GAYATRI

Date: 2nd January, 2018

To,

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

Dear Sir/Madam,

Sub: 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 28th Annual Report of the Company for the Financial Year ended 31.03.2017 being approved and adopted in the 28th Annual General Meeting of the Company held on 30.12.2017.

This is for your kind information and record please.

Thanking you,
For Gayatri Projects Limited

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

Regd. & Corp. Office :
Gayatri Projects Limited, B1, 6-3-1090, TSR Towers
Raj Bhavan Road, Somajiguda, Hyderabad 500 082. T.S
CIN: L99999TG1989PLC057289

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GAYATRI

GAYATRI PROJECTS LIMITED



Annual Report 2016–17



Completed road project
at Assam -AS-27

Hyderabad Outer Ring Road Project,
Telangana





Cement Lining work in progress at Varanasi

Completed work at NH-215 Orissa





Longwall Machine at Jhanjra Mine Project

Raft concrete in progress at Varanasi





Railway lane work at
TATA Steel Kalinganagar

Road work in progress at Six Lane Eastern
Peripheral Expressway





Road work in progress at Varanasi works

Road work in progress Six Lane Eastern Peripheral Expressway





Steel Fabrication work in progress at TATA Steel plant at Kalinganagar

Steel fabrication works in progress at TATA Steel works, Kalinganagar

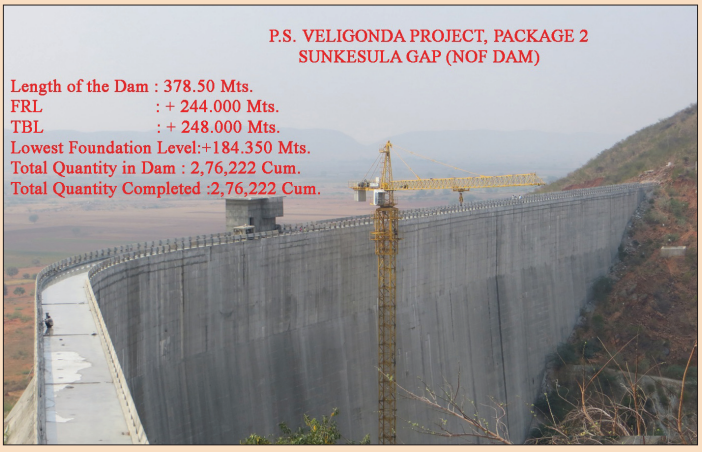




Toll Plaza at NH 215 Orissa

Under ground Mining work in progress at Jhanjra





Veligonda Project - Closing of Sunkesula Gap Work

Water flowing at Pollavaram Right Main Canal





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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. Venkateswarlu Kakkera	-	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
State Bank of India
Syndicate Bank
Union Bank of India
United Bank of India
Dena Bank

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

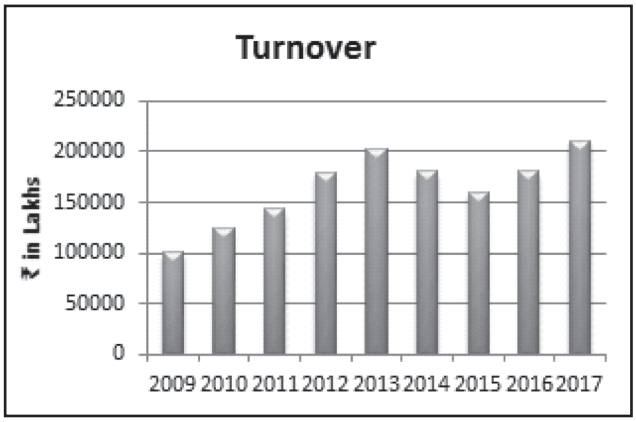
Karvy Computershare Private Limited
Karvy Selenium Tower No.B, Plot No.31-32
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032.
Tel: 040 – 67162222 Fax: 040 – 23420814
Email: einward.ris@karvy.com
Website: www.karvycomputershare.com

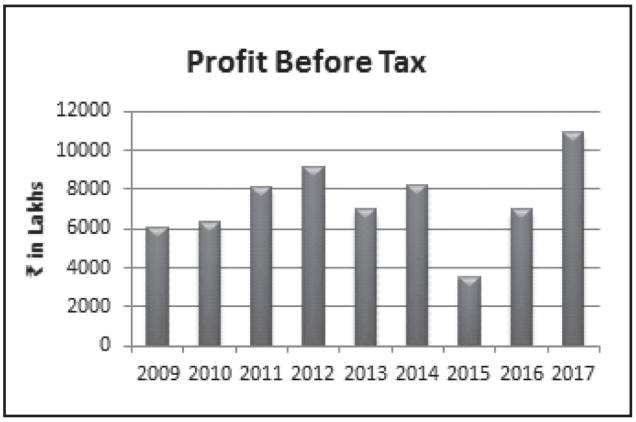


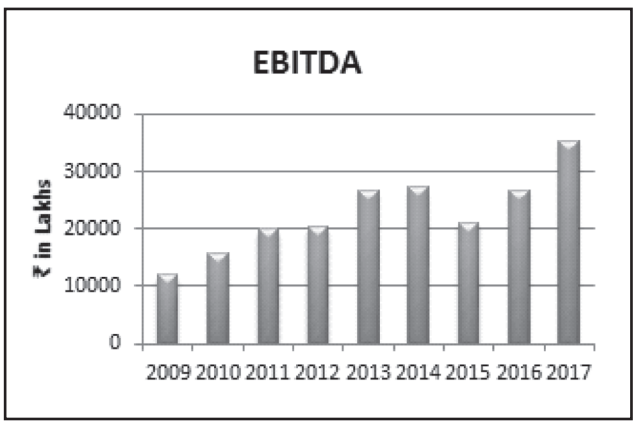
FINANCIAL HIGHLIGHTS

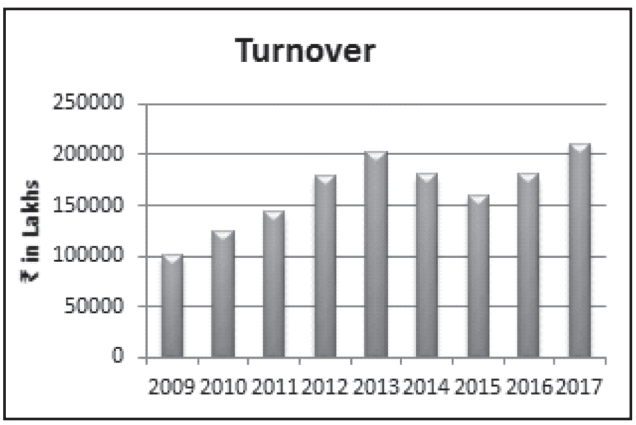
₹ in Lakhs

DESCRIPTION	2016-17	2015-16	2014-15	2013-14	2012-13
Turnover	**2,11,535**	1,81,221	1,60,114	1,81,253	2,02,220
Profit Before Tax	**10,946**	6,969	3,509	8,248	10,201
Profit After Tax	**7,043**	5,801	2,205	4,761	6,309
EBIDA	**35,400**	26,734	21,196	27,218	26,853
Equity Capital	**3,545**	3,545	3,023	3,023	3,023
Reserves & Surplus	**70,555**	81,057	65,231	63,574	59,520
Net Worth	**74,100**	84,602	68,254	66,596	62,543
Gross Block	**57,937**	47,219	46,203	45,432	45,069
Net Block	**30,925**	22,686	20,812	22,936	24,738
Book Value (₹) Per Share of ₹ 2/- each	**41.81**	47.32	45.16	42.06	41.38
EPS (₹) Basic	**3.97**	3.46	1.46	3.15	4.906











NOTICE

NOTICE is hereby given that the TWENTY EIGHTH ANNUAL GENERAL MEETING of M/s. Gayatri Projects Limited will be held at FTAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004, on Saturday the 30th December, 2017 at 11.30 a.m to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Smt. T. Indira Subbarami Reddy, who retires by rotation, and being eligible, offers herself for re-appointment.

3. **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:

4. **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 2017-18.**

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

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Cost Record and Audit) Rules, 2014, **M/s. N.S.V. KRISHNA RAO & CO,** Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2017-18 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 here by ratified."

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

5. **Revision in remuneration of Mr. T. Rajiv Reddy, Vice-President, Operations 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 188(1) (f) and other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made there under including statutory modification or re-enactment thereof for the time being in force, approval of the members by way of ratification, be and is hereby accorded to enhance the remuneration payable to Mr. T. Rajiv Reddy, Vice-President, Operations of the company, who is a relative of Mr.T.V. Sandeep Kumar Reddy from Rs.2.50 Lakhs p.m to Rs.8.00 Lakhs p.m (i.e. to hold an office or place of profit under the Company) w.e.f 1st July, 2017 on the following terms and conditions:

1. Salary (CTC): Rs. 8,00,000/- (Rupees Eight Lakhs Only) per month and be broken into various components as per HR policy of the company, with a provision for increase in salary as per the company's policy.

2. He shall also be entitled to the following benefits as per company's policy:

   a) Leave Encashment at the end of the tenure.
   b) Contributions to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together, are not taxable under the Income-Tax Act, 1961.
   c) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

RESOLVED FURHTER THAT the Board/ Nomination and Remuneration Committee shall have the authority from time to time (a) to make applicable



to Mr. T. Rajiv Reddy such revisions in the aforesaid salary scale or grade together with revisions in such allowances, benefits, amenities, facilities and other perquisites including contribution to provident fund, gratuity fund, superannuation fund, etc. as are introduced from time to time in respect of employees of the Company in equivalent salary scale or grade; and (b) to promote him to any higher position/ designation or salary scale or grade in due course together with such allowances.

RESOLVED FURTHER THAT the Board/ Committee of Directors of the Company be and they are hereby authorised to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to this resolution."

6. Ratification for change in terms and conditions of the Non-Convertible Cumulative Redeemable Preference Shares held by the company in M/s. Gayatri Hi-Tech Hotels Limited.

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the approval of the members of the Company by way of ratification, be and is hereby accorded for restating the terms and conditions attached to Non-Convertible Cumulative Redeemable Preference Shares ("**NCRPS**") held by the Company in **M/s. GAYATRI HI-TECH HOTELS LIMITED** in their entirety and replacing with the following terms and conditions which will attach to the Compulsorily Convertible Cumulative Preference Shares ("**CCCPS**"):

The rights attached to the CCCPS upon variation of the terms and conditions attached to the NCRPS are as follows:

S. No.	Particulars	Terms
1.	**Priority with respect to dividend or repayment of capital**	The CCCPS shall be entitled to receive dividends in preference to any dividends on the equity shares of the Company at the rate of 4% (Four Per cent) per annum on the aggregate amount paid by the CCCPS holder for the CCCPS, payable from the date of allotment of the relevant CCCPS. After receiving the preferential dividend as stated above, the holders of the CCCPS shall also be entitled to participate in any dividends paid on equity securities of the Company on a fully diluted basis.
2.	**Payment of Dividend**	The Preferential Dividend shall be cumulative and dividend will be paid if there are sufficient profits for the distribution. The CCCPS holder shall have right to receive unpaid preferential dividend in the future financial years.
3.	**Conversion into Equity Shares**	Each CCCPS shall be compulsorily converted into such number of equity shares of Rs. 10/- each at the higher of: (a) Fair Market Value determined as on the date of the conversion; or (b) Rs. 10/- per equity share (being the Face Value of the equity shares). Each of the CCCPS shall automatically be converted (as set out above) into equity shares upon the expiry of 10 years from the date of variation of terms and conditions relevant to the NCRPS. The CCCPS holder and the Company may upon mutual agreement amongst themselves agree on any variation in the tenure of the CCCPS (extension or reduction), subject to applicable law.



4.	**Voting Rights**	The CCCPS holder(s) shall, by virtue of and in respect of their holding of CCCPS, have the right to receive notice of, attend, speak and vote at a general meeting of the Company if a resolution is to be proposed abrogating, varying or modifying any of the rights or privileges of the CCCPS holder(s), or for the winding-up of the Company, or for sanctioning the sale of an undertaking of the Company or for repayment or reduction of share capital. It is clarified that the CCCPS holder(s) will not be entitled to vote on any matter which does not abrogate, vary or modify any of the rights or privileges of the CCCPS holder(s) or deal with such other matters as set out above.
5.	**Variation of Rights**	At any time, the rights can be varied with the consent of three fourth of the holders of same class, subject to applicable law.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do, all such acts, matters, deeds and things, settle any queries/ difficulties/doubts arise from it, and execute such documents and writings and make such changes as may be considered necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental there to in the best interest of the Company."

7. Raising of Funds through Issue of Securities

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

"RESOLVED that pursuant to Section 23, 42, 62 and other applicable provisions of the Companies Act, 2013, and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and such others rules and regulations made thereunder (including any amendments, statutory modification(s) and / or re-enactment thereof for the time being in force) (the "**Companies Act**") and in accordance with the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any amendments, statutory modification(s) and / or re-enactment thereof for the time being in force) (the "**ICDR Regulations**"), and subject to all applicable statutory and regulatory requirements, (including inter alia the relevant date on the basis of which price of the Securities or the resultant shares are determined being in compliance with applicable statutory and/or regulatory parameters), the relevant provisions of the Memorandum and Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the extent applicable, the provisions of the Foreign Exchange Management Act, 1999, (including any amendments, statutory modification(s) and / or re-enactment thereof for the time being in force) ('the FEMA'), the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India and the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident outside India) Regulations, 2017, (including any amendments, statutory modification(s) and / or re-enactment thereof for the time being in force) and all other statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable, as amended from time to time, issued by the Government of India ('GOI'), the Ministry of Corporate Affairs ('MCA'), the Reserve Bank of India ('RBI'), the Securities and Exchange Board of India ('SEBI'), BSE Limited and National Stock Exchange of India Limited ('the Stock Exchanges'), and / or any other regulatory / statutory authorities, the necessary approval and/or consent of any statutory and/or regulatory authorities, and the conditions as may be prescribed by any of them while granting any such approval and/or consent, as may be agreed to by the Board of Directors of the Company, (hereinafter referred to as "**Board**", which term shall be deemed to include any committee constituted by the Board or any person(s) authorized by the Board in this regard), the consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot at an appropriate time (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted), in the course of one or more domestic with or without green shoe options, to eligible investors (whether or not such investors are members of the Company, or whether or not such investors are Indian or foreign, including, without limitation, financial



institutions, commercial banks, mutual funds, foreign institutional investors, multilateral and bilateral development financial institutions, venture capital funds, foreign venture capital investors, insurance companies and other qualified institutional buyers as permitted by applicable statutes and regulations from time to time), whether by way of a public offering or by way of a Qualified Institutions Placement ('QIP') or any other method and whether by way of circulation of an offering circular or registration statement or prospectus or placement document or private placement offer letter and/or other letter or circular ('Offering Document/Disclosure Document / Information Memorandum') or otherwise, securities including inter alia equity shares ('the Equity Shares') and/or instruments or securities convertible into equity shares of the Company and/or convertible preference shares and/or convertible debentures or bonds (compulsorily and/or optionally, fully and/or partly), and/or non-convertible debentures with warrants and/or securities with or without detachable/non-detachable warrants and/or warrants with a right exercisable by the warrant holder to subscribe for equity shares, or by any one or more or a combination of the above or otherwise, up to an amount of Rs.1000.00 Crores, (hereinafter referred to as "**Securities**"), with or without premium, to be denominated in Indian rupees or foreign currency, as the case may be and such issue and allotment to be made in one or more tranche or tranches, for cash, at such price or prices, in terms of the applicable regulations and as permitted under the applicable laws, in consultation with the Merchant Banker(s) and/or other Advisor(s) or otherwise and on such other terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment.

(a) **RESOLVED FURTHER THAT,** if the Company proposes to allot any securities pursuant to a qualified institutional placement ("**QIP**"),

i. the allotment of Securities shall be completed within 12 months from the date of passing of the Special Resolution or such other time as may be allowed under the ICDR Regulations from time to time

ii. of equity shares, then, the relevant date shall be the date on which the Board decides to open the said issue, and/or, of convertible securities, then, the relevant date shall be the date on which the relevant allottees of the said convertible securities are eligible to apply for equity shares of the Company.

iii. the QIP shall be made at such price not less than the price determined in accordance with the pricing formula provided under the ICDR Regulations ('QIP Floor Price') and the price determined for a QIP shall be subject to appropriate adjustments as per the provisions of Regulation 85(4) of the ICDR Regulations, as may be applicable and the Board may, at its absolute discretion, may offer a discount of not more than 5% (five per cent) or such other percentage as may be permitted under applicable law on the QIP Floor Price.

(b) **RESOLVED FURTHER THAT,** the Equity Shares as may be required to be issued and allotted in accordance with the terms of the offer shall rank *pari passu* inter-se and with the then existing Equity Shares of the Company in all respects

(c) **RESOLVED FURTHER THAT**, without prejudice to the generality of the above, the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with offering, issuing and allotting the Securities, and to give effect to these resolutions, including, without limitation, the following:

(i) offer, issue and allot the Securities or any/all of them, subject to such terms and conditions, as the Board may deem fit and proper in its absolute discretion, including inter alia, (a) terms for issue of additional Securities and for disposal of Securities which are not subscribed to by issuing them to banks/financial institutions/ mutual funds or otherwise, (b) terms as are provided in domestic offerings of this nature, and, (c) terms and conditions in connection with payment of interest, dividend, voting rights, premium and redemption or early redemption, conversion into equity shares, pricing, variation of the price or period of conversion, and/or finalizing the objects of the issue/s and the monitoring of the same;

(ii) approve, finalise and execute any offer document, (including inter alia any draft offer document, offering circular, registration statement, prospectus or placement document or private placement offer letter and/or other letter or circular ('Offering Document/ Disclosure Document / Information Memorandum'), and to approve and finalise any term sheets in this regard;



(iii) approve, finalise and execute any number of powers of attorney,

(iv) taking decision to open the issue, and in this regard, to decide the opening and closing date;

(v) approve, finalise and execute agreements and documents, including lock-up letters, agreements in connection with the creation of any security, and agreements in connection with the appointment of any intermediaries and/or advisors, (including for underwriting, marketing, listing, trading, appointment of lead manager(s)/merchant banker(s), legal counsel, depository(ies),banker(s), advisor(s), registrar(s), , trustee(s), and other intermediaries as required), and to pay any fees, commission, costs, charges and other outgoings in connection therewith;

(vi) to provide such declarations, affidavits, certificates, consents and/or authorities as required from time to time, to amend or modify any of the above agreements powers or documents, as required;

(vii) seek any consents and approvals, including, inter alia, the consent from the Company's lenders, parties with whom the Company has entered into agreements with, and from concerned statutory and regulatory authorities;

(viii) file requisite documents with the SEBI, stock exchanges, the Government of India, the Reserve Bank of India, and any other statutory and/or regulatory authorities, and any amendments, supplements or additional documents in relation thereto, as may be required;

(ix) seeking the listing of the Securities on any stock exchange/s, submitting the listing application to such stock exchange/s and taking all actions that may be necessary in connection with obtaining such listing approvals, (both in principle and final listing and trading approvals);

(x) open one or more bank accounts in the name of the Company in Indian currency or foreign currency(ies) as required, subject to requisite approvals from Reserve Bank of India, if any, and the director/s and/or officer/s of the Company as authorized by the Board who shall be authorized to sign and execute the application form and other documents required for opening the said account/s, to operate the said account/s, and to give such instructions including closure thereof as may be required and deemed appropriate by the said signatories, and that the said bank/s be and is/are hereby authorized to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid signatories on behalf of the Company;

(xi) affix the Common Seal of the Company, as required, on any agreement, undertaking, deed or other document, in the presence of anyone or more of the directors of the Company or anyone or more of the officers of the Company as may be authorized by the Board in accordance with the Articles of Association of the Company;

(xii) do all such incidental and ancillary acts and things as may be deemed necessary, and to give such directions that may be necessary or arise in regard to or in connection with any such offer, issue or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution and all actions taken by the Board or any duly authorised committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects;

(xiii) settle any issues, questions, difficulties or doubts that may arise;

(xiv) approving the issue price, finalize the basis of allotment of the Securities on the basis of the bids/applications and over-subscription thereof as received, where applicable;

(xv) acceptance and appropriation of the proceeds of the issue of the Securities; and

(xvi) further authorise any committee and/or director/s and/or officer/s of the Company to seek the aforementioned consents and approvals, and/or to execute and/or file the above documents and/or to carry out any/all of the aforesaid actions.

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

Sd/-
CS I.V. LAKSHMI
Company Secretary & Compliance Officer

Place: Hyderabad
Date: 6th December, 2017



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

Item No.4:

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 2017-18 at a remuneration of Rs.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.5:

It is informed to the members that, necessity of revising the remuneration to be paid to Mr. T. Rajiv Reddy, Vice-President, Operations of the Company from Rs.2.50 Lakhs p.m to Rs.8.00 Lakhs p.m (CTC) in view of the additional responsibilities entrusted to him with regard to heading the Mining Division of the Company apart from the existing responsibilities as Vice-President (Operations).

Considering his exemplary performance in Jhanjra Coal Mining Project, which has won appreciation from **M/s. Eastern Coalfields Ltd. (Subsidiary of Coal India Ltd- ECL) - for his outstanding performance, which contributed to made the ECL owned Jhanjra** underground mining project which has become largest producing underground Coalmine in India. The Project team which was led by Mr. T. Rajiv Reddy has contributed 42% of total Coal production of ECL – Jhanjra underground projects in their 8 months operational period. This is highest coal production in any of the Long wall technology based coal mines in India.

Further, considering his qualifications from World's Top University and Industry experience such as graduation from **University of Illinois, USA specialized in Industrial Engineering and International exposure from Sembcorp Industries Ltd, Singapore,** in line with the current performance made the committee to enhance his salary from Rs.2.50 Lakhs p.m to Rs.8.00 Lakhs p.m. His package is matching with the other Head of the Departments having similar kind of experience. Parity is maintained while enhancing the remuneration.

All prescribed disclosures/particulars of the contracts/ arrangements/transactions as required to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 are given here in below for kind perusal of the members:

The Name of the related party	Mr. T. Rajiv Reddy
Name of the director or key managerial personnel who are related.	Mr. T. V. Sandeep Kumar Reddy, Managing Director of the Company.
Nature of the relationship	Mr. T. Rajiv Reddy is the son of Mr. T. V. Sandeep Kumar Reddy.
The nature, Material terms, monetary value and particulars of the contract or arrangement	Revision in remuneration of Mr. T. Rajiv Reddy, Vice-President, Operations of the Company from Rs.2.50 Lakhs p.m to Rs.8.00 Lakhs p.m (CTC)

Except Mr. T.V. Sandeep Kumar Reddy, being father of Mr. T. Rajiv Reddy, 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. 5.

The Directors therefore, recommend the Special Resolution for approval of the unrelated shareholders by way of ratification.

Item No.6:

It is informed to the shareholders that the Company has requested M/s. Gayatri Hi-Tech Hotels Limited for the variation in existing terms of the NCRPS, since the rate of return i.e. 9% on Rs.10/- face value of NCRPS is a meager return and the same is not in the best interest of the Company and accordingly all the NCRPS holders sought modification of terms of the NCRPS with a conversion right as detailed in the Item No.6 annexed to this notice.

The Board of Directors and Shareholders of M/s. Gayatri Hi-Tech Hotels Limited on 10th August, 2017 have approved the variation in existing terms of the NCRPS in their entirety varying and replacing the same with Compulsorily Convertible Cumulative Preference Shares ("**CCCPS**"). In the same meeting bonus shares were allotted to the existing NCRPS Holders in the ratio of 1:3, so the no of shares have gone up accordingly increased the wealth of the holders.

All prescribed disclosures/particulars of the contracts/ arrangements/transactions as required to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 are given here in below for kind perusal of the members:

The Name of the related party	Gayatri Hi-Tech Hotels Limited.
Name of the director or key managerial personnel who are related and nature of the relationship	Mr. T. V. Sandeep Kumar Reddy, Mrs. T. Indira Subbarami Reddy and Mr. J. Brij Mohan Reddy directors are interested in the resolution as promoters and directors of M/s. Gayatri Hi-Tech Hotels Limited (GHHL).



The nature, Material terms, monetary value and particulars of the contract or arrangement	Variation in terms of 9% NCRPS in their entirety varying and replacing the same with 4% Compulsorily Convertible Cumulative Preference Shares ("**CCCPS**").

Except Mr. T. V. Sandeep Kumar Reddy, Mrs. T. Indira Subbarami Reddy and Mr. J. Brij Mohan Reddy directors who are interested in the resolution as promoters and directors of M/s. Gayatri Hi-Tech Hotels Limited (GHHL) 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.

The Directors therefore, recommend the Special Resolution for approval of the unrelated shareholders by way of ratification.

The Shareholding interest of directors in M/s. Gayatri Hi-Tech Hotels Limited as per the provisions of Section 102 of the Companies Act, 2013:

Name	Percentage of holding (%)
T.V. Sandeep Kumar Reddy (DIN :00005573)	22.31
T. Indira Subbarami Reddy (DIN: 00009906)	26.12

Item No.7:

Given the Company's future growth plans, the Board of Directors of the Company, ("**Board**" which term shall be deemed to include any committee constituted by the Board or any person(s) authorized by the Board in this regard), considers it necessary to augment the long term resources of the Company by way of issuing securities to eligible investors, subject to an aggregate maximum limit of up to an amount of Rs. 1000.00 crores, and further subject to the prevailing market conditions and other relevant considerations.

The Board intends to deploy the net proceeds from the issue of the above mentioned securities for funding any one or more of the following: (i) capital expenditure, (ii) general corporate purpose, (iii) strategic acquisitions, (iv) reduction/restructuring of debt, (v) consolidation of the ownership of our subsidiaries, and/or, (vi) investment in joint venture companies, subsidiaries etc., as may be permitted by applicable statutory and regulatory parameters from time to time.

The proposed resolutions will authorize the Board to create, offer, issue, and allot Securities, (including equity shares), and/or instruments or securities convertible into equity shares of the Company and/or convertible preference shares and/or convertible debentures or bonds (compulsorily and/or optionally, fully and/or partly), and/or non-convertible debentures with warrants and/or securities with or without detachable/non-detachable warrants and/or warrants with a right exercisable by the warrant holder to subscribe for equity shares, in any combination as the Board deems fit.

As the aforesaid issue may result in issue of Securities by the Company to investors who may or may not be the members of the Company, the consent of the members through a Special Resolution is required pursuant to the provisions of Section 23, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('the ICDR Regulations') and other applicable laws for the time being in force. The detailed terms and conditions for the offer of Securities will be determined by the Board in consultation with the Advisors, Lead Managers, and such other agency or agencies as may be required to be consulted by the Company considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

The pricing of the Securities that may be issued to Qualified Institutional Buyers pursuant to a QIP shall be determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price determined pursuant to the ICDR Regulations or such other discount as may be permitted under applicable law. The relevant date for the purpose of pricing the Securities shall, subject to applicable laws, be the date of the meeting in which the Board / Committee decides to open the proposed issue or such other date as may be permitted under the ICDR Regulations.

The Board recommends the resolution for approval of the members of the Company.

None of the Directors, Key Managerial Personnel and relatives thereof are interested or concerned in the proposed resolution except to the extent of their shareholding in the Company.

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

Sd/-
CS I.V. LAKSHMI
Company Secretary & Compliance Officer

Place: Hyderabad
Date: 6th December, 2017



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 December, 2017 to 30th December, 2017** (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. 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 28th 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 **27th December, 2017 (9 a.m. IST) to 29th December, 2017 (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 **23rd December, 2017**, being the Cut-off date for the purpose. The Shareholders of the Company holding shares either in dematerialized 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



xiii. " 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 Ltd) 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 **27th December, 2017 (9 a.m. IST) to 29th December, 2017 (5 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 **23rd December, 2017**, 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. **23rd December, 2017.**

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., **23rd December, 2017**, 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> IN12345612345678
Example for CDSL:
MYEPWD <SPACE> 1402345612345678
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: **27th December, 2017 (9 a.m. IST) and ends on 29th December, 2017 (5 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 REGISGTRATION

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 Ltd

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., **27th December, 2017 (9 a.m. IST) and ends on 29th December, 2017 (5 p.m. IST)**.

i. The Members are requested to carry their valid photo identity along with the above attendance slip for verification purpose.



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, 2017.

FINANCIAL RESULTS (Standalone) : **₹ in Lakhs**

Particulars	2016-17	2015-16
Revenue from Operations	**2,11,535.05**	1,81,221.25
Other Income	**3,058.34**	699.69
Total Income	**2,14,593.39**	**1,81,920.94**
Profit Before Interest ,Depreciation, Exceptional Items and Taxes	**35,400.05**	26,733.53
Less: Financial Cost	**20,138.18**	16,017.56
Profit before Deprecation, Exceptional Items and Taxes	**15,261.87**	**10,715.97**
Less: Depreciation and Amortisation Expenses	**4,315.54**	3,747.47
Profit before Exceptional Items and Taxes	**10,946.33**	6,968.50
Less: Exceptional Items (Net)	**(1,538.65)**	-
Profit Before Tax	**9,407.68**	**6,968.50**
Provision for Tax	**2,365.16**	1,167.04
Profit After Tax	**7,042.52**	**5,801.46**
Other Comprehensive income/(losses) for the Year	**17.11**	(59.59)
Total comprehensive income for the year	**7,059.63**	**5,741.87**
Paid up Capital	**3,545.04**	**3,545.04**

Review of Operations :

Net revenue from operations on standalone basis increased to Rs. 211535.05 Laks as against Rs. 181221.25 Laks in the previous year – a growth of 16.73%. The Profit after Tax for the current year is Rs. 7178.86 Laks as against Rs. 5801.46 Laks in the previous year – a growth of 23.74%. The growth in profit is mainly driven by increase in net revenue from operations and softening of input prices during the year.

A few key policy changes including long awaited GST Act was finally approved paving the way for its implementation in the current financial year. Consumer spending got a huge shock when Government demonetised two highest denominated currency bills. However, as the year progressed, demand recovered and achieved normalcy by 4th quarter. Thanks to the sustained lower crude prices and good monsoon, inflation also remained in check.

The company order book has improved substantially during the year under review and stands at Rs.12,474.21 crores as at 31st March 2017 consisting of road works Rs.7,094.35 crores, irrigation works Rs.3,548.12 crores and other works Rs 1831.74 crores.

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2016–17 and the date of this report.

Future Outlook:

The Government of India is taking every possible initiative to boost the infrastructure sector. Recently government has approved the biggest ever highway construction plan to develop nearly 83,667 km of roads by 2022 at an investment of Rs 6.92 laks crores. The program includes government's Bharatmala scheme under which 34,800 km of highways would be constructed at the cost of Rs3.35 lakh crores. Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government.



Your Company has been able to built-up good order book and committed to continues to work towards improving the order book going forward. The present order book and the opportunities in the Indian infrastructure sector provides good visibility towards a sustainable and profitable growth going forward. Your company is steadfast in adopting modern technologies for better execution and improving the margins going forward.

Dividend:

As per the conditions stipulated by the lenders in the Master Restructuring Agreement, which is in force, approval of the lender is required for declaration of dividend to the shareholders. The lenders of the Company have not accorded their approval for dividend declared by the Board of Directors for the financial year 2016-17. Hence the recommended dividend for the financial year ended March 31, 2017 is herewith stands cancelled.

Share Capital:

The face value of the equity share of the company was subdivided from Rs.10/- per share to Rs.2/- per share w.e.f 10.02.2017 (Record date 13.02.2017).

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 Company has acquired 100% shareholding of M/s. Gayatri Infra Ventures Limited in accordance with the Composite Scheme of Arrangement, Pursuant to the aforesaid acquisition M/s. Gayatri Infra Ventures Limited has become wholly owned subsidiary of the company.

There is no change in the nature of business of the Company during the year under review.

Composite Scheme of Arrangement:

With regard Composite Scheme of Arrangement between M/s. Gayatri Projects Limited, M/s. Gayatri Infra Ventures Limited, M/s. Gayatri Domicile Private Limited and their respective Shareholders, the Company has filed with BSE Limited and National Stock Exchange of India Limited the Composite Scheme of Arrangement between Gayatri Projects Limited, Gayatri Infra Ventures Limited and Gayatri Domicile Private Limited and their respective shareholders (as approved by the Board of Directors on 16.07.2016) along with other documents on 05th day of August, 2016, pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received Observation Letter or No-objection letter from the stock exchanges. Further the Company has filed the Composite Scheme of Arrangement with Hon'ble High Court of Judicature at Hyderabad and the same has been admitted.

Pursuant to the order of the Hon'ble High Court of Andhra Pradesh and Telangana, the meetings of Equity Shareholders, Secured and Unsecured Creditors of the Company convened and held on Monday 23rd January, 2017 at the FTAPCCI Auditorium, Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841 Red Hills, Hyderabad 500004 for the purpose of considering the scheme and the same has been approved by them with requisite majority.

The Ministry of Corporate Affairs has notified Section 230 [except subsections (11) and (12)], sections 231, 232 and 239 of the Companies Act, 2013 on 15.12.2016, pursuant to the aforesaid notification The National Company Law Tribunal (NCLT) has acquired jurisdiction over the matters dealt with amalgamation, compromise and arrangement.

