



GAYATRI PROJECTS LIMITED

CIN : L99999TG1989PLC057289

Regd. Office: B1, TSR TOWERS, 6-3-1090, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD-500082

STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 30th SEPTEMBER, 2022

(₹ in Lakhs)

Sl. No.	Particulars	Quarter Ended			Half-Year Ended		Year Ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from operations	31,624.61	28,256.19	86,552.62	59,880.80	1,76,261.36	3,10,233.68
	Other Income	523.28	614.02	120.13	1,137.30	140.31	340.13
	Total Income	32,147.89	28,870.21	86,672.75	61,018.10	1,76,401.67	3,10,573.81
2	Expenses						
	a. Cost of Materials Consumed & Work Expenditure	33,377.32	38,149.74	89,285.61	71,527.06	1,68,368.14	3,24,420.31
	b. Changes in Inventories of Work in Progress	9,179.94	13,234.67	1,225.47	22,414.61	(4,911.27)	613.82
	c. Employee Benefits Expense	2,174.14	2,431.06	3,069.17	4,605.20	6,752.66	13,565.05
	d. Finance Costs	11,609.70	10,932.08	7,877.34	22,541.78	14,669.39	33,807.72
	e. Depreciation and Amortization Expense	1,438.22	1,534.31	1,917.64	2,972.53	3,810.90	7,626.91
	f. Other Expenses	1,252.06	1,771.95	2,266.26	3,024.01	4,408.66	10,690.58
	Total Expenses	59,031.38	68,053.81	1,05,641.49	1,27,085.19	1,93,098.48	3,90,724.39
3	Profit / (Loss) before Exceptional items and Tax (1-2)	(26,883.49)	(39,183.60)	(18,968.74)	(66,067.09)	(16,696.81)	(80,150.58)
4	a) Exceptional Items	-	-	-	-	-	(14,051.05)
	b) Share of Profit / (Loss) of Joint Ventures & Associates	50.75	(6.00)	(2.98)	44.75	(23.05)	(1,878.40)
5	Profit/(Loss) before Tax (3+4)	(26,832.74)	(39,189.60)	(18,971.72)	(66,022.34)	(16,719.86)	(96,080.03)
6	Tax Expense (Net)	-	-	(30.79)	-	(69.96)	(258.56)
7	Net Profit/(Loss) after tax (5-6)	(26,832.74)	(39,189.60)	(18,940.93)	(66,022.34)	(16,649.90)	(95,821.47)
8	Non-controlling Interest	-	-	-	-	-	-
9	Net Profit / (Loss) after tax and Non-controlling Interest (7+8)	(26,832.74)	(39,189.60)	(18,940.93)	(66,022.34)	(16,649.90)	(95,821.47)
10	Other Comprehensive Income/(Loss) (OCI)						
	Items that will not be reclassified to profit or loss :						
	i) Changes in fair value of equity investments	-	-	-	-	-	-
	ii) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits	2.45	2.45	(4.38)	4.90	(8.76)	9.74
	iii) Income tax relating to Items that will not be re-classified to profit or loss	(0.86)	(0.86)	1.34	(1.72)	3.06	(3.37)
	Total Other Comprehensive Income/(Loss) (10)	1.59	1.59	(3.04)	3.18	(5.70)	6.37
11	Total Comprehensive Income (9+10)	(26,831.15)	(39,188.01)	(18,943.97)	(66,019.16)	(16,655.60)	(95,815.10)
12	Paid Up Equity Share Capital (Face Value ₹ 2/- per Share)	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97	3,743.97
13	Other Equity (excluding Revaluation Reserves)	-	-	-	-	-	(4,231.64)
14	Earnings Per Share of ₹ 2/- each (Not annualised)						
	- Basic & Diluted	(14.33)	(20.93)	(10.11)	(35.27)	(8.89)	(51.19)

(₹ in Lakhs)

