(2,353.70)
B Cash Flow from Investing Activities		
Purchase of Fixed Assets including Capital work in progress and Intangible assets under Development	(43,043.45)	(51,314.06)
Adjustment for change in status of erstwhile Associate into Subsidiary	834.32	(20,407.79)
Net Sale / (Purchase) of Non-Current Investment	30.29	(21,973.43)
Proceeding from sale Investments / (Investment) in Mutual Funds	46.79	275.79
Proceeds from sale of Fixed Assets	—	3,023.50
Interest and other income received	1,319.17	367.96
Net Cash (used in)/ generated from Investing Activities	(40,812.88)	(90,028.03)
C Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including share premium	10,644.21	—
Redemption of Debentures	(1,935.34)	(712.16)
Net Proceeds from Long term borrowings	18,582.95	51,967.48
Net Proceeds from Short term borrowings	5,402.44	22,430.73
Capital Grant Received	16,476.78	3,102.27
Proceeds from Minority Interest (net)	—	(813.75)
Finance Cost	(29,846.04)	(26,268.13)
Foreign Currency Translation and Transactions-net	(46.19)	(199.38)
Dividend & Dividend Tax paid	(498.54)	(707.28)
Net Cash (used in)/ generated from Financing Activities	18,780.27	48,799.78
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	7,556.32	(43,581.95)
Cash and Cash Equivalents at the beginning of the year	25,083.65	68,665.60
Cash and Cash Equivalents at the end of the year	32,639.97	25,083.65

Note:

- Cash and Cash Equivalents consist of Cash on hand and balances with Banks that includes Margin Money Deposits for Bank Guarantees of ₹ 15,679.39 Lakhs (Previous Year ₹ 9,017.02 Lakhs)
- The Cash flow statement is prepared in accordance with the indirect method 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
Chartered Accountants**

S.V.C. REDDY
Partner

Place : Hyderabad.
Date : 30th May 2016

For and on behalf of the Board

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

P. SREEDHAR BABU
Chief Financial Officer

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

I.V. LAKSHMI
Company Secretary &
Compliance Officer

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 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 (to the extent notified). Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations viz. SEBI guidelines override the same requiring a different treatment. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy used previously.

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 and in case of certain financial instruments which are measured at fair values. The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed 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.

I.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, estimation of costs as a proportion to the total costs. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/ materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material are disclosed in the notes to Account.

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.

1.4 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.

I.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.

I.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

- i) 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".
- ii) Capital Expenditure incurred towards projects which is yet to be capitalized is accounted and 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 is depreciated over the remaining useful life as stipulated in the Act.

However, the remaining 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.

e) Intangible Asset under development :

Expenses incurred relating to the development of Road Projects prior to commencement of commercial operations are included under Intangible Asset under development (net of income earned during project development stage) and after completion of the road project to be transferred to Intangible Asset. Intangible Asset under development includes direct and indirect expenditure incurred for the road project and costs incidental and related thereto.

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 Institute of Chartered Accountants of India.

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, 2016, 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

1.12 Grants

Grants or subsidies from the government or any regulatory authorities 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.

1.13 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 Profit and Loss Account.

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 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.

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:

- Estimated amount of contracts remaining to be executed on capital account and not provided for
- 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, 2016		As at 31 st March, 2015	
	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	80,000,000	8,000.00
(ii) Issued Share Capital Equity shares of ₹10/- each	35,450,380	3,545.04	30,226,994	3,022.70
(iii) Subscribed and fully paid up Share Capital Equity shares of ₹10/- each	35,450,380	3,545.04	30,226,994	3,022.70
Total	35,450,400	3,545.04	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 ₹ 2/ per equity share in their meeting held on 30th May, 2016, subjected to approval of the share holders in the ensuing Annual General Meeting (For the year ended 31st March, 2015 : ₹ 1.00 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, 2016		As at 31 st March, 2015	
	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	5,223,386	522.34	—	—
Outstanding at the end of the period	35,450,380	3,545.04	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, 2016		As at 31 st March, 2015	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹10/- each with voting rights				
Indira Subbarami Reddy Tikkavarapu	11,425,900	32.23	10,630,932	35.17
Sandeep Kumar Reddy Tikkavarapu	5,403,962	15.24	4,579,544	15.15
GMO Emerging Markets Fund	3,380,000	9.53	—	—
Afrin Dia	2,820,000	7.95	2,820,000	9.33
India Max Investment Fund Limited	2,357,000	6.65	2,357,000	7.80
GMO Emerging Domestic Opportunities Fund	2,110,969	5.95	2,039,278	6.75

3. RESERVES & SURPLUS

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
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	10,500.00	10,000.00
Add: Amount transferred from Statement of Profit and Loss	500.00	500.00
Add : Amount transfer from DRR	1,300.00	—
Closing balance	12,300.00	10,500.00
c. Capital Grant	21,529.18	5,052.40
d. Capital Reserve on Consolidation	—	24,274.07
e. Securities Premium Account		
Opening balance	28,519.93	42,929.60
Add: Premium received on Shares issued during the year	10,121.87	—
Less: Adjusted due to Subsidiary become Associate	—	(14,409.67)
Closing balance	38,641.80	28,519.93
f. Debenture Redemption reserve		
Opening balance	1,300.00	1,300.00
Less : Amount transferred to General Reserve	(1,300.00)	—
Closing balance	—	1,300.00
g. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	344.76	4,393.08
Add : Surplus / (Deficit) for the year	122.87	(3,169.38)
(+)Add /(-) Less : Other Adjustments of Subsidiaries/Associates	834.32	171.97
Amount available for Appropriation	1,301.95	1,395.67
Less: Appropriations		
Dividend and Dividend Tax (Prev. year)	42.16	—
Dividend and Dividend Tax	853.35	353.64
Adjustment relating to Fixed Assets	—	197.27
Transferred to General Reserve	500.00	500.00
Closing balance	(93.56)	344.76
Total (a+b+c+d+e+f+g)	72,520.82	70,134.56