The National Company Law Tribunal (NCLT), Hyderabad Bench vide its order dated 3rd November, 2017, has sanctioned the Composite scheme of arrangement ('Scheme') under Section 232 read with Section 230 of the Companies Act, 2013 between Gayatri Projects Limited (Transferee Company / GPL), Gayatri Infra Ventures Limited (Transferor Company / GIVL) and Gayatri Domicile Private Limited (Resulting Company / GDPL). The Scheme is effective from 23rd November, 2017 i.e. the date of filing of the certified copy of the order of the NCLT with the Registrar of Companies, Telangana State.

As a result of the said amalgamation, your Company now can focus on the core business of Engineering Procurement Contracts (EPC) and can augment its operations coupled with more financial leverage.

Board Meetings:

The Board of Directors met 9 times in the Financial Year 2016–17 on 14th April 2016, 14th May 2016, 30th May 2016, 16th July 2016, 26th August 2016, 22nd November 2016, 09th December 2016, 26th December 2016, 14th February 2017.

Directors and Key Managerial Personnel:

During the year under review, there is no change in the Directors and Key Managerial Personnel of the Company.

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company 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 14.02.2017.

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

(b) Separate Meeting of Independent Directors: The Independent directors of the Company at its meeting held on 14.02.2017 (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 her performance is excellent. The Independent Directors decided that the information flow between the Company's Management and the Board is excellent.

(c) Evaluation by Board: The Board has carried out the annual performance evaluation of 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 two subsidiary companies (including step down subsidiaries) as on 31st March, 2017 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-1 are given in **Annexure- II.**

The Company will make available the Annual Accounts of the subsidiary companies and the related information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept 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.

Extract of Annual Return:

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

Consolidated Financial Statements:

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the provisions of Section 129(3) and other applicable provisions of the Companies Act, 2013 and Ind AS-110 and other applicable Accounting Standards, your Directors have pleasure in attaching the consolidated financial statements for the financial year ended March 31, 2017, which forms part of the 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.

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, 2017 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, 2017 does not contain any qualification(s) or adverse observations

Disclosures:

a) Deposits

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

b) Conservation of energy

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

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

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



c) **R & D Technology absorption**

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

d) **Foreign Exchange Earnings - NIL**

e) **Foreign Exchange Outgo**

Sr No	Nature of Payment	Amount in ₹ Lakhs
1	Foreign Travel	12.70
2	Repayment of ECB Loan	1771.45
3	Repayment of ECB Interest	782.14
4	Consultancy & Technical Fees	1584.38
5	Purchase of Plant & Machinery	3173.34
6	Purchase of Equity	3341.92

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.

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 Deposit:

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

Cost Audit:

M/s. N.S.V. KRISHNA RAO & Co. Cost Auditors were appointed as cost auditor to audit the cost records of the Company for the F.Y 2016-17 and re-appointed for the Financial Year 2017-18.

Particulars of Employees:

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



Rules, 2014, as amended forms part of this report. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered Office of the Company.

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

Listing with Stock Exchanges:

The Company confirms that it has paid the Annual Listing Fees for the year 2017-2018 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 –VIII**. Certificate from the practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under aforesaid regulations is attached to this report.

Business Responsibility Report

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

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 : 6th December, 2017

(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 29 May 2014 changed the nomenclature of the "Remuneration Committee" as "Nomination and Remuneration Committee" and reconstituted the 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:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

   b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.

2. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

III. DEFINITIONS

- "Board" means Board of Directors of the Company.
- "Company" means "Gayatri Projects Limited."
- "Employees' Stock Option" means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.
- "Key Managerial Personnel" (KMP) means

3. Chief Executive Officer or the Managing Director or the Manager,
   (ii) Company Secretary,

4. Whole-time Director,
   (iv) Chief Financial Officer and
   (v) Such other officer as may be prescribed.

- "Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.
- "Policy or This Policy" means, "Nomination, Remuneration and Evaluation Policy."
- "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- "Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

IV. INTERPRETATION

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

V. GUIDING PRINCIPLES

The Policy ensures that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.



VI. ROLE OF THE COMMITTEE

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

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

VII. MEMBERSHIP

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

VIII. CHAIRMAN

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

IX. FREQUENCY OF MEETINGS

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

X. COMMITTEE MEMBERS' INTERESTS

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

XI. VOTING

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

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

- **Appointment criteria and qualifications:**

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



such motion indicating the justification for extension of appointment beyond seventy years.

- **Term / Tenure:**

1. Managing Director/Whole-time Director/Manager (Managerial Person):

   The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 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.

- **Evaluation:**

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

- **Removal:**

  Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

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

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

- **General:**

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

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

5. 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.

6. 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.

7. Provisions for excess remuneration:

   If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

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

1. Remuneration / Commission:

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

2. Sitting Fees:

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

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

3. Limit of Remuneration /Commission:

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

4. Stock Options:

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

XIV. Criteria Formulated by the Committee for Determining Qualifications, Positive Attributes, Independence of a Director:

(a) Qualifications of Non-Independent Director :

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

(b) Positive attributes of Non-Independent Directors:

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

(c) Independence of Independent Directors:

In addition to (a) and (b) above, an Independent Director should meet the requirements of the Companies Act, 2013 and 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

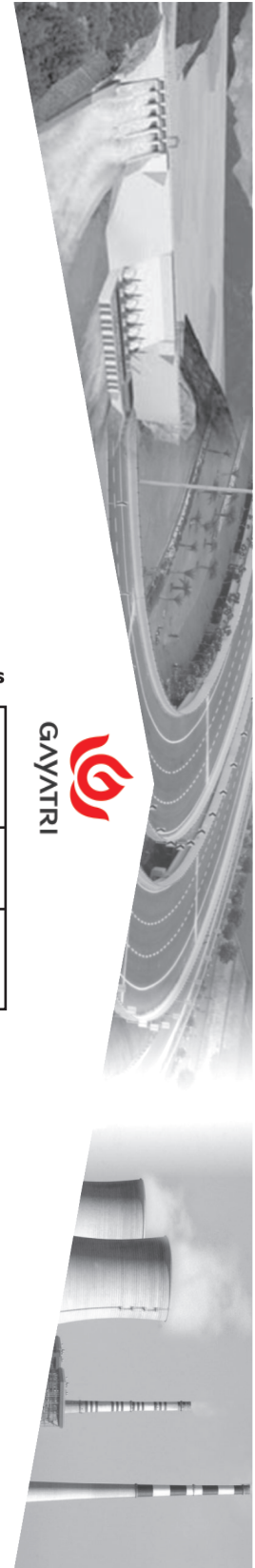
FORM AOC-I

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

Part A: Subsidiaries

₹ in Lakhs

S. No	Name of the Subsidiary	Date of the Subsidiary acquired	Reporting Period of the Subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment (Other than Subsidiary	Turnover (including other income)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share holding
1.	Gayatri Energy Ventures Pvt Ltd	10.02.2009	31.03.2017	652.40	43785.21	75575.09	31137.48	58739.83	0.009	(5575.41)	—	(5575.40)	—	100%
2.	Bhandara Thermal Power Corporation Limited	25.03.2011	31.03.2017	498.33	(57.09)	9152.06	8710.81	—	1372.64	(20.13)	—	(20.13)	—	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	Gayatri Highways Private Limited (Formerly Known as Gayatri Domicile Private Limtied)	31.03.2017	31.03.17	124.80	1248.00	26.04	Associate Company	Refer Note*	6248.92	-	(0.06)
B	**Joint Ventures**										
1.	Gayatri- RNS Joint Venture	07.04.2007	31.03.17	-	-	60	Joint Venture	Considered for consolidation	0.00	-	-
2.	IJM Gayatri Joint Venture	21.12.1998	31.03.17	-	-	40	Joint Venture	Considered for consolidation	41.96	-	-
3.	Gayatri-GDC Joint Venture	17.09.2004	31.03.17	-	-	70	Joint Venture	Considered for consolidation	-	-	-
4.	Gayatri-BCBPPL Joint Venture	19.01.2008	31.03.17	-	-	60	Joint Venture	Considered for consolidation	7.27	-	-
5.	Jaiprakash Gayatri Joint Venture	19.10.2004	31.03.17	-	-	49	Joint Venture	Considered for consolidation	5.66	-	-
6.	Gayatri ECI Joint Venture	18.08.2005	31.03.17	-	-	50	Joint Venture	Considered for consolidation	507.87	7.64	-
7.	Maytas-Gayatri Joint Venture	17.06.2010	31.03.17	-	-	37	Joint Venture	Considered for consolidation	(8.55)	-	-
8.	Gayatri – Ratna Joint Venture	28.08.2008	31.03.17	-	-	80	Joint Venture	Considered for consolidation	5.37	-	-
9.	Meil- Gayatri –ZVS-ITT Consortium	28.01.2009	31.03.17	-	-	48.44	Joint Venture	Considered for consolidation	-	-	-
10.	Gayatri- JMC Joint venture	08.12.2008	31.03.17	-	-	75	Joint Venture	Considered for consolidation	-	-	-
11.	Viswanath-Gayatri Joint Venture	29.09.2010	31.03.17	-	-	50	Joint Venture	Considered for consolidation	-	-	-
12.	GPL-RKTCPL Joint Venture	27.06.2013	31.03.17	-	-	51	Joint Venture	Considered for consolidation	-	-	-
13.	Gayatri-SPL Joint Venture	10.04.2013	31.03.17	-	-	51	Joint Venture	Considered for consolidation	0.60	-	-
14.	Vishwa – Gayatri Joint Venture	29.07.2015	31.03.17	-	-	49	Joint Venture	Considered for consolidation	-	-	-
15.	Gayatri-RNS-SIPL Joint Venture	29.11.2016	31.03.17	-	-	70	Joint Venture	Considered for consolidation	-	-	-
16.	SOJITZ-LNT-GAYATRI Joint Venture	21.08.2015	31.03.17	-	-	8.97	Joint Venture	Considered for consolidation	-	-	-

* Note : Pending issue and allotment of shares by the resulting company to GPL the same has not been considered for consolidation.

For and on behalf of the Board

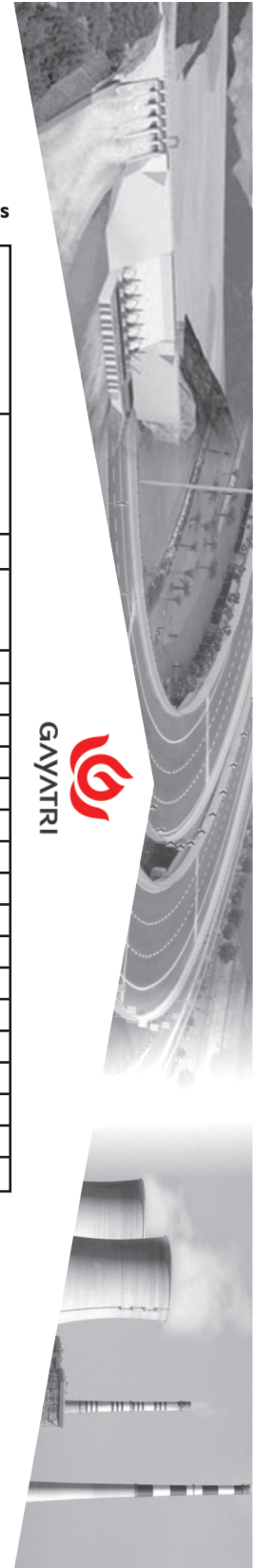
(T. INDIRA SUBBARAMI REDDY)
Chairperson
DIN: 00009906

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

(P. SREEDHAR BABU)
Chief Financial Officer

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

Place: Hyderabad.
Date: 6th December, 2017





ANNEXURE-III

EXTRACT OF ANNUAL RETURN-MGT-9

As on the financial year ended on 31/03/2017

[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 thecompany
1	Roads Projects	42101	75.88

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	Bhandara Thermal Power Corporation Limited	U40102TG2008PLC057008	Subsidiary	100	2(87)
ASSOCIATE COMPANIES					
3	Gayatri Highways Private Limited (Formerly Known as Gayatri Domicile Private Limited)	U45100TG2006PTC052146	Subsidiary	100	2(87)



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(01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/HUF	16830942	0	16830942	47.48	84154710	0	84154710	47.48	0
(b) Central Govt	0	0	0	0	0	0	0	0	
(c) State Govt (s)	0	0	0	0	0	0	0	0	
(d) Bodies Corp.	0	0	0	0	0	0	0	0	
(e) Banks / FI	0	0	0	0	0	0	0	0	
(f) Any Other….	0	0	0	0	0	0	0	0	
Sub-Total (A) (1)	16830942	0	16830942	47.48	84154710	0	84154710	47.48	0
(2) Foreign									
(a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b) Other - Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter(A) = (A) (1) + (A) (2)	16830942	0	16830942	47.48	84154710	0	84154710	47.48	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% 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	219	0	219	0	0		0	0	0
(b) Banks/FI	42386	0	42386	0.12	20830		20830	0.01	0.11
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt (s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	1113143	0	1113143	3.14	5420649		5420649	3.06	0.08



(g) FIIs	13504615		13504615	38.09	61471520		61471520	34.68	3.41
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	14660363		14660363	36.34	66912999		66912999	37.75	1.41
(2) Non- Institutions									
(a) Bodies Corp									
i. Indian	1433660	0	1433660	4.04	9974270		9974270	5.63	1.59
ii. Overseas	0	0	0	0	0	0	0	0	0
(b) individuals									
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	1501639	64	1501703	4.24	4916630	320	4916950	2.77	1.46
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6702076	0	6702076	1.90	4439407	0	4439407	2.5	0.61
(C) Others (Specify)									
Non Resident Indians	321931		321931	0.91	6275854	0	6275854	3.54	2.63
NRI NON-REPATRIATION			401915		401915	0.23	0.23		
Clearing Member	26322		34944	0.07	101205		101205	0.06	0.01
Trust	500		500		2500		2500		
Sub-Total (B)(2)	3959011	64	3959075	11.17	26183871	320	26184191	14.77	3.60
Total Shareholding of Public= (B) (1) + (B) (2)	18619374	64	18619438	52.52	93096870	320	93097190	52.52	2.84
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	35450316	64	35450380	100.00	177251580	320	177251900	100.00	



(ii) Shareholding of Promoters:

S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged encumbered to total shares	
1	Indira Subbarami Reddy Tikkavarapu	11425900	32.23	93.04	57129500	32.23	91.96	0
2	Sandeep Kumar Reddy Tikkavarapu	5403962	15.24	84.74	27019810	15.24	100	0
3	Sulochanamma Gunupati	470	0	0	2350	0	0	0
4	Jenna Reddy Brij Mohan Reddy	450	0	0	2250	0	0	0
5	Tikkavarapu Sarita Reddy	160	0	0	800	0	0	0
	Total	**16830942**	**47.48**	**99.99**	**84154710**	**47.48**	**94.53**	**0**

(iii) Change in Promoters' Shareholding:

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of thecompany	No. of shares	% of total shares of thecompany
	At the beginning of the year	16830942	47.48	16830942	47.48
	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): Note : Change is due to sub-division ; Face Value change from Rs. 10/- to Rs. 2/- per share				
	At the End of the year	84154710	47.48	84154710	47.48

(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 thecompany
1.	**GMO EMERGING MARKETS FUND**				
	At the beginning of the year	3380000	9.53	3380000	9.53
	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):				
	***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted**				
	Date (Incrrease/ Decrease)	Reasons (sales/purchase/ Sub-division			
	13/02/2017 13520000	**Sub-division**		16900000	9.53
	At the End of the year (or on the date of separation, if separated during the Year	16900000	9.53	16900000	9.53



2.	**AFRIN DIA**				
	At the beginning of the year	2820000	7.95	2820000	7.95
No increase / decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year ***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted**					
Date	(Incrrease/ Decrease)	Reasons (sales/purchase/ Sub-division			
16/12/2016	(22300)	Sale		2797700	7.89
23/12/2016	(100000)	Sale		2697700	7.61
13/02/2017	10790800	Sub-division		13488500	7.61
At the End of the year (or on the date of separation,		13488500	7.61	13488500	7.61
3.	**INDIA MAX INVESTMENT FUND LIMITED**				
	At the beginning of the year	2357000	6.65	2357000	6.65
	No increase / decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted**				
Date	(Incrrease/ Decrease)	Reasons (sales/purchase/ Sub-division			
13/02/2017	9428000	**Sub-division**		11785000	6.65
15/02/2017	(5000000)	Sale		6785000	3.83
At the End of the year (or on the date of separation, if separated during the Yea		6785000	3.83	6785000	3.83
4.	**GMO EMERGING DOMESTIC OPPORTUNITIES FUND**				
	At the beginning of the year	2110969	5.95	2110969	5.95
	Date wise increase / Decrease in Share holding during the Year, specifying the reason:***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted**				
Date	(Incrrease/ Decrease)	Reasons (sales/purchase/ Sub-division			
27/01/2017	25639	Purchase		2136608	6.03
13/02/2017	8546432	**Sub-division**		10683040	6.03
At the End of the year (or on the date of separation, if separated during the Year		10683040	6.03	10683040	6.03
5.	**BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD**				
	At the beginning of the year	1113143	3.14	1113143	3.14
Date wise increase / Decrease in Share holding during the Year, specifying the reason:***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted**					
Date	(Incrrease/ Decrease)	Reasons (sales/purchase/ Sub-division			
24/06/2016	(9000)	Sales		1104143	3.11
30/12/2016	(6400)	Sales		1097743	3.10
06/01/2017	(3000)	Sales		1094743	3.09
13/02/2017	4325906	**Sub-division**		5420649	3.06
At the End of the year (or on the date of separation, if separated during the Year		5420649	3.06	5420649	3.06



6.	MENTOR CAPITAL LIMITED					
	At the beginning of the year		842100	2.38	842100	2.38
	Date wise increase / Decrease in Share holding during the Year, specifying the reason: ***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted**					
	Date	(Incrrease/ Decrease)	Reasons (sales/purchase/Sub-division)			
	08/04/2016	6554	Purchase		848654	2.39
	15/04/2016	35714	Purchase		884368	2.49
	22/04/2016	52174	Purchase		936542	2.64
	29/04/2016	11239	Purchase		947781	2.67
	06/05/2016	10131	Purchase		957912	2.70
	13/05/2016	11054	Purchase		968966	2.73
	20/05/2016	11823	Purchase		980789	2.77
	27/05/2016	10719	Purchase		991508	2.80
	03/06/2016	8007	Purchase		999515	2.82
	10/06/2016	(344605)	Sale		654910	1.85
	17/06/2016	10145	Purchase		665055	1.88
	24/06/2016	(288420)	Sale		376635	1.06
	30/06/2016	10552	Purchase		387187	1.09
	08/07/2016	19746	Purchase		406933	1.15
	15/07/2016	17960	Purchase		424893	1.20
	22/07/2016	1817	Purchase		426710	1.20
	29/07/2016	(4586)	Sale		422124	1.19
	05/08/2016	34379	Purchase		456503	1.29
	12/08/2016	35581	Purchase		492084	1.39
	19/08/2016	13694	Purchase		505778	1.43
	26/08/2016	7889	Purchase		513667	1.45
	02/09/2016	12239	Purchase		525906	1.48
	09/09/2016	15867	Purchase		541773	1.53
	16/09/2016	3800	Purchase		545573	1.54
	23/09/2016	10151	Purchase		555724	1.57
	30/09/2016	20595	Purchase		576319	1.63
	07/10/2016	11101	Purchase		587420	1.66
	14/10/2016	8771	Purchase		596191	1.68
	04/11/2016	151748	Purchase		747939	2.11
	11/11/2016	(281571)	Sale		466368	1.32
	18/11/2016	16076	Purchase		482444	1.36
	25/11/2016	8019	Purchase		490463	1.38
	02/12/2016	3112	Purchase		493575	1.39
	09/12/2016	2660	Purchase		496235	1.40
	16/12/2016	7365	Purchase		503600	1.42
	23/12/2016	109853	Purchase		613453	1.73
	30/12/2016	12066	Purchase		625519	1.76
	06/01/2017	13835	Purchase		639354	1.80
	13/01/2017	452	Purchase		639806	1.80
	20/01/2017	1200	Purchase		641006	1.81



	27/01/2017	308572	Purchase		949578	2.68
	27/01/2017	(307598)	Sale		641980	1.81
	03/02/2017	181085	Purchase		823065	2.32
	10/02/2017	13695	Purchase		836760	2.36
	13/02/2017	4427470	Sub-division		5264230	2.97
	24/02/2017	955977	Purchase		6220207	3.51
	17/03/2017	(859806)	Sale		5360401	3.02
	24/03/2017	63316	Purchase		5423717	3.06
	31/03/2017	74591	Purchase		5498308	3.10
	At the End of the year (or on the date of separation, if separated during the Year		5498308	3.10	5498308	3.10
7.	**SATPAL KHATTAR**					
	At the beginning of the year		0	0.00	0	0.00
	No increase / decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year ***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted**					
	Date	(Incrrease/ Decrease)	Reasons (sales/purchase/Sub-division)			
	10/06/2016	370000	Purchase		370000	1.04
	24/06/2016	365867	Purchase		735867	2.08
	11/11/2016	300000	Purchase		1035867	2.92
	13/02/2017	4143468	Sub-division		5179335	2.92
	At the End of the year (or on the date of separation, if separated during the Year		5179335	2.92	5179335	2.92
8.	**SPARROW ASIA DIVERSIFIED OPPORTUNITIES FUND**					
	At the beginning of the year		521196	1.47	521196	1.47
	No increase / decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year ***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted.**					
	Date	(Incrrease/ Decrease)	Reasons (sales/purchase/Sub-division)			
	13/02/2017	2084784	**Sub-division**		2605980	1.47
	At the End of the year (or on the date of separation, if separated during the Year		2605980	1.47	2605980	1.47
9.	**LEMAN DIVERSIFIED FUND**					
	At the beginning of the year		408021	1.15	408021	1.15
	No increase / decrease in share holding during the year but percentage of holding diluted because Preferential Allotments during the year ***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted.**					
	Date	(Incrrease/ Decrease)	Reasons (sales/purchase/Sub-division)			
	13/02/2017	1632084	Sub-division	2040105	1.15	
	At the End of the year (or on the date of separation, if separated during the Year		2040105	1.15	2040105	1.15



10.	**ALPANA S DANGI**					
	At the beginning of the year		0	0.00	0	0.00
	Date wise increase / Decrease in Share holding during the Year, specifying the reason: ***Due to sub-division of Equity shares Face Value changed from Rs. 10/- to Rs. 2/- per share and therefore additional shares were allotted.**					
	Date	(Incrrease/ Decrease)	Reasons (sales/purchase/Sub-division)			
	24/03/2017	1786665	Sub-division	1786665	1.01	
	At the End of the year (or on the date of separation, if separated during the Year		1786665	1.01	1786665	1.01

(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 thecompany	No. of shares	% of total shares of thecompany
1.	**Mrs. INDIRA SUBBARAMI REDDY TIKKAVARAPU** (Non- Executive Director)				
	At the beginning of the year	11425900	32.23	11425900	32.23
	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): Note: **Change is only due to sub-division ; Face Value change from Rs. 10/- to Rs. 2/- per share.**				
	At the End of the year	57129500	32.23	57129500	32.23
2.	**Mr. SANDEEP KUMAR REDDY TIKKAVARAPU (Managing Director)**				
	At the beginning of the year	5403962	15.24	5403962	15.24
	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): Note: **Change is only due to sub-division ; Face Value changed from Rs. 10/- to Rs. 2/- per share**				
	At the End of the year	27019810	15.24	27019810	15.24
3.	**Mr. JENNA REDDY BRIJ MOHAN REDDY (Executive Vice Chairman)**				
	At the beginning of the year	450	0	450	0
	No Increase / Decrease in Share holding during the year Note: **Change is only due to sub-division ; Face Value changed from Rs. 10/- to Rs. 2/- per share**				
	At the End of the year	1800	0	1800	0
4.	**Mr. SIVAKUMAR REDDY GUNUPATI (Independent Director)**				
	At the beginning of the year	225	0	225	0
	No Increase / Decrease in Share holding during the year Note: **Change is only due to sub-division ; Face Value changed from Rs. 10/- to Rs. 2/- per share**				
	At the End of the year	1225	0	1225	0
5.	**Mr. HARIVITHALRAO VENKATESHWARRAO CHINTALAPATI (Independent Director)**				
	At the beginning of the year	10	0	10	0
	No Increase / Decrease in Share holding during the year Note: **Change is only due to sub-division ; Face Value changed from Rs. 10/- to Rs. 2/- per share**				
	At the End of the year	50	0	50	0



6.	**Mr. LINGA MOORTHY VAJJHALA (Independent Director)**				
	At the beginning of the year	0	0	0	0
	No Increase / Decrease in Share holding during the year Note: **Change is only due to sub-division ; Face Value changed from Rs. 10/- to Rs. 2/- per share**				
	At the End of the year	0	0	0	0
7.	**Mr. JAWARHAR LAL NEHRU KARAMCHETTI (Independent Director)**				
	At the beginning of the year	0	0	0	0
	No Increase / Decrease in Share holding during the year Note: **Change is only due to sub-division ; Face Value changed from Rs. 10/- to Rs. 2/- per share**				
	At the End of the year			0	0
8.	**Mr. VENKATESWARLU KAKKERA (Nominee Director)**				
	At the beginning of the year	0	0	0	0
	No Increase / Decrease in Share holding during the year Note: **Change is only due to sub-division ; Face Value changed from Rs. 10/- to Rs. 2/- per share**				
	At the End of the year			0	0
9.	**Ms. INDANI VENKATA LAKSHMI (Company Secretary & Compliance Officer)**				
	At the beginning of the year	15	0	15	0
	NO Increase / Decrease in Share holding during the year Note: **Change is only due to sub-division ; Face Value changed from Rs. 10/- to Rs. 2/- per share**				
	At the End of the year	75	0	75	0
10.	**Mr. SREEDHAR BABU PONNURU (Chief Financial Officer)**				
	At the beginning of the year	5	0	5	0
	No Increase / Decrease in Share holding during the year Note: **Change is only due to sub-division ; Face Value changed from Rs. 10/- to Rs. 2/- per share**				
	At the End of the year	25	0	25	0

V. INDEBTEDNESS:

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

	Secured Loans excludingdeposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	191847.06	152.10	—	191999.16
ii) Interest due but not paid	828.37	--	—	828.37
iii) Interest accrued but not due	--	--	—	—
Total (i+ii+iii)	**192675.43**	**152.10**	**—**	**192827.53**
Change in Indebtedness during the financial year				
Addition	14199.15	336.60	—	14535.75
Reduction	—	—	—	—
Net Change	14199.15	336.60	—	14535.75
Indebtedness at the end of the financial year				
i) Principal Amount	205332.91	488.70	—	205821.61
ii) Interest due but not paid	1541.67	—	—	1541.67
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	**206874.58**	**488.70**	**—**	**207363.28**



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

₹ in Lakhs

S.No	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		T.V. Sandeep Kumar Reddy (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)	**408**	**132**	**540.00**
	Ceiling as per the Act	**404.79**	**404.79**	**809.58**

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	0.65	2.35	3.00	2.75	8.75
	Total (1)	**0.65**	**2.35**	**3.00**	**2.75**	**8.75**
		T. Indira Subbarami Reddy	**K.Venkateswarlu**			
	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	2.00	0.50			2.50
	Total (2)	**2.00**	**0.50**			**2.50**
	Total (B) = (1)+(2)					**11.25**
Total Managerial Remuneration						**11.25**
Overall Ceiling as per the Act						**80.96**



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	—	24.59	43.05	67.64
(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)	—	24.59	43.05	67.64

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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			NIL		
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 : 6th December, 2017

(P. SREEDHAR BABU)
Chief Financial Officer

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



GAYATRI

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, 2017

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

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

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31st March, 2017** ('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, 2017** 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

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

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

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

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

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

Place : Hyderabad
Date : 6th December, 2017

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 : 6th December, 2017



ANNEXURE - V

MANAGEMENT DISCUSSION AND FINANCIAL ANALYSIS

Overview

India offers massive opportunities in construction sector. Construction is the sixth-largest economic sector in India, accounting for 7.8% of the country's GDP in FY2016, the second-biggest employer (after agriculture), with about 35mn people engaged, and the second-largest recipient of FDI after the services sector. Over FY2012-2016, the GVA of the sector expanded at a moderate CAGR of 3.4% — lower than GDP's 6.5% — pushed down by the overall deceleration of the residential market. However, renewed government focus on infrastructure, coupled with a rising demand for commercial and retail properties, proved to be a solid foundation for fostering growth. The latest market research states that the infrastructure construction market is expected to grow at a higher CAGR than the overall construction market during 2015-20. Indian construction sector will grow up to eight percent every year for the next decade.

However, scarcity of land for infrastructural development hinders the growth of the market. Currently major construction companies are experiencing liquidity constraints due to tightening of funding norms employed by the financial institutions in India. Moreover, rise in the cost of inputs acts as a major bottleneck in the development of the Indian infrastructure construction industry. Despite these challenges the market is poised to exhibit strong growth in the next few years. Growth of the infrastructure sector in India is dependent on overcoming such challenges. In order to increase FDI inflows, particularly with a view to catalyzing investment and enhancing the infrastructure sector, the Indian Government now permits 100% FDI under the automatic route. Huge government investments in roads & highways, airports, railways, ports and power will pave the future road map for the infrastructure construction market in India.

Indian infrastructure construction market also witnesses stiff competition among the major construction companies.

The Future of Construction Sector in India

The construction sector in India, which employs more than 35 million people, is the second largest employer, next only to agriculture. Therefore, any improvements in the construction sector affect a number of associated industries such as cement, steel, technology, skill-enhancement, etc. As per the government reports, the sector is valued at over $126 billion. It also accounts for more than 60 per cent in total infrastructure investment. About half of the demand comes from the infrastructure sector, and the rest is driven by the real estate sector and other industrial activities.

India's construction industry will continue to expand over the forecast period (2016–2020), with investments in residential, infrastructure and energy projects continuing to drive growth. Various government flagship programs – including 100 Smart Cities Mission, Housing for All, Atal Mission for Urban Rejuvenation and Transformation (AMRUT), Make in India and Power for All – will be the growth drivers. The industry's output value in real terms is expected to rise at a compound annual growth rate (CAGR) of 5.65% over the forecast period; up from 2.95% during the review period (2011–2015). There are certain challenges associated with India's construction industry outlook. Limited funding, slow policy reforms and a weak currency are factors that will continue to limit the growth potential during the early part of the forecast period. Due to industrialization, urbanization, a rise in disposable income and population growth the demand for construction services is set to rise. Government efforts to improve the country's residential and transport infrastructure will also support growth; states the report by Reportbuyer, a leading industry intelligence solution that provides all market research reports.

Government Initiatives

The Government of India approved the biggest ever highway construction plan to develop nearly 83,667 km of roads by 2022 at an investment of Rs 6.92 laks crores. The program includes government's Bharatmala scheme under which 34,800 km of highways would be constructed at the cost of Rs3.35 lakh crores.

The Government of India is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter.

- In the Union Budget 2017-18, the Government of India has taken the following measures for the development of infrastructure.

- Increased total infrastructure outlay and defence capital expenditure by 10 per cent and 20.6 per cent to Rs 396,135 crore (US$ 59.18 billion) and Rs 86,488 crore (US$ 13.1 billion) respectively, over FY17 revised estimate.
- Railway expenditure allocation has increased by 8 per cent to Rs 131,000 crore (US$ 19.58 billion) for laying down 3,500 km of railway lines in 2017-18.
- Affordable housing has been given infrastructure status.
- Lock-in period for long-term capital gains on land and buildings has been reduced from three to two years.

