

August 13, 2021

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza
Plot no. C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

Dear Sir/ Madam,

Sub: Intimation under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015-Outcome of Board Meeting-August 13, 2021

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we wish to inform that the Board of Directors of the Company at its meeting held on August 13, 2021 (concluded at 7:30 p.m.) have approved *inter-alia*, the following:

- i. Un-audited Financial Results (Standalone and Consolidated), along with Limited Review Report for the quarter ended June 30, 2021 which are enclosed herewith;
- ii. Raising of funds up to ₹6000 Crore in one or more tranche(s), through issue of securities including a Qualified Institutions Placement and/or Foreign Currency Convertible Bonds and/or any other securities as an enabling resolution as per the requirements of applicable laws which shall be subject to approval of shareholders and other regulatory and/or statutory approvals, as applicable.

Further, the copy of Media Release on financial results for the quarter ended June 30, 2021 is also enclosed herewith.

This is for your information and record.

Thanking you

Yours faithfully

for GMR Infrastructure Limited


T. Venkat Ramana
Company Secretary &
Compliance Officer



Encl; As above

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of GMR Infrastructure Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of GMR Infrastructure Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of GMR Infrastructure Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures (refer Annexure 1 for the list of subsidiaries, associates and joint ventures included in the Statement) for the quarter ended 30 June 2021 being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker ChandioK & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi - 110001, India

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We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. As stated in note 2(a) to the accompanying Statement, the Group has an investment amounting to Rs. 1,177.42 crore in GMR Energy Limited ('GEL'), a joint venture company and outstanding loan (including accrued interest) amounting to Rs. 861.19 crore (net of impairment) recoverable from GEL and its subsidiaries and joint ventures as at 30 June 2021. Further, the Holding Company has an investment in GMR Generation Assets Limited ('GGAL'), a subsidiary of the Holding Company. GEL has further invested in GMR Vemagiri Power Generation Limited ('GVPGL'), and GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL'), both subsidiaries of GEL and in GMR Kamalanga Energy Limited ('GKEL'), joint venture of GEL. GGAL has further invested in GMR Rajahmundry Energy Limited ('GREL'), an associate company of GGAL.

As mentioned in note 2(e), GVPGL and GREL have ceased operations due to continued unavailability of adequate supply of natural gas and other factors mentioned in the said note, and have been incurring significant losses, including cash losses with consequential erosion of their respective net worth. Further, GREL had entered into a resolution plan with its lenders to restructure its debt obligations during the year ended 31 March 2019. The Holding Company has given certain corporate guarantees for the loans including Cumulative Redeemable Preference Shares ('CRPS') outstanding in GREL amounting to Rs. 2,055.70 crore.

The carrying value of the investment of the Group in GEL, to the extent of amount invested in GVPGL, and the Holding Company's obligations towards the corporate guarantees given for GREL are significantly dependent on the achievement of key assumptions considered in the valuation performed by the external expert particularly with respect to availability of natural gas, future tariff of power generated and realization of claims for losses incurred in earlier periods from the customer as detailed in the aforementioned note. The Group has provided for its investment in full in GREL and the management is confident that no further obligation would arise for the guarantees provided to the lenders against the servicing of sustainable and unsustainable debts.

As mentioned in note 2(d), the management has accounted the investment in GKEL based on the valuation performed by an external expert using the discounted future cash flows method which is significantly dependent on the achievement of certain assumptions considered in aforementioned valuation such as settlement of disputes with customers and timely realization of receivables, expansion and optimal utilization of existing capacity, rescheduling/refinancing of existing loans at lower rates amongst other key assumptions and the uncertainty and the final outcome of the litigations with the capital creditors as regards claims against GKEL.

Further, as mentioned in note 2(f), GBHPL has stopped the construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand, since 7 May 2014 on the directions of the Hon'ble Supreme Court of India ('the Supreme Court'). The carrying value of the investments in GBHPL is significantly dependent on obtaining requisite approvals from Supreme court, environmental clearances, availability of funding support for development and construction of the aforesaid power plant and achievement of the other key assumptions made in the valuation assessment done by an external expert.

Accordingly, owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the loans, non-current investment, and further provisions, if any, required to be made for the said obligations, and the consequential impact on the accompanying Statement.

The opinion expressed by us on the consolidated financial statements for the year ended 31 March 2021 vide our report dated 18 June 2021 and the conclusion expressed by us for the quarter ended 30 June 2020 vide our review report dated 27 August 2020 was also qualified with respect to the above matters.