4 LONG-TERM BORROWINGS

₹ in Lakhs

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	Non-Current	Current	Non-Current	Current
(i) Non-Convertible Debentures				
a. Nil (31 st March, 2015: Nil) 11.50% Redeemable, Non-Convertible Debentures (NCDs) of ₹ 10,00,000/- each	—	—	—	2,927.84
b. 7,50,00,000 (31 March 2015: 15,00,00,000) 10.50% Compulsorily Convertible Debentures (CCD) of ₹10/- each (Refer note 4.1)	7,500.00	7,500.00	3,750.00	11,250.00
c. 99,25,000 - 9% Optionally Full Convertible Debentures (OFCD) of ₹10/- each (Refer note 4.2)	992.50	—	—	—
(ii) Term Loans from Banks				
a. Equipment Loans (Refer note 4.3)	1,949.75	1,091.03	56.03	1,560.38
b. Other Term Loans (Refer note 4.4)	76,814.71	3,810.00	70,774.17	520.83
c. Project Loans (Refer note 4.5, 4.6, 4.7 & 4.8)	157,872.74	6,566.08	129,581.76	5,849.18
d. External Commercial Borrowings (Refer note 4.9)	11,792.05	620.63	13,510.27	—
(iii) Term Loans from others				
a. Equipment Loans (Refer note 4.3)	6,448.91	250.58	5,074.91	982.64
b. Project Loans (Refer note 4.5, 4.6, 4.7 & 4.8)	65,940.33	3,245.87	57,208.18	16,302.85
c. Vehicle Loans (Refer note 4.10)	39.61	8.41	-	2.87
Un-Secured Borrowings				
i) Term Loans from related parties (Refer Note 4.6)	2,724.00	—	519.19	—
ii) From Directors (Interest Free Loans) (Refer Note No. 4.11)	152.10	—	3,300.00	—
iii) Term Loans from others	2,313.08	—	17,813.67	—
Total	334,539.78	23,092.60	301,588.18	39,396.59

- 4.1** 15,00,00,000 – 10.50% Secured Compulsorily Convertible Debentures (CCDs) of ₹10/- each issued by Gayatri Energy Ventures Pvt. Ltd., (GEVPL) a subsidiary company amounting to ₹150,00.00 Lakhs (31st March, 2015: ₹15000.00 Lakhs) are secured by way of (a) Pledge of 7,47,49,590 Equity Shares of NCC Infrastructure Holdings Ltd held by the GEVPL, (b) Pledge of 16,96,248 equity shares of GEVPL held by Gayatri Projects Limited (GPL) (c) Personal guarantee of promoter directors of GEVPL, (d) the buyback guarantee from the Company. The CCDs carry an interest rate of 10.50% p.a. payable in quarterly basis and balance 6% premium yield shall be payable at the time of buyout as a premium. The CCDs are repayable in 8 equal quarterly installments commencing from 15th May, 2016.
- 4.2** During the year, Gayatri Energy Ventures Pvt. Ltd., (GEVPL), a subsidiary company has issued 99,25,000 Unsecured Optionally Fully Convertible Debentures (OFCD) of ₹10/- each, amounting to ₹ 992.50 Lakhs (31st March, 2015: ₹ Nil). The OFCD carry an interest of 9% cumulative and will be matured in 36 Months from the date of issue. The subscriber has an option to convert these Debentures into Equity Shares of ₹760/- per share with prior consent of the Board.
- 4.3** The Equipment loans are secured by hypothecation of specific equipments acquired out of the said loans and all these loans are guaranteed by directors. The rate of interest on these loans varies between 11% to 15%.
- 4.4** Secured Term Loans from Banks of GPL are secured by hypothecation of construction equipments not specifically charged to other banks, immovable properties of group companies and personal guarantees of the promoters. The rate of interest varies between 11% to 13% with an average yield of 12.04% p.a. and the repayment is in 84 structured monthly installments commencing from 31st July, 2016.
- 4.5** Project Loans comprising of ₹15000.00 lakhs Term Loan obtained by Bhandara Thermal Power Corporation Ltd.(BTPCL) a step-down subsidiary company is secured by a) Pledge of 100% Equity Shares of BTPCL held by its Holding Company. b) 67.76% Equity Shares of Gayatri Infra Ventures Limited (GIVL) held by the Company. c) Hypothecation of 21.291 Acres of Freehold Land at Mohadi Dist. Maharashtra held by BTPCL. d) Corporate Guarantee from GIVL and the Company e) Personal Guarantee of a Director. The rate of interest is 16% and the loan will be

repaid at the end of 36 months from the date of first disbursement i.e. 30th June, 2015. Interest amount of ₹528.52 lakhs is due for more than 90 days.

4.6 Project Loans – Gayatri Infraventures Ltd. group (GIVL):

- i) Secured Indian Rupee Term Loan from Banks of ₹19383.00 Lakhs (31st March, 2015: ₹ 20582.00 Lakhs) of GJRL 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, (c) assignment or creation of security interest in all Insurance Contracts/Insurance proceeds (d) Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained (e) pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital. The facilities carry an annual interest rate of 11.20% (31st March 2015: 11.20%).
- ii) Secured Indian Rupee Term Loan from Banks of ₹ 6923.00 Lakhs (31st March, 2015: ₹7311.00 Lakhs) of Gayatri Jhansi Roadway Limited (GJRL) 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, (c) Assignment or creation of security interest in all Insurance Contracts/Insurance proceeds, (d) Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained, (e) pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital. The facilities carry annual interest rate ranging from 11.50% to 12.85%(31st March 2015: 11.50% to 12.85%)
- iii) Secured Indian Rupee Term Loan from Banks of ₹11541.00 Lakhs (31st March, 2015: ₹12288.00 Lakhs) of Gayatri Lalitpur Roadways Limited (GLRL) 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, (c) Assignment or creation of security interest in all Insurance Contracts/Insurance proceeds, (d) Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained (e) pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital. The facilities carry an annual interest rate of 11.25% (31st March 2015: 11.25%).
- iv) Secured Indian Rupee Term Loan from Banks of ₹7986.00 Lakhs (31st March, 2015: ₹8487.00 Lakhs) of GLRL 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, (c) assignment or creation of security interest in all Insurance Contracts/Insurance proceeds, (d) Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained (e) Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital. The facilities carry an annual interest rate ranging from 11.50% to 12.85% (31 March 2015: 11.50% to 12.85%).
- v) Unsecured Rupee Term Loans of ₹2724.00 Lakhs (31st March 2015: ₹ 3224.00 Lakhs) of GJRL and GLRL from its shareholder's represents zero interest subordinate loan repayable after the repayment of other secured loans from banks and financial institutions.
- vi) Secured Rupee Term Loans from Banks of ₹11667.00 Lakhs (31st March 2015: ₹13472.00 Lakhs) of Cyberabad Expressways Limited (CEL) is secured by way of pari passu first charge on (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 annual interest rate of 11.50% (31st March 2015: 11.50%).