- The Government of India launched a City Livability Index on June 23, 2017, which would measure the quality of life in 116 major cities on a set of 79 parameters.
- The Government of India has approved an investment of Rs 67,523 crore (US$ 10.49 billion) towards urban development in Maharashtra, thereby recording the highest investment outlay towards urban infrastructure in any state in three years.
- The National Highways Authority of India (NHAI) launched its first overseas issue of Masala Bond at the London Stock Exchange in May 2017, attracting bids worth over Rs 3,000 crore (US$ 465 million), with aim of raising capital for funding the infrastructure projects in India.
- The Union Cabinet, Government of India, has allowed state government agencies to borrow money from bilateral agencies in other countries to fund its infrastructure projects, in a bid to improve the funding options for infrastructure projects in the country.
- Mr Venkaiah Naidu, Minister of Housing and Urban Poverty Alleviation, Government of India, launched 352 affordable housing projects worth Rs 38,000 crore (US$ 5.9 billion) in 53 cities across 17 states for building over 200,000 houses costing Rs 18 lakh (US$ 27,948) per house on average.
- The Government of India plans to invest Rs 11,421 crore (US$ 1.77 billion) to improve basic urban infrastructure in 61 cities and towns of Uttar Pradesh, having population exceeding 100,000 each by 2019-20, under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme. The government has also approved investments in Tamil Nadu (Rs 11,237 crore or US$ 1.74 billion), Maharashtra (Rs 6,759 crore or US$ 1.05 billion), Haryana (Rs 2,544 crore or US$ 394.32 million), Chattisgarh (Rs 2,192 crore or US$ 339.76 milion), Manipur (Rs 180 crore or US$ 27.90 million) and Sikkim (Rs 39 crore or US$ 6.05 million) by 2019-20, under the same scheme.
- The Cabinet Committee on Economic Affairs (CCEA), Government of India, has approved the project to widen the Handia-Varanasi section of National Highway-2 in Uttar Pradesh, which would require an investment of Rs 2,147 crore (US$ 333.36 million).
- The Government of India has sought Parliament's approval for an additional expenditure of Rs 59,978.29 crore (US$ 8.96 billion) for supporting the government's rural jobs scheme, building rural infrastructure, urban development and farm insurance.
- The Ministry of Shipping plans to undertake development of 37 national waterways (NWs), out of the 111 NWs declared under the National Waterways Act 2016, in the next three years, which would have positive impact on reduction of overall logistics cost.
- The Government of India has laid out a roadmap to complete 23 Priority-I projects by 2016-17, 31 Priority-II projects by 2017-18 and balance 45 Priority-III projects by December 2019 under the Prime Minister Krishi Sinchayee Yojana (PMKSY) and Accelerated Irrigation Benefits Programme (AIBP).
- The Government of India plans to build 8,000 km of pavements and lay more cycle tracks in 106 cities in the next 5 years with an investment of Rs 80,000 crore (US$ 11.94 billion), in order to reduce carbon footprint in urban areas and promote activities like walking and cycling.
- The Central Electricity Authority (CEA) expects investment in India's power transmission sector to reach Rs 2.6 lakh crore (US$ 38.85 billion) during the 13th plan (2017-22), and to enhance the transmission capacity of the inter-regional links by 45,700 megawatt (MW).



- The monetisation of 75 publicly funded highway projects of value Rs 35,600 crore (US$ 5.32 billion) via toll-operate-transfer (TOT) mode will fetch adequate funds to finance road construction of 2,700 km length of roads.*
- The Indian Railways plans to set up a US$ 5 billion Railways of India Development Fund (RIDF), which will serve as an institutional mechanism for the Railways to arrange funds from the market to finance various infrastructure projects.
- The Ministry Of Urban Development has approved investment of Rs 2,863 crore (US$ 433 million) in six states under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme, for improving basic urban infrastructure over FY 2017-20.
- Airports Authority of India (AAI) plans to increase its capital expenditure for 2017-18 by 25 per cent to Rs 2,500 crore (US$ 0.37 billion), primarily to expand capacity at 12 airports to accommodate increase air traffic, as per the Chairman of AAI.
- The Government of India and the Asian Development Bank (ADB) have signed US$ 375 million in loans and grants for developing 800 kilometer (km) Visakhapatnam-Chennai Industrial Corridor, which is the first phase of a planned 2,500 km East Coast Economic Corridor (ECEC).

The Road Transport & Highways Ministry has invested around Rs 3.17 trillion (US$ 47.7 billion), while the Shipping Ministry has invested around Rs 80,000 crores (US$ 12.0 billion) in the past two and a half years for building world class highways and shipping infrastructure in the country. The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy and urban transport, prior to the general elections in 2019.

Road Ahead

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. In 2016, India jumped 19 places in World Bank's Logistics Performance Index (LPI) 2016, to rank 35th amongst 160 countries.

In terms of infrastructure build-out, the focus is largely on transportation, especially railways and roads. There is nearly 10% increase in budgetary allocation to infrastructure, including 24% increase for national highways. Almost three-fourths of the incremental investment outlay focuses on two segments –roads and rail. Upgrading connectivity and improving logistical efficiencies have excellent multiplier effects.

India is witnessing significant interest from international investors in the infrastructure space. Indian construction sector will grow up to eight percent every year for the next decade. Overall, the Construction and Infrastructure Sector is likely show positive growth and improve as compared to the past.

Financial Performance (Stand alone)

1. Balance Sheet Items:

a) **Equity Share Capital:** There is no change in the share capital of the company during the year.

b) **Other Equity :** The Other Equity of the Company has decreased by Rs 10,501.32 Laks due to effect given to the Composite Scheme of Arrangement between Gayatri Projects Limited (Transferee Company / GPL), Gayatri Infra Ventures Limited (Transferor Company / GIVL) and Gayatri Domicile Private Limited (Resulting Company / GDPL) approved by the NCLT on 3rd November 2017. The differential consideration on account of investments transferred is Rs 16,974.28 Laks which is adjusted in the share premium account of the company during year. As a result of the above and the profits retained, the other equity has been decreased by Rs 10,501.32 Laks.

c) **Borrowings (Long-Term & Short-Term):** There was a increase in the borrowings of the company from Rs 205821.61 Laks in FY 2015-16 to Rs 191999.16 Laks in FY 2016-17. The increase mainly due to availing of equipment term loans by the company.

d) **Fixed Assets:** The Company's Gross block plus Capital WIP is increased by Rs 10,649 Laks during the year due to purchase new construction equipments.

e) **Non Current Investments:** The non current investments are decreased by Rs 12,608.72 Laks during the year because of implementation of Composite Scheme of Arrangement as per NCLT order. The company has demerged the road BOT assets into a separate company which will be listed in due course and the existing shareholders your company will be allotted equity in the new listed company in the ratio of 1:1.

f) **Inventories:** The Company's inventories stand at Rs 36,005.19 Laks as at 31st March 2017 as against Rs 15,488.43 Laks in the previous year. The increase in the inventory levels is due the holding of critical raw materials stock such as metal, steel etc at site for uninterrupted progress of the works.

g) **Trade Receivables:** The company's Trade Receivables increased by Rs 16,95.70 Laks in 2016-17 from Rs 18,004.94 Laks to Rs 19,700.64 Laks.

h) **Other Current Assets:** Loans and Other financial assets increased from Rs 78,254.13 Laks to Rs 95,429.59 Laks during the year under review. The increase in the advances is on account of new works awarded for which the company has given advances to suppliers/ subcontractors to mobilize the resources.

2. Profit and Loss Items:

a) **Revenue from Operations:** The Company has reported a revenue from operations of Rs 2,11,535.05 Laks during the year 2016-17 as against Rs 1,81,221.25 Laks in the previous year.

b) **Other Income:** The other income of the company for the year Rs 3058.34 Laks as against Rs 699.69 Laks in last year. Other income comprises of interest income on fixed deposits and miscellaneous income.

c) **Direct cost:** The direct cost as a percentage to the turnover is at 79.88% in FY 2016-17 as against 81.42% in the previous year.

d) **Establishment and other overheads:** The establishment and other overheads is comprising of salaries and administrative expenses and the same as a percentage to revenue is at 4.83% in this year as against 4.22% in the previous year.

e) **Finance cost:** The Finance cost during the year as a % of revenue has increased from 8.84% to 9.52% mainly on account of new equipment loans availed by the company.

f) **Depreciation:** The Company's depreciation for the year has increased from Rs 3747.47 Laks to Rs 4315.54 Laks on account of additions made to fixed assets block.

g) **Exceptional Item:** The Company has sold the wind power business on "Slump Sale" basis and the resulted net loss from sale of wind power business amounting to Rs 1538.65 Lakhs is recognized under exceptional item as a expenditure in profit and loss statement for the period ended 31st March 2017.

h) **Tax Expense:** The net tax expense of the company for the year 2016-17 is Rs 2365.16 Laks as against Rs 1167.04 Laks in previous year. The increase is on account of withdrawal of income tax benefit under section 80(I) during the year by the government on certain projects.

i) **Net Profit:** The Company has reported a Net Profit of Rs 7042.52 Laks as against Rs 5801.46 Laks in the previous year.

j) **Total Comprehensive Income:** The Company has reported a total comprehensive expenditure of Rs 17.11 Laks as against loss of Rs 59.59 Laks in the previous year.

Internal Control and Risk Management Systems

Your Company has an elaborate Risk Management procedure, which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company has set up a Risk Management Committee to monitor the risks and their mitigating actions and the key risks are also discussed at the Audit Committee. The company Risk Management Committee will review the risks involved in the each tender before tendering and advice suitably to operating staff.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit




Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. The 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

Your Company's human resource management system and process are designed to empower employees and enable them adopt innovative approaches to create enduring values. 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.





ANNEXURE VI

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

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

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

The CSR Policy of the company has been placed on the website of the company at http://www.gayatri.co.in/Investors/Corporate Governance/Policies.

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 : Rs 4276.95 Laks

4. Prescribed CSR expenditure (2% of Average Net Profit) : Rs 85.54 Laks

5. Details of CSR spend for the financial year

a) Total amount spent during the financial year 2016-17 : Rs 86.21 Laks

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	Health care and Sanitation for the poor people	Promoting Health care inclusing preventive health care	Visakhapatnam, Andhra Pradesh	100.00	74.71	74.71	Agency : Balaji Charitable Trust
2	Donations to poor students for eductaion and studies	Promotion of education, including special education	Visakhapatnam, Andhra Pradesh	10.00	8.50	8.50	Agency : TSR Foundation
3	Donations to poor students for eductaion and studies	Providingshelter, clothing and education for poor girls	Through Uttarpradesh State	10.00	3.00	3.00	Agency : Allahabad Trust
	TOTAL			**120.00**	**86.21**	**86.21**	

(T. INDIRA SUBBARAMI REDDY)
Chairperson CSR Committee
(DIN : 00009906)

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

Place: Hyderabad
Date : 6th December, 2017



Annexure -VII

Report on remuneration to Directors and Employees in terms of Rule 5(1) 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	135:1
2.	Mr. J. Brij Mohan Reddy	44:1

(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	11.52%
2.	Mrs. I.V. Lakshmi, CS	12.75%

(iii) The percentage increase in the median remuneration of employees in the financial year: 26.00%

(iv) The number of permanent employees on the rolls of company: 2508 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 10.00% 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.



GAYATRI

Annexure -VIII

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:

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

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

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, 2017, 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, 2017

	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	20	16	7	5	1	9	5	1
Chairmanship in Committees of Board of other Companies*	—	1	—	—	—	2	2	—
Membership in Committees of Board of other Companies*	1	3	—	—	1	7	4	—
No. of Board Meetings held / attended	9/8	9/9	9/5	9/7	9/2	9/9	9/8	9/2
Attendance at the last AGM held on Sept. 28, 2016	No	Yes	No	No	No	Yes	No	No
No. of Shares Held as on 31/03/2017	57129500	27019810	2250	1125	—	50	—	—
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**

Details of the familiarization programmes imparted to Independent Directors are disclosed in the company's website: http://www.gayatri.co.in/pdf/Familirisation 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 9 times in the Financial Year 2016–17 on 14th April 2016, 14th May 2016, 30th May 2016, 16th July 2016, 26th August 2016, 22nd November 2016, 09th December 2016, 26th December 2016, 14th February 2017.



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
Director Identification No	00009906
Date of Birth	13.03.1951
Date of appointment	08.03.1996
Occupation	Industrialist
Relationship between directors inter-se	Mother of T. V. Sandeep Kumar Reddy
Nature of expertise in specific functional area	26 years of experience in the construction industry
Directorship in Listed Entities	Gayatri Tissue and Papers Limited and Gayatri Sugars Limited
Membership of Committees of other Listed Companies (includes only Audit Committee and Stakeholders Relationship Committee)	1
Shareholding in the Company	5,71,29,500 Shares

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:

Five Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows: 30th May, 2016, 16th July, 2016, 26th August, 2016, 09th of December, 2016 and 14th February, 2017. 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	5	5
Dr. V. L. Moorthy – Member	5	1
Mr. G. Siva Kumar Reddy – Member	5	4
Mr. J. N. Karamchetti - Member	5	5

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	5	5
Mrs. T. Indira Subbarami Reddy - Member	5	5
Dr. V. L. Moorthy - Member	5	3

* The Committee met on 02nd May 2016, 12th November 2016, 23rd January, 2017, 14th February 2017 and 22nd February, 2017.

Table : 4 Remuneration and sitting fees paid to the Directors during 2016-2017

(₹ 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	2.00	-	-	2.35	0.65	3.00	2.75	0.50

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:

- Transfer/transmission of shares / debentures

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

The Constitution of Stakeholders 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 30.09.2016 and 30.03.2017 during the financial year 2016-17.

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	01	01	NIL

VI. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company had met during the year on 14.02.2017 to review the performance of non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

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

VII. GENERAL BODY MEETINGS

a) *Annual General Meeting*

- ***Table: 7*** Location, date and time of last three Annual General Meetings (AGMs) and Special Resolutions passed there at:

Year	Location	Date and Time	Special Resolution passed
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
2015-16	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	28/09/2016 03.00 PM	1. Appointment of Mr. J.N. Karamchetti as Independent Director of the Company. 2. Authorisation to charge for delivery of documents through (a particular mode, if any request received from the member.

b) *Table: 8 - Court Convening Meeting:*

Year	Location	Date and Time	Special Resolution passed
2016-17	FTAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004	23/01/2017 10.00 AM	For the Purpose of considering and, If thought fit, to approve, with or without modification(s), the proposed composite scheme of arrangement between Gayatri Projects Limited ("Demerged Company or "Transferee Company" or "Applicant Company") and Gayatri Infra Ventures Limited ("Transferor Company) and Gayatri Domicile Private Limited ("Resulting Company" and their respective



			shareholders, pursuant to Sections 391 to 394 of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013 ('Scheme')

c) *Postal Ballot:*

During the year 2016-2017, 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 14th May, 2016 and 26th December, 2016 as the Scrutinizer.

Table: 9 – a) Results of the aforesaid Postal Ballot Notice dated. 14th May, 2016.

Item : To acquire/purchase 100 % shareholding of M/s. Gayatri Domicile Private Limited and thereby making it a wholly owned subsidiary of the company:

Date of AGM/EGM:	Postal ballot notice dated 14th May, 2016
Total no. of share holders as on record date	7162
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**	16830942	16830942	100.00	16830942	0	100.00	0.00
	Poll	16830942	0	0	0	0	0.00	0.00
	Postal Ballot (if applicable)	16830942	0	0	0	0	0.00	0.00
	Total	**16830942**	**16830942**	**100.00**	**16830942**	**0**	**100.00**	**0.00**
Public – Institutions	E-Voting	14629766	2572857	17.58	2572857	0	100.00	0.00
	Poll	14629766	0	0	0	0	0.00	0.00
	Postal Ballot	14629766	0	0	0	0	0.00	0.00
	Total	**14629766**	**2572857**	**17.58**	**2572857**	**0**	**100.00**	**0.00**
Public-Non Institutions	E-Voting	3989672	25739	0.65	25739	0	100.00	0.00
	Poll	3989672	0	0.00	0	0	0.00	0.00
	Postal Ballot	3989672	2296	0.06	2271	25	98.91	1.088
	Total	**3989672**	**28035**	**0.70**	**28010**	**25**	**98.91**	**1.088**
Total		**35450380**	**19431834**	**54.81**	**19431809**	**25**	**99.99**	**0.0001**

*Only valid postal ballot forms are considered.



The Number of votes polled in favour of the Special Resolution is 19431809 (99.99% of the total valid votes). Thus, the Special Resolution has therefore been approved by the Shareholders with requisite majority

The above results were announced on Saturday, the 18th day of June, 2016.

b) Results of the Postal Ballot Notice dated. 26th December, 2016.
Item No.1 : Sub-division of equity shares of the company as per the provisions of section 61 of the Companies Act, 2013 from face value of Rs.10/ to Rs.2/-.

Table - 10:

Date of AGM/EGM:				Postal ballot notice dated 26th December, 2016				
Total no. of share holders as on record date				6559				
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)				Ordinary				
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**	16830942	16830942	100.00	16830942	0	100.00	0.00
	Poll	0	0	0	0	0.00	0.00	
	Postal Ballot (if applicable)	0	0	0	0	0.00	0.00	
	Total	**16830942**	**16830942**	**100.00**	**16830942**	**0**	**100.00**	**0.00**
Public – Institutions	E-Voting	14407488	6080578	42.20	6080578	0	100.00	0.00
	Poll	0	0	0	0	0.00	0.00	
	Postal Ballot	0	0	0	0	0.00	0.00	
	Total	**14407488**	**6080578**	**42.20**	**6080578**	**0**	**100.00**	**0.00**
Public-Non Institutions	**E-Voting**	4211950	1045348	24.82	1045348	0	100.00	0.00
	Poll	0	0	0	0.00	0.00		
	Postal Ballot	6209	0.15	6209	0	0.00	0.00	
	Total	**4211950**	**1051557**	**24.97**	**1051557**	**0**	**100.00**	**0.00**
	Total	**35450380**	**23963077**	**67.60**	**23963077**	**0**	**100.00**	**0.00**

The Number of votes polled in favour of the Ordinary Resolution is 23963077 (100% of the total valid votes). Thus, the Ordinary Resolution has therefore been approved by the Shareholders with requisite majority.



Item No. 2: Alteration of Capital Clause of Memorandum of Association of the company.

Table -11:

Date of AGM/EGM:				Postal ballot notice dated 26th November, 2016				
Total no. of share holders as on record date				6559				
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**	16830942	16830942	100.00	16830942	0	100.00	0.00
	Poll		0	0	0	0	0.00	0.00
	Postal Ballot (if applicable)		0	0	0	0	0.00	0.00
	Total	**16830942**	**16830942**	**100.00**	**16830942**	**0**	**100.00**	**0.00**
Public – Institutions	**E-Voting**	14407488	6080578	42.20	6080578	0	100.00	0.00
	Poll	0	0	0	0	0.00	0.00	
	Postal Ballot	0	0	0	0	0.00	0.00	
	Total	**14407488**	**6080578**	**42.20**	**6080578**	**0**	**100.00**	**0.00**
Public-Non Institutions	**E-Voting**	4211950	1045348	24.82	1045348	0	100.00	0.00
	Poll	0	0	0	0.00	0.00		
	Postal Ballot	6209	0.15	6209	0	0.00	0.00	
	Total	**4211950**	**1051557**	**24.97**	**1051557**	**0**	**100.00**	**0.00**
	Total	**35450380**	**23963077**	**67.60**	**23963077**	**0**	**100.00**	**0.00**

The Number of votes polled in favour of the Ordinary Resolution is 23963077 (100% of the total valid votes). Thus, the Ordinary Resolution has therefore been approved by the Shareholders with requisite majority.

The above results were announced on Tuesday, the 31st day of January, 2017.



The Resolutions were approved by the overwhelming majority of the shareholders. The results were also published in Financial Express and Nava Telangana and intimated to the Stock Exchanges.

c) ***Results of the Postal Ballot Notice dated. 20th December, 2016 For the Purpose Of Considering, and, If thought fit, to Approve, With Or Without Modification(S), the Proposed Composite Scheme Of Arrangement Between Gayatri Projects Limited ("Demerged Company" Or "Transferee Company" Or "Applicant Company") And Gayatri Infra Ventures Limited ("Transferor Company") And Gayatri Domicile Private Limited ("Resulting Company") And their Respective Shareholders, Pursuant to Sections 391 To 394 Of The Companies Act, 1956 and Applicable Provisions Of The Companies Act, 2013 ('Scheme').***

Date of AGM/EGM:	Postal ballot notice dated 20th December, 2016
Total no. of share holders as on record date	6494
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)	Ordinary - Number of votes cast by pblic share holders in favour of the scheme should be more than the number of votes cast by the public share holders against as per SEBI Circular No. CIR/CFD/CMD/16/2015, dated November 30, 2015
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	**Promoters & Promoters Group holding 16830942 shares of the company are not considered for postal ballot and e-voting**					
	Poll	16830942						
	Postal Ballot (if applicable)	16830942						
	Total	**0**	**0.0000**	**00**	**0**	**0.0000**	**0.0000**	
Public – Institutions	E-Voting	14506228	6079582	41.9102	6079582	0	100.0000	0.0000
	Poll	14506228	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot	14506228	0	0.0000	00	0	0.0000	0.0000
	Total	**6079582**	**41.9102**	**6079582**	**0**	**100.0000**	**0.0000**	
Public-Non Institutions	**E-Voting**	4113210	3825	0.0930	3815	10	99.7385	0.2614
	Poll	4113210	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot	4113210	2904	0.0706	2903	1	99.9655	0.0344
	Total		**6729**	**0.164**	**6718**	**11**	**99.8365**	**0.1635**
	Total	**35450380**	**6086311**	**17.1685**	**6086300**	**11**	**99.9998**	**0.0002**

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



The Number of votes casted in favour of the Ordinary Resolution is 6086300 (99.9998 % of the total votes polled) and Number of Votes casted against is 11 (0.0002%). Thus, the Ordinary Resolution has therefore been approved by the Shareholders with requisite majority.

The above results were announced on Tuesday, the 24th day of January, 2017.

The Resolutions were approved by the overwhelming majority of the shareholders. The results were also published in Financial Express and Nava Telangana and intimated to the Stock Exchanges.

d) Conducted the postal ballot exercise:

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

Date of the notice of the postal ballot	Last date for receipt of the postal ballot	Date of the Scrutinizers report	Declaration of Results by the company
14th day of May, 2016	16th June, 2016	17th June, 2016	18th June, 2016
20th day of December, 2016	21st January, 2017	23rd January, 2017	24th January, 2017
26th day of December, 2016	28th January, 2017	30th January, 2017	31st January, 2017

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

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

e) Procedure for Postal Ballot:

After receiving the approval of the Board of Directors, Notice of the Postal Ballot, text of the Resolution and Explanatory Statement, relevant documents, Postal Ballot Form and self-addressed postage pre-paid envelopes will be sent to the shareholders to enable them to consider and vote for or against the proposal within a period of 30 days from the date of dispatch. 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.

f) Subsidiary Companies:

Company has one material non listed Indian subsidiary viz.. 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 company. 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.

g) 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 2016-17, 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, 2017, 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.

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:

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



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	:	2016 – 2017
Date	:	30th December 2017
Time	:	11.30 A.M
Venue	:	FTAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad – 500 004.

b) **Financial Calendar (tentative):** Financial Year 1st April, 2017 to 31st March, 2018

Table: 10 Calendar for Reporting

Quarter Ending	Release of Results
June 30, 2017	August 14, 2017
September 30, 2017	November 14, 2017
December 31, 2017	February 14, 2018
March 31, 2018	May 30, 2018*

*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 December, 2017 to 30th December, 2017 (both days inclusive).

d) 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 2017-2018.

e) Stock Code:

(i) **Trading Symbol**

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

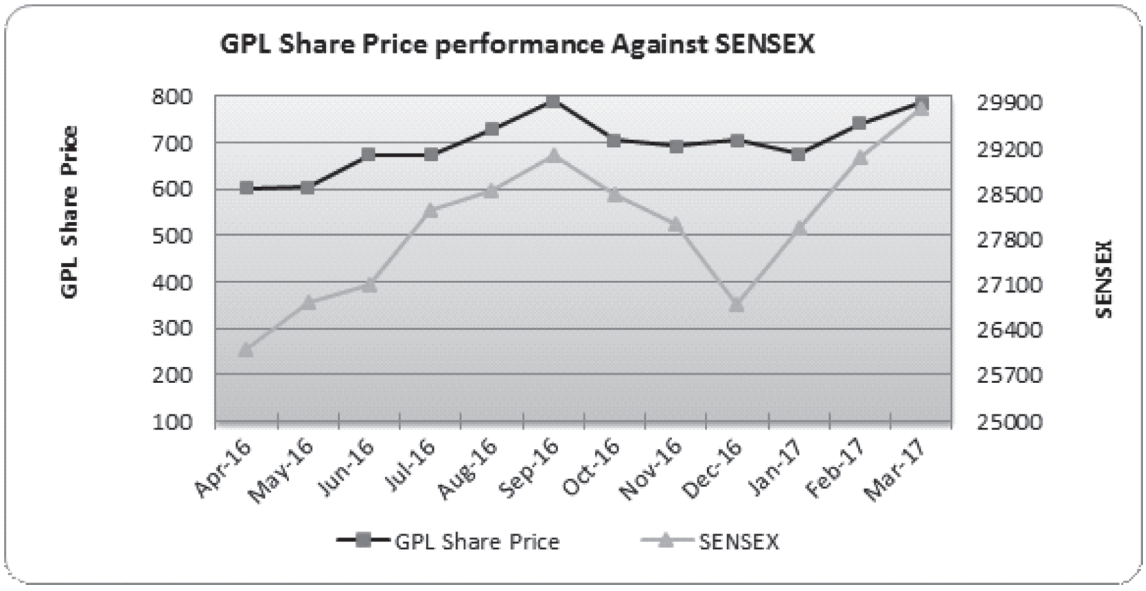
(ii) Depository for Equity Shares : **NSDL and CDSL**

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

f) Table: 11 Stock Market Price Data:

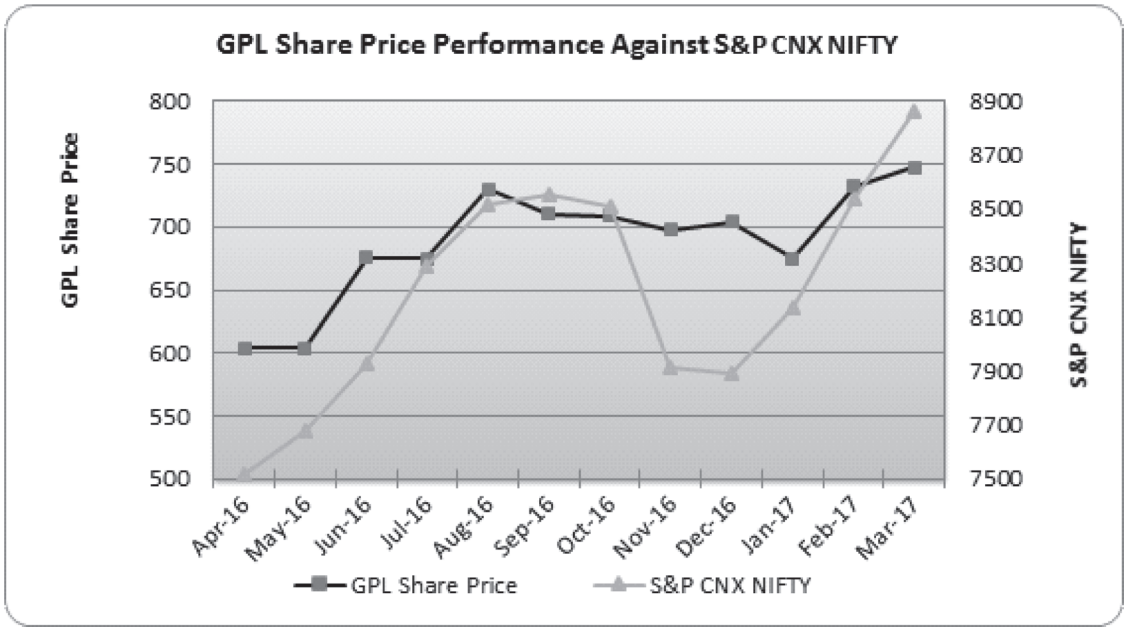
Month	BSE SHARE PRICE		BSE SENSEX	
	High	Low	High	Low
Apr-16	602.55	516.05	26100.54	24523.20
May-16	604.00	499.90	26837.20	25057.93
Jun-16	674.50	552.10	27105.41	25911.33
Jul-16	674.50	619.00	28240.20	27034.14
Aug-16	729.00	650.00	28532.25	27627.97
Sep-16	790.00	620.00	29077.28	27716.78
Oct-16	705.00	644.05	28477.65	27488.30
Nov-16	693.00	570.00	28029.80	25717.93
Dec-16	705.00	590.00	26803.76	25753.74
Jan-17	674.80	623.00	27980.39	26447.06
Feb-17	741.00	131.95	29065.31	27590.10
Mar-17	157.00	130.40	29824.62	28716.21

h) Stock Price Performance in comparison with BSE SENSEX



h) Stock Price Performance in comparison with NSE NIFTY

Month	NSE SHARE PRICE		NSE NIFTY INDEX	
	High Price	Low Price	High Price	Low Price
Apr-16	603.50	511.35	7992	7516.85
May-16	604.00	501.00	8213.6	7678.35
Jun-16	675.85	538.95	8308.15	7927.05
Jul-16	674.50	616.05	8674.7	8287.55
Aug-16	730.00	618.95	8819.2	8518.15
Sep-16	710.00	613.15	8968.7	8555.2
Oct-16	709.00	642.00	8806.95	8506.15
Nov-16	698.00	560.20	8669.6	7916.4
Dec-16	704.00	586.70	8274.95	7893.8
Jan-17	674.70	631.00	8672.7	8133.8
Feb-17	732.00	131.30	8982.15	8537.5
Mar-17	149.40	132.60	9218.4	8860.1



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: 040-23420814
Email: einward.ris@karvy.com Website: www.karvycomputershare.com



j) 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, 2017:

Category (Amount)	No. of cases	% of Cases	Total shares	Amount	% of Amount
upto 1 – 5000	7190	93.73	2158965	4317930.00	1.22
5001 – 10000	182	2.37	708333	1416666.00	0.40
10001 – 20000	88	1.15	661380	1322760.00	0.37
20001 – 30000	41	0.53	520702	1041404.00	0.29
30001 – 40000	27	0.35	483197	966394.00	0.27
40001 – 50000	31	0.40	726108	1452216.00	0.41
50001 – 100000	43	0.56	1585420	3170840.00	0.89
100001 & ABOVE	67	0.90	170407795	340815590.00	96.14
Total	**7669**	**100.00**	**177251900**	**354503800.00**	**100.00**

(ii) Table: 13 Categories of shareholders as on 31st March, 2017:

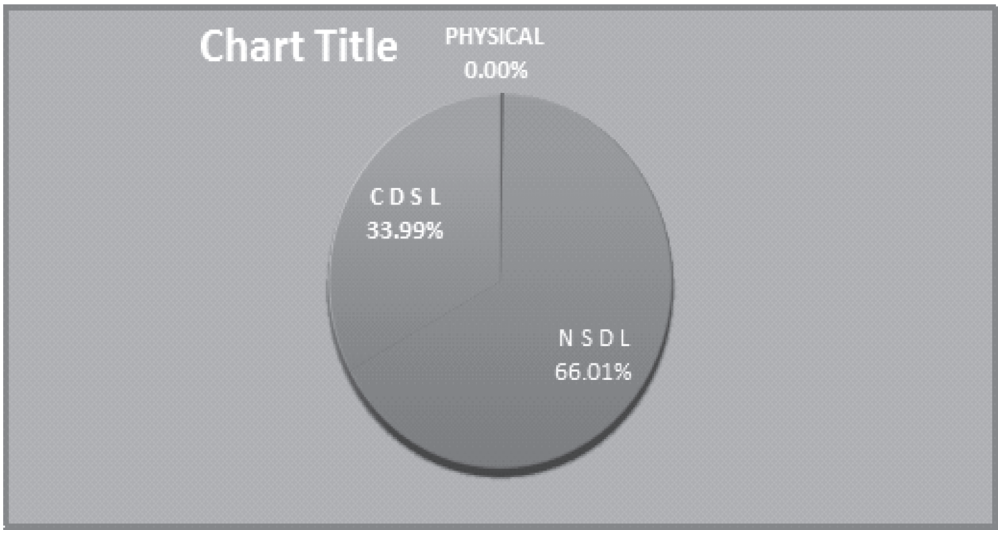
S. No	Category	No. of Cases	Total shares	% to Equity
1	Banks	3	20830	0.01
2	Clearing Members	63	101205	0.06
3	Directors And Their Relatives	2	1175	0.00
4	Foreign Institutional Investor	8	27510925	15.52
5	Foreign Portfolio Investors	34	33960595	19.16
6	H U F	195	403877	0.23
7	Insurance Companies	1	5420649	3.06
8	Bodies Corporates	278	9974270	5.63
9	NBFC	1	70915	0.04
10	Non Resident Indians	103	6275854	3.54
11	NRI Non-Repatriation	40	401915	0.23
12	Promoters & Directors	5	84154710	47.48
13	Resident Individuals	6935	8952480	5.05
14	Trusts	1	2500	0.00
	Total:	**7669**	**177251900**	**100.00**

k) *Dematerialization of Shares and Liquidity:*

As on 31st March, 2017, 100% of the paid up equity capital of the Company has been dematerialized and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialization.

Table 14: As on 31st March, 2017 the Equity shares of the Company are dematerialized as follows:

Sl. No	Category	Total No. of Shares	% To Equity
1	Physical	320	0.00
2	Dematerialized	177251580	100.00
	Total	177251900	100%



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

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

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

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

m) *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;

n) *Unpaid / Unclaimed dividend:*

Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by Company to the Investor Education and Protection Fund, established by the Central Government under the provisions of Section 125 of the Companies Act, 2013.

Shareholders of the Company who have either not received or have not encashed their dividend warrants, for the financial year 2010-11, 2011-12, 2012-13, 2013-14 , 2014-15 and 2015-16 are requested to claim the unpaid/unclaimed dividend from the Company before transfer to the above mentioned fund.

