



Date: 17th November, 2015

To,
The General Manager,
The Department of Corporate Relationship,
The Bombay Stock Exchange Limited.,
25th Floor, Phiroz Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

To,
The Listing Department,
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:- Presentation on Q2 & H1 FY-16 Results to Analysts and Market - Reg.,

.....
With reference to above subject, please find enclosed presentation on Q2 & H1 FY-16 Results of the company.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours truly,

For GAYATRI PROJECTS LIMITED


(CS I.V.LAKSHMI)
Company Secretary & Compliance officer

Q2 & H1 FY16 Results Presentation

November, 2015



Disclaimer



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

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

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



Financial Highlights – Q2 & H1 FY16

Order Book

Recent Business Developments

Project Updates

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H1 FY16 Financial Performance – At a Glance



REVENUE	₹722 _{cr}	↑	+11%
EBITDA	₹108 _{cr}	↑	+8%
PAT	₹18 _{cr}	↑	~6x
ORDER BOOK*	~₹10,380 _{cr}		

* As of September, 2015

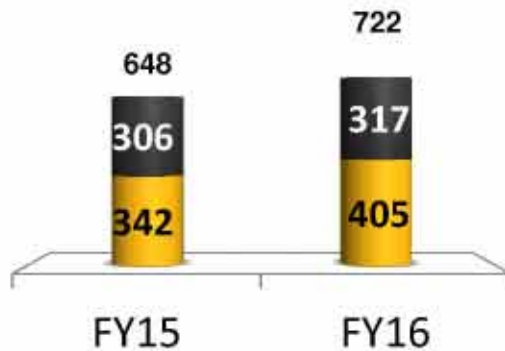
Q2 & H1 FY16 Highlights



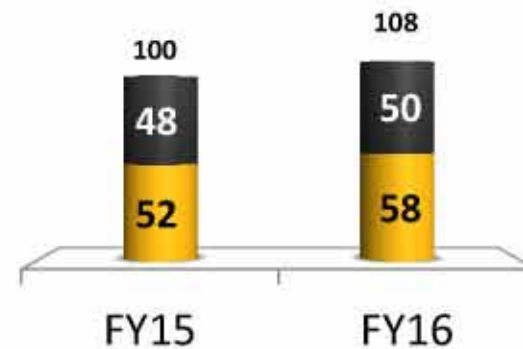
Figs. In crore

■ Q1
■ Q2

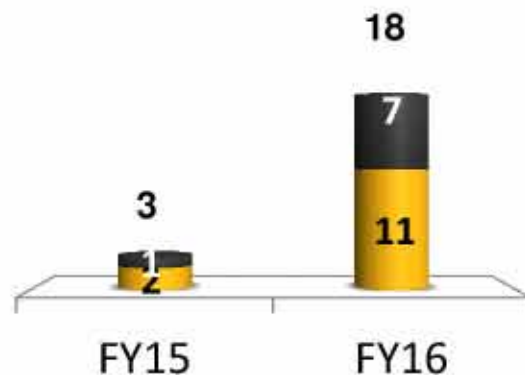
REVENUE



EBITDA



PAT



- Revenue growth of 11% for the half year on account of faster execution of projects, Q2 negatively impacted by seasonal factors
- Marginal decline in operating margins to 14.9% in H1 due to local on-site factors. 2Q saw significant sequential improvement

M.D.'s Comments



Commenting on the results, Mr. Sandeep Kumar Reddy, Managing Director, Gayatri Projects Limited said *"Over the last 6 months we have seen significant improvement in operating environment for government led construction business. Macro tailwind, improved balance-sheet and new business development push have made the period our best ever in terms of new order wins - Rs. 4,393cr - more than doubling our effective order book. This quarter we also made a notable first foray in under-ground mining services business and we are working towards ramping up that business significantly. The construction business execution was seasonally impacted by monsoons and we focused on improving operating margins and balance-sheet flexibility for future growth.*

We continue to see robust execution in owned power project portfolio. Phase II of TPCIL was successfully commissioned taking our operating capacity to 1320MW. We are already seeing benefits of our coastal location, better demand-supply dynamics in southern India and global coal price deflation in reasonably strong performance. PLFs are high and profitability in line with our IRR targets. Under construction assets are rapidly moving towards completion.