The above matter pertaining to investment in GVPGL has been reported as a qualification in the review report dated 02 August 2021 issued by another firm of chartered accountants on the standalone financial results of GVPGL. The matters described above for GREL and GBHPL have been covered as an emphasis of matter in the review report dated 16 July 2021 and 26 July 2021 issued by another firm of chartered accountants on the standalone financial results of GREL and GBHPL respectively. Further, considering the erosion of net worth and net liability position of GKEL, GVPGL, GBHPL and GREL, we, in the capacity of auditors of GKEL and the respective auditors of GVPGL, GBHPL and GREL have also given a separate section on material uncertainty related to going concern in the review reports on the respective standalone financial results of aforesaid companies for the quarter ended 30 June 2021.

5. As detailed below, the Group has not restated the balances of the previous quarters in relation to the following matters in accordance with the requirements of relevant Ind AS:
 - a. As detailed in note 7 to the accompanying Statement, during the quarter ended 30 September 2020, the Holding Company along with Kakinada SEZ Limited ('KSL'), GMR SEZ and Port Holdings Limited ('GSPHL'), Kakinada Gateway Port Limited ('KGPL') had entered into a securities sale and purchase agreement with Aurobindo Reality and Infrastructure Private Limited, ('ARIPL') for the sale of entire 51% stake in KSL held by GSPHL (Securities sale and purchase agreement hereinafter referred as 'SSPA') and accordingly the assets and liabilities pertaining to KSL and KGPL were classified as disposal group. Pending certain government approvals, the Group had not accounted for the impact on the carrying value of the aforesaid assets (net of liabilities) basis the fair value of the consideration agreed in the SSPA in the quarter ended 30 September 2020 as explained in the note, which is not in accordance with the requirements of Ind AS 105, Non-current assets held for sale and Discontinued operations and on receipt of the requisite approvals in the quarter ended 31 March 2021 the Group had accounted for the aforesaid transaction and had recognised an exceptional loss in the quarter ended 31 March 2021 amounting to Rs. 137.99 crore.
 - b. As detailed in note 8 to the accompanying Statement, refund claim of service tax and cess thereon which were pending adjudication at various levels with respect to Delhi Duty Free Services Private Limited ('DDFS'), a joint venture of the Group for an aggregate claim of Rs. 194.91 crore for the period April 2010 to December 2016. Based on legal advice, the management had recognised income with respect to such claims along with corresponding recoverable during the quarter ended 30 September 2020. However, based on orders rejecting the aforementioned claims by the authorities in respect of the matter during the quarter, DDFS had reversed the aforementioned income during the quarter ended 31 March 2021.
 - c. As detailed in note 10 (a) to the accompanying Statement, Delhi International Airport Limited ('DIAL'), a subsidiary of the Holding Company, had not recognized lease income amounting Rs. 115.96 crore and Rs. 442.46 crore arising from rental agreements entered with certain commercial property developers ('CPDs') for the quarter ended 30 June 2020 and the nine months ended 31 December 2020, respectively. Based on the ongoing negotiations with the CPDs, DIAL had accounted for such income during the quarter ended 31 March 2021.

The above matter described in 5(c) has also been reported as a qualification in the review report dated 20 July 2021 issued by us along with other joint auditor on the standalone unaudited condensed interim financial statements of DIAL for the quarter ended 30 June 2021.

The opinion expressed by us on the consolidated financial results for the quarter and year ended 31 March 2021 vide our audit report dated 18 June 2021 was also qualified in respect of above matters. Further, the conclusion expressed by us on the consolidated financial results of the Group for the quarter ended 30 June 2020 vide our review report dated 27 August 2020 was qualified with respect to the accounting treatment of the transaction described in 5(c) above not being in accordance with the requirements of applicable Ind AS.



Had the management accounted for the aforesaid matters in the correct period then the Exceptional loss for the quarter ended 31 March 2021 would have been lower by Rs. 183.08 crore, share of loss of associates and joint ventures for quarter ended 31 March 2021 would have been lower by Rs. 55.00 crore, other operating income for the quarter ended 31 March 2021 will be lower by Rs. 442.46 crore, Revenue share paid/payable on concessionaire grantors for the quarter ended 31 March 2021 will be lower by Rs. 203.50 crore, other operating income for the quarter ended 30 June 2020 would have been higher by Rs. 115.96 crore and Revenue share paid/payable on concessionaire grantors for the quarter ended 30 June 2020 would have been higher by Rs. 53.33 crore.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 9 below except for the possible effects of the matters described in previous section nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We draw attention to:
 - a. Note 14 of the accompanying Statement, which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the consolidated financial results of the Group as at the reporting date. Our conclusion is not modified in respect of this matter.
 - b. Note 2(b) and 2(c) to the accompanying Statement which is in addition to the matters described in paragraph 4 above, regarding the investment made by the Group in GEL amounting to Rs. 1,177.42 crore as at 30 June 2021. The recoverability of such investment is further dependent upon various claims, counter claims and other receivables from customers of GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, which are pending settlement / realization as on 30 June 2021, and certain other key assumptions as considered in the valuation performed by an external expert, including capacity utilization of plant in future years, management's plan for entering into a new long-term power purchase agreement ('PPA') to replace the PPA expired in June 2020 with one of its customers and the pending outcome of the Prudential Framework for Stressed Assets as prescribed by the Reserve Bank of India ('RBI'), being discussed with the lenders of GWEL, as explained in the said note.