- vii) Secured Rupee Term Loans from Banks of ₹ 8999.00 Lakhs (31st March 2015: ₹9771.00 Lakhs) of Hyderabad Expressways Limited (HEL) is secured by way of pari passu first charge on (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 annual interest rate of 11.50% (31st March 2015: 11.50%).
- viii) Secured Rupee Term Loans from Banks of ₹ Nil (31st March 2015: ₹19488.00 Lakhs) of Western UP Tollways Limited (WUPTL) is secured by way of (a) first mortgage and charge in a form satisfactory to all company's immovable properties, present and future except 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 annual interest rate of Nil (31st March 2015: 11.50% to 14.00%).
- ix) Unsecured Rupee Term Loan of ₹ Nil (31st March 2015: ₹ 2468.00 Lakhs) of WUPTL from related parties carrying interest at the annual rate of Nil (31st March 2015: 12%).

x) Maturity Profile of the Project Loans are as under

₹ in Lakhs

Particulars	As at	
	31 March 2016	31 March 2015
Up to 1 year	7,944.75	22,012.29
2 to 5 years	50,794.20	43,201.51
Above 5 years	25,483.27	45,376.09
	84,222.22	110,589.89

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

₹ in Lakhs

Particulars	As at	
	31 March 2016	31 March 2015
Principal		
0-30 days	805.86	742.24
30-90 days	1,120.88	—
	1,926.74	742.24
Interest		
0-30 days	482.59	191.18
30-90 days	334.34	519.40
90-180 days	605.02	34.05
above 180 days	31.63	77.94
	1,453.58	822.57

4.7 Project Loans of Indore – Dewas Tollways Ltd (IDTL):

Secured Rupee Term Loan-I of ₹34964.00 Lakhs (31st March, 2015: ₹34964.00 Lakhs), Secured Rupee Term Loan-II of ₹2556.00 Lakhs (31st March, 2015: Nil) and FITL of ₹ 6740.00 Lakhs (31st March, 2015: ₹ 2515.00 Lakhs) from Banks of Indore Dewas Tollways Limited (IDTL) is secured by way of (a) all monies including Toll collected on the Project Highway to the credit of the Escrow Account as per the provisions of the Concession Agreement, (b) all the Borrower's Properties and Assets excluding the Project Assets as defined in the Concession Agreement, (c) all Tangible Assets of the Company not limited to Goodwill, undertaking and uncalled capital of the company, (d) pledge of shares aggregating to 51% of the paid-up equity capital of the Borrower, (e) all rights, title, interest, benefits, claims and demands of IDTL under project documents subject to the provisions of the Concession Agreement, (f) 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, (g) assignment or creation of security interest in all Insurance Contracts/Insurance proceeds. The Bankers have approved the restructuring package with the cutoff date being 1st July, 2014 with a Moratorium of 33 months for Interest and principal Obligations. The facilities carry an annual interest rate of 11% p.a.

4.8 Project Loans of Indore – Sai Maatarani Tollways Ltd (SMTL):

- i) Secured Rupee Term Loan from Banks / Financial Institutions of ₹ 87937.00 Lakhs (31st March, 2015: ₹ 61239.00 Lakhs) of Sai Maatarani Tollways Limited (SMTL) is secured by way of (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, (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, (e) an assignment by way of security of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, (f) pledge of equity shares held by the Sponsor constituting 51% of the total paid up and voting equity share capital of the Borrower until the Final Settlement Date. The 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. The term loan shall be repayable in 48 unequal quarterly installments commencing from 1st January, 2018.
- ii) Secured Rupee Term Loan (Subordinate Debt) from Financial Institutions of ₹ 8000.00 Lakhs (31st March, 2015: ₹ 8000.00 Lakhs) of SMTL is secured by way of mortgage 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 of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, (f) An irrevocable and unconditional corporate guarantee from the Sponsor. The 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. The subordinate loan is repayable in 18 quarterly installments commencing from 1st January, 2023.

4.9 External Commercial Borrowing of the Company:

Details of External Commercial Borrowing: 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 : (a) Equitable mortgage of immovable property of 600 acres in the name of step down subsidiary company, (b) Pledge of 76,37,738 equity shares of GPL held by promoters, (c) Personal guarantees of the two promoter directors.

4.10 Secured Vehicle Loans of the Company availed from the Financial Institutions are secured by hypothecation of specific vehicles purchased out of the said loans. The vehicle loans carry interest rate between 11% to 15% p.a.

4.11 The promoters of the Company have brought back the dividend amount of ₹ 152.10 Lakhs as unsecured loan in compliance of the lenders stipulation for distribution of dividend to shareholders.

4.12 Maturity Profile of the Long Term Borrowings of the Company are as under:

₹ in Lakhs

Particulars	2017-18	2018-19	2019-20	2020-21 onwards
Equipment loans from Banks	1,392.00	557.75	—	—
Term Loans from Banks	7,303.97	8,906.30	10,220.80	50,383.62
ECB Loan	993.02	993.02	993.02	8,813.01
Equipment loans from Others	332.57	1,256.05	2,591.97	2,307.93

5. Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Deferred Tax (Asset) on timing Differences due to: Provision for Gratuity and Leave Encashment Carry Forward losses	(70.56) 357.25	(8.27) (357.25)
(b) Deferred Tax Liability on timing differences due to: Depreciation	1,664.95	2,884.52
Total	1,951.64	2,519.00

6. Other Long-Term Liabilities

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Advances from Contractees	66,352.15	46,359.03
(b) Margin Money Deposits received	6,760.25	7,149.39
(c) Additional Concession Fee payable to NHAI*	112,928.07	4,201.43
(d) Interest accrued but not due	1,889.12	1,181.77
(e) Retention Money Payable	3,787.55	3,628.99
Total	191,717.14	62,520.61

* Additional Concession Fee payable to NHAI by Indore Dewas Tollways Limited :

In order to more appropriately present the Financials statements of the company, the total premium amount of ₹ 1,18,119.88 Lakhs as per the Concession Agreement, has been capitalized as “Intangible Assets” and amortized over a period of service concession Agreement as per the method prescribed in Part A to the Schedule II to the Companies Act, 2013 and corresponding Obligation for committed premium has been recognised as liabilities.

The Contractual Obligation to pay premium (Additional Concession Fees) to National Highways Authority of India over the Concession period has been recognized upfront on an undiscounted basis when the project gets completed as per the Concession Agreement and is a part of the “Intangible Asset “ and corresponding Obligation for committed premium is recognized as liabilities.

Additional Concession fee has to be paid to National Highways Authority of India as per clause 26.2.1 of the Concession Agreement dated 17th May, 2010. National Highways Authority of India has granted deferment of Additional concession fees payable to them vide their sanction letter dated 11th June, 2014. Interest on the Additional concession fees payable to National Highways Authority of India for the FY 15-16 is not provided in the books of accounts as National Highways Authority of India has deferred the premium payment upto 6 years. The Interest liability on Additional Concession fees has neither accrued nor due until the completion of the 6 years upto which NHAI has deferred the premium. After the completion of the 6th year, NHAI will review the deferment of premium payment based on the cash flows available then. The liability accrues and becomes due as and when there are cash flows sufficient for the payment of premium. At the end of the 6th year based on the the cash flow position, National Highways Authority of India will review the deferment proposal and may extend the deferment, if the cash flows are not sufficient to meet the debt and O&M obligations.