Table: 15

Financial Year	Rate of Dividend	Date of Declaration	Unclaimed Amount (₹)	Due for transfer to IEPF on
2010-11	50%	September 30, 2011	96545.00	October 12, 2018
2011-12	30%	September 20, 2012	80682.00	October 2, 2019
2012-13	30%	September 27, 2013	64632.00	October 16, 2020
2013-14	20%	September 23, 2014	71280.00	October 16, 2021
2014-15	10%	September 22, 2015	6436.00	October 15, 2022
2015-16	20%	September 22, 2016	26750.00	October 15, 2023

Separate letters have been sent to the Shareholders who are yet to encash the Dividend indicating that Dividend yet to be encashed by the concerned shareholders and that the amount remaining unpaid will be transferred as per the above dates. Members are requested to utilize this opportunity and get in touch with Company's Registrar and Share Transfer Agent, M/s 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.

o) 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 2008-09 & 2009-10 Interim and Final, remain unpaid/ unclaimed for the period of seven years, has been transferred by the Company to the Investor Education and Protection Fund (IEPF).

p) Dividend Distribution policy

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

q) Code of Conduct:

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

r) SEBI Complaints Rederess 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, 2016.	1	125
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, 2017	1	125

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 2016-17.

3. *Audit Qualifications*

There are no audit qualifications by the statutory auditors in our company and its subsidiaries as at 31st March 2017.

4. *Reporting of Internal Auditor:*

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

5. *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.



ANNEXURE – IX

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY:

1.	Corporate Identity Number (CIN) of the Company.	L99999TG1989PLC057289
2.	Name of the Company	Gayatri Projects Limited
3.	Registered address	TSR Towers, B-1 6-3-1090, Rajbhavan Road, Somajiguda Hyderabad 500082
4.	Website	www.gayatri.co.in
5.	E-mail id	cs@gayari.co.in
6.	Financial Year reported	2016-2017
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Road Projects (42101) Industrial Projects (N.A) Power Projects (42201)
8.	List three key products/services that the Company manufactures /provides (as in balance sheet)	Road Projects Industrial Projects Power Projects
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	51 Nil 51
10.	Markets served by the Company – Local /State/National/International	State / National

SECTION B: FINANCIAL DETAILS OF THE COMPANY:

1.	Paid up Capital (INR)	Rs.35,45,03,800
2.	Total Turnover (INR)	Rs 211535.05 Lakhs
3.	Total profit after taxes (INR)	Rs 7042.52 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%).	Rs 86.21 LaksThe Company has spent 2.02% of the average net profits of the last three financial years
5.	List of activities in which expenditure in 4 above has been incurred:-	Health care and Sanitation, Promoting Education, Promoting gender equality and empowering women and Providing shelter, clothing and education for poor girls



SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes, as on 31st March, 2017, the company has 2 subsidiaries.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).z	Yes, through their own Business Responsibility initiatives.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR.

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

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

b) Details of the BR head

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

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

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Policies formulated after internal consultation covering all functional areas								
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Policies conform to statutory provisions								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes the policies were approved by the Board of Directors and the Managing Director is authorised to take necessary steps for complying with the BRR requirements								

5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes. Managing Director
6.	Indicate the link for the policy to be viewed online?	Policies hosted on the Company's website: http://www.gayatri.co.in/corporate-governance.html
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. Communicated to all internal stakeholders
8.	Does the company have in-house structure to implement the policy/policies.	Yes.
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes. Internal evaluation

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

3. Governance related to BR

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

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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



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

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

Principle 3: Businesses should promote the wellbeing of all employees

1.	Please indicate the Total number of employees.				2508
2.	Please indicate the Total number of employees hired on temporary/ contractual/casual basis.				387
3.	Please indicate the Number of permanent women employees.				24
4.	Please indicate the Number of permanent employees with disabilities				2
5.	Do you have an employee association that is recognized by management.				No
6.	What percentage of your permanent employees is members of this recognized employee association?				Not Applicable
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.				Nil
	No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year	Nil
	1.	Child labour/forced labour/involuntary labour	Nil	Nil	
	2.	Sexual harassment	Nil	Nil	
	3.	Discriminatory employment	Nil	Nil	
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?				Yes
	(a) Permanent Employees				
	(b) Permanent Women Employees				
	(c) Casual/Temporary/Contractual Employees				
	(d) Employees with Disabilities				



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

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

Principle 5: Businesses should respect and promote human rights

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

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

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



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

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

Principle 8: Businesses should support inclusive growth and equitable development

1.	Does the company carried on programmes / initiatives/projects in pursuit of support inclusive growth and equitable development?	Yes. The Company has adopted the CSR policy pursuant to Section 135/Schedule VII of the Companies Act, 2013. The details of the CSR projects under taken by the Company is provided in the annexure VI to the Directors' Report
2.	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?	External agencies
3.	What is your company's direct contribution to community development projects?	86.21 Lakhs
4.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	Yes

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

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





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 : 6th December, 2017



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, 2017.

For GAYATRI PROJECTS LIMITED

Place: Hyderabad
Date: 6th December, 2017

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 2017, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period April 1, 2016 to March 31, 2017.

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 : 6th December, 2017



INDEPENDENT AUDITORS' REPORT

To The Members of Gayatri Projects Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Gayatri Projects Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. For the reasons detailed in Note No. 33.18 and 33.23 of the standalone Ind AS financial statements, the accompanying standalone Ind AS financial statements are the revised statements of the original Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended covered by our audit report dated 29th May, 2017 and approved by the Board of Directors of the Company held on 29th May, 2017.

Management's Responsibility for the Ind AS 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015,(as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Ind AS financial statements based on our 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 there under.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10)of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the merged companies as referred to in Other Matters paragraph below, the aforesaid standalone Ind AS 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, 2017 and its profit



including other comprehensive income, its cash flows and the changes in equity 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 Ind AS financial statements)

We draw member's attention to the following matters:

i) As stated in Note No.33.19 regarding loans given to some of the sub-contractors and accumulated interest thereon which are long pending for recovery.

ii) As stated in Note No.33.20 regarding certain Contract and work advances given to some of the sub-contractors which are long pending for recovery.

iii) As stated in Note No. 33.18(f)(i), pursuant to Composite Scheme of Arrangement ('Scheme'), the consideration receivable by the Company in the form of Equity and Preference Shares amounting to ₹180,16,03,000 (Rupees One Hundred and Eighty Crores Sixteen Lakhs and Three Thousand Only) have been grouped under Investments in the revised standalone financial statements although the shares are yet to be issued and allotted by the resulting company.

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

Other Matters

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

a. As stated in Note No.33.18 and 33.23, pursuant to Composite Scheme of Arrangement ('Scheme') approved by the Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench vide its order dated 3rd November, 2017, the revised standalone Ind AS financial statements for the year ended 31st March, 2017 were prepared and presented by the Company's management by giving effect to the Scheme, having an appointed date for merger as 1st April, 2016 and demerger as 31st March, 2017, in the place of original standalone Ind AS financial statements approved by the Board of Directors of the Company held vide their meeting dated 29th May, 2017.Consequently, our original audit report dated 29th May, 2017 on the standalone Ind AS financial statements of the Company for the year ended 31st March, 2017 is revised by this report.

b. As stated in Note No. 33.18 (a) &(c), we have relied on the audited (by other auditors) financial statements of M/s. Gayatri Infra Venture Limited (GIVL), a merged company as per the approved Scheme. We have not conducted audit on the said financial statements of GIVL 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 GIVL, is based solely on the reports of such other auditors.

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 ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, and based on the consideration of reports of the other auditors on separate financial statements of the merged companies as referred to in Other Matters paragraph above, we report that:

   (a) We have sought and obtained all the information and explanations, reports of the other auditors, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and reports issued by other auditors;

   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

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

   (e) On the basis of the written representations received from the directors as on March 31,2017taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

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



(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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.33.2 of the Standalone Ind AS financial statements, the Company has disclosed the impact of pending litigations on its standalone Ind AS financial statements.

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

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

iv. The Company has provided requisite disclosures in Note No. 33.17 to the standalone Ind AS financial statements as to the holding of Specified Bank Notes on 8th November, 2016 and 30th December, 2016 as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Company's Management.

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: 06th December, 2017



Annexure A to the Auditors' Report

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March, 2017, we report that:

(i). In respect of Fixed Assets:

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

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

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

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

(iii). According to information and explanations given to us, the Company has granted unsecured Loans of ₹31,919.83 lakhs to parties covered in the Register maintained under section 189 of the Companies Act, 2013. In respect of such loans,

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

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

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

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

(v). According to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Accordingly the provisions of clause (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, and based on our examination of records of the Company, amounts deducted/ accrued in the books of accounts in respect of statutory dues including provident fund, income tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with appropriate statutory authorities.

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

c. According to the information and explanation given to us, there are no dues of Sales tax, Income Tax, Wealth Tax, Service Tax, Customs Duty and Cess which have not been deposited as on 31st March, 2017 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*	*1894.28*
4	*Income Tax Act, 1961*	*Income Tax*	*Appeal pending before CIT(Appeals)*	*307.12*

(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.

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

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

(xi) In our opinion and according to the information and explanations given to us, the company has paid or provided for managerial remuneration in 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, paragraph 3 (xii) of the Order are not applicable to the Company.

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

(xiv) According to the information and explanations given to us and based on examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, paragraph 3 (xiv) of the Order is not applicable for the current year under audit.

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

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

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

S V C REDDY
Partner
Membership Number: 224028

Place: Hyderabad
Date: 06th December, 2017



Annexure - B to the Auditors' Report

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2017:

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

We have audited the internal financial controls over financial reporting of **Gayatri Projects Limited** ("the Company") as of 31st March 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur





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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

S V C REDDY
Partner
Membership Number: 224028

Place: Hyderabad
Date: 06th December, 2017



BALANCE SHEET AS AT 31st MARCH, 2017

₹ in Lakhs

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	3a	**30,925.49**	22,686.19	20812.12
(b) Capital Work in Progress	3b	**2,409.70**	—	—
(c) Financial Asset				
(i) Investments	4	**1,05,612.14**	1,18,220.86	94,681.06
(ii) Loans	5	**51,023.52**	51,026.05	51,041.04
(iii) Other Financial Assets	6	—	-	21,851.46
Total Non-Current Assets		**1,89,970.85**	**1,91,933.10**	**1,88,385.68**
Current assets				
(a) Inventories	7	**36,005.19**	15,488.43	24,202.29
(b) Financial Asset				
(i) Investments	8	—	—	71.79
(ii) Trade receivables	9	**85,036.43**	62,399.34	39,420.65
(iii) Cash and cash equivalents	10	**19,700.64**	18,004.94	14,515.83
(iv) Loans	11	**17,594.33**	15,071.16	14,084.64
(c) Current Tax Assets (net)	12	**4,074.55**	7,571.18	5,890.86
(d) Other Current Assets	13	**95,429.59**	78,254.13	64,649.84
Total Current Assets		**2,57,840.73**	**1,96,789.18**	**1,62,835.90**
TOTAL ASSETS		**4,47,811.58**	**3,88,722.28**	**3,51,221.58**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	14	**3,545.04**	3,545.04	3,022.70
(b) Other Equity	15	**70,555.34**	81,056.66	65,588.72
		74,100.38	**84,601.70**	**68,611.42**
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	**96,777.30**	97,197.13	92,715.38
(ii) Other Financial liabilities	17	**92,391.80**	62,711.66	49,721.61
(b) Provisions	18	**978.31**	894.56	694.21
(c) Deferred Tax Liabilities (Net)	19	**2,320.22**	2,243.80	2,876.25
Total Non-Current Liabilities		**1,92,467.63**	**1,63,047.15**	**1,46,007.45**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	**95,960.82**	89,021.38	79,178.76
(ii) Trade payables	21	**66,079.21**	41,911.09	44,670.27
(iii) Other Financial Liabilities	22	**14,886.66**	6,841.22	8,281.65
(b) Other Liabilities	23	**4,307.25**	3,290.30	4,362.23
(c) Provisions	24	**9.63**	9.44	109.80
Total Current Liabilities		**1,81,243.57**	**1,41,073.43**	**1,36,602.71**
TOTAL EQUITY AND LIABILITIES		**4,47,811.58**	**3,88,722.28**	**3,51,221.58**
Significant Accounting Policies	2			
Other Notes forming part of the Financial Statements	33			

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

S.V.C. REDDY
Partner

Place : Hyderabad.
Date : 6th December, 2017

For and on behalf of the Board

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

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

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary & Compliance Officer



GAYATRI

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2017

₹ in Lakhs

	Particulars	Note No.	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
I	**Revenue from operations**	25	**2,11,535.05**	1,81,221.25
II	Other Income	26	**3,058.34**	699.69
III	Total Income (I+II)		**2,14,593.39**	**1,81,920.94**
IV	**Expenses**			
	(a) Cost of Materials Consumed and Cost of Purchases & Services	27	**67,936.87**	50,574.16
	(b) Work Expenditure	28	**1,06,573.75**	91,329.40
	(c) Changes in Work in Progress	29	**(5,542.82)**	5,643.82
	(d) Employee benefits expenses	30	**5,866.53**	4,115.11
	(e) Finance costs	31	**20,138.18**	16,017.56
	(f) Depreciation and amortization expense	3	**4,315.54**	3,747.47
	(g) Other Expenses	32	**4,359.01**	3,524.92
	Total Expenses (IV)		**2,03,647.06**	**1,74,952.44**
V	**Profit before Exceptional items and Tax (III-IV)**		**10,946.33**	6,968.50
VI	Exceptional items (Net) (Refer Note No.33.16)		**(1,538.65)**	—
VII	**Profit Before Tax**		**9,407.68**	6,968.50
VIII	**Tax Expenses**			
	(a) Current Tax (including previous year taxations)		**2,297.80**	1,767.94
	(b) Deferred Tax Liability / (Asset) (Net)		**67.36**	(600.90)
IX	**Profit for the year (VII-VIII)**		**7,042.52**	**5,801.46**
X	**Other Comprehensive Income (OCI)**			—
	Items that will not be reclassified to profit or loss :			
	i) Re-measurement gains / losses) on actuarial valuation of Post Employment defined benefits		**26.17**	(91.13)
	ii) Income tax relating to Items that will not be reclassified to profit or loss		**(9.06)**	31.54
	Items that will be reclassified to profit or loss:		—	—
	Total Other Comprehensive Income (X)		**17.11**	(59.59)
XI	**Total Comprehensive Income for the Year (IX+X)**		**7,059.63**	**5,741.87**
XII	**Earning per Share (of Rs.2/- each)**			
	Basic and Diluted (₹) (Refer Note No. 33.7)		**3.97**	3.46
	Significant Accounting Policies	2		
	Other Notes forming part of the Financial Statements	33		

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

S.V.C. REDDY
Partner

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 : 6th December, 2017

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary & Compliance Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2017

A. Equity Share Capital and Other Equity

₹ in Lakhs

Particulars	Equity Share Capital (Note 14)	Other Equity					
		Reserves & Surplus					
		Capital Reserve	General Reserve	Securities Premium Account	Debenture Redemption Reserve	Retained earnings	Total other Equity
As at 01st April 2015	***3,022.70***	***143.40***	***10,500.00***	***25,400.19***	***1,300.00***	***28,245.13***	***65,588.72***
Changes in Equity Share Capital	*522.34*	–	–	–	–	–	–
Premium received on Shares issued during the year	–	–	–	*10,121.87*	–	–	*10,121.87*
Surplus / (Deficit) for the year	–	–	–	–	–	*5,741.87*	*5,741.87*
Amount transferred from DRR	–	–	*1,300.00*	–	*(1,300.00)*	–	–
Fair value of Equity Instruments	–	–	–	–	–	–	
Dividend and Dividend Tax	–	–	–	–	–	*(395.80)*	*(395.80)*
Transferred from Surplus to General Reserve	–	–	*500.00*	–	–	*(500.00)*	–
As at 31st March 2016	***3,545.04***	***143.40***	***12,300.00***	***35,522.06***	–	***33,091.20***	***81,056.66***
Changes in Equity Share Capital	–	–	–	–	–	–	–
Adjustment on account of Composite Scheme of Arrangement (Refer Note No.33.18)	–	–	–	*(16,707.60)*	–	–	*(16,707.60)*
Surplus / (Deficit) for the year	–	–	–	–	–	*7,059.63*	*7,059.63*
Dividend and Dividend Tax	–	–	–	–	–	*(853.35)*	*(853.35)*
As at 31st March, 2017	***3,545.04***	***143.40***	***12,300.00***	***18,814.46***	–	***39,297.48***	***70,555.34***

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

S.V.C. REDDY
Partner

Place : Hyderabad.
Date : 6th December, 2017

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I.V. LAKSHMI
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GAYATRI

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

₹ in Lakhs

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
A Cash Flow from Operating Activities:		
Profit before Tax excluding extraordinary and exceptional items	**10,946.33**	6,968.50
Adjustments for:		
Depreciation and amortization	**4,315.54**	3,747.47
Interest and other Income	**(3,058.34)**	(699.69)
Loss / (Profit) on sale of Property, Plant and Equipment	**(1.37)**	-
Finance Costs	**20,136.98**	15,971.37
Foreign Currency Translation and Transactions – ECB	**1.20**	46.19
Other non-cash items/ Provisions	**26.17**	(91.13)
Operating Profit before working Capital Changes	**32,366.51**	**25,942.71**
Adjustments for:		
(Increase) / Decrease in Trade Receivables	**(22,637.09)**	(22,978.69)
(Increase) / Decrease in non-current financial asset	**2.53**	(1,633.55)
(Increase) / Decrease in current financial asset	**(2,523.17)**	(986.52)
(Increase) / Decrease in Other current assets	**(13,678.83)**	(15,284.61)
(Increase) / Decrease in Inventory	**(20,516.76)**	8,713.86
Increase / (Decrease) in current financial liabilities	**1,759.55**	(2,298.46)
Increase / (Decrease) in non-current financial liabilities	**29,050.78**	14,543.33
Increase / (Decrease) in Trade Payables	**24,168.12**	(2,759.18)
Cash (used in) / generated from Operating activities	**27,991.64**	3,258.89
Direct Taxes paid (Net)	**(2,297.80)**	(1,767.94)
Net Cash (used in)/ generated from Operating Activities (A)	**25,693.84**	**1,490.95**
B Cash Flow from Investing Activities		
Purchage of Property, Plant and Equipment including capital work-in-progress	**(19,542.57)**	(5,621.54)
Purchase of Non-Current Investments	**(4,098.88)**	(39.80)
Investments in Mutual Funds	**–**	71.79
Proceeds from sale of Property, Plant & Equipment	**3,040.75**	–
Interest and other income received	**3,058.34**	699.69
Net Cash (used in)/ generated from Investing Activities (B)	**(17,542.36)**	**(4,889.86)**
C Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including share premium	**–**	10,644.21
Redemption of Debentures	**–**	(2,927.84)
Net Proceeds from Long term borrowings	**6,883.01**	7,195.68
Net Proceeds from Short term borrowings	**6,939.44**	9,842.62
Finance Costs	**(19,424.88)**	(17,470.85)
Dividend & Dividend Distribution Tax paid	**(853.35)**	(395.80)
Net Cash (used in)/ generated from Financing Activities (C)	**(6,455.78)**	**6,888.02**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	**1,695.70**	3,489.11
Cash and Cash Equivalents at the beginning of the year	**18,004.94**	14,515.83
Cash and Cash Equivalents at the end of the year	**19,700.64**	**18,004.94**

Note:

a Figures in brackets represent cash outflows.

b 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 : 6th December 2017

For and on behalf of the Board

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Chief Financial Officer

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Managing Director
DIN : 00005573

I.V. LAKSHMI
Company Secretary & Compliance Officer



1. INCORPORATE INFORMATION

Gayatri Projects Limited (the "Company") was incorporated in the year 1989 and its registered office is located at B1, 6-3-1090, TSR Towers, Raj Bhavan Road, Somajiguda, Hyderabad – 500 082. The Company is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). The Company is one of India's premier infrastructure companies based at Hyderabad executing major civil works including Roads, Canals, Airport Runways, Ports/Harbors, Dams & Reservoirs, Railways etc., across India.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 (a) Compliance with Indian Accounting Standards (Ind AS)

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

(b) First time adoption of Ind AS

These Financial statements for the financial year ended March, 2017 is the first year that the company has prepared the Financial Statements as per Ind AS. The financial statements for the year ended 31stMarch, 2016 and the opening Balance Sheet as on 1st April, 2015 have been restated in accordance with Ind AS for comparative information. Reconciliation and effects of the transition from previous GAAP to Ind AS of the financials are provided in the Note No. 33.21.

On first time adoption of Ind AS, Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The following exemptions are availed by the company in first time adoption of Ind AS:

(i) The Company has elected to consider the carrying values for all property, plant and equipment as deemed cost at the date of the transition i.e on 01st April, 2015 and further the Company has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for investments in subsidiaries and associates on the date of transition to Ind AS i.e on 01st April, 2015.

(ii) As per the requirement of Ind AS 101 for first time adaptors of Ind AS, The Company has elected to apply the derecognition requirements for financial assets and financial liabilities as stated in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

(iii) The estimates as at April 01, 2015 and March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 01st April, 2015 (transition date) and as of 31st March, 2016.

2.2 Basis of Preparation and Presentation of Financial Statements

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

Fair value for measurement adopted in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, Net Realizable value as per Ind AS 2 or value in use in Ind AS 36.Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

2.3 Use of Estimates

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

2.4 Revenue Recognition

A. Revenue from Operations

a. Revenue from Construction activity:

i) Income is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs

ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract

iii) Price escalation and other variations in the contract work are included in contract revenue only when:

a) Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim and

b) The amount that is probable will be accepted by the customer and can be measured reliably.

iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:

a) The contract has sufficiently advanced such that it is probable that the specified performance standards will be met; and

b) The amount of the incentive payment can be measured reliably.

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

b. Revenue from supply of materials:

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

c. Revenue receipts from Joint Venture Contracts

i) In work sharing Joint Venture arrangements, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.

ii) In Jointly Controlled Entities, the share of profits or losses is accounted as and when dividend/ share of profit or loss are declared by the entities.

d. Other Operational Revenue:

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

ii) Revenue is reported net of discounts, if any.

B. Other Income

i) Interest income is accounted on accrual basis as per applicable interest rates and on time proportion basis taking into account the amount outstanding.

ii) Dividend income is accounted in the year in which the right to receive the same is established.

iii) Insurance claims are accounted for on cash basis.

2.5 (a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation thereon. Expenditure which are capital in nature are capitalized at cost, which comprise of purchase price (net of rebates and discounts), import duties, levies, financing costs and all other expenditure directly attributable to bringing the asset to its working condition for its intended use.

Any gain/loss on the disposal of the Property, Plant and Equipment is recognized in the Statement of Profit &Loss account and is determined as the difference between the sales proceeds and the carrying amount of the asset.

(b) Capital work in progress

Property, Plant and Equipment which are purchased but not yet installed and not ready for their intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress". Cost of materials used in the process of erection/installation of an asset but not yet completed as on the reporting date is also disclosed as "Capital Work-in-Progress".

2.6 Depreciation and amortization

In respect of Property, Plant & Equipment (other than Land and Capital Work in Progress) depreciation / amortization is charged on a straight line basis over the useful lives as specified in Schedule II to the Companies Act 2013..

Assets individually costing ₹ 5,000/- or less and temporary structures are fully depreciated in the year of acquisition.

The residual values and useful lives are reviewed at the end of the reporting period.

The Company has adopted the carrying amount of the previous GAAP as its deemed cost on the date of the transition to Ind AS i.e 1st April, 2015.

2.7 Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the Assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.
- In assessing Value in Use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified with the asset. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through the Statement of Profit and Loss.

2.8 Financial Instruments

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities (other than Financial Assets and Financial Liabilities at fair value through profit or loss) are added to or deducted from the fair value of the Financial Assets or Financial Liabilities, as appropriate, on initial recognition.

2.9 Financial Assets

Financial Asset is any Asset that is -

(a) Cash

(b) Equity Instrument of another Entity,

(c) Contractual right to -

i) receive Cash / another Financial Asset from another Entity, or

ii) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

Investment in Equity Shares issued by Subsidiary, Associate and Joint Ventures are carried at cost less impairment.

Investment in preference shares are classified as debt instruments and carried at Amortized cost if they are not convertible into equity instruments and are not held to collect contractual cash flows. Other Investment in preference shares which are classified as Debt instruments are mandatorily carried at Fair value through Profit & loss Account (FVTPL).

All investments in equity instruments other than as classified above under Financial Assets are initially carried at fair value. The Company has adopted to measure the fair value of equity instruments through FVTPL Fair value changes on an equity instrument are recognized in the Statement of Profit & Loss.

Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date,

right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

Financial Liabilities

Financial liabilities are recognized at fair value net of transaction costs and are subsequently held at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit and loss are measured at fair value with changes in fair value recognized in the profit and loss account. Interest bearing bank loans are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

De-recognition of Financial Instruments

A Financial Asset is derecognized when the rights to receive cash flows from the asset have expired or the company has transferred substantially all the risks and rewards or the right to receive the cash flows under a contractual arrangement or has transferred the asset.

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. In the case where the existing liability is replaced by another liability either from the same lender or otherwise such an exchange is treated as de-recognition of the original liability and recognition of a new liability. Any change in the carrying amount of a liability is recognized in the Statement of Profit and Loss.

The Company has entered into certain forward contracts in respect of foreign currency risks. The gain or loss relating to the ineffective portion of the hedge is recognized immediately in the Statement of Profit and Loss.

2.10 Inventories and Work in Progress

Raw Materials, Construction Materials and Stores &Spares are valued at lower of weighted average cost or net realizable value. Cost includes direct material, Work Expenditure, Labour Cost and appropriate overheads excluding refundable duties and taxes.

Work in Progress is valued at contracted rates less profit margin / estimates.

2.11 Cash & Cash Equivalents

Cash and Cash Equivalents are short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits.

2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation in respect of which reliable estimate can be made as on the balance sheet date.

Contingent Liabilities are present obligations arising from a past event, when it is not probable / probability is remote that an outflow of resources will be required to settle the obligation and they are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements except where it has become virtually certain that an inflow of economic benefit will arise, the asset and the related income are recognized in

financial statements of the period in which the change occurs. Provisions for Contingent Liabilities and Contingent Assets are reviewed at the end of Balance Sheet date.

2.13 Foreign Currency Transactions and Translation

The reporting currency of the company is Indian Rupee. Foreign Currency Transactions are translated at the functional currency spot rates prevailing on the date of transactions.

Monetary assets and current liabilities related to foreign currency transactions remaining unsettled are translated at the functional currency spot rates prevailing on the balance sheet date. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss.

Non-monetary foreign currency items are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

2.14 Employee Benefits

Payments to Defined Contribution schemes are charged as an expense as they fall due. Company's contribution to provident fund in respect of certain employees is made to a government administrated fund and charged as an expense to the Statement of Profit and Loss.

Liability for employee benefits, both short and long term, for present and past service which are due as per the terms of employment are recorded in accordance with Indian Accounting Standard 19 "Employee Benefits" issued by the Companies (Accounting Standard) Rules, 2015. Re-measurement gains /losses on post-employment defined benefits comprising gains/ losses is reflected immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which it arises.

i) Gratuity

In accordance with the Payment of Gratuity Act, 1972 the Company provides for Gratuity covering eligible employees. The liability on account of Gratuity is provided on the basis of valuation of the liability by an independent actuary as at the year end.

ii) Provident Fund

In accordance with applicable local laws, eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan to which both the employee and employer contributes monthly at a determined rate (currently up to 12% of an employee's salary). These contributions are either made to the respective Regional Provident Fund Commissioner, or the Central Provident Fund under the State Pension Scheme, and are recognized as expenses incurred.

iii) Compensated Absences

The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

2.15 Deferred Revenue Expenditure

Projects and other related expenditure incurred up to 31st March, 2017, the benefit of which is spread over more than one year is accounted as Project Promotion Expenses grouped under Other Advances and is amortized over the period in which benefits would be derived.

2.16 Leases

a) Finance 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.

b) Operating Leases

Operating Leases range from 11 months to 36 months and are usually cancellable / renewable by mutual consent on agreed terms. Further Lease payments under an operating lease are recognized as an expense in the Statement of Profit and Loss.

2.17 Earnings per Share (EPS)

In arriving at the EPS, the Company's Net Profit After Tax, is divided by the weighted average number of equity shares outstanding. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS, the net profit after tax, referred above, is divided by the weighted average number of equity shares, as computed above and the weighted average number of equity share that could have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The date(s) of issue of such potential shares determine the amount of the weighted average number of potential equity shares.

2.18 Taxation

i) Current Tax

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and provisions of Income Tax Act, 1961 as at the balance sheet date and any adjustments to taxes in respect of the previous years, penalties if any related to income tax are included in the current tax expense.

ii) Deferred Taxes

Deferred Tax is the tax expected to be payable or recoverable on differences between the carrying amount of the assets and liabilities for financial reporting purpose and the corresponding tax bases used in computation of taxable profit. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

Current and deferred tax is recognized in profit or loss, except to the extent that it related to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.19 Commitments

Commitments are future liabilities for contractual expenditure.

Commitments are classified and disclosed as follows:

a. Estimated amount of contracts remaining to be executed on capital account and not provided for;
b. Uncalled liability on shares and other investments partly paid;
c. Funding related commitment to subsidiary, associate and joint venture companies and
d. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.20 Operating cycle for current and non-current classification

Operating cycle for the business activities of the Company covers the duration of the specific project/contract including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

2.21 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

i. transactions of a non-cash nature;

ii. any deferrals or accruals of past or future operating cash receipts or payments;

iii. items of income or expense associated from investing or financing cash flows; and

Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows.

2.22 Exceptional Items:

Items of income and expenditure within profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as Exceptional Items.

2.23 Borrowing Cost

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

3a. Property, Plant and Equipment

₹ in Lakhs

Particulars	Gross Carrying amount as at April 1, 2016	Additions/ Adjustment during the year	Deletions/ Retirement during the year	Gross Carrying amount as at March 31, 2017	Accumulated Depreciation as at April 1, 2016	Depreciation for the Year	Deductions/ Adjustment during the year	Accumulated Depreciation as at March 31, 2017	Net Carrying Amount as at March 31, 2017	Net Carrying Amount as at March 31, 2016	Net Carrying Amount as at April 1, 2015
Land	35.12	—	9.75	25.37	—	—	—	—	25.37	35.12	35.12
Plant and Equipment	37,995.94	16,220.19	427.58	53,788.55	21,168.52	3,937.06	387.84	24,717.74	29,070.81	16,827.42	14,817.41
Wind Power Equipment	5,936.86	—	5,936.86	—	1,407.96	—	1,407.96	—	—	4,528.90	4,792.85
Furniture and Fixtures	327.18	105.96	—	433.14	210.46	29.21	—	239.67	193.47	116.72	135.82
Vehilcles	2,924.32	808.09	42.20	3,690.21	1,746.29	349.27	41.19	2,054.37	1,635.84	1,178.03	1,030.92
Total	**47,219.42**	**17,134.24**	**6,416.39**	**57,937.27**	**24,533.23**	**4,315.54**	**1,836.99**	**27,011.78**	**30,925.49**	**22,686.19**	**20,812.12**

3b.Capital work in Progress

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Opening Balance	—	—	—
Additions during the year	2,409.70	—	—
Less : Capitalisation / Adjustments	-	—	—
Capital Work in Progress	2,409.70	—	—



4. Investments

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-Trade investments			
Unquoted			
A. Investment in Subsidiary Companies			
(i) Nil (As at 31st March 2016 : 12,50,000, As at 1st April 2015 : 12,50,000) Equity Shares of ₹ 10/- each, fully paid in Gayatri Infra Ventures Ltd. (Refer Note No.33.18)	—	12,532.38	12,532.38
(ii) 65,24,030 (As at 31st March 2016 : 65,24,030, As at 1st April 2015 : 65,24,030) Equity Shares of ₹ 10/- each, fully paid in Gayatri Energy Ventures Pvt. Ltd., (Refer note 4.1)	**63,983.28**	63,983.28	63,983.28
(iii) 25,500 (As at 31st March 2016 : 25,500, As at 1st April 2015 : 25,500) Equity Shares of ₹ 10/- each, fully paid in Bhandara Thermal Power Corporation Ltd. (Refer note 4.2)	**2.55**	2.55	2.55
(iv) Nil (As at 31st March 2016 : 1,00,00,843, As at 1st April 2015 : 1,00,00,843) Equity Shares of ₹ 10/- each, fully paid in Sai Maatarani Tollways Ltd. (Refer Note No.33.18)	—	18,016.03	18,016.03
B. Investment in Associate Companies			
(I) 1,24,80,000 Equity Shares of ₹10/- each, fully paid in Gayatri Domicile Pvt.Ltd. (Refer Note 33.18)	**1,248.00**	—	—
(i) Nil (As at 31st March 2016 : 12,07,000, As at 1st April 2015 : 12,07,000) Equity Shares of ₹ 10/- each, fully paid in HKR Roadways Ltd. (Refer Note No.33.18)	—	120.70	120.70
(ii) Nil (As at 31st March 2016 : 49,000, As at 1st April 2015 : 49,000) Equity Shares of ₹ 10/- each, fully paid in Balaji Highways Holdings Pvt. Ltd., (Refer Note No.33.18)	—	4.90	4.90
(iii) Nil (As at 31st March 2016 : 16,660, As at 1st April 2015 : 16,660) Equity Shares of ₹ 10/- each, fully paid in Indore Dewas Tollways Ltd. (Refer Note No.33.18)	—	1.67	1.67
C. Other Investments			
Un-quoted			
i) 2,35,00,000 (As at 31st March 2016 : 2,35,00,000) 9% non- Convertible redeemable cumulative preferential Shares of ₹ 10/- each, fully paid in Gayatri Hitech Hotels Ltd. (Refer Note No. 4.3 below)	**23,500.00**	23,500.00	—
ii) 16,77,00,300 Preferential Shares of ₹ 10/- each, fully paid in Gayatri Domicile Pvt. Ltd. (Refer note 33.18)	**16,770.03**	—	—
Quoted			
(i) 11,63,607 (As at 31st March 2016 : 11,63,607, As at 1st April 2015 : 11,63,607) Equity Shares of ₹ 10/- each in Gayatri Sugars Ltd. (Refer Note No. 4.4 below)	**293.10**	293.10	293.10
(ii) 1,728 (As at 31st March 2016 :1,728, As at 1st April 2015 : 1,728) Equity Shares of ₹ 10/- each in Syndicate Bank Ltd.,	**0.86**	0.86	0.86
Less: Provision for diminution in value of Investment	**(278.44)**	(278.44)	(278.44)
Gain /(Loss) on Fair Valuation of Investments	**92.76**	43.83	4.03
Total	**105,612.14**	**118,220.86**	**94,681.06**



Details of Quoted and Unquoted Investments:

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Aggregate Amount of Quoted Investment	**15.52**	**15.52**	**15.52**
Aggregate Market value of Quoted Investment	**108.28**	**59.35**	**19.55**
Aggregate Amount of Unquoted Investment	**105,503.86**	**118,161.51**	**94,654.94**

4.1 Of these, 16,96,248 Equity shares of Gayatri Energy Ventures Pvt. Ltd. have been pledged to IFCI for the loan availed by the said subsidiary company and remaining shares of GEVPL held by the company have been pledged to the consortium of the lenders of the Company.