The above claims also include disputed claims pertaining to recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') by GWEL. GWEL has disputed the contention of MSEDCL that the cost of transmission charges are to be paid by GWEL. Based on the Order of the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated 8 May 2015, currently contested by MSEDCL in the Supreme Court and pending conclusion, GWEL has accounted for reimbursement of such transmission charges in the Statement of Profit and Loss amounting to Rs. 617.20 crore for the period from 17 March 2014 to 30 June 2021 and transmission charges invoiced directly to MSEDCL by Power Grid Corporation Limited for the period December 2020 to March 2021 as contingent liability, as further described in aforesaid note.

The management of the Holding Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment of the Group in GEL, taking into account the matters described above in relation to the investments made by GEL in its aforementioned subsidiaries, is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying Statement for the quarter ended 30 June 2021. Our conclusion is not modified in respect of this matter.



The above matters with respect to GWEL are also reported as emphasis of matter in the review report dated 26 July 2021 issued by other firm of chartered accountants on the standalone financial results of GWEL for the quarter ended 30 June 2021. Further, a separate section on material uncertainty of going concern has also been reported in the aforesaid auditor's review report on the standalone financial results of GWEL and in the review report issued by us on the standalone financial results of GEL vide our report dated 05 August 2021, for the quarter ended 30 June 2021.

- c. Note 4 to the accompanying Statement relating to certain claims and counter claims filed by GMR Power Corporation Limited ('GPCL'), (an erstwhile step down subsidiary of the Holding Company, now merged with GMR Generation Assets Limited ('GGAL'), a subsidiary of the Holding Company vide National Company Law Tribunal ('NCLT') order dated 13 March 2020, and Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) which are pending before the Honorable Supreme Court of India and Appellate Tribunal For Electricity ('APTEL') as detailed in the aforesaid note. Based on its internal assessment and legal opinion, pending final outcome of the litigation, the management is of the view that no adjustments are required to be made to the accompanying Statement for the aforesaid matter. Our conclusion is not modified in respect of this matter.

The above matter is also reported as an emphasis of matter in the review report dated 29 July 2021 issued by another firm of chartered accountants on the standalone financial results of GGAL for the quarter ended 30 June 2021. Further, considering the erosion of net worth and net liability position of GGAL, the auditor has also given a separate section on the material uncertainty relating to going concern in their review report.

- d. Note 5 and 6 to the accompanying Statement which relates to the ongoing arbitrations with National Highways Authority of India (NHAI) for compensation of losses being incurred by GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') and GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL'), step-down subsidiaries of the Holding Company, since the commencement of commercial operations. Pending outcome of the aforementioned arbitration proceedings, GHVEPL has not paid to NHAI an amount of Rs. 838.92 crore as at 30 June 2021 towards additional concession fee along with interest thereon. Further, GACEPL's claim for compensation of losses had been rejected by majority decision by the Arbitration Tribunal and the management has filed an appeal with the Hon'ble High Court of Delhi which has admitted the application for claim for compensation of losses and dismissed the application for stay on payment of negative grant. GACEPL has further filed a special leave petition before Hon'ble Supreme Court of India for seeking an interim relief on payment of negative grant. Pending disposal of such petition, as further explained in the note 5, GACEPL has not provided for interest on the negative grant amounting to Rs. 60.33 crore calculated upto 25 August 2020 in the accompanying Statement.

Further, based on management's internal assessment of compensation inflows, external legal opinions and valuation performed by independent experts, the management is of the view that the recoverable amounts of the carriageways of GACEPL and GHVEPL is assessed to be in excess of the respective carrying values amounting Rs. 338.16 crore and Rs. 1,907.83 crore as at 30 June 2021. Currently, useful life of 25 years has been considered in arriving at the carrying value and amortisation of carriageways of GHVEPL, on the basis of management's plan to develop the six-lane project within the contractually stipulated timelines ending in April 2024. This useful life is subject to the outcome of the dispute between the Company and NHAI in relation to the restriction of concession period by NHAI to 15 years and withdrawal of six laning of the highway project, in which case the useful life will need to be revised. The management has obtained a legal opinion and is of the view that the original contractual term of 25 years is likely to be enforced and accordingly, no adjustments to the consolidated financial results are considered necessary. Our conclusion is not modified in respect of this matter.



