

Q2 & H1 FY15 Results Presentation

November, 2014



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

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

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

Index

A large circular graphic on the left side of the slide. It contains a large, stylized red flame logo, which is the same as the one in the top right corner. The circle has a yellow-to-red gradient border. Six horizontal red lines extend from the right edge of the circle to the left edge of the index items.

Financial Highlights – H1 FY15

Order Book

Key Business Developments

Project Updates

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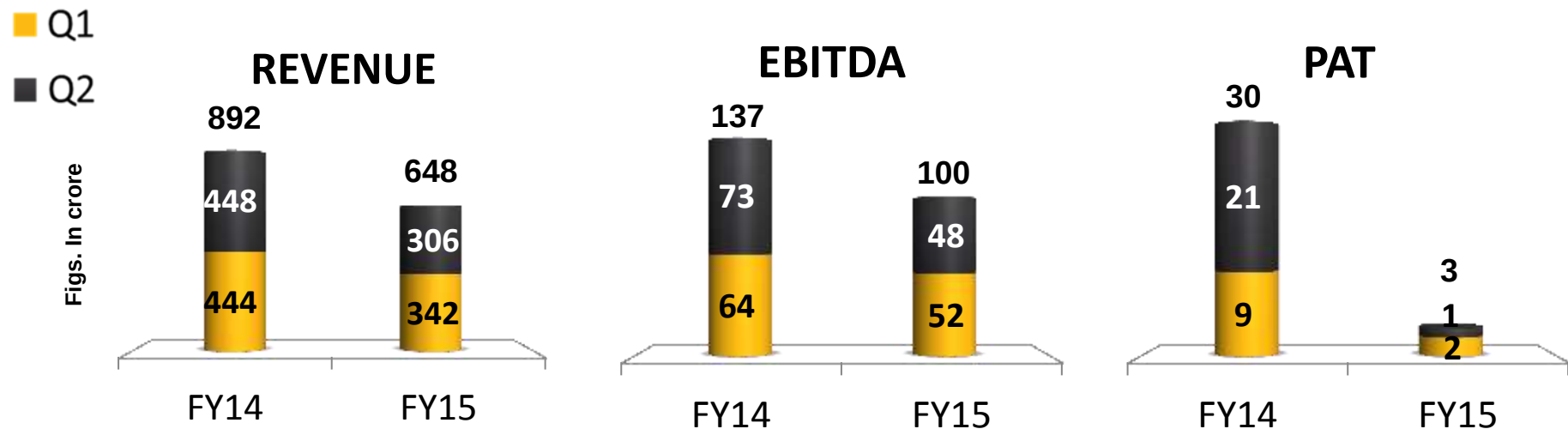
REVENUES ₹648_{cr}

EBITDA ₹100_{cr}

PAT ₹3_{cr}

ORDER BOOK ~ ₹6,625_{cr}

Financial Performance – H1 FY15



- Challenging macros resulted in subdued revenues
 - H1FY15 revenue ₹648 crore v/s ₹892 crore during H1FY14
- Sustained thrust on improving efficiencies
 - H1 FY15 EBITDA ₹100 crore v/s ₹137 crore during H1 FY14
 - Operating margins stable at 15.4%
- Profitability compression on account of slower pace of project execution and higher interest cost
 - H1 FY15 PAT ₹3 crore as against ₹30 crore during H1 FY14
 - Higher interest outgo coupled with revenue moderation resulted in impairing business profitability

M.D.'s Comments



Commenting on the results, Mr. Sandeep Kumar Reddy, Managing Director, Gayatri Projects Limited said *“We have made significant operational progress across out varied business segments during the period, despite the presence of challenging business environment.*

Performance of our road assets continue to remain strong and make significant contribution to the overall business. The quality of our road portfolio remains high as indicated by the positive cash generating ability of our operational projects. Further, the completion of our under construction projects coupled with new order wins will result in increasing the profitability of our road development business.

Performance of our power projects remains on track, meeting our expectations. Our TPICL project achieved a major milestone recently, attaining boiler light up, reflective of the smooth functioning of the work. We are hopeful that the unit will be synchronised to the grid by the end of the year.

Going ahead, we are hopeful that the recent headway made by us will help us deliver much improved performance in the long term. Further, the visible actions undertaken by the government and expectation of further Policy improvement augur well for the future.”