There is a decline in the Toll collections due to the non maintenance of the adjoining stretches of the project highway i.e., Shivpuri to Dewas & Ghar to Dewas. The development of those stretches were stalled due to issues between the National Highways Authority of India and the developer to whom the projects were awarded. Now Shivpuri - Dewas project has been awarded on EPC basis to new developers, which are expected to be completed within a period of 3-4 years from now. Till such time the revenues from the Toll collections seem bleak and no surplus cash flows are being expected after debt obligations, so as to pay the Additional Concession fees to National Highways Authority of India or Interest thereon. In view of the total stress in the Funds flow the management has considered that the liability accrues and becomes due as and when the cash flows are sufficient for the payment as explained above.

7. Long-Term Provisions

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Employee Benefits	915.74	704.65
(b) Provision for Periodic Maintenance	7,792.57	7,353.03
Total	8,708.31	8,057.68

8. Short Term Borrowings

₹ in Lakhs

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Secured Working Capital Facilities (Refer Note No 8.1)	89,021.38	79,178.76
(b) Unsecured Term loans:		
(i) Related parties (Refer Note No. 8.2)	1,068.07	6,216.62
(iii) Others	708.37	—
Total	90,797.82	85,395.38

Nature of Security and Terms of Repayment

8.1 Working Capital Facilities (Secured)

The working capital facilities from the consortium of Banks are secured by:

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

Period and amount of interest due as on balance sheet date:

- Interest amount of ₹ 8.28 crores for the month of March, 2016 charged on 31.03.2016 is due on balance sheet date.

8.2 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 2016	As at 31 st March 2015
(a) Micro, Small and Medium Enterprises	—	—
(b) Others	46,008.11	39,934.61
Total	46,008.11	39,934.61

* 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 2016	As at 31 st March 2015
(a) Current maturities of Long Term Borrowings		
i) Non Convertible Debentures	—	2,927.84
ii) 11,25,00,000 10.50% Compulsorily Convertible Debentures (CCD) of ₹10/- each	7,500.00	11,250.00
iii) Term Loans	15,592.60	25,218.75
(b) Interest accrued but not due on Borrowings	1,665.61	2,519.35
(c) Interest accrued and due on Borrowings	3,162.21	3,682.58
(d) Unpaid Dividends	4.34	5.43
(e) Remuneration payable to Directors	109.69	109.11
(f) Application Money received for allotment	35.69	1,028.20
(g) Capital Creditors	—	2,853.65
(h) Statutory Payables	4,089.57	3,419.38
(i) Liabilities held for sale (Refer Note No. 30.20)	22,851.01	—
(i) Other Payables	4,010.66	3,890.77
Total	59,021.38	56,905.06

11. Short-Term Provisions

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
(a) Employee Benefits	9.88	7.20
(b) Provision for Periodic Maintenance	1,298.39	1,384.72
(c) Provision for Dividend & Dividend Distribution Tax	853.35	456.38
(d) Provision for Expenses	10.05	10.56
(e) Provision for Income Tax	16.26	—
Total	2,187.93	1,858.86

12. Statement of Fixed Assets and Depreciation / Amortisation

₹ in Lakhs

Particulars	Original Cost			Depreciation And Amortization				Net Book Value	
	As at 1st April 2015	Additions during the year	Deductions/ Retirement/ Adjustment during the year	As at 31 March 2016	Up to 1st April 2015	For the year	Deductions/ Adjustment during the year	As at 31st March 2016	As at 31st March 2015
a) Tangible Assets									
Land	6,249.61	9.75	3.09	6,256.27	—	—	—	6,256.27	6,249.61
Roads & Buildings	—	—	—	—	—	—	—	—	—
Plant and Equipment	37,829.72	5,139.07	4,641.82	38,326.97	22,642.47	3,131.37	4,276.20	16,829.33	15,187.25
Vehicles	2,770.35	470.69	265.71	2,975.33	1,706.90	335.15	262.95	1,196.23	1,063.45
Wind Power Equipment	5,936.86	—	—	5,936.86	1,144.01	263.95	—	4,528.90	4,792.85
Furniture and Fixtures	416.34	12.38	97.44	331.28	276.23	32.34	95.05	117.76	140.11
Sub-total :	53,202.88	5,631.89	5,008.06	53,826.71	25,769.61	3,762.81	4,634.20	28,928.49	27,433.27
b) Intangible Assets									
Goodwill on consolidation	2,376.66	1,847.27	—	4,223.93	—	—	—	4,223.93	2,376.66
Goodwill on Amalgamation	0.97	—	—	0.97	—	—	—	0.97	0.97
Carriage Way	138,549.89	174,169.93	34,210.29	278,509.53	34,498.37	11,380.61	8,226.40	240,856.95	104,051.52
Computer Software	193.01	—	—	193.01	27.66	7.72	—	157.63	165.35
Sub-total :	141,120.53	176,017.20	34,210.29	282,927.44	34,526.03	11,388.33	8,226.40	245,239.48	106,594.50
Total	194,323.41	181,649.09	39,218.35	336,754.15	60,295.64	15,151.14	12,860.60	274,167.97	134,027.77

(2.06)

Less : Transferred to Preoperative Expenditure/Capital Work in Progress

15,149.08

Net Depreciation charged to Statement of Profit and Loss

12.c Capital work in progress

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
Opening Balance	582.96	690,644.23
Add : Expenditure incurred during the year	53.89	45.01
Less : Transfer to Asset / Capitalised during the year	—	(690,106.28)
Closing Balance	636.85	582.96

12.d Intangible assets under development

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
Opening Balance	147,485.18	102,666.81
Add : Expenditure incurred during the year	170,206.01	46,836.37
Less : Capitalised during the year	(167,212.98)	—
Less : Adjustment for change in status of erstwhile Subsidiary into Associate	(517.41)	(2,018.00)
Closing Balance	149,960.80	147,485.18