The above matters have also been reported as an emphasis of matters in the review reports dated 28 July 2021 and 28 July 2021 issued by other firms of chartered accountants on the standalone financial results of the GACEPL and GHVEPL, respectively, for the quarter ended 30 June 2021. Further, considering the erosion of net worth and net liability position of these entities, such auditors have also given a separate section on the material uncertainty relating to going concern in their respective review reports.

- e. Note 12(a) and 12(b) to the accompanying Statement, which describes the uncertainty relating to the outcome of litigation pertaining to the costs related to procurement of security equipment, construction of residential quarters for Central Industrial Security Force deployed at the Rajiv Gandhi International Airport, Hyderabad and other costs which have been adjusted from the PSF (SC) Fund upto 31 March 2018, pending final decision from the Hon'ble High Court of Telangana and the consequential instructions from the Ministry of Civil Aviation. Our conclusion is not modified in respect of this matter.

The above matter has also been reported as an emphasis of matter in the review report dated 19 July 2021 issued by us along with other joint auditor on the standalone financial results for the quarter ended 30 June 2021 of GMR Hyderabad International Airport Limited, a subsidiary of the Holding Company.

- f. Note 3 to the accompanying Statement, which describes the uncertainty related to the outcome of a tax assessment from Maldives Inland Revenue Authority ('MIRA') on business profit tax. As per the statement issued by MIRA dated 31 December 2020, GMR Male International Airport Private Limited ('GMIAL') has to settle business profit tax amounted to USD 0.72 crore and fines on business profit tax amounted to USD 0.68 crore. As per the letter dated 22 January 2020 issued by the Ministry of Finance Male, Republic of Maldives, "the amount of tax assessed by the MIRA relating to the final arbitration award is only USD 0.59 crore and this amount should be paid by whom the payment was settled to GMIAL in the event of any tax payable by GMIAL". Further the letter also confirms that GMIAL is not liable to pay for the taxes assessed by MIRA on the arbitration sum and the Government of Maldives have initiated communication with MIRA to settle the taxes and fines payable on the arbitration award. Accordingly, the ultimate outcome of the business tax assessment sent by the MIRA cannot be determined and hence, the effect on the financial results is uncertain. Accordingly, the Group has not made any provision in these consolidated financial results. Our conclusion is not modified in respect of this matter.

The above matter has also been reported as an emphasis of matter in the review report dated 14 June 2021 issued by other firm of chartered accountants on the standalone financial results of GMIAL for the quarter ended 31 March 2021.

- g. Note 10(b) to the accompanying statement in relation to ongoing litigation / arbitration proceedings between Delhi International Airport Limited and Airport Authority of India (AAI) in respect of Monthly Annual Fee (MAF) for the period 1 April 2020 to 31 March 2021 and for the quarter ended 30 June 2021 for which the Company has sought to be excused from making payment to AAI as triggered from a force majeure event, which could have a significant impact on the accompanying statement, if the potential exposure were to materialize. The outcome of such litigation / arbitration proceedings is currently uncertain and basis internal assessment and legal opinion, pending final outcome of the litigation, the management is of the view that no further adjustments are required to be made to the accompanying Statement for the aforesaid matter other than the reversal of the expense for Revenue share paid/payable to concessionaire grantors and recognition of provision for advance paid under protest to AAI under the head Other expenses for the quarter ended 30 June 2020, as explained in the aforementioned note. Our conclusion is not modified in respect of this matter.

The above matter in relation to ongoing litigation has also been reported as an emphasis of matter in the review report dated 20 July 2021 issued by us along with other joint auditor on the standalone unaudited condensed interim financial statements for the quarter ended 30 June 2021 of Delhi International Airport Limited, a subsidiary of the Holding Company.