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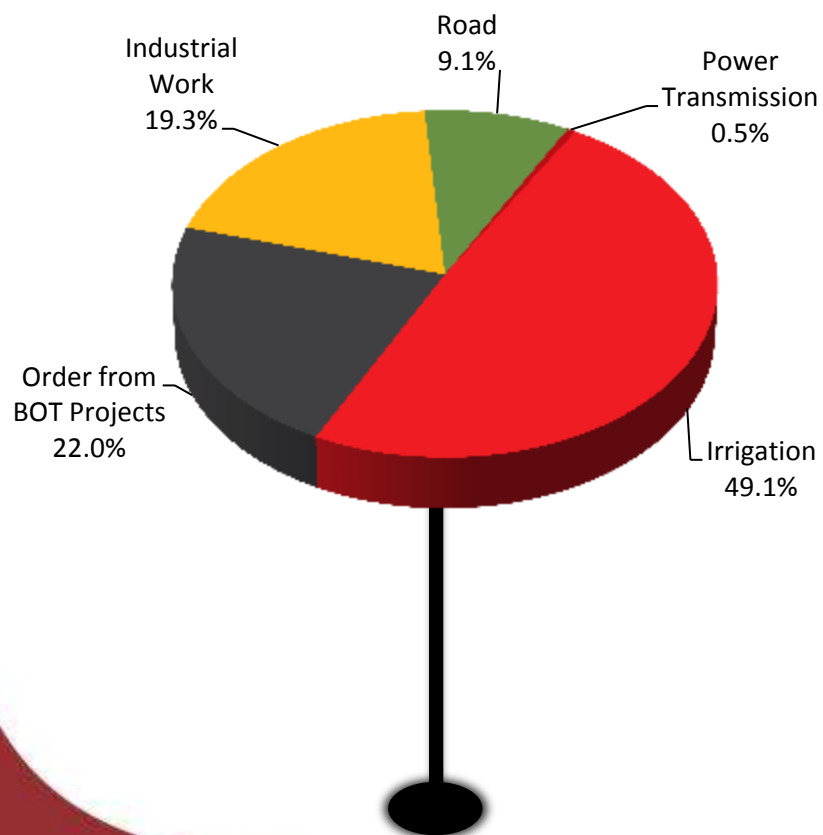
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Order Book Update



Break up - Order book



Order Book - Details

- Strong and diversified order book of ₹6,625 crore (approx.) as of Sept. 2014
- Earnings visibility remains strong on the back of robust order book
- Presence across diversified segments helps counter sectoral cyclicality
- Focused on bidding for margin accretive projects

Order Win



- Bagged an order worth ₹159 crore from National Highway Authority of India (NHAI)
- Order to be executed in JV with SPL Infrastructure Private Ltd
- Scope of work includes -
 - Improvement & augmentation of Thanjavur – Pudukottai section 2 laning with paved shoulders of NH – 226 in the state of Tamil Nadu
 - Total Design Length – 55.228 Km
- Order to be executed on an EPC mode basis





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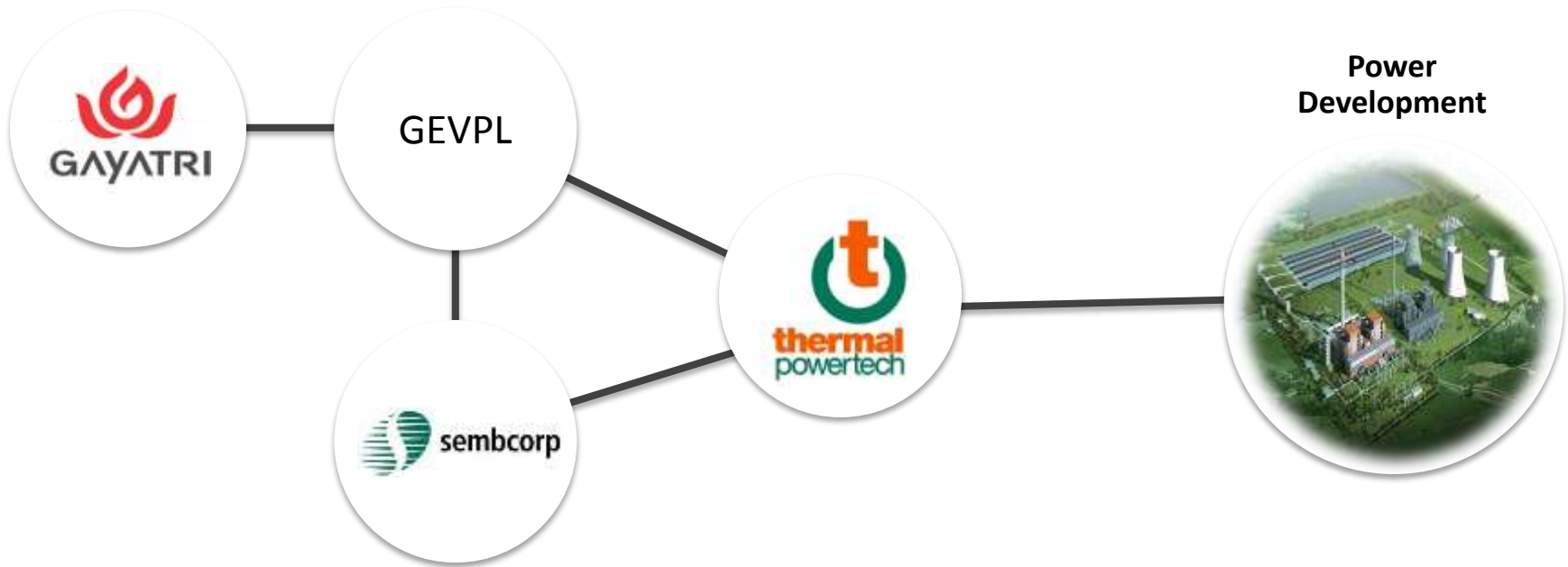
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TPCIL Phase I – Achieves Boiler Light up