4.2 Of these, 25,500 Equity shares of Bhandara Thermal Power Corporation Limited have been pledged to IL & FS for the term loan availed by an Associate of the company.

4.3 All the Preferential Shares heldby the company in Gayatri Hitech Hotels Ltd have been pledged to the consortium of the lenders of the Company.

4.4 All the Equity Shares held by the company in Gayatri Sugars Limited have been pledged to the consortium of the lenders of the Company.

5. Loans

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security Deposit with Govt. Depts and Others	**45.37**	47.90	62.89
Loans to Related Parties - Unsecured, Considered Good			
- Loan to Subsidiaries	**—**	13,411.00	13,411.00
- Loan to Associates	**17,946.01**	4,535.01	4,535.01
To Others - Unsecured, Considered Good			
- Inter Corporate Loan (Refer Note No. 33.19)	**33,032.14**	33,032.14	33,032.14
Total	**51,023.52**	**51,026.05**	**51,041.04**

6. Other Financial assets

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, Considered Good			
- Receivables from Related Party	**—**	—	21,851.46
Total	**—**	**—**	**21,851.46**

7. Inventories

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Construction materials, Stores and Spares	**21,898.66**	6,924.72	9,994.76
(b) Work in Progress	**14,106.53**	8,563.71	14,207.53
Total	**36,005.19**	**15,488.43**	**24,202.29**

8. Investments

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Mutual Funds	**—**	—	71.79
Total	**—**	**—**	**71.79**



9. Trade Receivables

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Secured, considered good	—	—	—
(b) Unsecured, considered good			
- Related Parties:	**900.96**	965.56	1,490.55
- Others	**84,135.47**	61,433.78	37,930.10
Total	**85,036.43**	**62,399.34**	**39,420.65**

10. Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Balances with banks			
In current accounts	**1,623.45**	3,660.37	2,712.47
In deposit accounts			
i. Margin money for Bank Guarantees / LCs	**15,925.63**	12,556.51	9,017.02
ii. Other Deposits	**2,116.80**	1,738.22	2,743.76
(b) Cash in hand	**34.76**	49.84	42.58
Total	**19,700.64**	**18,004.94**	**14,515.83**

11. Loans

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
To Related Parties - Unsecured, Considered Good			
- Loans to Subsidiaries	**11,799.06**	11,450.67	10,817.92
- Loans to Associates	**5,795.27**	3,620.49	3,266.72
Total	**17,594.33**	**15,071.16**	**14,084.64**

12. Current Tax Assets (Net)

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Tax Refund Receivable	**4,074.55**	7,571.18	5,890.86
Total	**4,074.55**	**7,571.18**	**5,890.86**

13. Other Current Assets

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposits with Contractees	**21,761.12**	16,366.72	17,762.70
Deposits with Govt. Dept & Others	**440.99**	428.73	363.15
Advances - Unsecured, considered Good - Related Parties			
- Advances to Suppliers	**5.88**	84.00	-
Advances - Unsecured, considered Good - Others			
- Advances to Suppliers	**5,564.80**	1,700.82	646.59
- Advances to Sub-Contractors (Refer Note No.33.20)	**63,097.17**	58,144.81	44,175.78
- Staff Advances	**278.91**	231.75	188.24
- Other Advances	**3,531.12**	1,271.39	1,382.70
Prepaid Expenses	**749.60**	25.91	130.68
Total	**95,429.59**	**78,254.13**	**64,649.84**



14. Equity Share Capital

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each)	**400,000,000**	**8,000.00**	80,000,000	8,000.00	80,000,000	8,000.00
(ii) Issued Share Capital Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each)	**177,251,900**	**3,545.04**	35,450,380	3,545.04	30,226,994	3,022.70
(iii) Subscribed and fully paid up Share Capital Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each)	**177,251,900**	**3,545.04**	35,450,380	3,545.04	30,226,994	3,022.70
Total	**177,251,900**	**3,545.04**	**35,450,380**	**3,545.04**	**30,226,994**	**3,022.70**

14(a) Terms / Rights, Preferences and restrictions attached to Equity Shares:

The company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14(b) The face value of shares of the Company was split from ₹10.00 per share to ₹ 2.00 per share with effect from 10.02.2017 (record date 13.02.2017).

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

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each) :						
At the beginning of the period	**35,450,380**	**3,545.04**	30,226,994	3,022.70	30,226,994	3,022.70
Add: Shares issued during the year	**—**	**—**	5,223,386	522.34	—	—
Add: Shares issued during the year by splitting one equity share of Rs.10/- each into 5 equity shares of Rs.2/- each	**141,801,520**	**—**	—	—	—	—
Outstanding at the end of the period	**177,251,900**	**3,545.04**	**35,450,380**	**3,545.04**	**30,226,994**	**3,022.70**

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

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

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each) :						
Indira Subbarami Reddy Tikkavarapu	**57,129,500**	**32.23**	11,425,900	32.23	10,630,932	35.17
Sandeep Kumar Reddy Tikkavarapu	**27,019,810**	**15.24**	5,403,962	15.24	4,579,544	15.15
GMO Emerging Markets Fund	**16,900,000**	**9.53**	3,380,000	9.53	—	—
Afrin Dia	**13,488,500**	**7.61**	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	**10,683,040**	**6.03**	2,110,969	5.95	2,039,278	6.75



15. Other Equity

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Capital Reserve			
Opening balance	**143.40**	143.40	143.40
Add : Additions to Reserve during the year	**—**	—	—
Closing balance	**143.40**	143.40	143.40
(b) General Reserve			
Opening balance	**12,300.00**	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**	12,300.00	10,500.00
(c) Securities Premium Account			
Opening balance	**35,522.06**	25,400.19	25,400.19
Add: Premium received on Shares issued during the year	**—**	10,121.87	—
Adjustment on account of Composite Scheme of Arrangement (Refer Note No.33.18 (g))	**(16,707.60)**		
Closing balance	**18,814.46**	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) Retained earnings			
Opening balance	**33,091.20**	28,245.13	26,730.03
Add : Surplus / (Deficit) for the year	**7,059.63**	5,741.87	2,205.32
Fair value of Equity Instruments		—	4.03
Dividend and Dividend Distribution Tax (Refer Note No.15.1)	**(853.35)**	(395.80)	—
Adjustment related to Property, Plant and Equipment	**—**	—	(194.25)
Transferred to General Reserve	**—**	(500.00)	(500.00)
Closing balance	**39,297.48**	33,091.20	28,245.13
Total (a+b+c+d+e)	**70,555.34**	**81,056.66**	**65,588.72**

Note No.15.1.

The Directors have not proposed for any dividend for the financial year 2016-17 as the lenders of the Company have not accorded their permission for declaration of the Dividend. The Dividend and Dividend Distribution Tax proposed for the Financial Year 2015-16, was paid during the current financial year and accordingly accounted as per the disclosure requirements of Ind AS.



16. Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Secured						
(a) Non-Convertible Debentures Nil (as at 31st March, 2016: Nil, as at 1st April 2015: Nil) 11.50% Redeemable, Non-Convertible Debentures (NCDs) of Rs. 10,00,000/- each	—	—	—	—	—	2,927.84
(b) Term Loans from Banks						
i. Equipment Loans (Refer note 16.1)	**9,893.38**	**4,390.36**	1,949.75	1,091.03	56.03	1,560.38
ii. Other Term Loans (Refer note 16.2)	**71,177.47**	**7,661.29**	76,814.71	3,810.00	70,774.17	520.83
iii. External Commercial Borrowings (Refer note 16.3)	**10,689.88**	**620.63**	11,792.05	620.63	13,510.27	—
(c) Term Loans from others						
i. Equipment Loans (Refer note 16.1)	**4,165.67**	**287.73**	6,448.91	250.58	5,074.91	982.64
ii. Vehicle Loans (Refer note 16.4)	**362.20**	**123.48**	39.61	8.41	—	2.87
Un-secured						
From Directors (Interest Free Loans) (Refer Note 16.6)	**488.70**	—	152.10	—	3,300.00	—
Total	**96,777.30**	**13,083.49**	**97,197.13**	**5,780.65**	**92,715.38**	**5,994.56**

16.1 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%.

16.2 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 various between 11% to 13% with an average yield of 12.04% p.a.

16.3 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

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

16.4 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.

16.5 Maturity Profile of long term borrowings is set out below: ₹ in Lakhs

Particulars	2018-19	2019-20	2020-21	2021-22 onwards
Equipment loans from Banks	5,172.59	3,825.75	895.03	—
Term Loans from Banks	9,167.02	10,738.90	13,402.66	36,309.14
ECB Loan	1,112.00	1,112.00	1,668.00	8,357.63
Equipment loans from Others	939.31	1,477.34	1,272.21	838.99
Total	16,390.92	17,153.99	17,237.90	45,505.76

16.6 The promoters have brought back the dividend amount of ₹ 336.60 Laks (as at 31st March 2016 ₹ 152.10 Lakhs) as unsecured loan in compliance with the terms and conditions stipulated by Lenders for distribution of dividend to share holders.

16.7 Current Maturities of long term borrowings have been disclosed under the head "Other Financial Liabilities" (Refer Note 22).

16.8 Interest amount of ₹7.29 crores for the month of March, 2017 debited on 31.03.2017 is due as on in Balance Sheet date.



17. Other Financial Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances from Contractees	**85,631.55**	55,951.41	42,572.22
Margin Money Deposits received	**6,760.25**	6,760.25	7,149.39
Total	**92,391.80**	**62,711.66**	**49,721.61**

18. Provisions

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Employee Benefits (Refer Note No.33.5)	**978.31**	894.56	694.21
Total	**978.31**	**894.56**	**694.21**

19. Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Deferred Tax (Asset) on timing differences:			
i) on account of Gratuity and Leave Encashment	**(38.11)**	(70.16)	(8.27)
ii) on account of IND AS Adjustments	**(65.09)**	(65.09)	—
(b) Deferred Tax Liability on timing differences:			
i) other Comprehensive Income	**9.06**	—	—
ii) Depreciation	**2,414.36**	2,379.05	2,884.52
Total	**2,320.22**	**2,243.80**	**2,876.25**

20. Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans repayable on demand			
Secured Working Capital Facilities from Banks (Refer Note No.20.1)	**95,960.82**	89,021.38	79,178.76
Total	**95,960.82**	**89,021.38**	**79,178.76**

Nature of Security and Terms of Repayment

20.1 Working Capital Facilities (Secured)

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

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

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

- Interest amount of ₹8.09 crores for the month of March, 2017 debited on 31.03.2017 is due as on Balance Sheet date.

21. Trade Payables:

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Micro, Small and Medium Enterprises (Refer Note No.33.8)	**—**	—	—
Others	**66,079.21**	41,911.09	44,670.27
Total	**66,079.21**	**41,911.09**	**44,670.27**



22. Other Financial liabilities

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of Long Term Borrowings			
- Non Convertible Debentures	—	—	2,927.84
- Term Loans	13,083.49	5,780.65	3,066.72
Interest accrued but not due on Borrowings - NCD's	—	—	42.67
Interest accrued and due on Borrowings	1,541.67	828.37	2,238.99
Amortisation of Finance Cost	257.38	227.86	—
Unpaid Dividends	4.12	4.34	5.43
Total	**14,886.66**	**6,841.22**	**8,281.65**

23. Other Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision / Payables for Expenses and Services	3,022.95	2,647.46	2,563.16
Statutory Payables	1,284.30	642.84	1,799.07
	4,307.25	**3,290.30**	**4,362.23**

24. Provisions

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Employee Benefits (Refer Note No.33.5)	9.63	9.44	7.06
Provision for Dividend Distribution Tax	—	—	102.74
Total	**9.63**	**9.44**	**109.80**

25. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Construction Revenue	204,956.61	170,169.84
(b) Materials Supply Revenue	3,465.83	10,160.60
(c) Claims	2,898.22	—
(d) Revenue from Electricity Generation	206.75	501.91
(e) Share of profit from Joint Ventures	7.64	388.90
Total	**211,535.05**	**181,221.25**

26. Other income

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest income from Fixed Deposits	1,929.27	385.60
(b) Other Miscellaneous Income	1,129.07	314.09
Total	**3,058.34**	**699.69**



27. Cost of Materials Consumed and Cost of Purchases & Services

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Steel	**9,061.95**	8,068.34
(b) Cement	**8,133.96**	4,976.47
(c) Bitumen	**12,399.55**	8,751.07
(d) Metal	**17,840.99**	9,743.51
(e) Sand & Gravel	**2,022.01**	1,364.95
(f) Electrical Materials	**3,065.01**	2,586.96
(g) Railway Line Materials	**453.61**	2,449.20
(h) Coal Handling System Materials	**1,089.28**	5,651.93
(i) RCC & GI Pipes	**577.41**	135.25
(j) HSD Oils & Lubricants	**11,290.62**	5,803.85
(k) Stores and Consumables	**626.70**	509.66
(l) Other Materials	**1,375.78**	532.97
Total	**67,936.87**	**50,574.16**

28. Work Expenditure

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Departmental Recoveries	**7,876.73**	7,057.01
(b) Work executed by sub contractors	**32,741.12**	38,427.73
(c) Earth Work	**25,365.46**	16,473.75
(d) Concrete Work	**5,814.97**	5,671.93
(e) Transport Charges	**2,249.96**	1,374.46
(f) Hire Charges	**3,344.34**	2,304.11
(g) Road work	**8,290.16**	4,961.83
(h) Repairs and Maintenance	**2,630.44**	1,925.36
(i) Taxes and Duties	**8,180.54**	5,315.74
(j) Insurance	**468.86**	261.97
(k) Commissoin to Banks on BG/LC	**2,188.81**	986.20
(l) Other Work Expenditure	**7,422.36**	6,569.31
Total	**106,573.75**	**91,329.40**

29. Change in Inventories of Work-in-Progress

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Opening Work in Progress	**8,563.71**	14,207.53
Less : Closing Work in Progress	**(14,106.53)**	(8,563.71)
Changes in Inventory	**(5,542.82)**	**5,643.82**

30. Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Salaries & Wages	**4,540.85**	2,971.28
(b) Director's Remuneration	**540.00**	529.41
(c) Staff Welfare Expenses	**639.59**	483.98
(d) Contribution to Statutory Funds	**146.09**	130.44
Total	**5,866.53**	**4,115.11**



31. Finance costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest on Term Loans	**11,539.91**	9,001.25
(b) Interest on Non Convertible Debentures	**—**	194.38
(c) Interest on Working Capital Facilities	**9,819.18**	9,657.25
(d) Interest on Equipment Loans	**1,501.33**	761.62
(e) Interest on ECB Loan *	**1,262.75**	1,239.95
(f) Exchange loss on ECB Loan	**1.20**	46.19
(g) Effect of application of effective interest rate on borrowings	**29.52**	227.86
(h) Bank Guarantee & Other Financial Charges	**1,093.58**	412.47
	25,247.47	21,540.97
(i) Less : Interest on BG/LC Margin Money Deposits	**(960.26)**	(1,106.92)
Interest on Loans & Advances	**(4,149.03)**	(4,416.49)
Total	**20,138.18**	**16,017.56**

* includes premium paid on foreign currency forward contract.

32. Other expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Advertisement expenses	**63.62**	75.10
(b) Audit fee (Refer Note below 32.1)	**60.66**	59.54
(c) Donations	**225.44**	197.43
(d) CSR Expenditure (Refer Note No.33.15)	**86.21**	104.56
(e) Insurance charges	**52.56**	52.49
(f) Consultancy, Legal & professional charges	**1,073.55**	867.00
(g) General Expenses	**211.11**	191.33
(h) Power & fuel	**190.02**	199.30
(i) Miscellaneous expenses	**432.34**	289.27
(j) Printing & stationery	**115.86**	87.10
(k) Rent	**668.03**	497.05
(l) Taxes & licenses	**323.48**	63.03
(m) Tender Expenses	**122.94**	61.99
(n) Telephone	**105.38**	95.18
(o) Traveling, Conveyance & Stay expenses	**629.18**	684.55
(p) Loss /(Gain)on sale of Property, Plant and Equipment	**(1.37)**	-
Total	**4,359.01**	**3,524.92**

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

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Statutory Audit	**23.00**	23.00
Limited Review	**16.00**	16.00
Tax Audit	**6.50**	6.50
Certification Fee	**6.50**	6.50
Total :	**52.00**	**52.00**



33. OTHER NOTES FORMING PART OF THE FINANCIAL STATEMENTS

33.1 Leases

Disclosure under Indian Accounting Standard – 17 "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 the Statement of Profit and Loss under Rent, Rates and Taxes.

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

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

Lease Obligations Payable — **₹ in Lakhs**

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

Lease Obligations Recognized — **₹ in Lakhs**

Particulars	As at 31st March, 2017	As at 31st March, 2016
Lease Rentals recognized during the year	Nil	75.90

33.2 Contingent Liabilities and Commitments

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

a. Contingent Liabilities — **₹ in Lakhs**

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Claims against the company not acknowledged as debt *	—	—	5,565.55
b) Guarantees given by the Banks towards performance & Contractual Commitments	**1,28,789.02**	1,23,892.32	77,539.41
c) Corporate Guarantees given to group companies	**3,10,548.00**	2,98,048.00	8,38,456.00
d) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	**6,681.46**	8,571.16	14,617.34

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

b. Commitments

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Commitments towards investment in Subsidiaries, Joint Ventures and Associates	Nil	Nil	25,480.00

33.3 Related Party Transactions pursuant to Indian Accounting Standard(Ind AS)-24

Details of related parties:

Subsidiary Companies	Step-down Subsidiary Companies
Gayatri Energy Ventures Pvt. Ltd	Bhandara Thermal Power Corporation Ltd
Associate Companies and companies in which the Company has substantial Interest.	**Key Management Personnel and their Relatives**
Gayatri Lalitpur Roadways Ltd (Refer Below Note (ii)).	Mr. T.V.Sandeep Kumar Reddy
Gayatri-Jhansi Roadways Ltd Refer Below Note (ii)).	Mr. J. Brij Mohan Reddy
Sai Matarani Tollways Limited (Refer Below Note (iii))	Mrs. Indira T Subbarami Reddy
Gayatri Domicile Private Limited (Refer Below Note (iv))	Mr. T. Rajiv Reddy
Hyderabad Expressways Limited	Mr. T. Anirudh Reddy
Cyberabad Expressways Limited	Mr. P. Sreedhar Babu (CFO)
Western UP Tollway Limited	Mrs. I.V.Lakshmi (CS & CO)
HKR Roadways Limited	
Balaji Highways Holding Limited	
Indore Dewas Tollways Limited	
Entities in which KMP or their relatives are interested	**Joint Ventures**
Deep Corporation Pvt. Ltd	Gayatri- RNS Joint Venture
Indira Constructions Pvt. Ltd	IJM Gayatri Joint Venture
Gayatri Tissue & Papers Ltd	Gayatri Ranjit Joint Venture
Gayatri Sugars Ltd	Gayatri - GDC Joint Venture
Gayatri Hi-Tech Hotels Ltd	Gayatri – BCBPPL Joint Venture
Gayatri Property Ventures Pvt. Ltd.	Jaiprakash Gayatri Joint Venture
Gayatri Hotels & Theaters Pvt. Ltd	Gayatri ECI Joint Venture
GSR Ventures Pvt. Ltd.	Maytas-Gayatri Joint Venture
T.V.Sandeep Kumar Reddy & Others	Gayatri – Ratna Joint Venture
Gayatri Bio-Organics Limited	MEIL-GAYATRI-ZVS-ITT Consortium
T. Subbarami Reddy Foundation	Gayatri-SPL Joint Venture
Dr.T.Subbarami Reddy (HUF)	Gayatri-JMC Joint Venture
Balaji Charitable Trust	Viswanath - Gayatri Joint Venture
TSR Lalitakala Parishad	GPL-RKTCPL Joint Venture
Invento Labs Private Limited	Vishwa-Gayatri Joint Venture
	Gayatri-RNS-SIPL Joint Venture
	SOJITZ-LNT-GAYATRI Joint Venture
	Gayatri PTPS Joint Venture

(i) Gayatri Infra Ventures Limited ceased to be a subsidiary w.e.f. 01.04.2016 (Refer Note No.33.18) and accordingly related party transactions with this Company have been presented for the F.Y 2015-16.

(ii) Upon on merger of Gayatri Infra Ventures Limited w.e.f 01.04.2016 as stated above, these two step down subsidiary companies have become the subsidiary companies of the company and upon demerger w.e.f 31.03.2017 these two subsidiary companies ceased to be subsidiaries and related party transactions are presented for the F.Y 2015-16 & 2016-17.

(iii) Upon effect of Scheme, the subsidiary company has become an Associate.

(iv) Name of the Gayatri Domicile Private Limited is changed to Gayatri Highways Pvt. Ltd w.e.f 7th August 2017 and accordingly wherever Gayatri Domicile Private Limited appears in the financial statements, Notes to Financial Statements and other reports, the name shall be read as Gayatri Highways Pvt. Ltd.

Transactions with the related parties: **₹ in Lakhs**

Sl. No.	Description	Year	Subsidiary & Step-down Subsidiaries	Associate Companies	Entities in which KMP are interested	Joint ventures	KMP& their Relatives
1	Equity contribution	2016-17	4,443.88	—	—	—	—
		2015-16	—	—	23,500.00	—	—
2	Contract Receipts	2016-17	—	61,451.60	26.91	24,112.04	—
		2015-16	64,106.61	5,998.10	515.08	29,097.10	—
3	Contract payments	2016-17	—	—	586.83	—	—
		2015-16	—	—	359.32	—	—
4	Office Rent & Maintenance	2016-17	—	—	102.08	—	—
		2015-16	—	—	113.00	—	—
5	Other Payments	2016-17	—	—	—	—	97.75
		2015-16	—	—	12.83	—	79.12
6	Interest Received	2016-17	—	244.09	—	43.05	—
		2015-16	—	637.84	—	231.87	—
7	Donations	2016-17	—	—	169.45	—	—
		2015-16	—	—	149.52	—	—
8	Remuneration Paid	2016-17	—	—	—	—	540.00
		2015-16	—	—	—	—	*529.41
9	Contract Advances / Other Adv.	2016-17	5,865.07	5,279.43	215.00	—	—
		2015-16	645.77	—	84.00	—	—
10	Unsecured Loans received	2016-17	—	—	—	10,533.60	—
		2015-16	243.00	45.70	—	3,757.00	152.10
11	Corporate Guarantees	2016-17	—	—	—	—	—
		2015-16	15,000.00	79,863.00	—	—	—
12	Closing balances – Debit	2016-17	11,799.06	32,921.81	1212.66	25055.13	—
		2015-16	30,007.83	15,969.01	1,156.58	27,883.84	—
		2014-15	29,248.65	15,742.72	25,099.87	20,532.32	—
13	Closing balances – Credit	2016-17	—	2,147.05	613.58	21876.56	6.22
		2015-16	5,261.87	382.78	417.12	14,669.87	261.79
		2014-15	6,102.79	12,080.44	110.53	13,759.62	3,409.11

** 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	2016-17	2015-16
HKR Roadways Limited	Contract Receipts	**15.52**	2,051.40
Sai MaataraniTollways Ltd.	Contract Receipts	**54,750.91**	63,158.34
Indore DewasTollways Limited	Contract Receipts	**1,653.68**	3,761.40
Gayatri - ECI Joint Venture	Contract Receipts	**5,038.71**	10,758.18
Jaiprakash-Gayatri Joint Venture	Contract Receipts	**10,151.31**	12,617.89
Gayatri - RNS Joint Venture	Contract Receipts	**1,296.60**	1,857.51
Meil-Gayatri-ZVS-LIT Consortium	Contract Receipts	**2,903.39**	1,833.34
Gayatri-RKTCPL Joint Venture	Contract Receipts	**3,702.47**	1,564.22
Bhandara Thermal power Corporation Ltd.	Financial Guarantee	—	15,000.00
Gayatri Hitech Hotels Ltd	Equity contribution	—	23,500.00
Meil-Gayatri-ZVS-LIT Consortium	Contract Adv./ Other Adv.	—	2,430.40
Gayatri-RNS-SIPL Joint Venture	Contract Adv./ Other Adv.	**5,000.00**	—
SOJITZ-LNT-GAYATRI Joint Venture	Contract Adv./ Other Adv.	**4,252.33**	—

33.4 Impairment of Non-Financial Assets

In the opinion of the management, there are no impaired assets requiring provision for impairment loss as per the Ind AS 36 on "Impairment of Non Financial Assets". The recoverable amount of building, plant and machinery and computers has been determined on the basis of 'Value in use' method.

33.5 Disclosure pursuant to Indian Accounting Standard (Ind AS) – 19 "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 Indian Accounting Standard – 19 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	
	2016-17	2015-16	2016-17	2015-16
Present Value of Obligation as at the beginning of the year	**718.73**	555.63	**185.28**	145.64
Interest Cost	**57.50**	44.45	**14.82**	11.65
Current Service Cost	**42.35**	33.69	**5.29**	11.81
Benefits Paid	**(7.50)**	(6.17)	**(1.65)**	(15.12)
Actuarial loss / (gain) on Obligations	**(26.17)**	91.13	**(0.71)**	31.30
Present Value of Obligation at year end	**784.91**	718.73	**203.03**	185.28

(b) Amount Recognized in Balance Sheet:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
Estimated Present Value of obligations as at the end of the year	**784.91**	718.73	**203.03**	185.28
Fair value of Plan Assets as at the end of the year	—	-		
Net Liability recognized in Balance Sheet	**784.91**	718.73	**203.03**	185.28

(c) Expenses recognized in Statement of Profit & Loss / Other Comprehensive Income (OCI) :

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
Current Service Cost	**42.35**	33.69	**5.29**	11.81
Interest Cost	**57.50**	44.45	**14.82**	11.65
Net Actuarial (Gain)/Loss recognized in Statement of Profit & Loss.	**—**	—	**(0.71)**	31.30
Net Actuarial (Gain)/Loss recognized in Statement of Other Comprehensive Income.	**(26.17)**	91.13	**—**	—
Total expenses recognized in Statement of Profit & Loss	**73.68**	169.27	**19.40**	54.76

(d) Principal Actuarial Assumption:

Particulars	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
Discount Rate	**4.00%**	8.00%	**4.00%**	8.00%
Salary Escalation Rate	**8.00%**	4.00%	**8.00%**	4.00%
Retirement Age	**60**	58	**60**	58
Mortality	**IALM 2006-08 Ultimate**	IALM 2006-08 Ultimate	**ALM 2006-08 I Ultimate**	ALM 2006-08 I Ultimate
Attrition Rate	**1%**	1%	**1%**	1%

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

33.6 Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Ind AS – 108. During the year under report, the Company's business has been carried out only in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

33.7 Earnings Per Share (EPS)

₹ in Lakhs

Particulars	2016-17	2015-16
Profit After Tax for calculation of Basic EPS (₹ in Lakhs)	**7,042.52**	5,801.46
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	**7,042.52**	5,801.46
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	**1,772.52**	1,675.20
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	**1,772.52**	1,675.20
Basic EPS (₹)	**3.97**	3.46
Diluted EPS (₹)	**3.97**	3.46

33.8 Dues to Micro and Small Enterprises:

On the basis of information available with the Company, there are no dues outstanding for more than 45 days to Small Scale Industrial Undertaking (SSI). The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any,



relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.

33.9 There are no amounts due and outstanding to be credited to Investors Education & Protection Fund as on 31-03-2017 and amounts which are required to be transferred to such funds have been transferred.

33.10 Disclosure pursuant to Indian Accounting Standard – 11 "Construction Contracts"

₹ in Lakhs

Sl.	Particulars	2016-17	2015-16
1	Contract revenue recognized for the year ended	**2,11,328.30**	1,80,719.34
2	Contract cost incurred and recognized profits, less losses	**1,92,982.17**	**1,**65,586.30
3	Amount of advances received till date, net of recoveries	**85,631.55**	55,951.41
4	Gross amount due from customers for contract works	**85,036.43**	78,766.06

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.

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

i) CIF value of Imports

₹ in Lakhs

Sl.	Particulars	2016-17	2015-16
1	Purchase of Capital Goods	**3173.34**	1155.67

ii) Expenditure / (Income) in Foreign Currency:

₹ in Lakhs

Sl. No.	Particulars	2016-17	2015-16
1	Travelling Expenses	**12.70**	20.92
2	Interest on ECB Loan	**782.14**	811.95
3	Consultancy & Technical Fees	**1,584.34**	—

iii) Details of major raw materials consumption

₹ in Lakhs

Particulars	2016-17		2015-16	
	Value	%	Value	%
Steel	**9,061.95**	**13.96%**	8,068.34	17.19%
Cement	**8,133.96**	**12.53%**	4,976.47	10.60%
Bitumen	**12,399.55**	**19.10%**	8,751.07	18.64%
Metal	**17,840.99**	**27.49%**	9,743.51	20.75%
Sand & Gravel	**2,022.01**	**3.12%**	1,364.95	2.91%
Electrical Materials	**3,065.01**	**4.72%**	2,586.96	5.51%
Coal Handling System Materials	**1,089.28**	**1.68%**	5,651.93	12.04%
HSD Oils & Lubricants	**11,290.62**	**17.40%**	5,803.85	12.36%
Total :	**64,903.37**	**100.00%**	46,947.08	100.00%

33.12 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with other entities in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total equity.

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Debt:i) Non-Current Borrowings	**96,677.30**	97,197.13	92,715.38
ii) Current Maturities of Non-Current Borrowings	**13,083.49**	5,780.65	5,994.56
iii) Current / Short term Borrowings	**95,960.82**	89,021.38	79,178.76
Total Debt:	**2,05,821.61**	**19,19,999.16**	**1,77,888.70**
Equity:i) Equity Share capital	**3,545.04**	3,545.04	3,022.70
ii) Other Equity	**70,555.34**	81,056.66	65,588.72
Total Equity:	**74,100.38**	**84,601.70**	**68,611.42**
Total debt to equity ratio (Gearing ratio)	**2.78**	**2.27**	**2.59**

33.13 Financial Instruments:

A. Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period.

Financial Instruments by category.

Financial Assets and Financial Liabilities are the categories of Financial Instruments.

