



Date: 01.08.2016

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

Sub: Disclosure of the Impact of Audit Qualifications by the Listed Entities under Regulation 33/52 of SEBI (LODR), (Amendment) Regulations, 2016 Reg.,

Ref: NSE Circular dated 1st June, 2016 vide: NSE/CML/2016/09 and BSE Circular dated 1st June, 2016 vide: DCS/COMP/04/2016-17.

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Pursuant to the SEBI notification no. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 issued by the Securities and Exchange Board of India (SEBI) on "Disclosure of the Impact of Audit Qualifications by Listed Entities" and circulars issued by NSE and BSE dated 1st June, 2016, we submit herewith enclosed Statement on Impact of Audit Qualifications (in Annexure- I) for the consolidated financial results of the Company for the Financial Year ended 31.03.2016.

Kindly take note on record of the same.

Thanks and Regards:

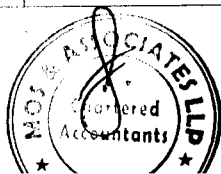
For GAYATRI PROJECTS LIMITED

(CS I.V.LAKSHMI)
Company Secretary & Compliance officer
Membership No. 17607

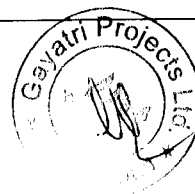
Annexure – I

Statement of Impact of Audit Qualification (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Consolidated)

Statement of Impact of Audit Qualification for the Financial Year Ended 31st March 2016 [See Regulation 33 / 52 of the ESBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (As reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income		
	2	Total Expenditure		
	3	Net Profit / (Loss)		/
	4	Earnings per Share		/
	5	Total Assets		/
	6	Total Liabilities		/
	7	Net Worth		/
	8	Any other financial item(s) / (as felt appropriate by the management)		
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: <i>The consolidated financial statement of one of the subsidiary company, Gayatri Infra Ventures Ltd (GIVL) as at 31st March, 2016 includes amounts aggregating to Rs.46,06,09,996/- invested in 49,36,850/- equity shares of a jointly controlled entity for which the management has entered into a definitive agreement for divestment of its entire equity shares. As represented to us, the management is in the process of renegotiating the consideration for the sale of investment along with making arrangements for meeting the conditions stipulated. Pending final outcome of the said process, we are unable to comment upon the consequential effects, if any of the said matter on the accompanying financial statements.</i>		
	b.	Type of Audit Qualification : <i>The Independent auditors of a subsidiary company have qualified in their consolidated audit report regarding <u>pending final outcome of divestment of a jointly controlled entity and consequential effects on the financials</u> and the same qualification has been carried in Consolidated Auditors' Report of the company.</i>		
	c.	Frequency of qualification : <i>This is the first financial year in which the above mentioned qualification is appearing.</i>		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: <i>Not Applicable</i>		



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	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i)	Management's estimation on the impact of audit qualification: Not Applicable
	(ii)	If management is unable to estimate the impact, reasons for the same: As on Balance Sheet date, the purchase consideration for the sale of shares was still under negotiations and was subject to compliance of certain conditions by the SPV [Western UP Tollways Limited (WUPTL)]. As the WUPTL could not fulfil these conditions, the Cube Highways has started renegotiating the sale consideration. Hence, the Management of GIVL could not ascertain the total amount of consideration for the transaction and thereby the impact of same could not be ascertained.
	(iii)	Auditors' Comments on (i) or (ii) above: Our qualification in the consolidated financial statements of the company is carried from the auditors' report of the subsidiary company, wherein, the auditors have expressed their inability to comment on the impact of such qualification on the financial statements of the subsidiary for the reasons mentioned therein. Consequently, we are also unable to comment on the impact of such qualification on the consolidated financial statements of the Company.
III	Signatories:	
	<p>1. Mr. T.V. Sandeep Kumar Reddy – Managing Director</p> <p>2. Mr. P. Sreedhar Babu – Chief Financial Officer</p> <p>3. M O S & ASSOCIATES LLP Chartered Accountants, Statutory Auditors of the Company</p> <p>S.V.C.Reddy Partner</p> <p>4. Mr. Ch. HariVittal Rao-Audit Committee Chairman</p>	