13. Non-current investments

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
Non-Trade investments (valued at cost unless stated otherwise)		
Unquoted		
A. Investment in Associate Companies		
22,47,27,125 (Previous Year:22,47,27,125) Equity share of ₹10/- each fully paid - NCC Infrastructure Holdings Ltd (Refer Note No.13.1)	20,528.90	22,376.03
30,000 (Previous Year:30,000) equity share of ₹10/- each fully paid up - Sembcorp Gayatri O&M Co. Pvt Ltd	2.08	2.20
241600000 (Previous Year:236600000) equity share of ₹10/- each fully paid up Thermal Powetech Corporation Indian Limited (Refer note 13.2)	24,161.60	48,434.07
B. Other Investments		
Quoted - at Cost		
2,35,00,000 (Previous year Nil) 9% non-convertible redeemable cumulative preferential Shares of ₹ 10/- each, fully paid in Gayatri Hitech Hotels Ltd. (Refer Note No. 30.10)	23,500.00	—
24,79,338 (Previous Year:24,79,338) Equity shares of ₹10/- each fully paid up - Jimbhuish Power Generation Pvt Ltd (Refer note 13.3)	3,000.00	3,000.00
Land (Investment in Property)	3.09	—
Quoted - at Cost		
11,63,607 (Previous Year 11,63,607) Equity Shares of ₹10/- each in Gayatri Sugars Ltd., (Refer note 13.4)	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
Less: Provision for diminution in value of Investment (Refer note 13.4)	(278.44)	(278.44)
Total	71,211.19	73,862.82
Details of Quoted and Unquoted Investments:		
Aggregate Amount of Quoted Investment	15.52	15.52
Aggregate Market value of Quoted Investment	59.35	19.55
Aggregate Amount of Unquoted Investment	71,211.19	73,862.82

- 13.1 7,47,49,590 Equity Shares of NCC Infrastructure Holdings Ltd held by the Gayatri Energy Pvt Ltd are pledged in favour of IFCI 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 In pursuance of Exit Agreement entered between Gayatri Energy Venture Pvt. Ltd (GEVPL) and Jinbhuvish Power Generation Private Limited (JPGPL), 2,74,49,989 Equity Shares of JPGPL held by the GEVPL are pledged in favour of JPGPL.
- 13.4 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 2016	As at 31 st March 2015
To Related Parties - Unsecured, Considered Good		
Subordinate Shareholders' Contribution to Associate Companies	11,565.58	10,949.60
Other Advances	517.12	0.45
To Others - Unsecured, Considered Good		
- Capital Advances	—	7,193.73
- Other Advances (Refer No. 30.14)	33,490.08	33,032.14
- Security Deposit with Govt. Depts and Others	57.44	73.60
- Deposits with Customs departments	—	1,250.51
Total	45,630.22	52,500.03

15. Other Non-Current Assets

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
(a) Advance for purchase of Equity Shares (Refer Note No. 30.16)	10,000.00	10,000.00
(b) Receivable from Related Parties (Refer Note No. 30.10)	—	21,851.46
Total	10,000.00	31,851.46

16. Current Investments

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
Mutual Funds	30.00	76.79
Total	30.00	76.79

17. Inventories

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
(a) Construction materials, Stores and Spares	6,933.58	9,994.76
(b) Work in Progress	8,563.71	14,207.53
Total	15,497.29	24,202.29

18. Trade Receivables

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good*	63,007.86	55,877.80
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	18,112.26	3,298.48
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
Total	81,120.12	59,176.28

* Includes claims amount receivable of ₹ 4106.84 lakhs

19. Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
(a) Cash on hand	64.98	63.46
(b) Balances with banks		
In current accounts	15,157.40	12,474.56
In deposit accounts (due with in 12 months)		
i. Margin money for Bank Guarantees / LCs	15,679.36	9,801.87
ii. Other Deposits	1,738.22	2,743.76
Total	32,639.96	25,083.65

20. Short-term loans and advances

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
To Related Parties - Unsecured, Considered Good		
- Advances to Holding Company	735.31	6,660.24
- Loans and Advances to Associates	5,885.24	5,347.27
To Others - Unsecured, Considered Good		
- Advances to Suppliers	1,798.51	646.59
- Advances to Sub-Contractors (Refer Note No.30.15)	76,788.21	58,023.51
- Staff Advances	231.75	189.33
- Advances with Govt. Departments	10,945.31	7,829.10
- Other Advances	1,787.24	2,056.21
Total	98,171.57	80,752.25

21. Other current assets

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
(a) Interest accrued but not due	75.19	74.04
(b) Advance for purchase of Equity Shares (Refer Note No.30.17)	2,490.83	2,471.40
(c) Annuity Income accrued but not due	1,977.27	2,287.93
(d) Prepaid Expenses	58.87	183.50
(e) Others (Refer Note No.30.12)	250.22	354.05
(f) Receivable from Disposal of interest in JCE (Refer Note No.30.20)	27,213.83	
Total	32,066.21	5,370.92

22. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
(a) Construction Revenue	125,444.20	86,717.95
(b) Materials Supply Revenue	10,160.60	35,631.22
(c) Claims	—	4,518.20
(d) Revenue from Electricity Generation	501.91	579.51
(e) Share of profit from Joint Ventures	388.90	186.42
(f) Annuity Income	17,779.00	17,779.00
(g) Toll Revenue	7,766.30	4,664.62
Total	162,040.91	150,076.92

23. Other income

₹ in Lakhs

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
(a) Interest income from Fixed Deposits & Others	520.50	367.96
(b) Other Miscellaneous Income	798.67	416.99
Total	1,319.17	784.95

24. Consumption of Materials and Cost of Purchases & Services

₹ in Lakhs

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
(a) Steel	5,046.71	6,170.64
(b) Cement	3,112.77	2,574.93
(c) Bitumen	5,473.76	4,045.15
(d) Metal	5,499.23	3,213.47
(e) Sand & Gravel	853.77	772.07
(f) Electrical Materials	1,625.65	8,823.74
(g) Railway Line Materials	1,531.96	4,519.49
(h) Coal Handling System Materials	3,535.27	13,228.08
(i) RCC & GI Pipes	84.59	87.53
(j) HSD Oils & Lubricants	3,630.29	4,224.48
(k) Stores and Consumables	318.79	470.04
(l) Other Materials	333.38	47.19
Total	31,046.17	48,176.81

25. Work Expenditure

₹ in Lakhs

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
(a) Departmental Recoveries	3,285.23	1,953.27
(b) Work executed by sub contractors	39,020.84	19,069.56
(c) Earth Work	10,204.41	8,722.11
(d) Concrete Work	3,547.77	7,817.64
(e) Transport Charges	1,455.03	1,007.11
(f) Hire Charges	1,441.21	1,397.30
(g) Road work	3,103.61	8,438.94
(h) Repairs and Maintenance	1,489.62	965.32
(i) Taxes and Duties	3,324.97	3,738.18
(j) Royalties, Seigniorage and Cess	1,128.91	582.02
(k) Insurance	163.87	138.16
(l) Operation & Maintenance Expenses	4,831.39	3,805.96
(m) Other Work Expenditure	4,836.89	4,690.60
Total	77,833.75	62,326.17

