



June 11, 2021

To The Secretary, Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Maharashtra, India Scrip Code: 532767	To The Manager, Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 Maharashtra, India Scrip Code: GAYAPROJ
---	---

Dear Sir(s), Madam(s),

Sub: Clarification on Announcement by NHAI - Submission of Information as per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Gayatri Projects Limited ("GPL" or the "Company") would like to give a clarification on the recent NHAI announcement which declared GPL as non-performer and prohibited the Company from participating in the ongoing and future bids for the Road projects till defects and deficiencies in one of the GPL's projects were rectified.

The company would like to inform that NHAI officials had found some deficiencies in the Varanasi Sultanpur 4 laning project in UP, where Gayatri is one of the contractors.

- The above project was awarded in January 2016. Out of the total 138Km section, 4-laning has been completed for 129Km, almost 93% of the project. This project has been beset by continued delay in handing over of the land by NHAI. In addition, the land handover has been done in bits and pieces, resulting in overall project delay. Apart from pending land handover, certain works have been halted due to pending approvals and payments to be released by NHAI.
- GPL requested for extension of completion time till October'2021 in anticipation of handing over of balance land and clearing of all pending approvals and payments. Approval of extension of time is under active consideration at NHAI.

Issues pertaining to Cracks and Signages:

- Apart from NHAI's audit team, NHAI appointed a technical survey team from IIT Banaras. In both the reports it was observed that there is no "Quality deficiency" in the works executed by the Contractor.
- Cracks were mainly observed on the concrete surface already constructed, where there has been traffic movement for more than 4 years – much beyond the 'Defect Liability period' given by NHAI. Cracks and other minor defects also occurred due to construction of the road in small bits & pieces – due to land handover deficiencies.
- As the road is still under construction, only working signages have been adopted. Final manufacturing of permanent signages are in process.

C. Sharma



Regd. & Corp. Office :

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

T +91 40 2331 0330 / 4284 / 4296
F +91 40 2339 8435

E gplhyd@gayatri.co.in
www.gayatri.co.in

The rectification of deficiencies identified has been delayed on account of the 2nd wave of the Covid-19 pandemic. However, GPL is engaged in active discussions with the relevant authorities and has raised their objections citing certain technical difficulties at the site. The company will work closely with the authorities to rectify the deficiencies at the earliest and expects the issue to be resolved in the next 2-3 months.

GPL has been engaged in construction activities for more than 40 years and has completed more than 8,000 lane kms of road construction over this period. It is fully committed to highest quality standards and compliance.

Yours faithfully

Gayatri Projects Limited

Chetan K. Sharma

**Chetan Kumar Sharma
Company Secretary &
Compliance Officer**