- Achieved Boiler Light Up; expect the unit to be synchronised to the grid by end of the year
- TPCIL has already secured 25 year 500 Mw PPA from Andhra Pradesh Power Distribution Company
- Signs 20 years Fuel Supply Agreement with Mahanadi Coal fields. Ltd (Subsidiary of Coal India Ltd)
- Balanced customer profile as part of the power will be sold via PPA mode and the balance through Merchant; mix between PPA and Merchant offers both the safety of steady cash flows with the opportunity to gain from upside under Merchant sale



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Project Updates – Road Assets



Indore – Dewas Tollways Ltd (IDTL)

- 45 Km toll based project executed in partnership with DLF Infra Holding
- Implementing lane expansion from (four lane to Six lane) on a DBFOT basis
- 25 year concession from NHAI
- Work completed till Sept.' 14: ~92.53%
(excluding change of scope)
- NHAI has approved premium repayment reschedule for the project

IDTL



Project Updates – Power Assets (TPCIL)



- Work on TPCIL is progressing as per schedule
- Achieved Boiler Light up
- Expect the first unit to be synchronised to the grid by end of the year

Projects	Remark
Main Power House	Completed
Boiler Unit	Completed
Silencer Erection	Completed
Deck Casting	Completed

Development of Road Assets



- Gayatri Infra Ventures Ltd, a subsidiary of Gayatri Projects Ltd dedicated towards development of road assets
- Incorporated in 2008; wherein Gayatri Projects Ltd owns 70%; while AMP Capital owns the balance 30%
- Balanced portfolio comprising of four annuity and four toll based projects
- Balanced portfolio between annuity and toll based offers safety of steady cash flow with the opportunity for upside as traffic volumes improves
- Timely receipt of annuity helps maintaining quality of its projects
- Revenue generated from toll based projects continue to meet expectations

Portfolio Summary

Annuity Based Projects	Status	Concession Period (Years)	H1 FY15 (₹ in crore)
Gayatri Jhansi Roadways Limited (GJRL)	PCC Obtained	20	29.95
Gayatri Lalitpur Roadways Limited (GLRL)	PCC Obtained	20	23.95
Hyderabad Expressways Limited (HEL)	PCC Obtained	15	30.50
Cyberabad Expressways Limited (CEL)	PCC Obtained	15	39.50
Toll based Projects	Status	Concession Period (Years)	H1 FY15 (₹ in crore)
Western UP Tollways Ltd (WUPTL)	PCC Obtained	20	47.45
Hyderabad Karimnagar-Ramgundam (HKRRL)	PCC Obtained	25	36.15
Indore Dewas Tollways Limited (IDTL)	Under Construction	25	20.67
Sai Maatarini Tollways Limited (SMTL) 100% Subsidiary of GPL	Under Construction	24	-

Development of Power Assets



Portfolio Summary

-  Incorporated in 2008, Gayatri Energy Ventures Private Ltd a wholly owned subsidiary of Gayatri Projects Ltd is dedicated towards development of Power Assets
-  Portfolio size of around: ₹14,000 crore
-  Plans to add 5,000 Mw of Power Assets
-  Current Portfolio:
 - TPCIL (51% GEVPL; 49% SembCorp Utilities)
 - NCC Power Projects (GEVPL holding through investment in NCCIHL)
-  Most of its power plants are located near coastal area which facilitates:
 - Ability to handle large cargo import
 - Easy access to water required for cooling
 - Excellent road & railways connectivity