26. Change in Inventories of Work-in-Progress

₹ in Lakhs

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Opening Work in Progress	14,207.53	13,619.16
Less : Closing Work in Progress	(8,563.71)	(14,207.53)
Total	5,643.82	(588.37)

27. Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
(a) Salaries & Wages	2,399.19	2,084.35
(b) Director's Remuneration	529.41	444.00
(c) Staff Welfare Expenses	257.47	318.26
(d) Contribution to Statutory Funds	136.60	94.14
Total	3,322.67	2,940.75

28. Finance costs

₹ in Lakhs

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
(a) Interest on Term Loans	24,458.48	19,498.22
(b) Interest on Debentures	194.38	3,079.31
(c) Interest on Working Capital Facilities	7,657.25	7,012.03
(d) Interest on ECB Loan	1,239.95	1,306.55
(e) Exchange loss on ECB Loan	46.19	199.38
(f) Bank Guarantee & Other Financial Charges	445.26	280.18
	34,041.51	31,375.67
Less : Interest on BG/LC Margin money deposits	(1,106.92)	(1,059.48)
Interest on Loans & Advances given	(4,416.49)	(3,788.18)
Total	28,518.10	26,528.01

29. Other expenses

₹ in Lakhs

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
(a) Advertisement expenses	46.98	29.87
(b) Audit fee	85.47	65.83
(c) Donations & Corporate Social Responsibility Expenditure	301.99	313.68
(d) Insurance charges	66.46	56.70
(e) Consultancy, Legal & professional charges	988.88	742.11
(f) General Expenses	120.72	111.54
(g) Power & fuel	140.28	129.96
(h) Miscellaneous expenses / Other administration expenses	461.23	445.67
(i) Printing & stationery	54.81	52.10
(j) Rent	355.29	358.47
(k) Taxes & licenses	89.95	60.17
(l) Tender Expenses	61.99	39.30
(m) Telephone	62.73	69.20
(n) Traveling, Conveyance & Stay expenses	501.38	365.65
(o) Loss on sale of assets / Impairment of assets	—	214.47
Total	3,338.16	3,054.72

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
21	Vishwa-Gayatri Joint Venture	Joint Venture	49	India

30.4. Contingent Liabilities

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

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
a) Claims against the Company	90.33	225.13
b) Guarantees given by the Banks towards performance & Contractual Commitments	1,23,892.32	77,539.41
c) Corporate Guarantees given to group companies	2,98,048.00	8,38,456.00
d) Disputed Liability of Income Tax, Sales Tax, Service Tax, Etc.,	13,635.73	14,617.34

30.5 Contingent Commitments

₹ in Lakhs

Particulars	As at 31 st March 2016	As at 31 st March 2015
Contracts remaining to be executed on capital accounts (net of advances)	78,666.16	1,25,887.22
Commitments towards investment in subsidiaries, Joint Ventures and Associates	—	25,480.00
Other Commitments (as stated in subsidiary company financials).	2,410.00	2,410.00

30.6 EARNING PER SHARE (EPS)

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

₹ in Lakhs

Particulars	2015-16	2014-15
Profit After Tax for calculation of Basic EPS (₹ in Lakhs)	122.86	(3547.27)
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	122.86	(3547.27)
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	335.04	302.27
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	335.04	302.27
Basic EPS (₹)	0.35	(10.49)
Diluted EPS (₹)	0.35	(10.49)

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 LalitakalaParishad T.V.Sandeep Kumar Reddy & Others Invento Labs Pvt. Ltd.	Mr. T.V.Sandeep Kumar Reddy Mr. J.Brij Mohan Reddy Mrs.T.Indira Reddy Mr.T.Aniruth 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 interested	2015-16		2014-15	
		Entities in which KMP are relatives	KMP & their interested	Entities in which KMP are relatives	KMP & their
1.	Equity Contribution	23,500.00	—	—	—
2	Contract Receipts	515.08	—	1,105.22	—
3	Contract payments	359.32	—	385.10	—
4	Office Rent & Maintenance	113.00	—	110.14	—
5	Other Payments	12.83	79.12	52.48	67.81
6	Donations	149.52	—	176.90	—
7	Remuneration Paid	—	529.41	—	444.00
8	Contract Advances/ Other Adv.	84.00	—	—	—
9	Unsecured Loans received	—	152.10	—	3,300.00
10	Corporate Guarantees	—	—	—	—
11	Closing balances - Debit	1156.58	—	25,099.87	—
12	Closing balances - Credit	417.12	261.79	110.53	3,409.11

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	2015-16		2014-15	
		Foreign Currency Equivalent	Rupee Equivalent	Foreign Currency Equivalent	Rupee Equivalent
Amount payable in Foreign Currency:					
Hedged :					
External Commercial Borrowings (ECB)	USD	210.38	12412.69	229.78	13510.27
Un-hedged					
External Commercial Borrowings (ECB)	USD	Nil	Nil	Nil	Nil

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:

As per the approval of Board and Shareholders of the Company, Gayatri Hi-tech Hotels Ltd (GHHL), a related party of the Company, has allotted 2,35,00,000 - 9% Cumulative Redeemable Preference Shares (CRPS) of ₹ 10/- each at a premium of ₹90/- per share against receivables from GHHL.

- 30.11. As per an expert opinion, during the year the Company has claimed deduction u/s 80IA of the Income Tax Act, 1961 in respect of income earned on infrastructure projects.
- 30.12 In pursuance of share purchase agreement entered between the Company and AMP Capital Finance Mauritius Limited (AMP) to purchase shares of Gayatri Infra Ventures Limited held by AMP, an amount of ₹ 200.01 Lakhs has been paid as an advance towards purchase of shares.
- 30.13 (a) During the year, the Company has issued 16,19,386 Equity Share of ₹10/- each at a premium of ₹193.78 per equity share by way of preferential allotment to promoters against unsecured loans of ₹33.00 crores received during the previous year, in terms of the Master Restructuring Agreement entered with the Company's Lenders.
(b) The company has further issued 36,04,000 Equity Shares of ₹10 each at a premium of ₹193.20 on preferential allotment / private placement.
- 30.14 Some of the Contract Advances given by the Company in earlier years and which are long pending for recovery due to reasons beyond the control of both the parties have been converted to interest bearing loans and grouped under "Long term Loans & Advances". The management of the Company has already initiated steps to recover the same and is confident that these advances / loans will be recovered and hence no provision has been made in the financials.
- 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 During the previous financial years one of the Subsidiary Company had given an Amount of ₹100 crores to NCCLtd for the purpose of acquisition of equity shares of NCC Infrastructure Holdings Limited (NCCIHL). As per the amended agreement dated on 14 November, 2014 the shares will be allotted to Gayatri Energy Ventures Private Limited in 3 tranches on or before 31st March, 2017.
- 30.17 During the previous financial years, one of the Subsidiary Company Gayatri Energy Ventures Pvt. Ltd. (GEVPL) had made various investments in Jinbhuvish Power Generation Private Limited (JPGPL) by way of acquisition of shares, share application money, advance for purchase of equity shares total amounting to ₹54.91 crores. During the previous financial years the GEVPL had entered into an Exit Agreement dated 25th May 2013 with JPGPL, which was duly amended by various letter agreements from time to time and as per the latest letter agreement dated 31st October 2015, the GEVPL shall exit from JPGPL by 31st October 2016.
- 30.18 In the opinion of the management and to the best of their knowledge and belief, the value of the assets reported under Long Term Loans and Advances and 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.
- 30.19 There are no amounts due and outstanding to be credited to Investors Education & Protection Fund as on 31-03-2016 and amounts which are required to be transferred to such funds have been transferred.
- 30.20 One of the Subsidiary Company Gayatri Infra ventures Limited (GIVL) has entered into a definitive sale agreement dated 19 January 2016 with Cube Highways and Infrastructure PTE Limited for divestment of its entire equity stake