Road portfolio performance remains subdued. We are not looking to make any fresh equity investment in the portfolio and during the quarter we have moved further in our efforts to monetize it.

Looking ahead, rapid strides in power generation portfolio, strengthening of core construction business and improving macro-environment for investments is setting stage for significant growth in coming years."



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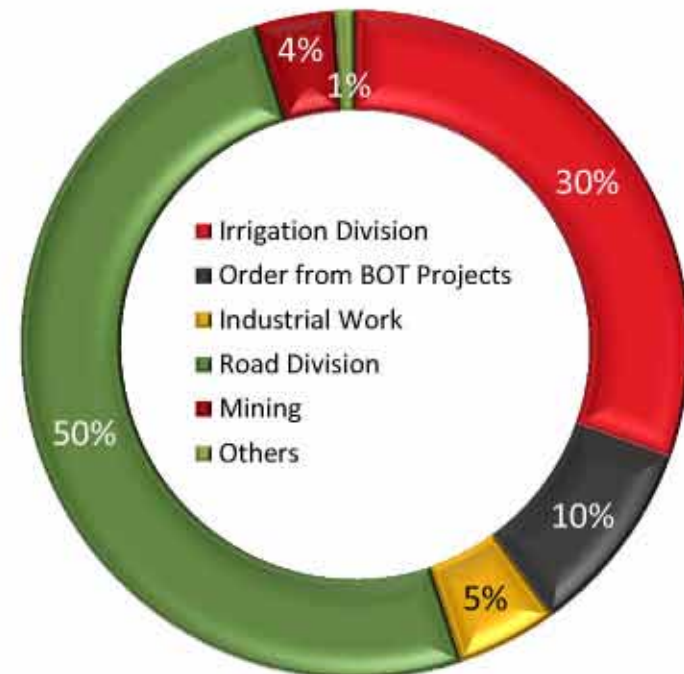
Order Book Update



Order Book - Details

- Q2 saw biggest order book accretion in company's history - Rs. 4,393cr - driving total unexecuted order-book to Rs.10,380 cr
 - 5 Road EPC orders from NHAI adding to Rs. 3,995cr
 - Significant new foray into Underground Mining Services - Rs. 400 cr order from CODCO to work at ECL's Jhanjhra coal mine's long-wall panel
 - Few other L1 positions in road EPC and water sector
- Visibility remains strong on the back of robust order book - expect 20-30% revenue growth over next 3-4 years
- Gradual pick-up in slow moving orders, especially Irrigation projects in AP and Telangana
- Focused on bidding for margin accretive projects

Order Book – Break Up





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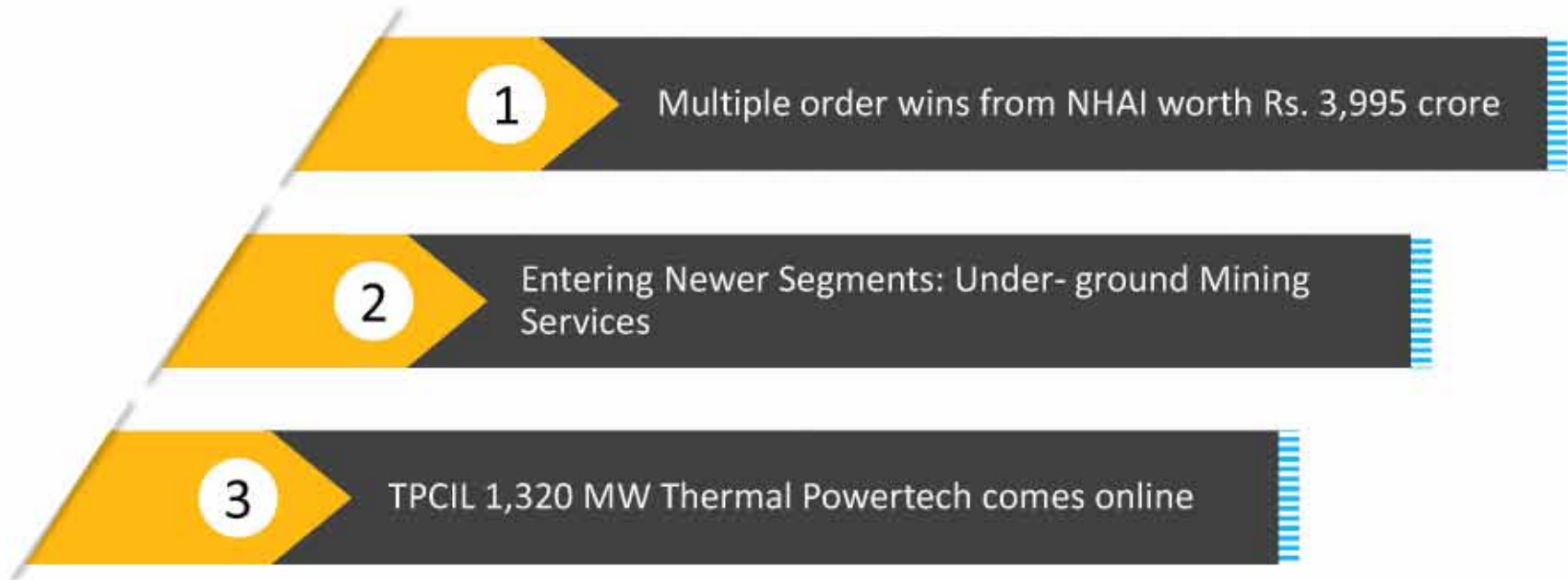
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Recent Business Developments