STATEMENT OF UN-AUDITED CONSOLIDATED ASSETS AND LIABILITIES		CONSOLIDATED	
		As at	As at
		30.09.2022	31.03.2022
		Unaudited	Audited
ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant & Equipment		30,391.37	34,817.33
(b) Capital Work in Progress		919.59	919.59
(c) Financial Asset			
(i) Investments		54,638.14	54,649.03
(ii) Trade Receivables		19,484.74	19,781.19
(iii) Loans		33,978.90	33,978.90
(iv) Other Financial Assets		26,144.18	25,254.63
(d) Deferred Tax Asset (net)		1,296.91	1,298.63
Total - Non-current Assets		1,66,853.83	1,70,699.30
2 CURRENT ASSETS			
(a) Inventories		38,697.59	63,367.00
(b) Financial Asset			
(i) Trade receivables		98,037.27	1,16,771.46
(ii) Cash and cash equivalents		1,181.88	2,535.24
iii) Other bank balances		779.97	787.99
(iv) Loans		11,775.52	11,653.14
(c) Current Tax Assets (Net)		29,954.97	27,279.02
(d) Other Current Assets		1,04,544.92	1,03,036.94
Total - Current Assets		2,84,972.12	3,25,430.79
TOTAL - ASSETS		4,51,825.95	4,96,130.09
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share capital		3,743.97	3,743.97
(b) Other Equity		(70,250.80)	(4,231.64)
Total - Equity		(66,506.83)	(487.67)
2 LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		14,900.47	14,900.47
(ii) Lease Liabilities		-	270.84
(iii) Other Financial liabilities		31,980.19	67,649.14
(b) Provisions		685.20	747.53
Total - Non-Current Liabilities		47,565.86	83,567.98
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		3,34,727.05	2,58,925.28
(ii) Lease Liabilities		578.42	741.46
(iii) Trade payables			
(A) Micro, Small and Medium Enterprises		477.17	815.61
(B) Others		63,012.01	97,684.18
(iv) Other Financial Liabilities		56,824.95	41,126.31
(b) Other Current Liabilities		15,056.05	13,665.67
(c) Provisions		91.27	91.27
Total - Current Liabilities		4,70,766.92	4,13,049.78
TOTAL - LIABILITIES		5,18,332.78	4,96,617.76
TOTAL - EQUITY AND LIABILITIES		4,51,825.95	4,96,130.09



GAYATRI PROJECTS LIMITED
CONSOLIDATED UN-AUDITED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30th SEPTEMBER, 2022

₹ in Lakhs

Particulars	For the Half-year ended 30th September, 2022	For the Half-year ended 30th September, 2021
A Cash Flow from Operating Activities:		
Profit/(Loss) before Tax excluding extraordinary and exceptional items	(66,067.09)	(16,696.81)
Adjustments for:		
Depreciation and amortization	2,972.53	3,810.90
Interest and other Income	(1,029.32)	(1,606.47)
Expected credit loss	1,278.64	1,760.07
Loss / (Profit) on sale of Property, Plant and Equipment	47.10	-
Finance Costs	23,567.51	16,275.36
Changes in Fair Value of Equity Investment	3.02	(17.05)
Operating Profit before working Capital Changes	(39,227.61)	3,526.00
Adjustments for:		
(Increase) / Decrease in Trade Receivables	18,783.91	(13,578.94)
(Increase) / Decrease in non-current financial asset	(889.55)	(133.16)
(Increase) / Decrease in current financial asset	(2,564.34)	(60.21)
(Increase) / Decrease in Other current assets	(5,164.07)	(6,195.86)
(Increase) / Decrease in Inventory	24,669.41	(2,404.12)
Increase / (Decrease) in current financial liabilities	(689.44)	2,894.26
Increase / (Decrease) in non-current financial liabilities	(35,725.54)	(7,642.30)
Increase / (Decrease) in Trade Payables	(35,010.74)	(8,152.44)
Cash (used in) / generated from Operating activities	(75,817.97)	(31,746.77)
Direct Taxes paid (Net)	-	-
Net Cash (used in)/ generated from Operating Activities (A)	(75,817.97)	(31,746.77)
B Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment including capital work-in-progress	(40.89)	(321.66)
Net proceeds from margin money deposits of BGs/LCs	8.02	7,378.59
Proceeds from sale of Property, Plant & Equipment	1,447.22	-
Interest and other income received	1,029.32	1,606.47
Net Cash (used in)/ generated from Investing Activities (B)	2,443.67	8,663.40
C Cash Flow from Financing Activities		
Net Proceeds from /(Repayment of) Long term borrowings *	(433.88)	(5,192.73)
Net Proceeds from / (Repayment of) Short term borrowings *	78,114.37	32,968.02
Net Proceeds from / (Repayment of) Inter Corporate Loans	129.37	-
Finance Costs	(5,788.92)	(12,113.00)
Net Cash (used in)/ generated from Financing Activities (C)	72,020.94	15,662.29
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(1,353.36)	(7,421.08)
Cash and Cash Equivalents at the beginning of the year	2,535.24	8,374.76
Cash and Cash Equivalents at the end of the Year	1,181.88	953.68