amounting to ₹4,606.09 Lakhs held in Western UP Tollway Limited, a jointly controlled entity. On the basis of assessment of the status of compliances with certain mandatory conditions stipulated in the agreement and pending finalisation of the sale consideration, the financial statements of the jointly controlled entity have been accordingly consolidated in the financial statement of the GIVL group as at and for the year ended 31st March 2016 and duly disclosed as a discontinuing operations in accordance with the provisions of Indian GAAP. The details of the assets, liabilities, income and expenditure pertaining to the aforesaid jointly controlled entity, duly consolidated, considered for consolidation in the financial statements of GIVL group as at and for the year ended 31st March 2016 are as follows:

₹ in Lakhs		
Sl. No.	Particulars	Amount
1.	Share in liabilities	22,851.01
2.	Share in assets	27,213.83
3.	Revenue	5,142.32
4.	Expenses	6,635.11
5.	Loss for the year	(1,492.79)
6.	Net decrease in cash and cash equivalents	(450.74)

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

i) CIF value of Imports

₹ in Lakhs

Sl. No.	Particulars	2015-16	2014-15
1.	Purchase of Capital Goods	1,155.67	Nil

ii) Expenditure / (Income) in Foreign Currency :

₹ in Lakhs

Sl. No.	Particulars	2015-16	2014-15
1	Travelling Expenses	20.92	15.37
2	Profession Fee	12.64	—
3	Interest on ECB Loan	811.95	1,599.81

30.22 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	107.59	81,849.29	47.73	5,864.84
Subsidiary - Indian				
Gayatri Energy Ventures Pvt. Ltd.	(18.41)	(14,007.23)	(3.40)	(418.32)
Gayatri Infra Ventures Limited	(15.97)	(12,147.06)	(26.78)	(3,290.75)
Sai Maatarini Tollways Limited	28.20	21,453.62	(0.08)	(8.27)
Indore Dewas Tollways Limited	(3.17)	(2,410.56)	(19.63)	(2,411.78)
Associates - Indian				
Balaji Highways Holding Limited	—	—	—	—
HKR Roadways Limited	—	—	—	—
Joint Ventures - Indian				
IJM Gayatri Joint Venture	0.06	41.96	0.06	7.15
Jaiprakash Gayatri Joint Venture	0.01	5.66	—	(0.55)
Gayatri ECI Joint Venture	1.68	1,275.46	3.17	388.90
Gayatri Ratna Joint Venture	0.01	5.37	—	—
Gayatri - Ranjit Joint Venture	—	—	—	—
Gayatri - GDC Joint Venture	—	—	—	—
Gayatri - BCBPPL Joint Venture	0.01	7.27	—	(0.42)
Gayatri - RNS Joint Venture	—	—	—	—
Gayatri - JMC Joint Venture	—	—	—	—
MEIL-Gayatri-ZVS-ITT Consortium	—	—	—	—
Viswanath-Gayatri Joint Venture	—	—	—	—
Vishwa-Gayatri Joint Venture	—	—	—	—
GPL-RKTCPL Joint Venture	—	—	—	—
GPL-SPL Joint Venture	—	0.60	—	0.60
Maytas-Gayatri Joint Venture	(0.01)	(8.55)	(0.07)	(8.55)
Minority Interest				
Gayatri Infra Ventures Limited	996.62	1,337.66	0.58	1,695.82
Indore Dewas Tollways Limited	(896.62)	(1,203.44)	0.42	1,205.71

30.23 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.

30.24 All amounts are rounded off to nearest thousand.

30.25 Previous year figures have been regrouped wherever considered necessary.

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

S.V.C. REDDY
Partner

Place : Hyderabad.
Date : 30th May 2016

For and on behalf of the Board

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

P. SREEDHAR BABU
Chief Financial Officer

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

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.

Name of the member (s): Registered address:		Email Id: Folio No./ Client Id No.: DP Id No.:	
--	--	--	--

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

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 27th Annual general meeting of the company, to be held on the 28th day of September, 2016 At 3.00 p.m. 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 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016 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 31 st March, 2016.		
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 F.Y 2016.-17.		
6. Appointment of Mr. J.N. Karamchetti as Independent Director of the Company.		
7. Authorisation to charge for delivery of documents through a particular mode, if any request received from the member.		

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 27th 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 Wednesday the 28th day of September, 2016 at 3.00 p.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))