- h. We draw attention to note 7 to the accompanying Statement in relation to the recoverability of sale consideration receivable as at 30 June 2021 amounting to Rs. 741.50 crore pursuant to the sale of equity stake and inter-corporate deposits given to KSEZ which is dependent on the achievement of the milestones as detailed in the aforementioned note. Such, achievement of milestones is significantly dependent on future development in the Kakinada SEZ and basis independent assessment by property consultancy agency, management is confident of achieving such milestones and is of the view that no adjustment to the aforesaid balance is required to be made in the accompanying Statement. Our conclusion is not modified in respect of this matter.
8. We have jointly reviewed with another auditor, the interim financial results and other financial information of 2 subsidiaries included in the Statement, whose financial results reflects (before adjustments for consolidation) total revenues (including other income) of Rs. 769.62 crore, total net loss after tax of Rs. 46.46 crore and total comprehensive loss of Rs. 23.30 crore for the quarter ended on 30 June 2021, as considered in the Statement. For the purpose of our conclusion on the consolidated financial results, we have relied upon the work of such other auditor, to the extent of work performed by them.
9. We did not review the interim financial results of 70 subsidiaries and 1 joint operation included in the Statement (including 8 subsidiaries consolidated for the quarter ended 31 March 2021, with a quarter lag, and 1 joint operation consolidated for the quarter ended 31 March 2021 with a quarter lag), whose financial information reflect (before adjustments for consolidation) total revenues of Rs. 1,064.00 crore, total net loss after tax of Rs. 219.08 crore and total comprehensive loss of Rs. 221.69 crore, for the quarter ended on 30 June 2021, as considered in the statement. The Statement also includes the Group's share of net profit after tax of Rs. 115.04 crore and total comprehensive income of Rs. 115.22 crore for the quarter ended on 30 June 2021, as considered in the Statement, in respect of 2 associates and 42 joint ventures (including 24 joint ventures consolidated for the quarter ended 31 March 2021, with a quarter lag), whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries/ joint operation/ associates/ joint ventures is based solely on the review report of such other auditors and the procedures performed by us as stated in paragraph 6 above.

Further, of these subsidiaries, joint operation, associates, joint ventures 8 subsidiaries, 1 joint operation and 27 joint ventures are located outside India, whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries, joint operation, associates and joint ventures from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances and affairs of these subsidiaries, joint operation, associates and joint ventures is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion is not modified in respect of these matters.

10. The Statement includes the interim financial results of 11 subsidiaries (including 10 subsidiaries consolidated for the quarter ended 31 March 2021, with a quarter lag), which have not been reviewed/audited by their auditors, whose interim financial results reflect (before adjustment for consolidation) total revenues of Rs. 19.01 crore, net profit after tax of Rs. 11.00 crore and total comprehensive income of Rs. 6.23 crore for the quarter ended 30 June 2021, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 1.59 crore and total comprehensive loss of Rs. 1.60 crore for the quarter ended on 30 June 2021, in respect of 1 associates and 9 joint ventures (including 6 joint ventures consolidated for the quarter ended 31 March 2021, with a quarter lag), based on their interim financial results, which have not



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been reviewed/audited by their auditors, and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures are based solely on such unaudited/unreviewed interim financial results. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial results certified by the Board of Directors.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013


Neeraj Sharma
Partner
Membership No. 502103



UDIN 21502103AAAADM1678

Place: Greater Noida
Date: 13 August 2021

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Annexure 1

List of entities included in the Statement

S. No.	Name of the entity	Relation
1	GMR Infrastructure Limited (GIL)	Holding Company
2	GMR Energy Trading Limited (GETL)	Subsidiary
3	GMR Londa Hydropower Private Limited (GLHPPL)	Subsidiary
4	GMR Generation Assets Limited (GGAL)	Subsidiary
5	GMR Power Infra Limited (GPIL)	Subsidiary
6	GMR Highways Limited (GMRHL)	Subsidiary
7	GMR Tambaram Tindivanam Expressways Limited (GTTEPL)	Subsidiary
8	GMR Tuni Anakapalli Expressways Limited (GTAEPL)	Subsidiary
9	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	Subsidiary
10	GMR Pochanpalli Expressways Limited (GPEL)	Subsidiary
11	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	Subsidiary
12	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	Subsidiary
13	GMR Hyderabad International Airport Limited (GHIAL)	Subsidiary
14	Gateways for India Airports Private Limited (GFIAL)	Subsidiary
15	GMR Aerostructure Services Limited (GASL)	Subsidiary
16	GMR Hyderabad Aerotropolis Limited (GHAL)	Subsidiary
17	GMR Hyderabad Aviation SEZ Limited (GHASL)	Subsidiary
18	GMR Air Cargo and Aerospace Engineering Limited (GACAEL) (formerly GMR Aerospace Engineering Limited (GAEL))	Subsidiary
19	GMR Aero Technic Limited (GATL)	Subsidiary
20	GMR Airport Developers Limited (GADL)	Subsidiary
21	GMR Hospitality and Retail Limited (GHRL)	Subsidiary
22	Delhi International Airport Limited (DIAL)	Subsidiary
23	Delhi Aerotropolis Private Limited (DAPL)	Subsidiary
24	Delhi Airport Parking Services Private Limited (DAPSL)	Subsidiary
25	GMR Airports Limited (GAL)	Subsidiary
26	GMR Aviation Private Limited (GAPL)	Subsidiary
27	GMR Krishnagiri SIR Limited (GKSIR)	Subsidiary
28	Advika Properties Private Limited (APPL)	Subsidiary
29	Aklima Properties Private Limited (AKPPL)	Subsidiary
30	Amartya Properties Private Limited (AMPPL)	Subsidiary
31	Baruni Properties Private Limited (BPPL)	Subsidiary
32	Bougainvillea Properties Private Limited (BOPPL)	Subsidiary
33	Camelia Properties Private Limited (CPPL)	Subsidiary
34	Deepesh Properties Private Limited (DPPL)	Subsidiary
35	Eila Properties Private Limited (EPPL)	Subsidiary
36	Gerbera Properties Private Limited (GPL)	Subsidiary
37	Lakshmi Priya Properties Private Limited (LPPPL)	Subsidiary
38	Honeysuckle Properties Private Limited (HPPL)	Subsidiary
39	Idika Properties Private Limited (IPPL)	Subsidiary
40	Krishnapriya Properties Private Limited (KPPL)	Subsidiary
41	Larkspur Properties Private Limited (LAPPL)	Subsidiary