* Includes devolvement of BGs & LCs and reclassification of Non-current borrowings as current borrowings for the FY 2021-22

By Order of the Board
For Gayatri Projects Limited

T V Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Place: Hyderabad.
Date: 14th November, 2022

Notes to un-audited Consolidated Financial Results:

1. The above published un-audited Consolidated financial results for the quarter and half-year ended 30th September, 2022 have been prepared in accordance with the principles and procedures as set out in Ind AS on financial statements and such other applicable standards as notified under section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules 2015, as amended.
2. The above un-audited Consolidated financial results for the quarter and half-year ended 30th September, 2022 have been reviewed by the Audit Committee and approved by the Company's Board of Directors in their respective meetings held on 14th November, 2022.
3. The Company's Operations primarily consist of Construction activities and there are no other reportable segments under Ind AS 108 "Operating Segments".
4. The Company has an investment in Gayatri Hi-tech Hotels Limited ("Investee Company") in the form of 4% Compulsorily Convertible Cumulative Preferential Shares ("CCCPs") amounting to ₹ 19,571.95 Lakhs as of 30th September, 2022. The financial statements of Investee Company are prepared on a going concern basis though, it has incurred considerable losses and there has been significant erosion in the Net worth of the investee company as per the latest available financial statements of the investee company. The COVID – 19 Pandemic has significantly affected the operations of the investee company and further, the investee company has defaulted in the redemption of non-convertible debentures, pursuant to which the holders of the Non-Convertible Debentures have issued notices for recovery under SARFAESI Act and also filed applications under section 6 and section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench. The said application has not been admitted till date of approving the un-audited financial results of the company. As informed to us, the management of the investee company is in process of appropriately dealing with the notices received and the applications filed before the Hon'ble NCLT and further, the management is also in discussion with the Debenture Holders for a resolution/settlement of dues. Further, as per the latest available valuation reports of the investee company made by two independent registered valuers, the value of the investee company is much higher than the value at which the company had made its investment, and further, the management of the company is very confident that all the issues in the investee company will get resolved and business operations of the investee company will get normalized at the earliest and generate sufficient cash flows. In view of the above and also considering the fact that the CCCPs are convertible into equity shares of the investee company during the financial year 2027-28 which is a very long period for realization of the investment or to analyze the actual investment value, no provision for diminution/impairment for carrying value of the investments is required to be made in the un-audited Consolidated financial results for the quarter and half-year ended 30th September, 2022.
5. Gayatri Highways Limited, an associate company in which the company has an investment of ₹ 16,770.03 Lakhs in the form of Non-Convertible Preference Shares ('NCPS'), Equity Share Capital investment of ₹ 1,248.00 Lakhs, and also funded an amount of ₹ 25,825.38 Lakhs of unsecured loan / subordinate debt as at 30th September, 2022. Further, as stated in the un-audited Consolidated financial results of the Associate Company, it has been incurring operating losses during the past few years. However, the un-audited financial results of the said associate company have been prepared on a going concern basis as the promoters of the associate company have guaranteed support to the company and its management believes that its investments in road projects will generate sufficient cash flows to support the company in foreseeable future. As of 30th September, 2022, the said associate company is holding portfolio in several road projects. The management of the company is of the opinion that considering the future cash flows of the company from the said road projects on account of various claims filed, annuities, Toll collections receivable, and arbitration awards awarded will be sufficient to recover the amounts invested/advanced to the associate company and hence, in the opinion of the management no provision is required to be made for the NCPS investments made by the company and unsecured loan/subordinate debt receivable by the company from the associate in the un-audited Consolidated financial results for the quarter and half-year ended 30th September 2022.
6. In the ordinary course of business, the Company had given Contract Advances to a sub-contractor which on mutual consent have been converted into an interest-bearing inter-corporate loan. The said inter-corporate loan of ₹ 18,676.14 Lakhs and interest thereon of ₹ 22,925.01 Lakhs is pending for recovery as at 30th September 2022. The recovery of this loan along with interest thereon is delayed due to extraneous reasons like changes in government policies, delays in execution of projects, etc. However, the company has recovered considerable amounts during the previous financial years and the management is confident of recovering the balance amount in due course. Further, as per the information available with the company, the said sub-contractor is going to recover the money from the sale of immovable properties assigned to it and also assured the company that the sale proceeds will be utilised for repayment of dues to the company. In view of the above, the management of the company is of the opinion that no provision for the same is required to be made in the un-audited Consolidated financial results for the quarter and half-year ended 30th September 2022.
7. One of the subsidiary of the associate company (hereinafter called as "concessionaire company" or Sai Matarani Tollways Limited "SMTL"), which has been awarded a Build-Operate-Transfer (BOT) work for the construction of Four Laning of Panikoiili-Rimuli section of NH-215 Road. The Company has to receive an amount of ₹ 23,715.65 Lakhs towards EPC cost from the said concessionaire company as at 30th September 2022. Further, the company has given an irrevocable and unconditional Corporate Guarantee of ₹ 1,39,735.00 Lakhs to the lenders of the concessionaire company. The Concessionaire Company has given termination notice to the National Highways Authority of India (NHAI) due to irreparable loss of toll revenue from the road project and requested for a termination payment of ₹ 2,29,667.00 Lakhs. Apart from the above-said termination payment, the Concessionaire Company had filed claims with the NHAI under Concessionaire's right to recover losses/ damages from the Authority on account of material default of the Authority. SMTL Road Project was terminated by the NHAI on 28th January 2020, and toll collection rights were handed over to the NHAI from 30th January 2020. In the above circumstances, NHAI initially calculated the terminal payment of ₹ 58,421.00 Lakhs, however SMTL has not accepted the terminal payment calculated by NHAI and has negotiated with NHAI for further improvement. Accordingly, the termination payment was revised to ₹ 79,650.00 Lakhs by NHAI in March 2022. SMTL has requested its lenders to accept the above-