TPCIL		NCCPPL
TPC	6,869 Crore	7,047 Crore
CFE	Obtained	Obtained
EC	Obtained	Obtained
CL	Signed PPA	LOA Obtained
WL	Obtained	Obtained
PPA	Acquired	In Progress
LA	Acquired	Acquired
FC	Completed	Completed
Current Progress	Most of the Contracts have been awarded and the works are in the advanced stage of completion. Expects to commence operations from FY15	Most of the Contracts have been awarded and the works are going as per schedule. Expected to commence operations from FY16

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



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- There is visibly gradual improvement in the sentiment across the industry
- Increasing dialogue and enquires are reflective of the improving environment
- The revival in the economy will aid in improving the quality and returns of Gayatri Projects' road and power assets
- Gayatri Projects is optimistic of renewed order inflow in the near to medium term across its key operating sector of construction and infrastructure





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Gayatri Projects Limited (Parent Company) core construction Company



Dedicated subsidiaries to focus on Road and Power segment

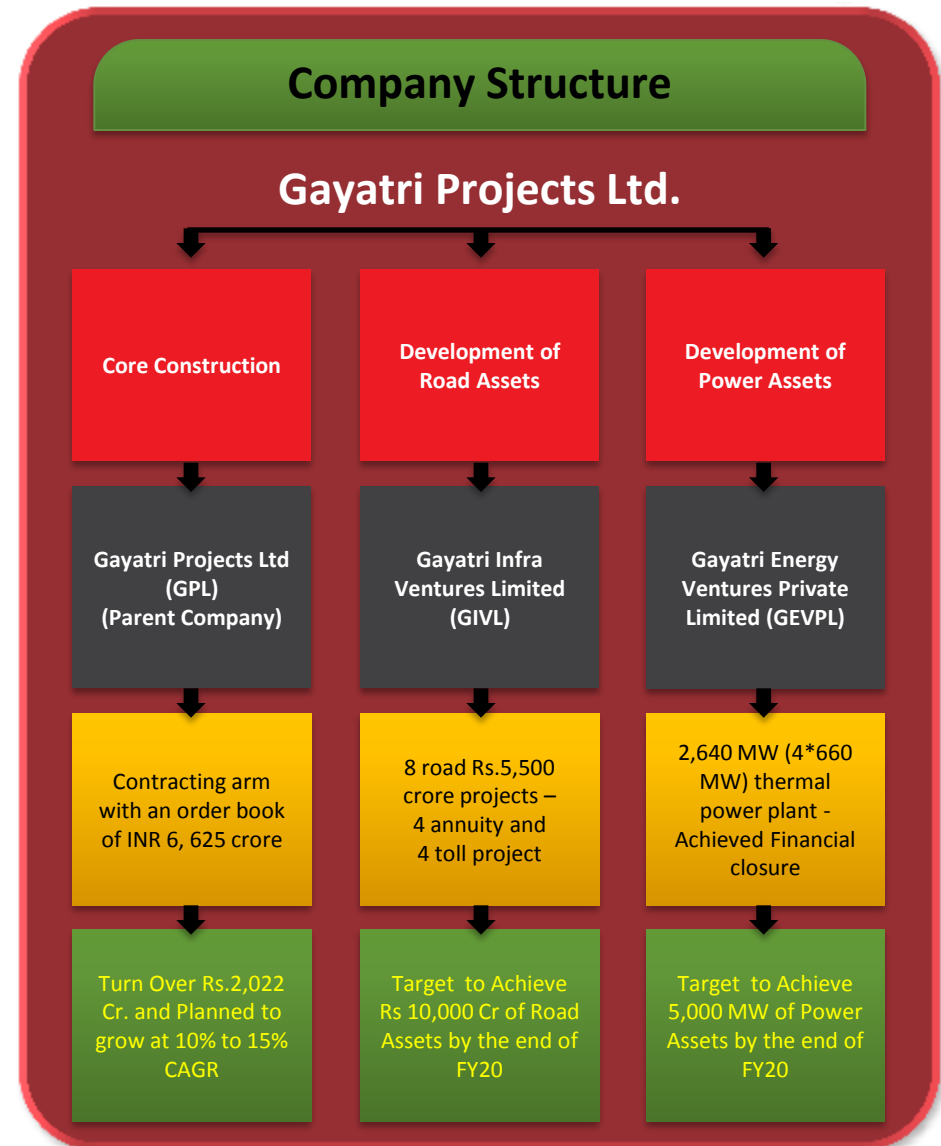
Development of Road Assets:

- GIVL, dedicated towards development of road assets
- GPL's owns 70%; AMP Capital: 30%
- Current Portfolio: 8 road projects
- Annuity based: 4
- Toll Based: 3 + SMTL (100% owned by GPL)