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S. No.	Name of the entity	Relation
42	Nadira Properties Private Limited (NPPL)	Subsidiary
43	Padmapriya Properties Private Limited (PAPPL)	Subsidiary
44	Prakalpa Properties Private Limited (PPPL)	Subsidiary
45	Purnachandra Properties Private Limited (PUPPL)	Subsidiary
46	Shreyadita Properties Private Limited (SPPL)	Subsidiary
47	Pranesh Properties Private Limited (PRPPL)	Subsidiary
48	Sreepa Properties Private Limited (SRPPL)	Subsidiary
49	Radhapriya Properties Private Limited (RPPL)	Subsidiary
50	Asteria Real Estates Private Limited (AREPL)	Subsidiary
51	Lantana Properties Private Limited (LPPL)	Subsidiary
52	Namitha Real Estates Private Limited (NREPL)	Subsidiary
53	Honey Flower Estates Private Limited (HFEPL)	Subsidiary
54	GMR SEZ and Port Holdings Limited (GSPHL)	Subsidiary
55	Suzone Properties Private Limited (SUPPL)	Subsidiary
56	Lilliam Properties Private Limited (LPPL)	Subsidiary
57	GMR Corporate Affairs Private Limited (GCAPL)	Subsidiary
58	Dhruvi Securities Private Limited (DSPL)	Subsidiary
59	GMR Business Process and Services Private Limited (GBPSPL)	Subsidiary
60	Raxa Security Services Limited (RSSL)	Subsidiary
61	GMR Goa International Airport Limited (GIAL)	Subsidiary
62	GMR Infra Developers Limited (GIDL)	Subsidiary
63	GMR Energy (Cyprus) Limited (GECL)	Subsidiary
64	GMR Energy (Netherlands) B.V. (GENBV)	Subsidiary
65	GMR Energy Projects (Mauritius) Limited (GEPML)	Subsidiary
66	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Subsidiary
67	GMR Coal Resources Pte Limited (GCRPL)	Subsidiary
68	GADL International Limited (GADLIL)	Subsidiary
69	GMR Male International Airport Private Limited (GMIAL)	Subsidiary
70	GMR Airports (Mauritius) Limited (GAML)	Subsidiary
71	GMR Infrastructure (Mauritius) Limited (GIML)	Subsidiary
72	GMR Infrastructure (Cyprus) Limited (GICL)	Subsidiary
73	GMR Infrastructure Overseas Limited (GIOL)	Subsidiary
74	GMR Infrastructure (UK) Limited (GIUL)	Subsidiary
75	GMR Infrastructure (Global) Limited (GIGL)	Subsidiary
76	Indo Tausch Trading DMCC (ITTD)	Subsidiary
77	GMR Infrastructure (Overseas) Limited (GI(O)L)	Subsidiary
78	GMR Airports International B.V (GIABV)	Subsidiary
79	GMR Airports (Singapore) Pte. Ltd. (GASPL)	Subsidiary
80	GMR Nagpur International Airport Limited (NIAL)	Subsidiary
81	GMR Power & Urban Infra Limited (GPUIL)	Subsidiary
82	GMR Kannur Duty Free Services Limited (GKDFRL)	Subsidiary
83	GMR Mining & Energy Private Limited (GMEL)	Subsidiary
84	GMR Airports Greece Single Member SA (GAGSMA)	Subsidiary
85	GMR Vishakhapatnam International Airport Limited (GVIAL)	Subsidiary
86	GMR Hyderabad Airport Assets Limited (GHAAL)	Subsidiary