said payment of ₹ 79,650.00 Lakhs towards full and final settlement of all existing past and future dues etc. Upon acceptance of the above stated proposal, the said lenders shall waive all future claims against SMTL and its guarantors and drop legal proceedings. Once the full and final settlement is accepted by the lenders of SMTL and based on the conditions if any imposed by the lenders of SMTL, the impact of the same shall be recognised. As per the available information and based on the discussions held with the lenders, the management is of the view that the possibility of invocation of Corporate Guarantee is remote. Based on the above, and as per the available information, the management of the company is of the view that no provision is required to be made in respect of trade receivables and Corporate Guarantee in the un-audited Consolidated financial results for the quarter and half-year ended 30th September 2022.

8. An amount of ₹ 3620.49 Lakhs as on 30th September 2022 is receivable from M/s Western UP Tollways Limited ('Erstwhile Associate Company or WUTPL') operating Meerut and Muzaffarnagar Section of NH-58 Road on BOT basis against the EPC works executed by the company during the previous years and the amounts shall be recovered out of claims amounts received by the erstwhile associate company from NHAI. The Arbitration Tribunal has pronounced arbitration award of ₹ 12,443.00 Lakhs which includes interest thereon of ₹ 6,405.00 Lakhs and extension of concession period by 348 days. At the request of the M/s Western UP Tollways Limited, the above claims and the termination payment have been referred to the Conciliation Committee of Independent Experts ("CCIE") as per NHAI policy. The Management of WUTPL is very confident of getting the claim amounts from NHAI and assured the company by way of agreement, to pay the company its share upon receipt of claims, and accordingly, in the opinion of the management of the company, no provision is required to be made in respect of amounts receivable from the said erstwhile associate company in the un-audited Consolidated financial results for the quarter and half-year ended 30th September 2022.
9. The Advances to Suppliers, Sub-contractors, and others as at 30th September 2022, includes an amount of ₹ 14,722.65 Lakhs given to one sub-contractor in the normal course of business. The recovery of this advance is delayed due to certain extraneous factors not attributable to the subcontractor. During the previous financial years, the company has recovered a substantial amount of more than ₹ 18,000.00 Lakhs from the said sub-contractor. In view of this, the management is confident to recover the remaining advances from the sub-contractor in due course, and hence no provision is required to be made in the un-audited Consolidated financial results for the quarter and half-year ended 30th September 2022.
10. As per the Settlement and Supplementary Agreement dated 14th September 2020 made between Gayatri Projects Limited ("the Company/GPL"), Gayatri Highways Limited ("GHL") – an Associate Company and IL&FS Financial Services Limited (IL&FS); the Company and GHL jointly and severally agreed to repay the balance principal loan amount of ₹ 8,410.00 Lakhs and an additional interest of ₹ 865.00 Lakhs towards the loan availed by GHL along with interest in eleven monthly installments commencing from 15th September 2020 and the entire amount to be paid on or before 15th July 2021. The Company and GHL have jointly paid the principal amount of ₹ 4,590.00 Lakhs due till February 2021. The balance principal amount payable to IL&FS is ₹ 3,823.00 Lakhs and interest due and payable is ₹ 677.00 Lakhs. Due to non-payment of remaining installments/dues, the IL&FS has filed an application under section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal, Hyderabad on 18th January 2022. The applications filed by the IL&FS is not admitted till the date of approving the un-audited Consolidated financial results for the quarter and half-year ended 30th September 2022.