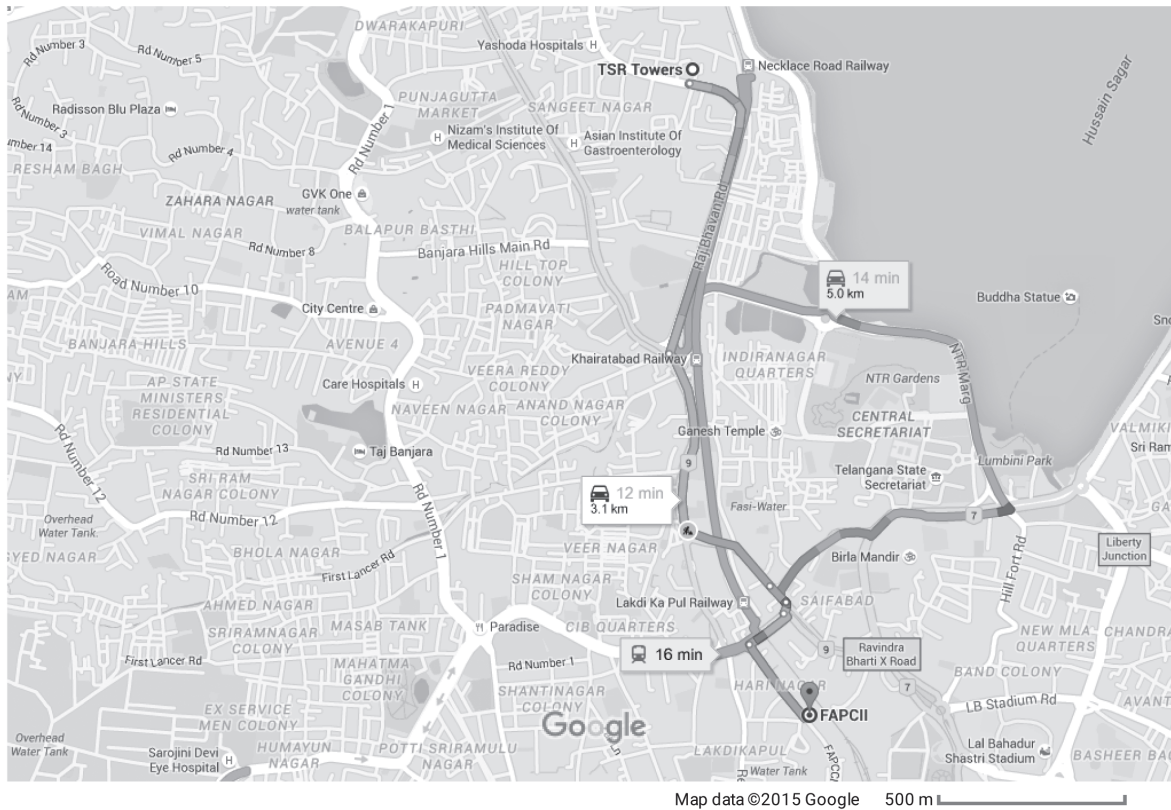
.....
Signature

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.

ROUTE MAP TO THE AGM VENUE

TSR Towers to FTAPCII, Hyderabad, Telangana

Drive 3.1 km, 12 min



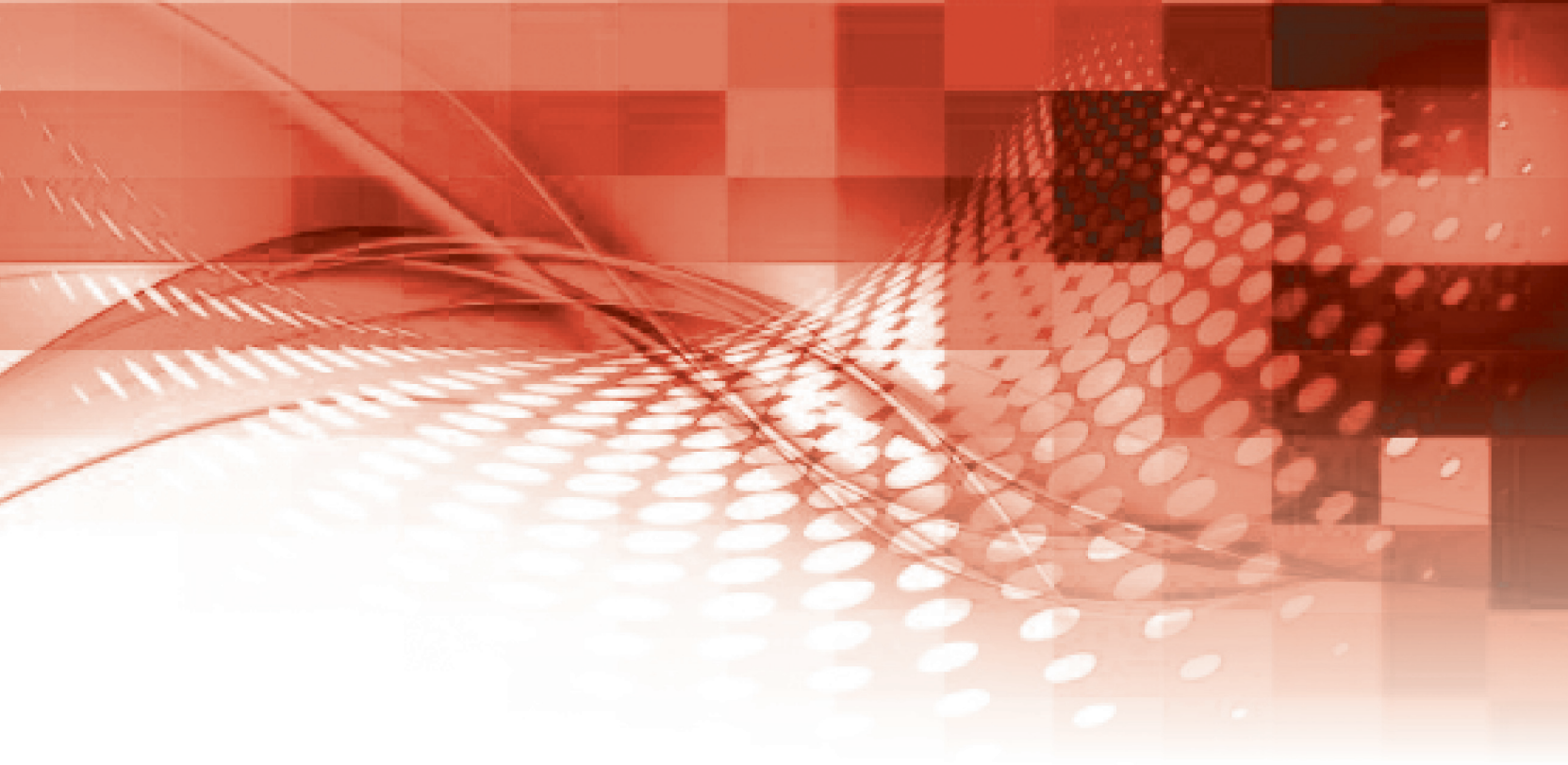
 via Raj Bhavan Rd and NH 9 **12 min**
9 min without traffic · 3.1 km

Details

 via Raj Bhavan Rd **14 min**

 Hyderabad Decan Local  **16 min**

<https://www.google.co.in/maps/dir/TSR+Towers,+Raj+Bhavan+Road,+Somajiguda,+Hyderabad,+Telangana/FTAPCII,+Hyderabad,+Telangana/@17.4120707,7...> 1/2



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

T +91 40 2331 0330 / 4296 / 4284 E gplhyd@gayatri.co.in
F +91 40 2339 8435 www.gayatri.co.in