Financial Assets:

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
EQUITY INVESTMENTS:			
Measured at fair value through profit or loss (FVTPL):			
Equity Investments in Other Entities	**108.28**	59.35	19.55
Measured at Cost:			
i) Investments in Equity Instruments of Subsidiaries, Associates	**63,985.83**	94,661.51	94,661.51
ii) Investments of Equity Instruments of Associate Company pursuant to composite scheme of Merger & Demerger (Refer Note No.33.18.)	**1,248.00**	Nil	Nil
INVESTMENTS IN PREFERENCE SHARES:			
Measured at Fair value through profit or loss (FVTPL):			
Non- Convertible redeemable cumulative preferential Shares in Other Entity	**23,500.00**	23,500.00	Nil
Measured at Cost:			
Investments of Preference Shares of Associate Company pursuant to composite scheme of Merger & Demerger (Refer Note No.33.18)	**16,770.03**	Nil	Nil

Financial Liabilities: **₹ in Lakhs**

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Measured at amortized cost: Financial Liabilities i.e Borrowings	**1,94,511.10**	1,79,586.48	1,64,378.43

B. Fair value hierarchy

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or Liability.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31stMarch, 2017:

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Investments (Quoted)	**108.28level -1)**	59.35(Level- 1)	19.55(Level-1)
Non- Convertible Redeemable Cumulative Preference Shares	**23,500.00(Level -2)**	23,500.00(Level -2)	—

Certain Financial Assets and Financial Liabilities that are not measured at Fair Value but Fair value disclosures are required:

₹ in lakhs

Particulars	As at 31st March, 2017 (Carrying Value & Fair Value)	As at 31st March, 2016 (Carrying Value & Fair Value)	As at 1st April, 2015 (Carrying Value & Fair Value)
Fair Value Hierarchy	**(Level - 2)**	**(Level - 2)**	**(Level - 2)**
Financial Assets:			
Investments	**82,003.86**	94,661.51	94,661.51
Non- Current Loans	**51,023.52**	51,026.05	51,041.04
Other Financial Assets	**Nil**	Nil	21,851.46
Current Investments	**Nil**	Nil	71.79
Trade Receivables	**85,036.43**	62,399.34	39,420.65
Deposits with Contractees	**21,761.12**	16,366.72	17,762.70
Cash & Cash Equivalents	**19,700.64**	18,004.94	14,515.83
Current Loans	**17,594.33**	15,071.16	14,084.64
Financial Liabilities:			
Borrowings	**1,92,738.12**	1,86,218.51	1,71,894.14
Trade Payables	**66,079.21**	41,911.09	44,670.27
Other Financial Liabilities	**1,07,278.46**	69,552.88	58,003.26

33.14 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks like market risk, credit risk and liquidity risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk, includes loans and borrowings.

a. Interest rate risk

Majority of the Non-current (Long Term) borrowings of the Company bear fixed interest rate, thus interest rate risk is limited for the Company.

b. Foreign Currency Risk:

The Company's foreign Currency exposure i.e External Commercial Borrowings in US$ is completely hedged and the details are as follows:

₹ in Lakhs

Particulars	Hedged/ Un-hedged	As At 31st March, 2017		As at 31st March, 2016		As at 1st April 2015	
		Foreign Currency USD	Rupee Equivalent	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	Nil	N i
	Hedged	181.18	10,689.89	210.38	12,412.69	229.78	13,510.27

c. Equity Price Risks:

Majority of the Company's investments are made into non-listed equity securities. The Company's exposure into listed equity investments is very limited and the fair value of listed securities as at 31st March, 2017 was ₹ 108.28 Lakhs. Since the exposure into listed equity investments are very limited, the changes of equity securities price would not have a material effect on the profit or loss of the Company.

(ii) Credit risk management

Credit risk refers to the risk of default in its obligation by the counter party resulting in a financial loss. The maximum exposure of the financial assets is contributed by trade receivables, unbilled work-in-progress, cash and cash equivalents and receivables from group companies.

Credit risk on trade receivables, work in progress is limited as the customers of the company mainly consist of the Government promoted entities, having strong credit worthiness. The company takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers.

(iii) Liquidity Risk:

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's management and finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

The following are the details regarding contractual maturities of Significant Financial Liabilities:

a) As at 31st March, 2017 — **₹ in Lakhs**

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	95,960.82	13,083.49	89,315.95	6,972.63	2,05,332.89
Trade Payables	66,079.21	—	—	—	66,079.21
Interest Accrued	1,541.67	—	—	—	1,541.67
Other Financial Liabilities	6,929.69	11,087.51	41,578.16	32,800.56	92,395.92
Total	**1,70,511.39**	**24,171.00**	**1,30,894.11**	**39,773.19**	**3,65,349.69**

b) As at 31st March, 2016 — **₹ in Lakhs**

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	89,021.38	5,780.66	71,386.01	25,659.01	1,91,847.06
Trade Payables	41,911.09	—	—	—	41,911.09
Interest Accrued	828.37	—	—	—	828.37
Other Financial Liabilities	4,703.70	7,525.92	28,222.20	22,264.18	62,716.00
Total	**1,36,464.54**	**13,306.58**	**99,608.21**	**47,923.19**	**2,97,302.52**

c) As at 1st April, 2015 — **₹ in Lakhs**

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	79,178.76	5,994.56	44,918.20	44,497.18	1,74,588.70
Trade Payables	44,670.27	—	—	—	44,670.27
Interest Accrued	2,281.66	—	—	—	2,281.66
Other Financial Liabilities	3,729.53	5,967.24	22,377.17	17,653.10	49,727.04
Total	**1,29,860.22**	**11,961.80**	**67,295.37**	**62,150.28**	**2,71,267.67**

33.15 The Company has incurred an amount of ₹ 86.21 Lakhs on Corporate Social Responsibility (CSR) programs under Section 135 of the Companies Act, 2013 which are charged to the Statement of Profit and Loss.

33.16 The company had entered into an agreement to sell the wind power business on "Slump Sale" basis subject to approval by the regulatory authorities and completion of registration formalities. The management has received the respective regulatory authorities' approvals and registration of sale of wind assets is completed during the financial year. Therefore, the net result (loss) from sale of wind power business amounting to ₹ 1,538.65 Lakhs is recognized under exceptional items in the statement of profit and loss for the year ended 31st March 2017.

33.17 Disclosure on Specified Bank Notes (SBN) pursuant to MCA notification 308(E) dated 30th March, 2017:

Amount in ₹

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08th November,2016	24,25,500	1,28,36,533	1,52,62,033
(+) Withdrawal from Banks	—	1,04,82,350	1,04,82,350
(+) Permitted Receipts	—	—	—
(-) Permitted Payments	—	(1,61,76,107)	(1,61,76,107)
(-) Amount deposited in Banks	(24,25,500)	(950)	(24,26,450)
Closing cash in hand on 30th December,2016	—	71,41,826	71,41,826

Explanation: For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 8th November, 2016.

33.18 Composite Scheme of Arrangement between Gayatri Projects Limited (Transferee Company / Demerged Company/ GPL), Gayatri Infra Ventures Limited (Transferor Company / GIVL) and Gayatri Domicile Private Limited (Resulting Company / GDPL) and their respective Shareholders:

The Board of Directors of Gayatri Projects Limited (GPL) in the Board Meeting held on 16th July 2016 has approved the Composite Scheme of Arrangement between Gayatri Projects Limited (Transferee Company / Demerged Company /GPL), Gayatri Infra Ventures Limited (Transferor Company / GIVL) and Gayatri Domicile Private Limited (Resulting Company / GDPL). This has been further approved by the Shareholders through postal ballot on 23rd January, 2017.

As per the Composite Scheme of Arrangement ('Scheme'), the BOT road business and activities of GPL is vertically split into a separate company i.e. GDPL.

The Composite Scheme of Arrangement is divided into the following parts:

i. Transfer of investments in Sai Maatarini Tollways Limited ("SMTL") from GPL to GDPL, and the consequent discharge of consideration by GDPL to GPL

ii. Merger of GIVL with GPL

iii. Transfer of Infrastructure Road BOT Assets Business of GPL to GDPL, and the consequent discharge of consideration by GDPL to the shareholders of GPL.

Significant points of the Scheme and its accounting treatment in the books of accounts and financial statements is summarized as below:

a) The National Company Law Tribunal (NCLT), Hyderabad Bench vide its order dated 3rd November, 2017, has sanctioned the Composite scheme of arrangement ('Scheme') under Sections 391 to 394 of the Companies Act, 1956 and the extant applicable provisions of Companies Act, 2013.

b) The relevant dates of the Scheme are as follows:

Particulars	Relevant date
Appointed date for amalgamation of GIVL	01st April, 2016
Appointed date for Demerger of BOT Business	31st March, 2017
Effective date of the Scheme (Date of filing with the ROC)	23rd November, 2017

c) Pursuant to the Scheme, all the assets and liabilities pertaining to the Transferor Company (GIVL) have been transferred to and vested in the Transferee Company (GPL) with retrospective effect from the appointed date i.e. 1st April 2016 at their respective book values appearing in the books of Transferor Company i.e., GIVL.

Financial Statements of GIVL for the Financial Year 2015-16 & 2016-17 were audited and financial statements of 2016-17 were already approved in its Board meeting held on 30th May, 2017 and also adopted in the Annual General Meeting of GIVL held on 19th September, 2017. These approved and adopted financial statements were considered for the purpose of accounting of Assets, Liabilities, Income and expenses of GIVL in the books of accounts and in the restated financial statements of GPL so as to give effect of the merger.

d) Further pursuant to the Scheme, all Infrastructure Road BOT Assets business (i.e all Fixed Assets, all Investments, Current Assets, and Liabilities of BOT Assets business including Investments in Infrastructure Road BOT Assets business held by GPL) of the Demerged Company (GPL) shall stand transfer to and be vested in the resulted Company (GDPL) with effect from the appointed date i.e. 31st March 2017 at their respective book values appearing in the books of Demerged Company. Accordingly, the Scheme has been given effect to in the books of accounts and in the restated financial statements of GPL so as to give effect of the demerger. (Refer Below table for net effect of the Scheme).

e) As stated in the above note, Investments held by the Demerged Company in the Road BOT Assets business companies i.e Sai Maatarani Tollways Ltd, HKR Roadways Ltd, Balaji Highways Holdings Pvt. Ltd and Indore Dewas Tollways Ltd shall stand transferred and vested in the Resulting Company (GDPL) with effect from the appointed date i.e. 31st March 2017.

f) The Consideration for demerger by the resulting company shall be as under :

i) Issue of Shares by the Resulting Company (GDPL) to Demerged Company (GPL).

The investments of GPL in SMTL are transferred to GDPL at book value. As at 31st March, 2016, the GPL investment in SMTL was at Rs.180.16 crores. The consideration for transfer of investments in SMTL held by GPL to GDPL is discharged by the Resulting Company i.e., Gayatri Domicile Private Limited in lump sum consideration to GPL amounting to ₹180,16,03,000 (Rupees One Hundred and Eighty Crores Sixteen Lakhs Three Thousand Only) in the form of issuance of 1,24,60,000 equity shares of ₹10/- each and 16,77,00,300 redeemable preference shares of ₹10/- each, issued and redeemable at par. Pursuant to Scheme, effect is given in the books of accounts and financial statements of demerged company (GPL) as on 31st March, 2017, the consideration receivable by GPL in the form of Equity and Preference shares have been accounted in the books of accounts as investments in Equity and Preference shares and grouped under Investments in the restated financial statements based on opinion obtained from independent Company Secretary although the shares are yet to be issued and allotted by the resulting company (**GDPL).**

ii) Issue of shares by the Resulting Company (GDPL) to the shareholders of demerged company (GPL).

Pursuant to the scheme coming into effect, the resulting company shall, without any further application or deed, issue and allot to every member of the demerged company (GPL), holding fully paid up equity shares in the demerged company and whose names appear in the Register of Members of the demerged company on the Record Date in the ratio of 1 (One) equity share of ₹10/- (At present the ₹10 share split into 5 shares ₹2 each) each fully paid up held by such member in the demerged company, 1 (One) equity share in the resulting company of ₹10/- each. The demerged company shareholders will be allotted 17,72,51,900 equity shares of ₹ 2/- each (after sub-division of equity shares of GDPL from ₹ 10/- each to ₹ 2/- each) fully paid in the resulting company.

g) Details of the value of investments of BOT Assets business transferred to the resulting company by the demerged company, the value of the investment received / receivable by the demerged company from the resulting company and the net effect in the Securities Premium Account of the demerged company is as under:



₹ in lakhs

Particulars	As on 31st March, 2017
Value of Investments of BOT Assets business Transferred:	
i) 16,65,304 Equity Shares of ₹10/- each, fully paid in Gayatri Infra Ventures Limited	16,074.26
ii) 1,00,00,843 Equity Shares of ₹10/- each, fully paid in Sai Maatarani Tollways Ltd.	18,016.03
iii) 12,07,000 Equity Shares of ₹10/- each, fully paid in HKR Roadways Ltd.	120.70
iv) 49,000 Equity Shares of ₹10/- each, fully paid in Balaji Highways Holding Ltd.,	4.90
v) 16,660 Equity Shares of ₹10/- each, fully paid in Indore Dewas Tollways Ltd.	1.67
vi) Liability towards pending share purchase	900.02
Sub Total :	35,117.58
Consideration to be received in the form of Shares:	
i) 1,24,80,000 Equity Shares of ₹ 10/- each, fully paid in Gayatri Domicile Private Limited.	1,246.00
ii) 16,77,00,300 Preference Shares of ₹10/- each, fully paid in Gayatri Domicile Private Limited.	16,770.03
Sub Total :	**18,016.03**
Net Effect (Amount) adjusted in Securities Premium Account	**17,101.55**

h) The outcome of the scheme is that merger of GIVL into GPL and Demerger of all Infrastructure Road BOT Assets business. The consideration receivable for the said Demerger is in the form of Equity and Preference Shares amounting to ₹180,16,03,000 (Rupees One Hundred and Eighty Crores Sixteen Lakhs Three Thousand Only) and hence there is no changes / impact in cash flows of the company for the current reporting period.

33.19 In the ordinary course of business, the Company has given Contract Advances to non-related parties which on mutual consent have been converted into loans and grouped as "Loans" under "Non-Current Financial Asset". The recovery of these loans is delayed due to extraneous reasons like change in government policies, delay in execution of projects etc. However, the management is making all efforts to recover the same and is confident that the recovery process of these loans will commence in due course and therefore no provision for the same is required to be made in the financial statements of the company.

33.20 Advances to sub-contractors include amounts paid as work advances to sub-contractors wherein the corresponding contract works are yet to commence. The management is able to recover considerable amount after the balance sheet date and is confident to recover the balance amount in due course. In the opinion of the management, the said works for which advances are given have not commenced due to certain extraneous factors and delay is not attributed to sub-contractor default/failure. In view of this, the management is confident to commence the works in near future and recover the advances from the sub-contractors



33.21 The reconciliation of net profit/(loss) as previously reported (referred to in previous GAAP) and Ind AS is as under

a. Reconciliation of Statement of Profit and Loss and Other Comprehensive Income

₹ in lakhs

Particulars	Year Ended 31st March, 2016
Net profit under previous GAAP for the year ended 31st March. 2016	5,864.84
Impact of account of Equity Instruments at fair value through Profit and Loss	39.80
Re-measurement gains / losses on actuarial valuation of Post employment defined benefits	91.13
Effect of application of effective interest rate on financial liabilities / borrowings	(227.86)
Effect of Application of Effective rate of interest for borrowings	
Deferred Tax effect on above adjustments	33.55
Net profit recast to Ind AS for the year ended 31st March 2016	**5,801.46**
Other Comprehensive Income as per Ind AS	(59.59)
Total Comprehensive Income as per Ind AS	**5,741.87**

b. Reconciliation of equity as previously reported under Previous GAAP to Ind AS

₹ in lakhs

Particulars	Year Ended 31st March, 2016	As at 01st April, 2015
Equity reported under previous GAAP	83,867.29	68253.75
Impact of account of Equity Instruments at fair value through Profit and Loss	43.83	4.03
Effect of application of effective interest rate on financial liabilities / borrowings	(227.86)	—
Deferred Tax effect on above adjustments	65.09	—
Dividend & Dividend Distribution Tax	853.35	353.64
Equity reported under Ind AS on 31st March 2016	84,601.70	68611.42

33.22 Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of loans and advances in the nature of loans

₹ in lakhs

Name of the Company	Relationship	Balances as at			Maximum outstanding		
		31.03.2017	31.03.2016	31.03.2015	2016-17	2015-16	2014-15
IJM Gayatri Joint Venture	Joint Venture	—	—	—	—	—	3,902.52
Wetern UP Tollways Ltd	Associate	—	3,620.49	3,266.72	3,620.49	3,620.49	3,266.72
Sai Maatarini Tollways Ltd	Associate	10,015.99	10,015.99	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	3,395.00	3,395.00
HKR Roadways Ltd	Associate	4,535.01	4,535.01	4,535.01	4,535.01	4,652.01	4,652.01
Gayatri Energy Ventures P. Ltd	Subsidiary	11,799.06	5,934.00	5,645.37	11,799.06	5,934.00	5,645.37
Gayatri Domicile Pvt.Ltd.	Associate	2,174.77	5,516.68	5,172.55	3,516.67	5,729.70	5,172.55




33.23 The original audited financial statements / results of the Company for the financial year ended 31st March, 2017 have been approved by the Board of Directors of the Company vide its meeting held on 29th May, 2017 and the same were declared/published to the stock exchanges as per the listing agreement. However, pursuant to the Composite Scheme of Arrangement ('Scheme'), as approved by the Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench vide its order dated 3rd November, 2017, the accounting effect /impact of the said scheme as stated in Note No. 33.18 is considered in the books of accounts for the financial year ended 31st March, 2017 and accordingly the present financial statements revised as per the Scheme above, replace the original audited financial statements which were approved by the Board of Directors vide their meeting held on 29th May, 2017 as mentioned above.

33.24 Pursuant to Composite Scheme of Arrangement (`Scheme') as stated in Note No. 33.15, figures of the current financial year are not comparable to the previous year's figures.

33.25 All amounts are rounded off to nearest thousands.

For and on behalf of the Board

For M O S & ASSOCIATES LLP
Chartered Accountants

S.V.C. REDDY
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

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

Place : Hyderabad.
Date : 6th December, 2017

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 Ind AS financial statements of Gayatri Projects Limited ("the Holding Company") and its subsidiary (collectively referred to as "the Group"), its jointly controlled entities, comprising the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements"). For the reasons detailed in Note No. 33.15 and 33.18 of the consolidated Ind AS financial statements, the accompanying consolidated Ind AS financial statements are the revised statements of the original Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended covered by our audit report dated 29th May, 2017 and approved by the Board of Directors of the Company held on 29th May, 2017.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015. The respective Board of Directors of the group 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our 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 there-under.

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors as referred to in Other Matters paragraph below, the aforesaid consolidated Ind AS 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 including the Ind AS, of the consolidated financial position of the Group, and its jointly controlled entities as at 31st March 2017, and its consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Emphasis of Matters

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

We draw member's attention to the following matters:

i) As stated in Note No. 33.16 regarding loans given to some of the sub-contractors and accumulated interest thereon which are long pending for recovery.

ii) As stated in Note No. 33.17 regarding certain Contract and work advances given to some of the sub-contractors which are long pending for recovery.

iii) As stated in Note No. 33.15(f)(i), pursuant to Composite Scheme of Arrangement ('Scheme'), the consideration receivable by the company in the form of Equity and Preference Shares amounting to ₹ 180,16,03,000/- (Rupees One Hundred and Eighty Crores Sixteen Lakhs and Three Thousand Only) have been grouped under Investments in the restated financial statements although the shares are yet to be issued and allotted by the resulting company.

iv) As stated in Note No. 33.23, pursuant to Composite Scheme of Arrangement ('Scheme'), Gayatri Domicile Private Limited (GDPL) becomes Associate Company as on 31st March, 2017 by virtue of Equity Shareholding held by the Holding Company in the said GDPL. For the reasons stated in Note No.33.23, the said associate company i.e GDPL has not been considered for consolidation in the above referred consolidated Ind AS financial statements.

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

Other Matters

a. As stated in Note No. 33.15 and 33.18, pursuant to Composite Scheme of Arrangement ('Scheme') approved by the Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench vide its order dated 3rd November, 2017, the revised consolidated Ind AS financial statements for the year ended 31st March, 2017 were prepared and presented by the Company's management by giving effect to the Scheme, having an appointed date for merger as 1st April, 2016 and demerger as 31st March, 2017, in the place of original consolidated Ind AS financial statements approved by the Board of Directors of the Company held vide their meeting dated 29th May, 2017. Consequently, our original audit report dated 29th May, 2017 on the consolidated Ind AS financial statements of the Company for the year ended 31st March, 2017 is revised by this report.

b. We did not audit the financial statements of four jointly controlled entities whose financial statements in which the share of Group's loss of 7.63 Lakhs included in consolidated financial results. 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 Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of the jointly controlled entity and our report in terms of subsection (3) and (11) of section 143 of the Act, in so far as it relates to the jointly controlled entity, is solely based on such reports of the other auditors. In respect of unaudited (management certified) financial statements, our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, is based solely on such unaudited financial statements/ financial information.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on the consideration of reports of the other auditors on separate financial statements, and based on the auditor's report of the subsidiary company and jointly controlled entities, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations, reports of the other auditors, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.



(c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

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

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the Directors of the Group companies is disqualified as on 31st March, 2017 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**; and

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

i. As stated in Note No.33.2 of the consolidated Ind AS financial statements, the Group has disclosed the impact of pending litigations on its consolidated Ind AS financial statements.

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

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

iv. The Holding Company has provided requisite disclosures of the Group in Note No. 33.14 to the consolidated Ind AS financial statements as to the holding of Specified Bank Notes on 8th November, 2016 and 30th December, 2016 as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation and the reports of the other auditors, regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Company's Management.

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: 6th December 2017



Annexure - A to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of Gayatri Projects Limited ("the Holding Company") and its subsidiary (collectively referred to as "the Group"), and its jointly controlled entities as on 31st March 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the holding company for the year ended on that date.

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 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) and Companies (Indian Accounting Standards) Rules, 2015, (as amended). The respective Board of Directors of the companies included in the Group and of its 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 the Holding Company and its subsidiary company internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with



authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company and jointly controlled entities, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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: 6th December, 2017



BALANCE SHEET AS AT 31st MARCH, 2017

₹ in Lakhs

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	2a	37,146.64	28,919.62	27,040.15
(b) Intangible Assets	2b	2,220.15	83,815.89	2,385.51
(c) Intangible Assets Under Development	2c	—	1,30,391.20	1,49,506.55
(d) Capital Work in Progress	2d	3,047.02	636.85	582.96
(e) Investment in Property		—	3.09	3.09
(f) Financial Asset				
(i) Investments	3	97,794.49	76,435.09	86,174.77
(ii) Loans	4	51,023.52	43,728.09	47,955.79
(iii) Other Financial Assets	5	2,180.55	15,336.89	38,195.44
Total Non-Current Assets		1,93,412.37	3,79,266.72	3,51,844.26
Current assets				
(a) Inventories	6	36,005.19	15,488.43	24,202.29
(b) Financial Asset				
(i) Investments	7	—	9,451.60	77.27
(ii) Trade receivables	8	85,036.43	56,243.04	36,798.76
(iii) Cash and cash equivalents	9	19,704.09	22,441.46	19,234.33
(iv) Loans	10	5,795.27	12,042.58	10,449.50
(v) Other Financial Asset	11	—	75.18	32.01
(c) Current Tax Assets (Net)	12	4,074.55	8,157.76	5,978.71
(d) Other Current Assets	13	1,00,279.76	84,851.88	70,210.05
Total Current Assets		2,50,895.29	2,08,751.93	1,66,982.92
TOTAL ASSETS		4,44,307.66	5,88,018.65	5,18,827.18
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	14	3,545.04	3,545.04	3,022.70
(b) Other Equity	15	47,600.10	51,444.38	70,918.08
		51,145.14	54,989.42	73,940.78
Non-controlling Interest		—	(1,823.32)	990.00
		51,145.14	53,166.10	74,930.78
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	97,769.80	2,72,805.26	2,24,853.60
(ii) Other Financial liabilities	17	92,391.80	91,965.11	53,923.04
(b) Provisions	18	978.31	910.06	702.11
(c) Deferred Tax Liabilities (Net)	19	2,320.22	2,243.80	2,876.25
Total Non-Current Liabilities		1,93,460.13	3,67,924.23	2,82,355.00
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	95,960.82	94,551.08	84,351.31
(ii) Trade payables	21	66,079.21	43,211.85	45,358.06
(iii) Other Financial Liabilities	22	33,216.40	22,551.68	25,296.70
(b) Other Liabilities	23	4,436.33	6,604.27	6,425.53
(c) Provisions	24	9.63	9.44	109.80
Total Current Liabilities		1,99,702.39	1,66,928.32	1,61,541.40
TOTAL EQUITY AND LIABILITIES		4,44,307.66	5,88,018.65	5,18,827.18
Significant Accounting Policies	1			
Other Notes forming part of the Financial Statements	33			

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

S.V.C. REDDY
Partner

Place : Hyderabad.
Date : 6th December, 2017

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



GAYATRI



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2017

₹ in Lakhs

	Particulars	Note No	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
I.	Revenue from Operations	25	2,11,535.05	1,72,624.14
II.	Other Income	26	3,058.35	1,937.98
III.	Total Income (I+II)		2,14,593.40	1,74,562.12
IV.	**Expenses**			
	(a) Const of Materials consumed and cost of Purchases & Services	27	67,936.87	87,044.05
	(b) Work Expenditure	28	1,06,573.75	53,389.75
	(c) Changes in Work in Progress	29	(5,542.82)	5,643.82
	(d) Employee benefits expenses	30	5,866.98	2,966.36
	(e) Finance costs	31	25,693.71	18,555.39
	(f) Depreciation and amortization expense	2	4,315.54	4,373.67
	(g) Other Expenses	32	4,398.56	2,903.68
	Total Expenses (IV)		2,09,242.59	1,74,876.72
V.	**Profit/(Loss) before Exceptional items and Tax (III-IV)**		5,350.81	(314.60)
VI	a) Exceptional items (Net) (Refer Note No.33.13)		(1,538.65)	59.40
	b) Share of Profit /(Loss) of Joint Ventures & Associates		(1,476.95)	(3,221.68)
VII	**Profit / (Loss) Before Tax**		2,335.21	(3,476.88)
VIII	**Tax Expenses**			
	(a) Current Tax (including previous year taxations)		2,297.80	1,767.94
	(b) Deferred Tax (Net)		67.36	(600.90)
IX	**Profit / (Loss) for the year from continuing operations (VII-VIII)**		(29.95)	(4,643.92)
X	Non-controling Interest		—	1,922.34
XI	**Profit / (Loss) for the year (IX+XII)**		(29.95)	(2,721.58)
XII	Other Comprehensive Income (OCI)		—	—
	Items that will not be reclassified to profit or loss :			
	i) Re-measurement gains/losses) on actuarial valuation of Post Employment defined benefits		26.17	(97.10)
	ii) Income tax relating to Items that will not be reclassified to profit or loss		(9.06)	31.54
	Total Other Comprehensive Income (XII)		17.11	(65.56)
XIII	**Total Comprehensive Income for the Year (XI+XII)**		(12.84)	(2,787.14)
XIV	Earning per Share (of ₹ 2/- each) (Refer Note No.33.7) Basic and Diluted (₹)		(0.02)	(1.62)
	Significant Accounting Policies	1		
	Other Notes forming part of the Financial Statements	33		

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

S.V.C. REDDY
Partner

Place : Hyderabad.
Date : 6th December, 2017

For and on behalf of the Board

T. INDIRA SUBBARAMI REDDY
Chairperson
DIN : 00009906

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

P. SREEDHAR BABU
Chief Financial Officer

I.V. LAKSHMI
Company Secretary & Compliance Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

A. Equity Share Capital and Other Equity

₹ in Lakhs

Particulars	Equity Share Capital (Note 14)	Other Equity						
		Reserves & Surplus						
		Capital Reserve	General Reserve	Securities Premoum Account	Debenture Redemption Reserve	Equity Component of Compound Financial Instruments	Retained earnings	Total other Equity
As at 01st April 2015	***3,022.70***	***24,718.44***	***10,500.00***	***28,519.92***	***1,300.00***	***7,025.00***	***(1,145.28)***	***70,918.08***
Changes in Equity Share Capital	522.34	—	—	—	—	—	—	—
Premium received on Shares issued during the year	—	—	—	10,121.87	—	—	—	**10,121.87**
Additions to Reserve during the year	—	(24,575.04)	—	—	—	—	—	**(24,575.04)**
Surplus / (Deficit) for the year	—	—	—	—	—	—	(2,787.15)	**(2,787.15)**
Financial Guarantee Given on behalf of holding Company	—	—	—	—	—	—	(2,138.54)	**(2,138.54)**
Amount transferred from DRR	—	—	1,300.00	—	(1,300.00)	—	—	—
On account of derecognition of Associates	—	—	—	—	—	—	300.96	**300.96**
Dividend and Dividend Tax	—	—	—	—	—	—	(395.80)	**(395.80)**
Transferred from Surplus to General Reserve	—	—	500.00	—	—	—	(500.00)	—
As at 31st March 2016	**3,545.04**	**143.40**	**12,300.00**	**38,641.79**	—	**7,025.00**	**(6,665.81)**	**51,444.38**
Changes in Equity Share Capital	—	—	—	—	—	—	—	—
Less: On account of derecognition of Associates	—	—	—	(3,119.73)	—	(7,025.00)	**(10,144.73)**	
Adjustment on account of Composite Scheme of Arrangement (Refer Note No.33.15)	—	—	—	(16,707.60)	—	—	23,874.24	**7,166.64**
Surplus / (Deficit) for the year	—	—	—	—	—	—	(12.84)	**(12.84)**
Dividend and Dividend Tax	—	—	—	—	—	—	(853.35)	**(853.35)**
As at 31st March, 2017	**3,545.04**	**143.40**	**12,300.00**	**18,814.46**	—	—	**16,342.24**	**47,600.10**

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

S.V.C. REDDY
Partner

Place : Hyderabad.
Date : 6th December, 2017

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





GAYATRI

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

₹ in Lakhs

Particulars	For theYear Ended 31st March, 2017	For the Year Ended 31st March, 2016
A Cash Flow from Operating Activities:		
Profit before Tax excluding extraordinary and exceptional items	**5,350.81**	(314.60)
Adjustments for:	**—**	
Share of Profit /(Loss) from Joint Ventures & Associates	**(1,476.96)**	(3,221.68)
Depreciation and amortization	**4,315.54**	4,373.67
Interest and other Income	**(3,058.35)**	(1,937.98)
Loss / (Profit) on sale of Property, Plant and Equipment	**(1.37)**	—
Finance Costs	**27,010.59**	18,555.39
Foreign Currency Translation and Transactions – ECB	**1.20**	46.19
Other non-cash items/ Provisions	**26.17**	(97.10)
Operating Profit before working Capital Changes	**32,167.63**	**17,403.89**
Adjustments for:		
(Increase) / Decrease in Trade Receivables	**(22,637.09)**	(19,444.28)
(Increase) / Decrease in non-current financial asset	**(2,123.03)**	27,086.25
(Increase) / Decrease in current financial asset	**(2,523.17)**	(1,636.25)
(Increase) / Decrease in Other current assets	**(13,509.55)**	(16,820.88)
(Increase) / Decrease in Inventory	**(20,516.76)**	8,713.86
Increase / (Decrease) in current financial liabilities	**1,639.40**	(2,666.64)
Increase / (Decrease) in non-current financial liabilities	**29,050.78**	38,250.02
Increase / (Decrease) in Trade Payables	**24,164.68**	(2,146.21)
Cash (used in) / generated from Operating activities	**25,712.89**	48,739.76
Direct Taxes paid (Net)	**(2,297.80)**	(1,767.94)
Net Cash (used in)/ generated from Operating Activities (A)	**23,415.09**	**46,971.82**
B Cash Flow from Investing Activities		
Purchage of Property, Plant and Equipment including capital work-in-progress	**(19,543.04)**	(68,622.06)
Purchase of Non-Current Investments	**(2,621.93)**	9,739.68
Proceeds from Advances	**15,000.00**	
Purchase of Current Investments	**—**	(9,374.33)
Proceeds from sale of Property, Plant & Equipment	**3,040.75**	—
Interest and other income received	**4,056.96**	1,937.98
Net Cash (used in)/ generated from Investing Activities (B)	**(67.26)**	**(66,318.73)**
C Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including share premium	**—**	10,644.21
Adjustment on account of derecognition of Associates		(27,290.41)
Net Proceeds from Long term borrowings	**12,748.08**	47,951.66
Net Proceeds from Short term borrowings	**(9,935.56)**	10,199.77
Finance Costs	**(23,621.40)**	(18,555.39)
Dividend & Dividend Distribution Tax paid	**(853.35)**	(395.80)
Net Cash (used in)/ generated from Financing Activities (C)	**(21,662.23)**	**22,554.04**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	**1,685.60**	3,207.13
Cash and Cash Equivalents at the beginning of the year	**18,018.49**	19,234.33
Cash and Cash Equivalents at the end of the year	**19,704.09**	**22,441.46**

a Figures in brackets represent cash outflows.

b 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 : 6th December 2017

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



1 SIGNIFICANT ACCOUNTING POLICIES

1.1 (a) Compliance with Indian Accounting Standards (Ind AS)

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

(b) First time adoption of Ind AS

These Consolidated Financial Statements for the financial year ended 31st March, 2017 is the first year that the Company has prepared the Consolidated Financial Statements as per Ind AS. The Consolidated Financial Statements for the year ended 31st March, 2016 and the Opening Balance Sheet as on 1st April, 2015 have been restated in accordance with Ind AS for comparative information.

On first time adoption of Ind AS, Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The following exemptions are availed by the company in first time adoption of Ind AS:

(i) The Company has elected to consider the carrying values for all property, plant and equipment as deemed cost at the date of the transition i.e on 01st April, 2015 and further the Company has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for investments in subsidiaries and associates on the date of transition to Ind AS i.e on 01st April, 2015.