11. The recovery of work and other advances and receivables got delayed from one sub-contractor amounting to ₹ 9,935.85 Lakhs as at 30th September 2022 which is on account of a mis-match in the cash flows of the sub-contractor and non-extending of financial facilities. As per the information and explanations given by the said sub-contractor, the dues to the company will be paid in due course without any fail, and hence, in the opinion of the management provision is not required to be made in the un-audited Consolidated financial results for the quarter and half-year ended 30th September, 2022.
12. The company is mainly engaged in the execution of road works allotted by the National Highways Authority of India and Irrigation related works given by various state governments. Due to various Covid-19 related lockdown restrictions imposed across the country during the previous two financial years, the work at major sites had got disrupted and delayed. The works have resumed post relaxation of lockdown restrictions. The recovery of trade receivables got delayed due to COVID –19 Pandemic impact on the economy of the country and various states which ultimately caused financial and operational stress on the company and the progress of the works executed by the company. However, the Company will closely monitor the future developments and economic conditions across the country and assess its impact on the business operations and going concern of the company.
13. Due to changes in business conditions on account of the Covid-19 pandemic, there has been considerable delay in recovery of Trade Receivables as stated in the above note no. 12, increase in materials cost and increase in cost of services, non-availability of adequate working capital to execute the contract works on hand, non-awarding of fresh contract works due to lenders reluctant to provide bank guarantee or other facilities, etc., have severely affected the business operations and billing cycle (raising of RA bills on the contractors) of the company which have resulted in mis-match of cash flows of the company and all these circumstances led to a situation that the Company defaulted in repayment of dues to its lenders and devolvement of significant Non-Fund based facilities and most of the lenders have recalled their financial facilities extended to the company. The loans and other facilities sanctioned to the company have been classified by the lenders as Non-Performing Assets (NPA) and the interest/finance cost on financial facilities has been recognized in the books of accounts / financial results on the basis of the loan / credit facilities sanction letters and other loan documents available with the company as the lenders have not provided the loan balance confirmations, loan account statements, other interest and financial charges debit advices etc., and hence, the interest and financial charges accounted and recognized in the financial results is subject to reconciliation and confirmation and differential interest and finance charges if any will be accounted upon restructuring or settlement of the dues or based on the availability of the loan account statements. The consortium of lenders had informed the company via the letter dated 6th June, 2022 that in case the company is able to infuse up-front ₹ 400 to ₹ 500 crores along with a detailed resolution plan, the same may be considered by the consortium of lenders. The management has identified a potential investor for raising the necessary funds and is in the process of working out a detailed resolution plan for settling of dues to the lenders