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S. No.	Name of the entity	Relation
87	Megawide GISPL Construction Joint Venture (MGCJV)	Joint Operation
88	GMR Energy Limited (GEL)	Joint venture
89	GMR Energy (Mauritius) Limited (GEML)	Joint venture
90	GMR Lion Energy Limited (GLEL)	Joint venture
91	Karnali Transmission Company Private Limited (KTCPL)	Joint venture
92	GMR Kamalanga Energy Limited (GKEL)	Joint venture
93	GMR Vemagiri Power Generation Limited (GVPGL)	Joint venture
94	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	Joint venture
95	GMR Consulting Services Limited (GCSPL)	Joint venture
96	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	Joint venture
97	GMR Warora Energy Limited (GWEL)	Joint venture
98	GMR Bundelkhand Energy Private Limited (GBEPL)	Joint venture
99	GMR Rajam Solar Power Private Limited (GRSPPL)	Joint venture
100	GMR Maharashtra Energy Limited (GMAEL)	Joint venture
101	GMR Gujarat Solar Power Limited (GGSPPL)	Joint venture
102	GMR Indo-Nepal Energy Links Limited (GINELL)	Joint venture
103	GMR Indo-Nepal Power Corridors Limited (GINPCL)	Joint venture
104	GMR Tenaga Operations & Maintenance Private Limited (GTOM)	Joint venture
105	Rampia Coal Mine and Energy Private Limited (RCMEPL)	Joint venture
106	GMR Upper Karnali Hydropower Limited (GUKPL)	Joint venture
107	Delhi Duty Free Services Private Limited (DDFS)	Joint venture
108	Laqshya Hyderabad Airport Media Private Limited (Laqshya)	Joint venture
109	Delhi Aviation Services Private Limited (DASPL)	Joint venture
110	Delhi Aviation Fuel Facility Private Limited (DAFF)	Joint venture
111	GMR Megawide Cebu Airport Corporation (GMCAC)	Joint venture
112	SSP Mactan Cebu Corporation (SMCC)	Joint venture
113	Mactan Travel Retail Group Corp. (MTRGC)	Joint venture
114	Limak GMR Construction JV (CJV)	Joint venture
115	Megawide GMR Construction Joint Venture, Inc (MGCJV, Inc)	Joint venture
116	PT Golden Energy Mines Tbk (PTGEMS)	Joint venture
117	PT Dwikarya Sejati Utma (PTDSU)	Joint venture
118	PT Duta Sarana Internusa (PTDSI)	Joint venture
119	PT Barasentosa Lestari (PTBSL)	Joint venture
120	PT Unsoco (PT)	Joint venture
121	PT Roundhill Capital Indonesia (RCI)	Joint venture
122	PT Borneo Indobara (BIB)	Joint venture
123	PT Kuansing Inti Makmur (KIM)	Joint venture
124	PT Karya Cemerlang Persada (KCP)	Joint venture
125	PT Bungo Bara Utama (BBU)	Joint venture
126	PT Bara Harmonis Batang Asam (BHBA)	Joint venture
127	PT Berkat Nusantara Permai (BNP)	Joint venture
128	PT Tanjung Belit Bara Utama (TBBU)	Joint venture
129	PT Trisula Kencana Sakti (TKS)	Joint venture
130	PT Era Mitra Selaras (EMS)	Joint venture
131	PT Wahana Rimba (WRL)	Joint venture



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S. No.	Name of the entity	Relation
132	PT Berkat Satria Abadi (BSA)	Joint venture
133	GEMS Trading Resources Pte Limited (GEMSCR)	Joint venture
134	PT Kuansing Inti Sejahtera (KIS)	Joint venture
135	PT Bungo Bara Makmur (BBM)	Joint venture
136	PT GEMS Energy Indonesia (PTGEI)	Joint venture
137	PT Karya Mining Solution (KMS) (formerly PT Bumi Anugerah Semesta (BAS))	Joint venture
138	GIL SIL JV	Joint venture
139	GMR Logistics Park Private Limited (GLPPL)	Joint venture
140	Heraklion Crete International Airport S.A. (Crete)	Joint venture
141	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)	Associate
142	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	Associate
143	TIM Delhi Airport Advertising Private Limited (TIM)	Associate
144	GMR Rajahmundry Energy Limited (GREL)	Associate
145	Digi Yatra Foundation (DYF)	Associate