Development of Power Assets:

- GEVPL, dedicated towards development of power assets
- 100% owned Subsidiary of GPL
- Current Portfolio:
- TPCIL: 1,320 MW project
 - GEVL: 51%; SembCorp: 49%
- *NCCPPL: 1,320 MW Project

**Ownership through investment in NCCIHL*



Gayatri Projects – Construction arm



- Core Construction Company with a Pan India Presence
- Rich DNA of almost 50 years' experience in Project execution
- Strong order book of ₹ 6,625 cr (approx.) as on Sep'14 comprising a healthy mix of both captive and external projects
- Client list includes several leading names including NHAI, AAI, Nalco, Tata Steel, Reliance Petroleum etc.
- ISO 9001 – 2000 certified Company
- Owns Extensive fleet of state of the art Construction equipment
 - Heavy Earth Moving Machine: Hydraulic excavators, loaders
 - Concreting Plants: batching plants, transit mixers
 - Road Equipment: vibratory tandem rollers, integrated stone crushing plants
 - Quarry Equipment: Wagon Drills, Jack Hammers
 - Transportation Equipment: Tractors, Water tankers
- Two fold benefits of owning several assets:
 - Lower dependence on external sub contractors
 - Maximizing profits & returns



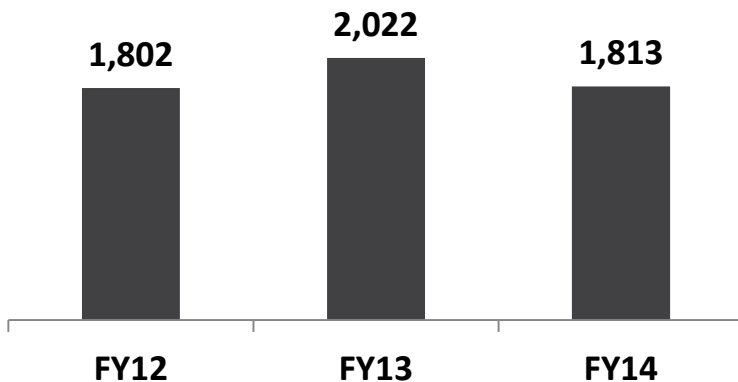
NHAI: National Highways Authority of India; AAI: Airports Authority of India

Financial Performance at a Glance...

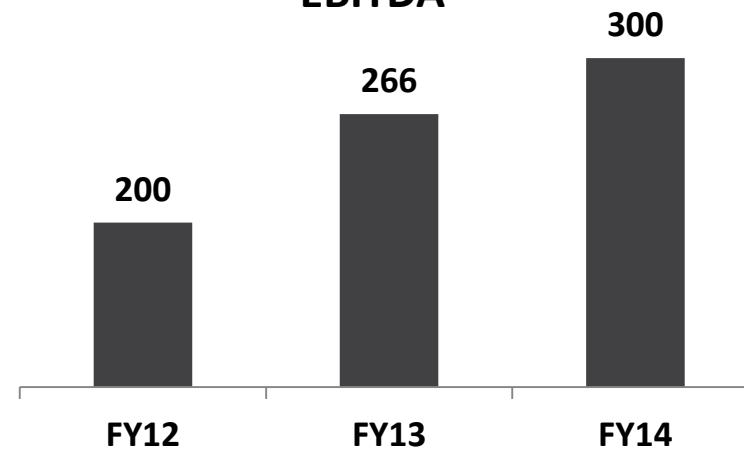


Figs. In crore

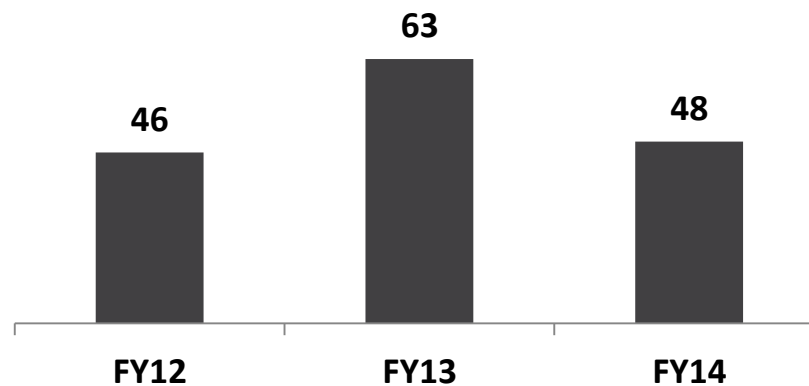
Sales



EBITDA



PAT





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