and the due diligence for the same is completed and the investor is planning to communicate with the lenders to submit the proposed debt resolution plan / scheme. Further, promoters have guaranteed their continuous financial and other support to the company and are in the process of infusing the funds into the company and the company has appointed a leading consultant as Corporate Debt Advisors for Debt Restructuring proposal / amicable debt settlement proposal in the best interest of the company and the lenders. In these circumstances, the lenders have sent various notices to the company and the personal guarantors for recovery of their dues and have appointed a forensic auditor. The company has not received the final forensic audit report till the date of approving the un-audited financial results for the quarter and half-year ended 30th September 2022. The Lenders have also filed petitions/legal suits/complaints before the Debt Recovery Tribunal (DRT)/other forums for recovery of the dues and issued notices under SARFAESI Act. Further, certain lenders & certain operational creditors of the company and IL&FS (as stated in the above note no. 10), have filed applications under section 6 and section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal (NCLT), Hyderabad. The applications filed before the Hon'ble NCLT are not admitted till the date of approving the results. Further, the company has filed writ petition before the Hon'ble High Court of Telangana against the purported action of one of the lender to declare the account of the company as Fraud as reported in the Central Repository of Information on Large Credits (CRILC) status and the same is pending for disposal as on date of approval of un-audited financial results for the quarter and half year ended 30th September 2022. Besides this, the management of the company is in the process of appropriately dealing with the notices received from various lenders, petitions filed before the DRT, and applications filed before the Hon'ble NCLT. The management is very confident to resolve all these issues at the earliest in the best interest of the company's affairs, business operations, and lender's business interests.

14. During the half-year ended 30th September 2022, the company has assigned some of its contract works amounts to ₹ 3,62,833.00 Lakhs on back-to-back basis to sub-contractors / other contractors as the company is unable to achieve the work progress targets due to working capital issues and non-availability of funds for the detailed reasons stated in note 13. The assignment of these contract works to sub-contractors / other contractors is done in the best interest of the company in order to avoid huge termination penalties and other hindered consequences. Due to assignment of contract works to sub-contractors / other contractors, the company could not raise bill for contract work executed till the date of assignment and accordingly, the company had no other option other than to reverse or nullify the value of the work in progress recognized in the books of accounts during the previous quarter or current quarter which has resulted in reversal of work in progress amounts to ₹13,742.92 Lakhs for the quarter and half- year ended 30th September, 2022.
15. During the current period ended 30th September, 2022, the company has incurred a loss of ₹ 66,022.34 Lakhs for the detailed reasons stated in note no. 12, 13 & 14 and the net worth of the company is completely eroded on account of huge losses suffered by the company for the reasons stated in note no. 12, 13 and 14 which are beyond the control of the company or the management. As at 30th September, 2022, the company has defaulted in repayment of outstanding loans including recalled loans and other credit facilities, devolvement of non-fund based facilities total amounting to ₹ 3,66,445.29 Lakhs. The lenders have classified all these loans and financial facilities including other credit facilities as NPA and have issued various notices for recovery of their dues as explained in note no. 13. As at 30th September, 2022, the current liabilities exceed the current assets by ₹ 1,85,794.80 Lakhs. However, the financial results / statements have been prepared on a Going-Concern basis as the promoters have guaranteed their continuous financial and other support to the company and are in the process of infusing the funds in to the company apart from identifying a potential investor for raising the funds in order to settle / restructuring the dues to the lenders. Further, the company has appointed a leading consultant as Corporate Debt Advisors for Debt Restructuring proposal/ amicable debt settlement proposal in the best interest of the company, lenders and stakeholders. The management of the company is very confident of reviving the company from current financial crises and resolving the debt default issues at the earliest. Hence, un-audited consolidated financial results for the quarter and half-year ended 30th September, 2022 are prepared on Going Concern basis.
16. As stated in the note no.13, the interest/finance cost on financial facilities has been recognized in the books of accounts / financial results on the basis of the loan / credit facilities sanction letters and other loan documents available with the company as the lenders have not provided the loan balance confirmations, loan account statements, interest and financial charges debit advices, other documents, etc.,. In these circumstances, one of the lenders has realized certain amount by invoking & disposing the promoters shares pledged to the lender. However, details such as the amount realized out of the sale of pledged shares, whether the amount has been adjusted against the principal amount or outstanding interest amount etc., have not been given to the company and further loan statements are not available in this regard. Hence, the company has neither adjusted loan amount nor outstanding interest amount and the same will be appropriately accounted in the books of accounts as and when the details of the same are shared by the lender or information available with the company.
17. During the preceding financial years, the subsidiary company had made an investment/ advance/ share application money to Jinbhuvish Power Generation Private Limited ("JPGPL") which had planned to set up a coal-based power plant in Maharashtra and as at 30th September, 2022 the total amount infused in the form of investment/advance/share application money is ₹ 5,544.45 Lakhs (₹. 3,000.00 Lakhs in the form of Equity Share Capital and ₹ 1,544.45 Lakhs in the form of share application money and ₹ 1,000.00 Lakhs in the form of Advance for purchase of Equity Shares). The Subsidiary Company had decided to exit from the said power project and in this regard entered into an Exit Agreement on 25th May, 2013, which was subsequently amended by various letter agreements and as per the latest agreement the company shall exit from the said power project by 31st October, 2021. However, the exit from the said power project is not happened for the reasons beyond the control of the subsidiary company. Though there has been a significant delay in exiting from the above company, the management is confident to recover the entire investment made by it including share application money & advances given as the said JPGPL is having more than 600 Acres of land acquired for power plant and has coal linkage/allotment which will generate enough cash flows upon monetization and hence, no provision is required to be made in the carrying value of the investment. However, as a matter of prudence and in compliance with Ind AS requirement, the entire amount of Share Application Money Given Pending for Allotment & Advance for Purchase of Equity Shares amounting to Rs. 2,544.45 Lakhs has been provided as provision for credit loss and provision for credit impaired advances in the financial results. Further, the company