Bagged multiple NHA orders worth Rs. 3,995 crore

- Order amounting to Rs. 741 crore for 4 – laning of Ghaghra Bridge to Varanasi section of NH -233 from Km 180.420 to Km 240.340 in the State of Uttar Pradesh under NHDP Phase – IV on EPC mode
- Order amounting to Rs. 785 crore for 4-laning of Ghaghra Bridge to Varanasi section of NH – 233 from Km 240.340 to Km 299.350 in the State of Uttar Pradesh under NHDP Phase – IV on EPC mode
- Order amounting to Rs. 986 crore for 4 –laning of Sultanpur to Varanasi section of NH – 56 from Km 134.700 to Km 205.000 in the State of Uttar Pradesh under NHDP Phase – IV on EPC mode
- Order amounting to Rs. 806 crore for 4 – laning of Sultanpur to Varanasi section of NH – 56 from Km 205.000 to Km 263.000 in the State of Uttar Pradesh under NHDP Phase – IV on EPC mode
- Order amounting to Rs. 675 cr for developments 6-lane Eastern Peripheral Expressway (NH NE-II) in the states of Haryana & UP - Package VI from km 114.00 to km 136.00 on EPC mode

Foray in Under-ground Mining Services



Significant growth potential for under-ground mining in India

- Government's 2020 target for 1bn mtpa coal extraction by CIL includes 100mtpa for under-ground mining (vs. current levels of just 37mtpa)



Growth likely to be driven by large scale private participation

- Relatively low expertise in India for large-scale mechanized under-ground mining



Gayatri - aiming to build an early leadership position in the sector

- Acquired a team of professionals with long experience in under-ground mining at Singareni Coalfields. Adding further to the team
- Invested in equipment, built partnerships over last one year
- Ready to bid for all emerging opportunities in the sector
- Targeting a portfolio of services business supporting 10mtpa production over next 5 years



First project win during the quarter

- One of the just 4 privately awarded long-wall mining projects in India
- Partnering with CODCO (China Coal Overseas Development Company), a Beijing based subsidiary of China Coal
- Raising contract: 2mtpa of coking coal for ECL from Jhanjhra underground mine (Durgapur, West Bengal) using modern long-wall mining technology supplied by CODCO
- 6 year initial contract, ready for production in Jan, 2016. Initial contract value Rs. 400 cr

Power Generation Business



- TPCIL's 1320 MW thermal power plant comes online following successful commissioning of phase II
- Plant ramping up very well - 79% PLF in 2Q and running in excess of 82% PLF during the current quarter
- On track for commissioning phase I of NCCPPL power project by Mar, 2016 and full commissioning within 3-4 months of that



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TPCIL's 1,320 MW comes online



Project Description

1,320 MW Thermal Power Plant



Unit 1 (660 MW)