(ii) As per the requirement of Ind AS 101 for first time adopters of Ind AS, the Company has elected to apply the de-recognition requirements for financial assets and financial liabilities as stated in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

The estimates as at April 01, 2015 and March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 01st April, 2015 (transition date) and as of 31st March, 2016.

1.2 a) Basis of Preparation and Presentation of Financial Statements

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

Fair value for measurement adopted in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, Net Realizable value as per Ind AS 2 or value in use as per Ind AS 36.Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

b) Principles of Consolidation

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

i. Investments in Subsidiaries:

The Financial Statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Indian Accounting Standard - 110 "Consolidated Financial Statements" issued by Institute of Chartered Accountants of India.

ii. Investments in Associates:

Investments in associate companies have been accounted for, by using equity method "Accounting for Investments in Associates in Consolidated Financial Statements, whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post-acquisition change in the Company's share of net assets of the associate. The carrying amount of investment in associate companies is reduced to recognize any decline which is other than temporary in nature and such determination of decline in value, if any, is made for each investment individually. The unrealized profits/losses on transactions with associate companies are eliminated by reducing the carrying amount of investment".

iii. Investments in Joint Ventures:

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in Joint Venture are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in joint ventures includes goodwill identified on acquisition.

iv. The financial statements are presented to the extent possible, in the same manner as the parent company's independent financial statements.

v. On acquisition of Investment in a joint venture or associate, any excess of cost over investment over the fair value of the assets & liabilities of the joint venture is recognized as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognized directly in equity as capital reserve.

Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned directly or indirectly by the parent company.

a) Non-controlling interest in the net assets of consolidated subsidiaries consists of:

i) The amount of equity not attributable to owners of parent company at the date on which investment in a subsidiary is made; and

ii) The Non-controlling share of changes in the equity since the date the parent subsidiary relationship came into existence.

b) Non-controlling interest in the net profit/(loss) for the year of consolidated subsidiaries is computed and adjusted against the net profit/(loss) after tax of the group.

Non-controlling interest in the net assets of the consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet under the head Total Equity group.

1.3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management of the Group to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statements. Actual results may differ from these estimates. The Group evaluates these estimations and assumptions on a continuous basis based on the historical experience and other factors including expectation of future events believed to be reasonable. Examples of such estimates include the useful lives of tangible and intangible fixed assets,

allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, estimation of costs as a proportion to the total costs, etc.,. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/ materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, are disclosed in the Notes to Accounts.

1.4 Revenue recognition

A. Revenue from Operations

a. Revenue from Construction activity:

i) Income is recognized on fixed price construction contracts in accordance with the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed up to the date, to the total estimated contract costs

ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract

iii) Price escalation and other variations in the contract work are included in contract revenue only when:

a) Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim and

b) The amount that is probable will be accepted by the customer and can be measured reliably.

iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:

a) The contract has sufficiently advanced such that it is probable that the specified performance standards will be met; and

b) The amount of the incentive payment can be measured reliably.

v) Contract Claims raised by the company which can be reliably measured and have reached an advanced stage of arbitration and 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 are raised.

c. 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.

d. Other Operational Revenue:

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

ii) Revenue is reported net of discounts, if any.

B. Other Income

i) Interest income is accounted on accrual basis as per applicable interest rates and on time proportion basis taking into account the amount outstanding.

ii) Dividend income is accounted in the year in which the right to receive the same is established.

iii) Insurance claims are accounted for on cash basis.

1.5 (a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation thereon. Expenditure which are capital in nature are capitalized at cost, which comprise of purchase price (net of rebates and discounts), import duties, levies, financing costs and all other expenditure directly attributable to bringing the asset to its working condition for its intended use.

Any gain/loss on the disposal of the Property, Plant and Equipment is recognized in the Statement of Profit &Loss account and is determined as the difference between the sales proceeds and the carrying amount of the asset.



(b) Capital Work in Progress

Property, Plant and Equipment which are purchased but not yet installed and not ready for their intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress". Cost of materials used in the process of erection/installation of an asset but not yet completed as on the reporting date are also disclosed as "Capital Work-in-Progress".

1.6 Depreciation and amortization

In respect of Property, Plant & Equipment (other than Land and Capital Work in Progress) depreciation / amortization is charged on a straight line basis over the useful lives as specified in Schedule II to the Companies Act 2013.

Assets individually costing ₹ 5,000/- or less and temporary structures are fully depreciated in the year of acquisition.

The residual values and useful lives are reviewed at the end of the reporting period.

The Group has adopted the carrying amount of the previous GAAP as its deemed cost on the date of the transition to Ind AS i.e 1st April, 2015.

1.7 Impairment of Non-Financial Assets

As at each Balance Sheet date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the Assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows),at the higher of cash generating unit's fair value less cost to sell and value in use.
- In assessing Value in Use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified with the asset. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through the Statement of Profit and Loss.

1.8 Financial Instruments

Financial Assets and Financial Liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities (other than Financial Assets and Financial Liabilities at fair value through profit or loss) are added to or deducted from the fair value of the Financial Assets or Financial Liabilities, as appropriate, on initial recognition.

1.9 Financial Assets

Financial Asset is any Asset that is -

(a) Cash

(b) Equity Instrument of another entity,

(c) Contractual right to -

i) receive Cash / another Financial Asset from another entity, or

ii) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

Investment in Equity Shares issued by Subsidiary, Associate and Joint Ventures are carried at cost less impairment.

Investment in preference shares are classified as debt instruments and carried at Amortized cost if they are not convertible into equity instruments and are not held to collect contractual cash flows. Other Investment in preference shares which are classified as Debt instruments are mandatorily carried at Fair value through Profit & loss Account (FVTPL).

All investments in equity instruments other than as classified above under Financial Assets are initially carried at fair value. The Group has adopted to measure the fair value of equity instruments through FVTPL Fair value changes on an equity instrument are recognized in the Statement of Profit & Loss.

Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

Financial Liabilities

Financial liabilities are recognized at fair value net of transaction costs and are subsequently held at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit and loss are measured at fair value with changes in fair value recognized in the profit and loss account. Interest bearing bank loans are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

De-recognition of Financial Instruments

A Financial Asset is derecognized when the rights to receive cash flows from the asset have expired or the Group has transferred substantially all the risks and rewards or the right to receive the cash flows under a contractual arrangement or has transferred the asset.

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expired. In the case where the existing liability is replaced by another liability either from the same lender or otherwise such an exchange is treated as de-recognition of the original liability and recognition of a new liability. Any change in the carrying amount of a liability is recognized in the Statement of Profit and Loss.

The Group has entered into certain forward contracts in respect of foreign currency risks. The gain or loss relating to the ineffective portion of the hedge is recognized immediately in the Statement of Profit and Loss.

1.10 Inventories and Work in Progress

Raw Materials, Construction Materials and Stores &Spares are valued at lower of weighted average cost or net realizable value. Cost includes direct material, work expenditure, labour cost and appropriate overheads excluding refundable duties and taxes.

Work in Progress is valued at contracted rates less profit margin / estimates.

1.11 Cash & Cash Equivalents

Cash and Cash Equivalents are short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits.

1.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation in respect of which reliable estimate can be made as on the balance sheet date.

Contingent Liabilities are present obligations arising from a past event, when it is not probable / probability is remote that an outflow of resources will be required to settle the obligation and they are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements except where it has become virtually certain that an inflow of economic benefit will arise, the asset and the related income are recognized in financial statements of the period in which the change occurs Provisions for Contingent Liabilities and Contingent Assets are reviewed at the end of Balance Sheet date.

1.13 Foreign Currency Transactions and Translation

The reporting currency of the Group is Indian Rupee. Foreign Currency Transactions are translated at the functional currency spot rates prevailing on the date of transactions.

Monetary assets and current liabilities related to foreign currency transactions remaining unsettled are translated at the functional currency spot rates prevailing on the balance sheet date. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss.

Non-monetary foreign currency items are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

1.14 Employee Benefits

Payments to Defined Contribution schemes are charged as an expense as they fall due. Company's provident fund in respect of certain employees is made to a government administrated fund and charged as an expense to the Statement of Profit and Loss.

Liability for employee benefits, both short and long term, for present and past service which are due as per the terms of employment are recorded in accordance with Indian Accounting Standard 19 "Employee Benefits" issued by the Companies (Accounting Standard) Rules, 2015. Re-measurement gains /losses on post-employment defined benefits comprising gains/ losses is reflected immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which it arises.

i) Gratuity

In accordance with the Payment of Gratuity Act, 1972 the Group provides for Gratuity covering eligible employees. The liability on account of Gratuity is provided on the basis of valuation of the liability by an independent actuary as at the year end.

ii) Provident Fund

In accordance with applicable local laws, eligible employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan to which both the employee and employer contributes monthly at a determined rate (currently up to 12% of an employee's salary). These contributions are either made to the respective Regional Provident Fund Commissioner, or the Central Provident Fund under the State Pension Scheme, and are recognized as expenses incurred.

iii) Compensated Absences

The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

1.15 Deferred Revenue Expenditure

Projects and other related expenditure incurred up to 31st March, 2017, the benefit of which is spread over more than one year is accounted as Project Promotion Expenses grouped under Other Advances and is amortized over the period in which benefits would be derived.

1.16 Leases

a) Finance Lease

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.

b) Operating Leases

Operating Leases range from 11 months to 36 months and are usually cancellable / renewable by mutual consent on agreed terms. Further Lease payments under an operating lease are recognized as an expense in the Statement of Profit and Loss.

1.17 Earnings per Share (EPS)

In arriving at the EPS, the Group's Net Profit AfterTax, is divided by the weighted average number of equity shares outstanding. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS, the net profit after tax, referred above, is divided by the weighted average number of equity shares, as computed above and the weighted average number of equity share that could have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The date(s) of issue of such potential shares determine the amount of the weighted average number of potential equity shares.

1.18 Taxation

i) Current Tax

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and provisions of Income Tax Act, 1961 as at the balance sheet date and any adjustments to taxes in respect of the previous years, penalties if any related to income tax are included in the current tax expense.

ii) Deferred Taxes

Deferred Tax is the tax expected to be payable or recoverable on differences between the carrying amount of the assets and liabilities for financial reporting purpose and the corresponding tax bases used in computation of taxable profit. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

Current and deferred tax is recognized in profit or loss, except to the extent that it related to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

1.19 Commitments

Commitments are future liabilities for contractual expenditure.

Commitments are classified and disclosed as follows:

a. Estimated amount of contracts remaining to be executed on capital account and not provided for;

b. Uncalled liability on shares and other investments partly paid;

c. Funding related commitment to subsidiary, associate and joint venture companies and



d. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.20 Operating cycle for current and non-current classification

Operating cycle for the business activities of the Group covers the duration of the specific project/contract including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

1.21 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

i. transactions of a non-cash nature;

ii. any deferrals or accruals of past or future operating cash receipts or payments; and

iii. items of income or expense associated from investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows

1.22 Exceptional Items:

Items of income and expenditure within profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the period, the nature and amount of such items are disclosed separately as Exceptional Items.

1.23 Borrowing Cost

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

2a. Property, Plant and Equipment

₹ in Lakhs

Particulars	Gross Carrying amount as at April 1, 2016	Additions/ Adjustment during the year	Deletions/ Retirement during the year	Gross Carrying amount as at March 31, 2017	Accumulated Depreciation as at April 1, 2016	Depreciation for the Year	Deductions/ Adjustment during the year	Accumulated Depreciation as at March 31, 2017	Net Carrying Amount as at March 31, 2017	Net Carrying Amount as at March 31, 2016	Net Carrying Amount as at April 1, 2015
Land	6,256.27	—	9.75	6,246.52	—	—	—	—	6,246.52	6,256.27	6,246.52
Plant and Equipment	38,008.22	16,220.19	427.58	53,800.83	21,168.52	3,937.06	387.84	24,717.74	29,083.09	16,839.70	14,834.04
Wind Power Equipment	5,936.86	—	5,936.86	—	1,407.96	—	1,407.96	—	—	4,528.90	4,792.85
Furniture and Fixtures	327.18	105.96	—	433.14	210.46	29.21	—	239.67	193.47	116.72	135.82
Vehicles	2,924.32	808.09	42.20	3,690.21	1,746.29	349.27	41.19	2,054.37	1,635.84	1,178.03	1,030.92
Total	**53,452.85**	**17,134.24**	**6,416.39**	**64,170.70**	**24,533.23**	**4,315.54**	**1,836.99**	**27,011.78**	**37,158.92**	**28,919.62**	**27,040.15**

2b. Intangable Asset

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Opening Goodwill on consolidation / Amalgamation	**2,220.15**	2,220.15	2,220.15
Additions / (Deletions) during the year	**-**	-	-
Total	**2,220.15**	**2,220.15**	**2,220.15**

2c. Intangable Assets under development

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Opening Balance	**1,30,391.20**	1,49,506.55	1,49,506.55
Add : Expenditure incurred during the year		37,867.33	—
Less : Capitalised during the year		(56,982.68)	—
Less : Adjustment for change in status of erstwhile Subsidiary into Associate	**(1,30,391.20)**	—	—
Closing Balance	**—**	**1,30,391.20**	**1,49,506.55**

2b.Capital work in Progress

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Opening Balance	636.85	582.96	582.96
Additions during the year	2,410.17	53.89	—
Less : Capitalisation / Adjustments	—	—	—
Total	3,047.02	636.85	582.96





3. Investments

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-Trade investments			
Unquoted			
Investment in Associate Companies			
(i) 1,24,80,000 Equity Shares of ₹ 10/- each, fully paid in Gayatri Domicile Pvt.Ltd. (Refer Note 33.15)	**1,248.00**	—	—
(ii) 31,32,22,701 (as at 31st March, 2016 : 22,47,27,125, as at 31st March, 2015 : 22,47,27,125) Equity share of ₹10/- each fully paid - NCC Infrastructure Holdings Ltd (Refer Note No.3.1)	**29,004.44**	20,481.26	22,218.94
(iii) 30,000 (as at 31st March, 2016 :30,000, as at 31st March, 2015 : 30,000) equity share of ₹10/- each fully paid up - Sembcorp Gayatri O&M Co. Pvt Ltd	**2.14**	2.28	2.40
(iv) Nil (As at 31st March 2016 : 9,90,000, As at 1st April 2015 : 9,90,000) Equity Shares of ₹ 10/- each Hyderabad Expressways Ltd	—	1,631.40	1,012.28
(v) Nil (As at 31st March 2016 : Nil, As at 1st April 2015 : 49,36,850) Equity Shares of ₹ 10/- each Western UP Tollways Ltd	—	—	8,074.51
(vi) Nil (As at 31st March 2016 : 2,16,19,994 , As at 1st April 2015 : 2,16,19,994) Gayatri Jhansi Roadways Ltd	—	1,790.79	1,692.74
(vii)Nil (As at 31st March 2016 : 1,62,18,000 , As at 1st April 2015 : 1,62,18,000) Gayatri Lalitpur Roadways Ltd	—	1,808.41	1,678.17
B. Other Investments			
Un-quoted			
i) 2,35,00,000 (As at 31st March 2016 : 2,35,00,000) 9% non-Convertible redeemable cumulative preferential Shares of ₹ 10/- each, fully paid in Gayatri Hitech Hotels Ltd. (Refer note 3.3)	**23,500.00**	23,500.00	—
ii) 16,77,00,300 (Previous year Nil) Preferential Shares of ₹ 10/- each, fully paid in Gayatri Domicile Pvt. Ltd. (Refer note 33.15)	**16,770.03**	—	—
iii) 24,16,00,000 (as at 31st March, 2016 : 24,16,00,000, as at 31st March, 2015 : 23,66,00,000) equity share of ₹10/- each fully paid up Thermal Powetech Corporation Indian Limited	**24,161.60**	24,161.60	48,434.07
iv) 24,79,338 (as at 31st March, 2016 :24,79,338, as at 31st March, 2015 :24,79,338) Equity shares of ₹10/- each fully paid up - Jinbhuish Power Generation Pvt Ltd (Refer note 3.2)	**3,000.00**	3,000.00	3,000.00
Quoted			
(i) 11,63,607 (As at 31st March 2016 : 11,63,607, As at 1st April 2015 : 11,63,607) Equity Shares of ₹ 10/- each in Gayatri Sugars Ltd. (Refer Note No. 3.4 below)	**293.10**	293.10	293.10
(ii) 1,728 (As at 31st March 2016 :1,728, As at 1st April 2015 : 1,728) Equity Shares of ₹ 10/- each in Syndicate Bank Ltd.,	**0.86**	0.86	0.86
(iii) Investment in Mutual Funds	—	—	42.11
Less: Provision for diminution in value of Investment	**(278.44)**	(278.44)	(278.44)
Gain /(Loss) on Fair Valuation of Investments	**92.76**	43.83	4.03
Total	**97,794.49**	**76,435.09**	**86,174.77**



Details of Quoted and Unquoted Investments:

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Aggregate Amount of Quoted Investment	**15.52**	**15.52**	**15.52**
Aggregate Market value of Quoted Investment	**108.28**	**59.35**	**19.55**
Aggregate Amount of Unquoted Investment	**1,05,503.86**	**1,18,161.51**	**94,654.94**

3.1) 7,47,49,590 Equity Shares of NCC Infrastructure Holdings Ltd held by the Gayatri Energy Ventures Pvt. Ltd (a Subsidiary Company) are pledged in favour of IFCI Limited as colleteral security for the debentures issued by the said Subsidiary Company.

3.2) 2,74,49,989 Equity Shares of Jinbhuvish Power Generation Private Limited held by the Gayatri Energy Ventures Pvt. Ltd are pledged in favour of JPPL with the Escrow agent.

3.3) All the Preferential Shares held by the company in Gayatri Hitech Hotels Ltd have been pledged to the consortium of the lenders.

3.4) All the Equity Shares held by the company in Gayatri Sugars Limited have been pledged to the consortium of the lenders.

4. Loans

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security Deposit with Govt. Depts and Others	**45.37**	47.90	62.89
Loans to Related Parties - Unsecured, Considered Good			
- Loan to Subsidiaries	**—**	3,922.17	3,849.46
- Loan to Associates	**17,946.01**	5,398.73	9,867.21
- Others	**—**	1,327.15	1,144.09
To Others - Unsecured, Considered Good			
- Inter Corporate Loan (Refer Note No. 33.16)	**33,032.14**	33,032.14	33,032.14
Total	**51,023.52**	**43,728.09**	**47,955.79**

5. Other Financial assets

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, Considered Good			
- Receivables from Related Party	**—**	5,302.65	28,169.20
- Call option fee for TPCIL (Refer Note No.33.20)	**2,125.56**	—	—
- Advance for Purchase of Equity shares	**—**	10,000.00	10,000.00
- Other Advances	**54.99**	34.24	26.24
Total	**2,180.55**	**15,336.89**	**38,195.44**

6. Inventories

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Construction materials, Stores and Spares	**21,898.66**	6,924.72	9,994.76
(b) Work in Progress	**14,106.53**	8,563.71	14,207.53
Total	**36,005.19**	**15,488.43**	**24,202.29**



7. Investments

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Mutual Funds	—	35.19	77.27
Investment held for Sale	—	9,416.41	—
Total	—	**9,451.60**	**77.27**

8. Trade Receivables

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Secured, considered good			
Unsecured, considered good			
- Related Parties:	**902.70**	965.56	1,490.55
- Others	**84,133.73**	55,277.48	35,308.21
Total	**85,036.43**	**56,243.04**	**36,798.76**

9. Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Balances with banks			
In current accounts	**1,626.89**	4,959.82	7,076.35
In deposit accounts	—	—	—
i. Margin money for Bank Guarantees / LCs	**15,925.63**	15,679.36	9,360.87
ii. Other Deposits	**2,116.80**	1,738.22	2,743.76
(b) Cash in hand	**34.77**	64.06	53.35
Total	**19,704.09**	**22,441.46**	**19,234.33**

10. Loans

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
To Related Parties - Unsecured, Considered Good			
- Loans to Subsidiaries	—	5,522.36	5,176.24
- Loans to Associates	**5,795.27**	6,520.22	5,273.26
Total	**5,795.27**	**12,042.58**	**10,449.50**

11. Other Financial Asset

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest Accrued and not received from Banks	—	75.18	32.01
Total	—	75.18	32.01

12. Current Tax Assets (Net)

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Tax Refund Receivable	**4,074.55**	8,157.76	5,978.71
Total	**4,074.55**	**8,157.76**	**5,978.71**



13. Other Current Assets

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposits with Contractees	**21,761.12**	16,366.72	17,762.70
Deposits with Govt. Dept & Others	**440.99**	428.73	363.15
Advances - Unsecured, considered Good			
- Advances to Suppliers	**5,570.68**	1,784.82	646.59
- Advances to Sub-Contractors (Refer Note No.33.17)	**63,097.17**	58,527.59	44,797.96
- Staff Advances	**278.91**	231.75	189.20
- Other Advances	**3,540.12**	1,273.56	1,383.04
- Prepaid Expenses	**749.60**	72.13	360.27
- Share Application Money Given Pending for Allotment (Refer Note No.33.19)	**1,505.49**	1,490.83	1,471.40
- Advance for Purchase of Equity Shares (Refer Note No.33.19)	**1,000.00**	1,000.00	1,000.00
- Advance to a Company where KMP having substantial interest (Refer Note No.33.21 & 33.22)	**2,265.47**	2,265.47	2,175.68
- Others	**70.21**	1,410.28	60.06
Total	**1,00,279.76**	**84,851.88**	**70,210.05**



14. Equity Share Capital

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each)	**80,000,000**	**8,000.00**	80,000,000	8,000.00	80,000,000	8,000.00
(ii) Issued Share Capital Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each)	**177,251,900**	**3,545.04**	35,450,380	3,545.04	30,226,994	3,022.70
(iii) Subscribed and fully paid up Share Capital Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each)	**177,251,900**	**3,545.04**	35,450,380	3,545.04	30,226,994	3,022.70
Total	**177,251,900**	**3,545.04**	**35,450,380**	**3,545.04**	**30,226,994**	**3,022.70**

14(a) Terms / Rights, Preferences and restrictions attached to Equity Shares:

The company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14(b) The face value of shares of the Company was split from ₹10.00 per share to ₹ 2.00 per share with effect from 10.02.2017 (record date 13.02.2017).

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

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each) :						
At the beginning of the period	**35,450,380**	**3,545.04**	30,226,994	3,022.70	30,226,994	3,022.70
Add: Shares issued during the year	**—**	**—**	5,223,386	522.34	—	—
Add: Shares issued during the year by splitting one equity share of ₹10/- each into 5 equity shares of ₹ 2/- each	**141,801,520**	**—**	—	—	—	—
Outstanding at the end of the period	**177,251,900**	**3,545.04**	**35,450,380**	**3,545.04**	**30,226,994**	**3,022.70**

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

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

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹ 2/- each (As at 31st March 2016 : ₹ 10/- each, As at 1st April 2015 : ₹ 10/- each) :						
Indira Subbarami Reddy Tikkavarapu	**57,129,500**	**32.23**	11,425,900	32.23	10,630,932	35.17
Sandeep Kumar Reddy Tikkavarapu	**27,019,810**	**15.24**	5,403,962	15.24	4,579,544	15.15
GMO Emerging Markets Fund	**16,900,000**	**9.53**	3,380,000	9.53	-	-
Afrin Dia	**13,488,500**	**7.61**	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	**10,683,040**	**6.03**	2,110,969	5.95	2,039,278	6.75



15. Other Equity

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Capital Reserve			
Opening balance	**143.40**	24,718.44	143.40
Add : Additions to Reserve during the year	**—**	—	24,575.04
Less: On account of derecognition of Associates	**—**	(24,575.04)	—
Closing balance	**143.40**	143.40	24,718.44
(b) General Reserve			
Opening balance	**12,300.00**	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**	12,300.00	10,500.00
(c) Securities Premium Account			
Opening balance	**38,641.79**	28,519.92	28,519.92
Less: On account of derecognition of Subsidiary / Associates	**(3,119.73)**		
Adjustment on account of Composite Scheme of Arrangement (Refer Note No.33.15)	**(16,707.60)**	—	—
Add: Premium received on Shares issued during the year	**—**	10,121.87	—
Closing balance	**18,814.46**	38,641.79	28,519.92
(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) Equity Component of Compound Financial Instruments			
Opening balance	**7,025.00**	7,025.00	7,025.00
Less: On account of derecognition of Subsidiary / Associates	**(7,025.00)**	—	—
Closing balance	**—**	7,025.00	7,025.00
(f) Retained earnings			
Opening balance	**(6,665.81)**	(1,145.28)	1,489.48
Less: On account of derecognition of Subsidiary / Associates	**23,874.24**	—	—
Add : Adjustment on account of Changes in holdings in Subsidiaries		—	(0.60)
Add : Surplus / (Deficit) for the year	**(12.84)**	(2,787.15)	(101.48)
Add : Financial Guarantee Given on behalf of holding Company	**—**	(2,138.54)	—
Fair value of Equity Instruments	**—**	—	4.03
Dividend and Dividend Distribution Tax	**(853.35)**	(395.80)	—
Adjustment related to Property, Plant and Equipment	**—**	—	(194.25)
Transferred to General Reserve	**—**	(500.00)	(500.00)
Less: Share of Loss from Associate & Joint Ventures	**—**		(1,842.46)
Less: On account of derecognition of Associates	**—**	300.96	—
Closing balance	**16,342.24**	(6,665.81)	(1,145.28)
Total (a+b+c+d+e+f)	**47,600.10**	**51,444.38**	**70,918.08**



16. Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Secured						
(i) Non-Convertible Debentures						
a) Nil (as at 31st March, 2016: Nil, as at 1st April 2015: Nil) 11.50% Redeemable, Non-Convertible	—	—	—	—	—	2,927.84
b) Debentures (NCDs) of Rs. 10,00,000/- each 10.50% Compulsorily Convertible Debentures of Rs. 10/- eash (Refer Note 16.9)	—	—	7,500.00	—	15,000.00	—
ii) Term Loans from Banks						
a. Equipment Loans (Refer note 16.1)	**9,893.38**	**4,390.36**	1,949.75	1,091.03	56.03	1,560.38
b. Other Term Loans (Refer note 16.2)	**71,177.47**	**7,661.29**	76,814.71	3,810.00	70,774.17	520.83
c. External Commercial Borrowings (Refer note 16.3)	**10,689.88**	**620.63**	11,792.05	620.63	13,510.27	—
d. Project Term Loans	—	—	111,336.04	—	85,524.41	—
iii) Term Loans from others						
a. Equipment Loans (Refer note 16.1)	**4,165.67**	**287.73**	6,448.91	250.58	5,074.91	982.64
b. From Financial Institutions	—	—	55,818.89	—	32,552.74	13,500.00
c. Vehicle Loans (Refer note 16.4)	**362.20**	**123.48**	39.61	8.41	—	2.87
Un-secured				—		
From Directors (Interest Free Loans) (Refer Note 16.6)	**488.70**	—	152.10	—	3,300.00	—
9% Optionally Fully Convertible Debentures of ₹10 each (Refer Note 16.10)	**992.50**	—	992.50	—	—	—
Unamortised Finance Cost	—	—	(39.30)	—	(938.93)	—
Total	**97,769.80**	**13,083.49**	**272,805.26**	**5,780.65**	**224,853.60**	**19,494.56**

16.1 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%.

16.2 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 various between 11% to 13% with an average yield of 12.04% p.a.

16.3 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

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

16.4 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.

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

₹ in Lakhs

Particulars	2018-19	2019-20	2020-21	2021-22 onwards
Equipment loans from Banks	5,172.59	3,825.75	895.03	—
Term Loans from Banks	9,167.02	10,738.90	13,402.66	36,309.14
ECB Loan	1,112.00	1,112.00	1,668.00	8,357.63
Equipment loans from Others	939.31	1,477.34	1,272.21	838.99
Total	16,390.92	17,153.99	17,237.90	45,505.76

16.6 The promoters have brought back the dividend amount of ₹ 336.60 Lakhs (as at 31st March 2016 ₹ 152.10 Lakhs) as unsecured loan in compliance with the terms and conditions stipulated by Lenders for distribution of dividend to share holders.

16.7 Current Maturities of long term borrowings have been disclosed under the head "Other Financial Liabilities" (Refer Note 22).

16.8 Interest amount of ₹7.29 crores for the month of March, 2017 debited on 31.03.2017 is due as on the Balance Sheet date.

16.9 Term Loan of the Subsidiary Company

Terms of Repayment

a) Quarterly Interest payment @ 10.50% p.a and Debentures are to be bought back at premium in eight equal quarterly installments commencing from 15th May 2016.

b) The revised Key Terms of CCDs sanctioned by IFCI Ltd. are as follows:
1) CCDs to be repaid in 8 Quarterly Installments commencing from 15-05-2016
2) Rate of Return is 16%

Nature of Security

i) 7,47,49,590 Equity Shares of NCC Infrastructure Holdings Ltd held by the Gayatri Energy Ventures Pvt Ltd (GEVPL) are pledged in favour of IFCI Limited as colleteral security for the debentures issued by GEVPL.

ii) 26% of Total equity shares of the Company held by Gayatri Projects Ltd i.e 16,96,248 as on 31-03-2017 are pledged in favour of IFCI Limited as colleteral security for the debentures issued by GEVPL.

iii) The debentures are guaranteed by the personal guarantee of T. V. Sandeep Kumar Reddy and T. Indira Reddy, Directors of GEVPL.

iv) Gayatri Projects Ltd the holding company of the GEVPL has given buy back guarantee to IFCI Ltd.

Amount of interest and principal due on secured non-covertible debentures as on 31.03.2017 ₹ in Lakhs

Due date	Principal due	Interest due	No. of days default
15-08-2016	1,875.00	1,437.80	229
15-11-2016	1,875.00	1,440.48	137
15-02-2017	1,875.00	1,443.16	45
Total	**5,625.00**	**4,321.43**	

16.10 **Unsecured Optionally Fully Convertible Debentures of the Subsidiary Company**

Terms of OFCD and repayment

The Company has issued unsecured Optionally Fully Convertible Debentures (OFCD) to M/s. Capital Fortunes Ventures Private Limited and Mr. D V Chalam, against a sum of Rs. 992.50 Lakhs received from M/s. Capital Fortunes Ventures Limited. The OFCD carry a Interest of 9% cumulative and will mature in 36 Months from the date of Allotment. Any time before the Maturity of the OFCD the subscriber can convert the Debentures into Equity Shares of ' 760/- each per share, with prior consent of the Board of Directors of the Company.



17. Other Financial Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances from Contractees	**85,631.55**	55,951.41	42,572.22
Margin Money Deposits received	**6,760.25**	6,760.25	7,149.39
Additional Concession Fees Payable to NHAI	**—**	28,948.99	3,896.97
Interest on Additional Concession Fees	**—**	304.46	304.46
Total	**92,391.80**	**91,965.11**	**53,923.04**

18. Provisions

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Employee Benefits	**978.31**	910.06	702.11
Total	**978.31**	**910.06**	**702.11**

19. Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Deferred Tax (Asset) on timing differences:			
i) on account of Gratuity and Leave Encashment	**(38.11)**	(70.16)	(8.27)
ii) on account of IND AS Adjustments	**(65.09)**	(65.09)	—
(b) Deferred Tax Liability on timing differences:			
i) other Comprehensive Income	**9.06**	—	
ii) Depreciation	**2,414.36**	2,379.05	2,884.52
Total	**2,320.22**	**2,243.80**	**2,876.25**

20. Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans repayable on demand			
Secured Working Capital Facilities from Banks (Refer Note No.20.1)	**95,960.82**	89,021.38	79,178.76
Unsecured Loans			
- From Related Parties	**—**	5,529.70	5,172.55
Total	**95,960.82**	**94,551.08**	**84,351.31**

Nature of Security and Terms of Repayment

20.1 Working Capital Facilities (Secured)

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

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

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

- Interest amount of ₹8.09 crores for the month of March, 2017 debited on 31.03.2017 is due as on Balance Sheet date.