of the company has provided a Bank Guarantee in favour of Western Coalfields Limited ("WCL") on behalf of JPGPL towards coal linkage/allotment to the proposed power plant. As the Bank Guarantee was not renewed, WCL has encashed the bank guarantee on 11.04.2022 by communication letter dated 05.04.2022 for ₹ 2,421.00 Lakhs which in the opinion of the management of the company and company is completely illegal and grossly incorrect. The encashment of bank guarantee was accounted as liability (payable) to the company and receivable from JPGPL. The subsidiary company has filed the writ petition before the Hon'ble High Court of Judicature at Bombay Bench at Nagpur against the purported and unusual act of the said WCL and the writ petition is pending for disposal. It is of the view of the management that the invocation of encashment of bank guarantee will get revoked/reimbursed and hence, no provision has been made in the financial results for the quarter and half-year ended 30th September, 2022. However, the same shall be recognised in the subsequent period based on the result of the legal recourse / remedy proposed to be initiated against the said WCL.

18. Bhandara Thermal Power Corporation Limited (BTPCL), is a wholly owned Stepdown-subsiary company incorporated to build, own and operate coal-fired power plant in India in which the subsidiary Company had invested Equity Share Capital of ₹ 495.78 Lakhs and also funded as and when required in the form of unsecured loan, the balance loan as at 30th September 2022 is ₹ 8,597.87 Lakhs. The stepdown-subsiary company has proposed the construction of power plant in Bhandara district of Maharashtra, India and procured 622.93 Acres of land, but the said construction of power plant has not executed due to various factors such as pending coal allotment, delay in acquisition of complete proposed project land, etc, and unviability of the project. The management of the company is of the view that considering the macro economic conditions and future outlook for the thermal power projects and other factors. As stated above, the company has decided not to proceed with the project and has decided to sell the land acquired by it and is in the early stages of finding prospective buyers for the same. Further, as per the latest valuation reports obtained for the land, the company is confident of recovering the entire value of the investment made in the stepdown-subsiary through sale of land and hence is of the view that no provision is required to be made for the investment and loan given to the stepdown-subsiary.
19. During the preceding financial years, the stepdown-subsiary company had given Contract Advance of ₹ 2155.05 Lakhs to Indira Energy Holdings Private Limited (the Contractor) towards the execution of road and site development works at proposed Thermal Power Project site. As the stepdown-subsiary company had not handover the complete land as required for the development of the project due to various reasons such as pending coal allotment and pending financial closure, etc., the contractor has not commenced the road and site development works at the instructions of the stepdown-subsiary company and the recovery of the advance given to the contractor is pending as at the balance sheet date. The management of the stepdown-subsiary company considering the nature of advances and the long pending recovery of the same has provided an amount of ₹ 1083.61 Lakhs as Expected Credit Loss (ECL) during the previous year and is in the process of estimating if any further ECL/provision is to be made regarding the said Contract Advance. However, the management of the company is confident of recovering the entire advance given to the contractor based on the value of the monetary assets available with the contractor.
20. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
21. Previous period figures have been regrouped to facilitate comparison wherever necessary.

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

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

Place: Hyderabad.
Date: 14th November, 2022