- Fully operational since May, 2015
- Consistently operated at PLFs in excess of 90% since May, 2015

Unit 2 (660 MW)

- Commenced commercial production in 2nd week on Sept, 2015
- Currently going through stabilization phase

Production Update

- The plants operated at 79% PLF in 2Q and are running in excess of 82% PLF in the current quarter
- TPCIL supplied 1,338 mu to the grid in 2Q

NCCPPL – On Track



Project Description

1,320 MW Thermal Power Plant



- Work progressing on schedule, on track for commissioning phase I of the project by March 2015
- 1,320 MW Thermal based project being developed using super critical technology
- Phase II is on target for commissioning with in 3-4 months of Phase I



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Development of Road Assets





Portfolio Summary


- 

Gayatri Infra Ventures Ltd, a subsidiary of Gayatri Projects Ltd dedicated towards development of road assets
- 

Incorporated in 2008; wherein Gayatri Projects Ltd owns 70%; while AMP Capital owns the balance 30%
- 

Balanced portfolio comprising of four annuity and four toll based projects
- 

Balanced portfolio between annuity and toll based offers safety of steady cash flow with the opportunity for upside as traffic volumes improves
- 


Timely receipt of annuity helps maintaining quality of its projects
- 


Revenue generated from toll based projects continue to meet expectations

Annuity Based Projects					
	Status	GIVL Stake	COD	Concession Period (Years)	Length (kms)
Gayatri Jhansi Roadways Limited (GJRL)	PCC Obtained	51%	Jun 2010	20	50.0
Gayatri Lalitpur Roadways Limited (GLRL)	PCC Obtained	51%	Jul 2010	20	50.0
Hyderabad Expressways Limited (HEL)	PCC Obtained	50%	Aug 2011	15	13.0
Cyberabad Expressways Limited (CEL)	PCC Obtained	50%	Mar 2012	15	11.7
Toll based Projects					
	Status	GIVL Stake	COD	Concession Period (Years)	Length (kms)
Western UP Tollways Ltd (WUPTL)	PCC Obtained	49%	Oct 2011	20	78.5
Hyderabad Karimnagar-Ramgundam (HKRRL)	PCC Obtained	50%	May 2014	25	207.0
Indore Dewas Tollways Limited (IDTL)	Under Construction	100%	May 2015	25	45.1
Sai Maatarini Tollways Limited (SMTL) 100% Subsidiary of GPL	Under Construction	100%		24	166.2


Development of Power Assets



 Incorporated in 2008, Gayatri Energy Ventures Ltd is a wholly owned subsidiary of Gayatri Projects Ltd, dedicated towards developing Power Assets

 Current Portfolio:

- TPCIL (31% GEVPL; 69% SembCorp Utilities)
- NCC Power Projects (GEVL holding through investment in NCCIHL)

 Strong Power Plant Economics:

- **Exceptional fuel security:** True port-based location ensures among the best logistics for both imported and domestic coal
- **Global coal price deflation** is making imported coal cheaper than domestic coal on a per GCal, landed at plant basis.
- **Home market - South India - continues to stay power deficit:** shortage of generation capacity and constrained transmission networks
- **Targeting high proportion of sales through long-term PPAs at remunerative rates:** 500MW already in place, L2 for 500MW in a large AP tender, single bidder situation for 500MW+ in another southern state.

Portfolio Summary

	TPCIL	NCCPPL
Capacity	1,320 Mw (2x660 Mw)	1,320 Mw (2x660 Mw)
Location	Near Krishnapatnam port, Andhra Pradesh	Near Krishnapatnam port, Andhra Pradesh
TPC *	9,044 crore	9,900 crore
CFE	Obtained	Obtained
EC	Obtained	Obtained
CL	Signed PPA	LOA Obtained
WL	Obtained	Obtained
PPA	Acquired	In Progress
LA	Acquired	Acquired
FC	Completed	Completed
Current Progress	Fully commissioned in Q2 2016	Expect to commence operations within next 3 quarters