21. Trade Payables:

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Micro, Small and Medium Enterprises (Refer Note No.33.8)	—	—	—
Others	**66,079.21**	43,211.85	45,358.06
Total	**66,079.21**	**43,211.85**	**45,358.06**

22. Other Financial liabilities

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of Long Term Borrowings			
- Non Convertible Debentures	—	—	2,927.84
- Term Loans	**26,208.49**	15,147.85	16,706.46
Interest accrued but not due on Borrowings - NCD's	**263.19**	2,153.75	1,740.88
Interest accrued and due on Borrowings	**6,447.52**	2,257.73	2,883.89
Amortisation of Finance Cost	**257.38**	227.86	—
Unpaid Dividends	**4.12**	4.34	5.43
Financial Guarantee	—	2,720.46	—
Unsecured loan	**35.70**	39.69	1,032.20
Total	**33,216.40**	**22,551.68**	**25,296.70**

23. Other Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision / Payables for Expenses and Services	**3,022.95**	2,660.06	2,575.09
Statutory Payables	**1,404.96**	2,992.34	2,943.03
Other Payables	**8.42**	951.87	907.41
	4,436.33	**6,604.27**	**6,425.53**

24. Provisions

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Employee Benefits	**9.63**	9.44	7.06
Provision for Dividend Distribution Tax	—	—	102.74
Total	**9.63**	**9.44**	**109.80**

25. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Construction Revenue	**2,04,964.25**	1,56,771.70
(b) Materials Supply Revenue	**3,465.83**	10,160.60
(c) Claims	**2,898.22**	—
(d) Revenue from Electricity Generation	**206.75**	501.91
(e) Share of profit from Joint Ventures	—	388.90
(f) Revenue From Toll Collections	—	3,923.13
(g) Other Operating Income	—	877.90
Total	**2,11,535.05**	**1,72,624.14**



26. Other income

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest income	**1,929.27**	1,213.57
(b) Other Miscellaneous Income	**1,129.08**	724.41
Total	**3,058.35**	**1,937.98**

27. Cost of Materials Consumed and Cost of Purchases & Services

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Steel	**9,061.95**	5,088.92
(b) Cement	**8,133.96**	3,138.80
(c) Bitumen	**12,399.55**	5,519.54
(d) Metal	**17,840.99**	6,145.50
(e) Sand & Gravel	**2,022.01**	860.91
(f) Electrical Materials	**3,065.01**	1,631.67
(g) Railway Line Materials	**453.61**	1,544.78
(h) Coal Handling System Materials	**1,089.28**	3,564.83
(i) RCC & GI Pipes	**577.41**	85.31
(j) HSD Oils & Lubricants	**11,290.62**	3,660.65
(k) Stores and Consumables	**626.70**	321.46
(l) Other Materials	**1,375.78**	336.16
(m) Operating and Maintenance Exp.	**—**	1,623.62
(n) Construction Expenses	**—**	53,521.90
Total	**67,936.87**	**87,044.05**

28. Work Expenditure

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Departmental Recoveries	**6,521.97**	3,312.70
(b) Work executed by sub contractors	**32,741.12**	20,023.22
(c) Earth Work	**25,365.46**	10,390.45
(d) Concrete Work	**5,814.97**	3,577.44
(e) Transport Charges	**2,249.96**	866.91
(f) Hire Charges	**3,344.34**	1,453.27
(g) Road work	**8,290.16**	3,129.56
(h) Repairs and Maintenance	**2,630.44**	1,214.38
(i) Taxes and Duties	**8,180.54**	3,352.78
(j) Royalties, Seigniorage and Cess	**1,354.76**	1,138.35
(k) Insurance	**468.86**	165.23
(l) Commission to Banks on BG/LC	**2,188.81**	622.02
(m) Other Work Expenditure	**7,422.36**	4,143.44
Total	**1,06,573.75**	**53,389.75**

29. Change in Inventories of Work-in-Progress

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Opening Work in Progress	**8,563.71**	14,207.53
Less : Closing Work in Progress	**(14,106.53)**	(8,563.71)
Changes in Inventory	**(5,542.82)**	**5,643.82**



30. Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Salaries & Wages	**4,541.30**	2,049.42
(b) Director's Remuneration	**540.00**	529.41
(c) Staff Welfare Expenses	**639.59**	305.26
(d) Contribution to Statutory Funds	**146.09**	82.27
Total	**5,866.98**	**2,966.36**

31. Finance costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest on Term Loans	**11,539.91**	13,323.75
(b) Interest on Non Convertible Debentures	**—**	122.60
(c) Interest on Working Capital Facilities	**9,819.18**	6,091.09
(d) Interest on Equipment Loans	**1,501.33**	480.37
(e) Interest on ECB Loan *	**1,262.75**	782.07
(f) Exchange loss on ECB Loan	**1.20**	46.19
(g) Effect of application of effective interest rate on borrowings	**29.52**	227.86
(h) Interest on Others	**5,555.53**	267.75
(i) Financial Charges	**—**	26.98
(j) Interest Expenses-others	**—**	2,297.67
(k) Bank Guarantee & Other Financial Charges	**1,093.58**	412.47
	30,803.00	24,078.80
(l) Less : Interest on BG/LC Margin Money Deposits	**(960.26)**	(1,106.92)
Interest on Loans & Advances	**(4,149.03)**	(4,416.49)
Total	**25,693.71**	**18,555.39**

* includes premium paid on foreign currency forward contract.

32. Other expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Advertisement expenses	**63.62**	47.37
(b) Audit fee65.22	**84.59**	
(c) CSR Expenditure & Donations	**311.65**	190.47
(d) Insurance charges	**52.56**	34.67
(e) Consultancy, Legal & professional charges	**1,076.23**	671.42
(f) General Expenses	**211.11**	141.22
(g) Power & fuel	**190.02**	141.32
(h) Miscellaneous expenses	**460.11**	304.36
(i) Printing & stationery	**115.90**	55.21
(j) Rent	**668.03**	313.50
(k) Taxes & licenses	**323.48**	148.61
(l) Tender Expenses	**122.94**	39.10
(m) Telephone	**105.52**	63.23
(n) Travelling, Conveyance & Stay expenses	**633.54**	468.21
(o) Loss on sale of assets / Impairment of assets	**(1.37)**	—
(p) Toll Operation & Management Service	**—**	200.40
Total	**4,398.56**	**2,903.68**



33. OTHER NOTES FORMING PART OF THE FINANCIAL STATEMENTS

33.1 Leases

Disclosure under Indian Accounting Standard – 17 "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 Group 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 Group has given refundable security deposits. The lease payments are recognized in the Statement of Profit and Loss under Rent, Rates and Taxes.

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

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

Lease Obligations Payable — **₹ in Lakhs**

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

Lease Obligations Recognized — **₹ in Lakhs**

Particulars	As at 31st March, 2017	As at 31st March, 2016
Lease Rentals recognized during the year	Nil	75.90

33.2 Contingent Liabilities and Commitments

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

a. Contingent Liabilities — **₹ in Lakhs**

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Claims against the company not acknowledged as debt *	—	90.33	225.13
b) Guarantees given by the Banks towards performance & Contractual Commitments	**1,28,789.02**	1,23,892.32	77,539.41
c) Corporate Guarantees given to group companies	**3,29,708.00**	2,98,048.00	8,38,456.00
d) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	**7479.87**	8,571.16	14,617.34

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



b. Commitments

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Commitments towards investment in Subsidiaries, Joint Ventures and Associates	**85,000.00**	85,000.00	1,10,480.00

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

Subsidiaries, Joint Ventures and Associates considered for the Consolidated Financial statements are as follows :

S.No	Name of the Entity	Nature of the Entity	% of Holding	Country of Incorporation
1	Gayatri Energy Ventures Private Limited	Wholly own-ed Subsidiary	100	India
2	IJM Gayatri Joint Venture	Joint Venture	40	India
3	Jaiprakash Gayatri Joint Venture	Joint Venture	49	India
4	Gayatri ECI Joint Venture	Joint Venture	50	India
5	Gayatri Ratna Joint Venture	Joint Venture	80	India
6	Gayatri – Ranjit Joint Venture	Joint Venture	60	India
7	Gayatri – GDC Joint Venture	Joint Venture	70	India
8	Gayatri – BCBPPL Joint Venture	Joint Venture	60	India
9	Gayatri – RNS Joint Venture	Joint Venture	60	India
10	Gayatri - JMC Joint Venture	Joint Venture	75	India
11	MEIL-Gayatri-ZVS-ITT Consortium	Joint Venture	48.44	India
12	Viswanath-Gayatri Joint Venture	Joint Venture	50	India
13	Maytas-Gayatri Joint Venture	Joint Venture	37	India
14	GPL-RKTCPL Joint Venture	Joint Venture	51	India
15	GPL-SPL Joint Venture	Joint Venture	51	India
16	Vishwa-Gayatri Joint Venture	Joint Venture	49	India
17	Gayatri-RNS-SIPL Joint Venture	Joint Venture	70	India
18	SOJITZ-LNT-GAYATRI Joint Venture	Joint Venture	8.96	India
19	Gayatri PTPS Joint Venture	Joint Venture	70	India



33.3 Related Party Transactions pursuant to Indian Accounting Standard(Ind AS)-24

Associate Companies and companies in which the Company has substantial Interest.	Key Management Personnel and their Relatives
Gayatri Lalitpur Roadways Ltd (Refer Below Note (ii)).	Mr. T.V.Sandeep Kumar Reddy
Gayatri-Jhansi Roadways Ltd Refer Below Note (ii)).	Mr. J. Brij Mohan Reddy
Sai Matarani Tollways Limited (Refer Below Note (iii))	Mrs. Indira T Subbarami Reddy
Gayatri Domicile Private Limited (Refer Below Note (iv))	Mr. T. Rajiv Reddy
Hyderabad Expressways Limited	Mr. T. Anirudh Reddy
Cyberabad Expressways Limited	Mr. P. Sreedhar Babu (CFO)
Western UP Tollway Limited	Mrs. I.V.Lakshmi (CS & CO)
HKR Roadways Limited	
Balaji Highways Holding Limited	
Indore Dewas Tollways Limited	
Entities in which KMP or their relatives are interested	
Deep Corporation Pvt. Ltd	Gayatri Bio-Organics Limited
Indira Constructions Pvt. Ltd	T. Subbarami Reddy Foundation
Gayatri Tissue & Papers Ltd	Dr.T.Subbarami Reddy (HUF)
Gayatri Sugars Ltd	Balaji Charitable Trust
Gayatri Hi-Tech Hotels Ltd	TSR LalitakalaParishad
Gayatri Property Ventures Pvt. Ltd.	Invento Labs Private Limited
Gayatri Hotels & Theaters Pvt. Ltd	Indira Energy Holdings Private Limited
GSR Ventures Pvt. Ltd.	Yamne Power Private Limited
T.V.Sandeep Kumar Reddy & Others	

(i) Gayatri Infra Ventures Limited ceased to be a subsidiary w.e.f. 01.04.2016 (Refer Note No.33.18) and accordingly related party transactions with this Company have been presented for the F.Y 2015-16.

(ii) Upon merger of Gayatri Infra Ventures Limited w.e.f 01.04.2016 as stated above, these two step down subsidiary companies have become the subsidiary companies of the company and upon demerger w.e.f 31.03.2017 these two subsidiary companies ceased to be subsidiaries and related party transactions are presented for the F.Y 2015-16 & 2016-17.

(iii) Upon effect of Scheme, the subsidiary company has become an Associate.

(iv) Name of the Gayatri Domicile Private Limited is changed to Gayatri Highways Pvt. Ltd w.e.f 7th August 2017 and accordingly wherever Gayatri Domicile Private Limited appears in the financial statements, Notes to Financial Statements and other reports, the name shall be read as Gayatri Highways Pvt. Ltd.



Transactions with the related parties: **₹ in Lakhs**

Sl. No.	Description	Year	Associate Companies	Entities in which KMP are interested	KMP& their Relatives
1	Equity contribution	2016-17	4,443.88	—	—
		2015-16	—	23,500.00	—
2	Contract Receipts	2016-17	61,451.60	26.91	—
		2015-16	5,998.10	515.08	—
3	Contract payments	2016-17	—	586.83	—
		2015-16	—	359.32	—
4	Office Rent & Maintenance	2016-17	—	102.08	—
		2015-16	—	113.00	—
5	Other Payments	2016-17	—	—	97.75
		2015-16	—	12.83	79.12
6	Interest Received	2016-17	244.09	—	—
		2015-16	637.84	—	—
7	Donations	2016-17	—	169.45	—
		2015-16	—	149.52	—
8	Remuneration Paid	2016-17	—	—	540.00
		2015-16	—	—	*529.41
9	Contract Advances/ Other Adv.	2016-17	5,279.43	215.00	—
		2015-16		84.00	—
10	Unsecured Loans received	2016-17	—	—	—
		2015-16	45.70	—	152.10
11	Corporate Guarantees	2016-17	—	—	—
		2015-16	79,863.00	—	—
12	Closing balances – Debit	2016-17	32,921.81	1212.66	—
		2015-16	15,969.01	1,156.58	—
		2014-15	15,742.72	25,099.87	—
13	Closing balances – Credit	2016-17	2,147.05	613.58	6.22
		2015-16	382.78	417.12	261.79
		2014-15	12,080.44	110.53	3,409.11

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

33.5 Impairment of Non-Financial Assets

In the opinion of the management of the Group, there are no impaired assets requiring provision for impairment loss as per the Ind AS 36 on "Impairment of Non-Financial Assets". The recoverable amount of building, plant and machinery and computers has been determined on the basis of 'Value in use' method.

33.6 Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Ind AS – 108. During the year under report, the Company's business has been carried out only in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

33.7 Earnings Per Share (EPS)

₹ in Lakhs

Particulars	2016-17	2015-16
Profit After Tax for calculation of Basic EPS (₹in Lakhs)	**(29.95)**	(2,721.58)
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	**(29.95)**	(2721.58)
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	**1,772.52**	1,675.20
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	**1,772.52**	1,675.20
Basic EPS (₹)	**(0.02)**	(1.62)
Diluted EPS (₹)	**(0.02)**	(1.62)

33.8 Dues to Micro and Small Enterprises:

On the basis of information available with the Group, there are no dues outstanding for more than 45 days to Small Scale Industrial Undertaking (SSI). The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.

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

i) CIF value of Imports

₹ in Lakhs

Sl. No.	Particulars	2016-17	2015-16
1	Purchase of Capital Goods	**3173.34**	1155.67

ii) Expenditure / (Income) in Foreign Currency:

₹ in Lakhs

Sl. No.	Particulars	2016-17	2015-16
1	Travelling Expenses	**12.70**	20.92
2	Interest on ECB Loan	**782.14**	811.95
3	Consultancy & Technical Fees	**1,584.34**	12.64

33.10 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize the cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with other entities in the industry, the Group monitors its capital using the gearing ratio which is total debt divided by total capital.



₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Debt:i) Non-Current Borrowings	**97,769.80**	2,72,805.26	2,24,853.60
ii) Current Maturities of Non-Current Borrowings	**26,208.49**	15,147.85	19,634.30
iii) Current / Short term Borrowings	**95,960.82**	94,551.08	84,351.31
Total Debt:	**2,19,939.11**	**3,82,504.19**	**3,28,839.21**
Equity:i) Equity Share capital	**3,545.04**	3,545.04	3,022.70
ii) Other Equity	**47,600.10**	49,621.06	71,908.08
Total Equity:	**51,145.14**	**53,166.10**	**74,930.78**
Total debt to equity ratio (Gearing ratio)	**4.30**	**7.19**	**4.39**

33.11 Financial Instruments:

A. Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period.

Financial Instruments by category.

Financial Assets and Financial Liabilities are the categories of Financial Instruments.

Financial Assets:

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
EQUITY INVESTMENTS:			
Measured at fair value through profit or loss (FVTPL):			
Equity Investments in Other Entities	**108.28**	59.35	19.55
Measured at Cost:			
i) Investments in Equity Instruments of Subsidiaries, Associates	**29,006.58**	25,714.14	34,679.04
ii) Investments of Equity Instruments of Other entities	**24,161.60**	27,161.60	51,434.07
iii) Investments of Equity Instruments of Associate Company pursuant to composite scheme of Merger & Demerger (Refer Note No.33.18.)	**1,248.00**	Nil	Nil
INVESTMENTS IN PREFERENCE SHARES:			
Measured at Fair value through profit or loss (FVTPL):			
Non- Convertible redeemable cumulative preferential Shares in Other Entity	**23,500.00**	23,500.00	Nil
Measured at Cost:			
Investments of Preference Shares of Associate Company pursuant to composite scheme of Merger & Demerger (Refer Note No.33.18)	**16,770.03**	Nil	Nil

Financial Liabilities:

₹ in Lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Measured at amortized cost: Financial Liabilities i.e Borrowings	**2,08,628.60**	2,10,578.98	1,79,378.43

B. Fair value hierarchy

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or Liability.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31st March, 2017:

₹ in lakhs

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Investments (Quoted)	**108.28 (Level -1)**	59.35(Level- 1)	19.55(Level-1)
Non- Convertible Redeemable Cumulative Preference Shares	**23,500.00(Level -2)**	23,500.00(Level -2)	—

33.12 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks like market risk, credit risk and liquidity risks. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments which are affected by market risk include loans and borrowings.

a. Interest rate risk

Majority of the Non-current (Long Term) borrowings of the Group bear fixed interest rate, thus interest rate risk is limited for the Group.

b. Foreign Currency Risk:

The Group's foreign Currency exposure i.e External Commercial Borrowings in US$ is completely hedged and the details are as follows:

₹ in Lakhs

Particulars	Hedged/ Un-hedged	As At 31st March, 2017		As at 31st March, 2016		As at 1st April 2015	
		Foreign Currency USD	Rupee Equivalent	Foreign Currency USD	Rupee Equivalent	Foreign Currency USD	Rupee Equivalent
Amount payable in Foreign Currency:							
External Commercial	**Un-hedged**	**Nil**	**Nil**	Nil	Nil	Nil	Nil
Borrowings (ECB)	**Hedged**	**181.18**	**10,689.89**	210.38	12,412.69	229.78	13,510.27

c. Equity Price Risks:

Majority of the Group's investments are made into non-listed equity securities. The Group's exposure into listed equity investments is very limited and the fair value of listed securities as at 31st March, 2017 was ₹108.28 Lakhs. Since the exposure into listed equity investments are very limited, the changes of equity securities price would not have a material effect on the profit or loss of the Group.

(ii) Credit risk management

Credit risk refers to the risk of default in its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets is contributed by trade receivables, unbilled work-in-progress, cash and cash equivalents and receivables from group companies.

Credit risk on trade receivables, work in progress is limited as the customers of the Group mainly consist of the Government promoted entities, having strong credit worthiness. The company takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers.

(iii) Liquidity Risk:

Liquidity Risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's management and finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

The following are the details regarding contractual maturities of Significant Financial Liabilities:

a) As at 31st March, 2017 — **₹ in Lakhs**

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	95,960.82	26,208.49	90,308.45	6,972.63	2,19,450.39
Trade Payables	66,079.21	—	—	—	66,079.21
Interest Accrued	6,710.71	—	—	—	6,710.71
Other Financial Liabilities	6,929.69	11,087.51	41,578.16	32,800.56	92,395.92
Total	**1,75,680.43**	**37,296.00**	**1,31,886.61**	**39,773.19**	**3,84,636.23**

b) As at 31st March, 2016 — **₹ in Lakhs**

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	89,021.38	13,280.66	94,878.51	25,659.01	2,22,839.56
Trade Payables	41,911.09	—	—	—	41,911.09
Interest Accrued	4,411.48	—	—	—	4,411.48
Other Financial Liabilities	4,703.70	7,525.92	28,222.20	22,264.18	62,716.00
Total	**1,40,047.65**	**20,806.58**	**1,23,100.71**	**47,923.19**	**3,31,878.13**

c) As at 1st April, 2015 **₹ in Lakhs**

Particulars	On Demand	Less than 1 year	1-5 Years	More than 5 Years	Total
Borrowings	79,178.76	5,994.56	59,918.20	44,497.18	1,89,588.70
Trade Payables	44,670.27	—	—	—	44,670.27
Interest Accrued	4,624.77	—	—	—	4,624.77
Other Financial Liabilities	3,729.53	5,967.24	22,377.17	17,653.10	49,727.04
Total	**1,32,203.33**	**11,961.80**	**82,295.37**	**62,150.28**	**2,88,610.78**

33.13 The Company had entered into an agreement to sell the wind power business on "Slump Sale" basis subject to approval by the regulatory authorities and completion of registration formalities. The management has received the respective regulatory authorities' approvals and registration of sale of wind assets is completed during the financial year. Therefore, the net result (loss) from sale of wind power business amounting to ₹1538.65 Lakhs is recognized under exceptional items in the statement of profit and loss for the year ended 31st March 2017.

33.14 Disclosure on Specified Bank Notes (SBN) pursuant to MCA notification 308(E) dated 30thMarch, 2017:

Amount in ₹

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08th November,2016	24,25,500	1,28,40,929	1,52,66,429
(+) Withdrawal from Banks	—	1,04,82,350	1,04,82,350
(+) Permitted Receipts	—	—	—
(-) Permitted Payments	—	(1,61,77,057)	(1,61,77,057)
(-) Amount deposited in Banks	(24,25,500)	(950)	(24,26,450)
Closing cash in hand on 30th December, 2016	—	71,45,272	71,45,272

Explanation: For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 8th November, 2016.

33.15 Composite Composite Scheme of Arrangement between Gayatri Projects Limited (Transferee Company / Demerged Company/ GPL), Gayatri Infra Ventures Limited (Transferor Company / GIVL) and Gayatri Domicile Private Limited (Resulting Company / GDPL) and their respective Shareholders:

The Board of Directors of Gayatri Projects Limited (GPL) in the Board Meeting held on 16th July 2016 has approved the Composite Scheme of Arrangement between Gayatri Projects Limited (Transferee Company / Demerged Company /GPL), Gayatri Infra Ventures Limited (Transferor Company / GIVL) and Gayatri Domicile Private Limited (Resulting Company / GDPL). This has been further approved by the Shareholders through postal ballot on 23rd January, 2017.

As per the Composite Scheme of Arrangement ('Scheme'), the BOT road business and activities of GPL is vertically split into a separate company i.e. GDPL.

The Composite Scheme of Arrangement is divided into the following parts:

i. Transfer of investments in Sai Maatarini Tollways Limited ("SMTL") from GPL to GDPL, and the consequent discharge of consideration by GDPL to GPL

ii. Merger of GIVL with GPL

iii. Transfer of Infrastructure Road BOT Assets Business of GPL to GDPL, and the consequent discharge of consideration by GDPL to the shareholders of GPL.

Significant points of the Scheme and its accounting treatment in the books of accounts and financial statements is summarized as below:

a) The National Company Law Tribunal (NCLT), Hyderabad Bench vide its order dated 3rd November, 2017, has sanctioned the Composite scheme of arrangement ('Scheme') under Sections 391 to 394 of the Companies Act, 1956 and the extant applicable provisions of Companies Act, 2013.

b) The relevant dates of the Scheme are as follows:

Particulars	**Relevant date**
Appointed date for amalgamation of GIVL	01st April, 2016
Appointed date for Demerger of BOT Business	31st March, 2017
Effective date of the Scheme (Date of filing with the ROC)	23rd November, 2017

c) Pursuant to the Scheme, all the assets and liabilities pertaining to the Transferor Company (GIVL) have been transferred to and vested in the Transferee Company (GPL) with retrospective effect from the appointed date i.e. 1st April 2016 at their respective book values appearing in the books of Transferor Company i.e., GIVL. Financial Statements of GIVL for the Financial Year 2015-16 & 2016-17 were audited and financial statements of 2016-17 were already approved in its Board meeting held on 30th May, 2017 and also adopted in the Annual General Meeting of GIVL held on 19th September, 2017. These approved and adopted financial statements were considered for the purpose of accounting of Assets, Liabilities, Income and expenses of GIVL in the books of accounts and in the restated financial statements of GPL so as to give effect of the merger.

d) Further pursuant to the Scheme, all Infrastructure Road BOT Assets business (i.e all Fixed Assets, all Investments, Current Assets, and Liabilities of BOT Assets business including Investments in Infrastructure Road BOT Assets business held by GPL) of the Demerged Company(GPL) shall stand transfer to and be vested in the resulted Company (GDPL) with effect from the appointed date i.e. 31st March 2017 at their respective book values appearing in the books of Demerged Company. Accordingly, the Scheme has been given effect to in the books of accounts and in the restated financial statements of GPL so as to give effect of the demerger. (Refer Below table for net effect of the Scheme).

e) As stated in the above note, Investments held by the Demerged Company in the Road BOT Assets business companies i.e. Sai Maatarani Tollways Ltd, HKR Roadways Ltd, Balaji Highways Holdings Pvt. Ltd and Indore Dewas Tollways Ltd shall stand transferred and vested in the Resulting Company (GDPL) with effect from the appointed date i.e. 31st March 2017.

f) The Consideration for demerger by the resulting company shall be as under :

i) Issue of Shares by the Resulting Company (GDPL) to Demerged Company (GPL).

The investments of GPL in SMTL are transferred to GDPL at book value. As at 31st March, 2016, the GPL investment in SMTL was at ₹ 180.16 crores. The consideration for transfer of investments in SMTL held by GPL to GDPL is discharged by the Resulting Company i.e., Gayatri Domicile Private Limited in lump sum consideration to GPL amounting to ₹180,16,03,000 (Rupees One Hundred and Eighty Crores Sixteen Lakhs Three Thousand Only) in the form of issuance of 1,24,60,000 equity shares of ₹10/- each and 16,77,00,300 redeemable preference shares of ₹10/- each, issued and redeemable at par. Pursuant to Scheme, effect is given in the books of accounts and financial statements of demerged company (GPL) as on 31st March, 2017, the consideration receivable by GPL in the form of Equity and Preference shares have been accounted in the books of accounts as investments in Equity and Preference shares and grouped under Investments in the restated financial statements based on opinion obtained from independent Company Secretary although the shares are yet to be issued and allotted by the resulting company (**GDPL).**

ii) Issue of shares by the Resulting Company (GDPL) to the shareholders of demerged company (GPL).

Pursuant to the scheme coming into effect, the resulting company shall, without any further application or deed, issue and allot to every member of the demerged company (GPL), holding fully paid up equity shares in the demerged company and whose names appear in the Register of Members of the demerged company on the Record Date in the ratio of 1 (One) equity share of ₹10/- (At present the ₹10 share split into 5 shares ₹2 each) each fully paid up held by such member in the demerged company, 1 (One) equity share in the resulting company of ₹10/- each. The demerged company shareholders will be allotted 17,72,51,900 equity shares of ₹ 2/- each (after sub-division of equity shares of GDPL from ₹ 10/- each to ₹ 2/- each) fully paid in the resulting company.

g) Details of the value of investments of BOT Assets business transferred to the resulting company by the demerged company, the value of the investment received / receivable by the demerged company from the resulting company and the net effect in the Securities Premium Account of the demerged company is as under:

₹ in lakhs

Particulars	**As on 31st March, 2017**
Value of Investments of BOT Assets business Transferred:	
i) 16,65,304 Equity Shares of ₹10/- each, fully paid in Gayatri Infra Ventures Limited	16,074.26
ii) 1,00,00,843 Equity Shares of ₹10/- each, fully paid in Sai Maatarani Tollways Ltd.	18,016.03
iii) 12,07,000 Equity Shares of ₹10/- each, fully paid in HKR Roadways Ltd.	120.70
iv) 49,000 Equity Shares of ₹10/- each, fully paid in Balaji Highways Holdings Pvt. Ltd.,	4.90
v) 16,660 Equity Shares of ₹10/- each, fully paid in Indore Dewas Tollways Ltd.	1.67
vi) Liability towards pending share purchase	900.02
Sub Total :	35,117.58
Consideration to be received in the form of Shares:	
i) 1,24,80,000 Equity Shares of ₹ 10/- each, fully paid in Gayatri Domicile Private Limited.	1,246.00
ii) 16,77,00,300 Preference Shares of ₹10/- each, fully paid in Gayatri Domicile Private Limited.	16,770.03
Sub Total :	**18,016.03**
Net Effect (Amount) adjusted in Securities Premium Account	**17,101.55**

h) The outcome of the scheme is that merger of GIVL into GPL and Demerger of all Infrastructure Road BOT Assets business. The consideration receivable for the said Demerger is in the form of Equity and Preference Shares amounting to ₹180,16,03,000 (Rupees One Hundred and Eighty Crores Sixteen Lakhs Three Thousand Only) and hence there is no changes / impact in cash flows of the company for the current reporting period.

33.16 In the ordinary course of business, the Parent/Holding Company has given Contract Advances to non-related parties which on mutual consent have been converted into loans and grouped as "Loans" under "Non-Current Financial Asset". The recovery of these loans is delayed due to extraneous reasons like change in government policies, delay in execution of projects etc. However, the management is making all efforts to recover the same and is confident that the recovery process of these loans will commence in due course and therefore no provision for the same is required to be made in the financial statements of the Parent/Holding Company.

33.17 Advances to sub-contractors include amounts paid as work advances to sub-contractors wherein the corresponding contract works are yet to commence. The management of the Parent Company is able to recover considerable amount after the balance sheet date and is confident to recover the balance amount in due course. In the opinion of the management of the Parent Company, the said works for which advances are given have not commenced due to certain extraneous factors and delay is not attributed to sub-contractor default/failure. In view of this, the management of the Parent Company is confident to commence the works in near future and recover the advances from the sub-contractors.

33.18 The original consolidated audited financial statements / results of the Company for the financial year ended 31st March, 2017 have been approved by the Board of Directors of the Company vide its meeting held on 29th May, 2017 and the same were declared/published to the stock exchanges as per the listing agreement. However, pursuant to the Composite Scheme of Arrangement ('Scheme'), as approved by the Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench vide its order dated 3rd November, 2017, the accounting effect /impact of the said scheme as stated in Note No.33.15 is considered in the books of accounts for the financial year ended 31st March, 2017 and accordingly the present consolidated financial statements revised as per the Scheme above, replace the original consolidated audited financial statements which were approved by the Board of Directors vide their meeting held on 29th May, 2017 as mentioned above.

33.19 During the previous financial years the Subsidiary Company had made various investments in JPGPL and JPPL by way of acquisition of shares, share application money, advance for purchase of equity shares and the Company had entered into an exit agreement dated 25th May 2013 with the said party, which was duly amended by various letter agreements from time to time and as per the latest letter agreement dated 31st October 2016, the Company shall exit from JPGPL and JPPL by 31st October 2018.

33.20 In pursuance of Master Shareholders agreement entered by the Subsidiary Company, Sembcorp utilities PTE Ltd, Thermal Power Corporation India Limited and Sembcorp Gayatri Private Limited, GEVPL has paid call option fee of ₹ 21,25,56,463 to Sembcorp Utilities PTE Ltd.

33.21 Mobilization advance to subcontractors represent work advance given to a subcontractor 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-contractors and without any default/ failure of performance from their end. The management is confident to commence the works in near future and recover the said advance.

33.22 During the preceding financial years, the Step-down Subsidiary Company had awarded contract works of an approximate contract value of ₹ 86.58 Crores to Indira Energy Holdings Private Limited (IEHPL), a Company in which the directors and the relatives of such directors hold substantial interest vide letter of award (LOA) dated 01/09/2011. As per the terms of the said LOA the work shall be completed within a period of 120 calendar months from the date of issue of work order and a mobilization advance subject to a maximum of 25% of value of the work order will be released as per request for mobilization advance from IEHPL. As at 31st March 2017 the cumulative amount of mobilization advance outstanding given to IEHPL is ₹ 21.57 Crores. In the opinion of the management of the Company the said contract works are yet to commence due to extraneous factors beyond the control of such sub-contractor like pending land acquisition and pending coal allocation. The management of the company is confident that all the issues concerning the project shall be resolved at the earliest and consequently the contract works would commence at the earliest and subsequent recovery of the mobilization advance given.

33.23 As stated in Note No.33.15, pursuant to Composite Scheme of Arrangement ('Scheme'), the consideration receivable by the Parent Company in the form of Equity and Preference Shares amounting to ₹180,16,03,000 (1,24,60,000 equity shares of ₹10/- each and 16,77,00,300 redeemable preference shares of ₹10/- each) have been grouped under Investments although the shares are yet to be issued and allotted by the resulting company (GDPL) and by virtue of above equity shareholding amounting to 26% of GDPL Equity Share Capital, the said GDPL becomes the Associate Company as on 31st March, 2017. Pending issue and allotment of equity shares and filing of necessary forms with the ROC, the said associate company i.e GDPL has not been considered for consolidation financial statements.



33.24 Pursuant to Composite Scheme of Arrangement ('Scheme') as stated in Note No.33.15, figures of the current financial year are not comparable to the previous year's figures.

33.25 All amounts are rounded off to nearest thousand.

For and on behalf of the Board

For M O S & ASSOCIATES LLP
Chartered Accountants

S.V.C. REDDY
Partner

Place : Hyderabad.
Date : 6th December 2017

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:

1. Name: Address: E-Mail Id: Signature: or failing him	1. Name: Address: E-Mail Id: Signature: or failing him	1. 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 28th Annual general meeting of the company, to be held on the 30th day of December, 2017 at 11.30 a.m. at FTAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad - 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, 2017 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.		
2. To appoint a Director in place of Smt. T. Indira Subbarami Reddy, who retires by rotation, and being eligible, offers herself for re-appointment.		
3. To Appoint Auditors and fix their Remuneration.		
4. 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 2017-18.		
5. Revision in remuneration of Mr. T. Rajiv Reddy, Vice-President, Operations of the company.		
6. Ratification for change in terms and conditions of the Non-Convertible Cumulative Redeemable Preference Shares held by the company in M/s Gayatri Hi-Tech Hotels Limited.		
7. Raising of Funds through Issue of Securities.		

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: L99999TG1989PLC057289
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 28th ANNUAL GENERAL MEETING at FTAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B.14, Hyderabad - 500 004. On Saturday the 30th day of December, 2017 at 11.30 a.m

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

Folio Number/DP ID No. :

Client ID :

No.of Shares Held :

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

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 FTAPCCI, 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

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