* Revised

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



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- Government's efforts towards reviving investment climate by stepping up infrastructure spend to ensure tender activities remain strong in the near future
- Focusing on improving project execution efficiency. Government's decision to triple spending on road & Highways should keep the order situation vibrant, strong growth in construction order book during FY16 and that should help us sustain a 20-30% topline growth over next 3-4 years.
- Power Assets: Post the successful commissioning of our maiden 1320 MW thermal power project TPCIL, attempts are now being directed towards ramping up unit generation besides improving PLF's & efficiencies. NCCPPL – at least one unit should be operational before the end of FY16. We see no issue in sourcing fuel at competitive rates. We expect to sign long-term PPAs for a high proportion of our capacity by the end of the year.
- Working towards commissioning the last non-operating road in our portfolio during FY17. Do not plan to add to the Road asset portfolio in foreseeable future, no further equity injection is needed and are looking at all options to monetize the portfolio.

CONSTRUCTION



POWER GENERATION ASSETS



ROAD ASSETS





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- Gayatri Projects Limited (Parent Company) core construction Company
- Dedicated subsidiaries to focus on Road and Power segment

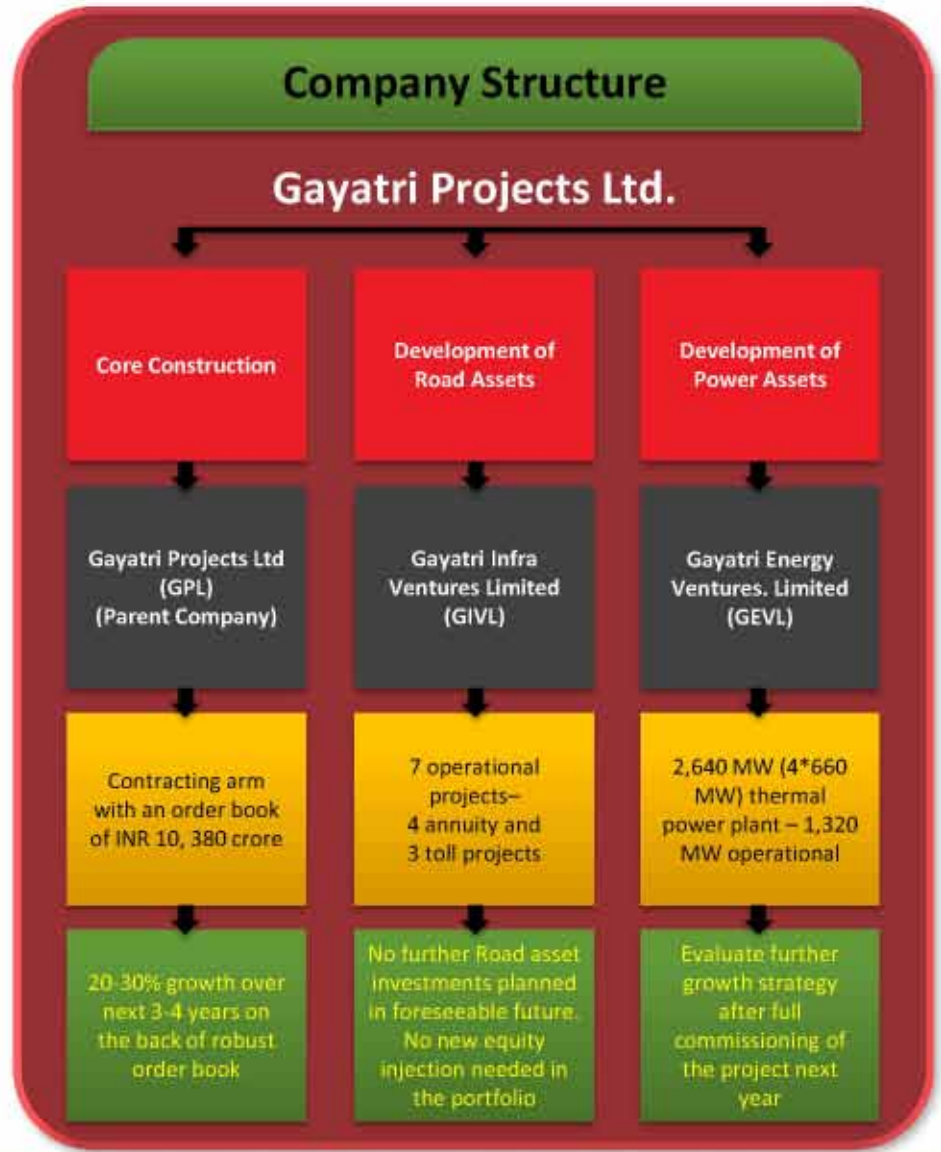
Development of Road Assets:

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

Development of Power Assets:

- GEVPL, dedicated towards development of power assets
- 100% owned Subsidiary of GPL
- Current Portfolio:
- TPCIL: 1,320 MW project
 - GEVPL: 31%
- *NCCPPL: 1,320 MW Project

*Ownership through investment in NCCIHL



Gayatri Projects – Construction arm



- Core Construction Company with a Pan India Presence
- Rich DNA of almost 50 years' experience in Project execution
- Strong order book of ₹10,380 cr (approx.) as on Sep '15
- Client list includes several leading names including NHAI, AAI, Nalco, Tata Steel, Reliance Petroleum etc.
- ISO 9001 – 2000 certified Company
- Owns Extensive fleet of state of the art Construction equipment
 - Heavy Earth Moving Machine: Hydraulic excavators, loaders
 - Concreting Plants: batching plants, transit mixers
 - Road Equipment: vibratory tandem rollers, integrated stone crushing plants
 - Quarry Equipment: Wagon Drills, Jack Hammers
 - Transportation Equipment: Tractors, Water tankers
- Two fold benefits of owning several assets:
 - Lower dependence on external sub contractors
 - Maximizing profits & returns

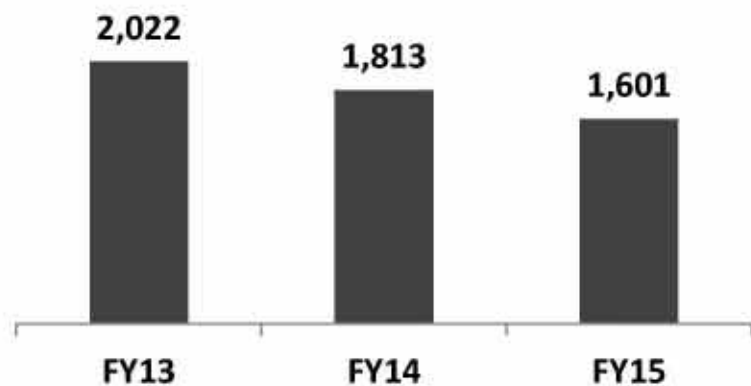


Financial Performance at a Glance...

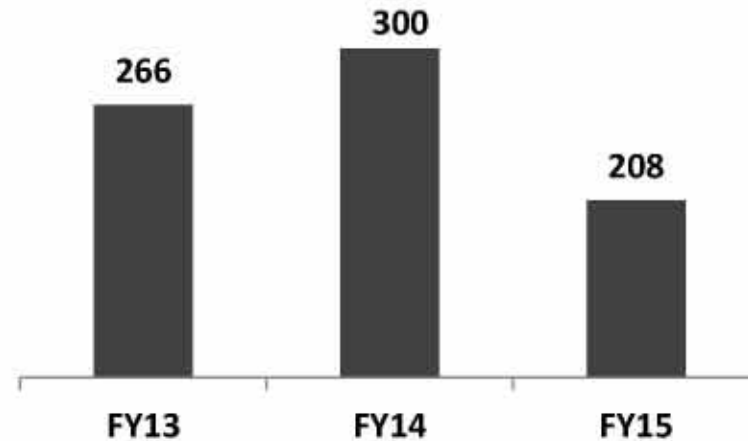


Figs. In crore

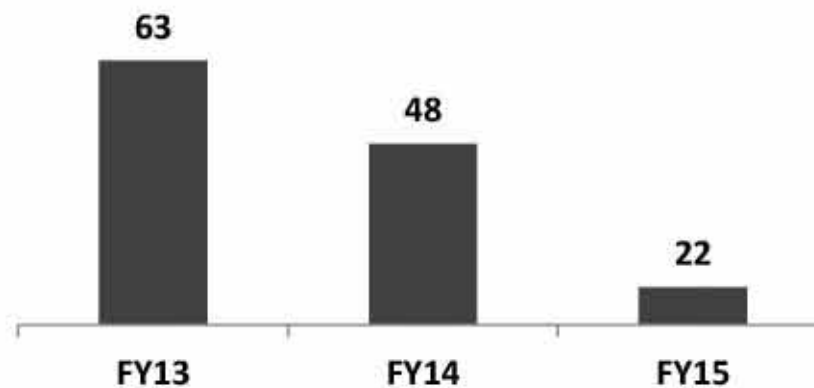
Sales



EBITDA



PAT





For further information please contact:

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Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Gayatri Projects Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances

Overview

Gayatri Projects Limited is a well-established EPC contractor with more than 50 years of experience in construction of Roads, Irrigation, Industrial & Power Transmission projects across India. It separately owns Power Generation Assets and BOT Road Assets through 2 step-down subsidiaries GEVL & GIVL. Gayatri's total current capital employed is split approximately evenly between construction and asset holding businesses.

Divisional Information



Construction

- Rich history of executing construction projects across India
- Gold Medal for Nagarjuna Sagar Project (World's largest Earth Dam)
- Built more than 644kms of roads
- Civil construction at some of the most marquee industrial projects: Tata Steel, Reliance Petroleum, etc.
- Current un-executed order book of ₹10,380 cr with new order wins of ₹4,393 cr in Q2 FY16



Power Generation

- Developing a 2,640MW truly coastal, coal-fired power plant at Krishnapatnam in partnership with SembCorp Industries
 - TPCIL's 1320 Mw project starts commissioning
 - 1st 660MW unit operating since May 2015, at high PLFs
 - Recently commissioned second unit of 660 MW, performing well
 - Other two 660MW units expected to be operational in next 9 months



Road Asset Holding

- Current portfolio of 7 operating and 1 under-construction Road BoT assets with varying levels of ownership
- Split into 4 annuity-based and 4 toll roads
- Gross Capital Employed of more than ₹5,000cr & ₹ 570cr cash invested from GPL balance-sheet across the 8 road assets as of end-FY2015
- Fully-funded business plan - No fresh capital investment by GPL needed in the business
- Company looking for opportunities to monetize the portfolio

Financial Summary (Six Months ended Sep. 30' 2015)

	H1FY15	H1FY16	Y-o-Y (%)
Sales (₹cr)	648	722	11
EBITDA (₹cr)	100	108	8
Net Profit (₹cr)	3	18	433

Major Shareholders (as of Sep. 2015)

Total number of shares outstanding 3.55crore shares. Some of the key shareholders, other than promoters, are **GMO Funds, Bajaj Allianz Life Insurance Company, etc.**

Project Update –Power Generation

- **TPCIL:**
 - **660 MW Phase II** – Commences commercial operations
 - **Entire 1,320 MW** commissioned. Plant operated at 79% PLF in Q2 FY16 and is running in excess of 82% PLF in current quarter
- **NCCPPL** – Work progressing on schedule; hopeful of commissioning phase I by March 2016 and Phase II within 3-4 months of that

Recent Developments

- **Construction Business** –
 - Added ₹4,393 cr new order during the quarter; 5 road EPC orders from NHAI adding up to ₹3,995 cr
 - Significant new foray into underground mining services; ₹400 cr order from CODCO to work at ECL's Jhanjhra coal mine long – wall panel
- **Power Generation Business** – TPCIL's entire 1320 Mw project starts commercial production
 - Phase-I started commercial production in 1Q2016
 - Phase-II started commissioning production in September 2015
 - Running at high PLFs. 79% in Q2 FY16 and in excess of 82% in the current quarter
- **Capital Raising** –
 - Completed an equity raising of 106.4 cr by issue of 5.22 mn shares through a preferential allotment

Order Book

Order Book (as of Sep. 2015) : ~₹10,380 crore



Business Details

Exchanges	NSE, SX- 40 / BSE
Sector	Construction & Engineering
Ticker / Code	GAYAPROJ / 532767
Market Cap	Rs. 2,435 cr
Website	www.gayatri.co.in
Tel:	+91 40 23310330, 233314284
Fax:	+91 40 23398435
Email:	gplhyd@gayatri.co.in
For Investor Queries – Contact	K. G. Naidu (Gayatri Projects) Gavin Desa / Suraj Digawalekar (CDR India)