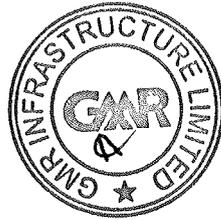
GMR Infrastructure Limited				
Corporate Identity Number (CIN): L45203MH11996PLC281138 Registered Office: Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East), Mumbai, Mumbai City, Maharashtra- 400 051 Phone: +91-22-42028000 Fax: +91-22-42028004 Email: gil.cosecy@gmrgroup.in Website: www.gmrgroup.in				
Statement of consolidated financial results for the quarter ended June 30, 2021				
Particulars	(Rs. in crore)			
	Quarter ended			Year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	Unaudited	(Refer Note 18)	Unaudited	Audited
A. Continuing operations				
I. Income				
a) Revenue from operations				
i) Sales/ income from operations	1,508.58	1,633.76	1,006.43	5,198.59
ii) Other operating income (refer note 17)	267.29	686.77	127.63	1,030.79
b) Other income				
i) Foreign exchange fluctuations gain (net)	40.39	-	1.84	-
ii) Other income - others	81.09	198.72	88.54	634.08
Total Income	1,897.35	2,519.25	1,224.44	6,863.46
2. Expenses				
a) Revenue share paid/ payable to concessionaire grantors (refer note 10(b))	117.92	249.29	45.57	484.87
b) Cost of materials consumed	168.27	322.29	134.23	755.94
c) Purchase of traded goods	433.24	172.62	283.06	954.37
d) Decrease/(increase) in stock in trade	2.39	4.74	(0.03)	16.55
e) Sub-contracting expenses	101.48	68.57	55.70	287.66
f) Employee benefit expenses	202.86	190.61	197.78	754.64
g) Finance costs	748.51	763.82	781.03	3,172.17
h) Depreciation and amortisation expenses	228.82	232.57	263.13	1,004.54
i) Other expenses (refer note 10(b))	327.79	453.58	436.69	1,786.57
j) Foreign exchange fluctuations loss (net)	-	15.02	-	110.07
Total expenses	2,331.28	2,473.11	2,197.16	9,327.38
3. (Loss) / profit before share of loss of investments accounted for using equity method, exceptional items and tax from continuing operations (1) - (2)	(433.93)	46.14	(972.72)	(2,463.92)
4. Share of profit / (loss) of investments accounted for using equity method	77.26	(226.21)	(12.21)	(345.69)
5. Loss before exceptional items and tax from continuing operations (3) + (4)	(356.67)	(180.07)	(984.93)	(2,809.61)
6. Exceptional items (refer note 15)	-	(585.48)	-	(880.57)
7. Loss before tax from continuing operations (5) + (6)	(356.67)	(765.55)	(984.93)	(3,690.18)
8. Tax credit on continuing operations (net)	(38.77)	(40.08)	(151.08)	(262.43)
9. Loss after tax from continuing operations (7) - (8)	(317.90)	(725.47)	(833.85)	(3,427.75)



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Particulars	(Rs. in crore)			
	Quarter ended			Year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	Unaudited	(Refer Note 18)	Unaudited	Audited
B. Discontinued operations				
10. (Loss) / Profit before tax expenses from discontinued operations	(0.01)	2.11	(0.02)	(0.02)
11. Tax expenses on discontinued operations (net)	-	-	-	-
12. (Loss) / profit after tax from discontinued operations (10) - (11)	(0.01)	2.11	(0.02)	(0.02)
13. Loss after tax for the respective periods (9) + (12)	(317.91)	(723.36)	(833.87)	(3,427.77)
14. Other comprehensive income (net of tax)				
Items that will be reclassified to profit or loss	(33.29)	(161.55)	163.46	195.06
Items that will not be reclassified to profit or loss	0.19	2.15	0.42	2.58
Total other comprehensive income, net of tax for the respective periods	(33.10)	(159.40)	163.88	197.64
15. Total comprehensive income attributable to (13) + (14)	(351.01)	(882.76)	(669.99)	(3,230.13)
a) Owners of the Company	(299.36)	(879.51)	(459.50)	(2,657.63)
b) Non controlling interest	(51.65)	(3.25)	(210.49)	(572.50)
16. Paid-up equity share capital (Face value - Re. 1 per share)	603.59	603.59	603.59	603.59
17. Total equity (excluding equity share capital)				714.97
18. Earnings per share - basic and diluted - (Rs.) (not annualised)				
a) Basic and diluted earning per share	(0.42)	(1.30)	(0.98)	(4.63)
b) Basic and diluted earning per share from continuing operations	(0.42)	(1.30)	(0.98)	(4.63)
c) Basic and diluted earning per share from discontinued operations	-	-	-	-



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GMR Infrastructure Limited				
Consolidated statement of segment revenue, results, assets and liabilities				
Particulars	Quarter ended			Year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	Unaudited	(Refer Note 18)	Unaudited	Audited
	(Rs. in crore)			
1. Segment revenue				
a) Airports	898.22	1,530.50	494.38	3,469.45
b) Power	446.70	196.95	300.59	1,023.40
c) Roads	122.23	133.57	86.37	496.87
d) EPC	268.28	409.92	223.46	1,081.69
e) Others	101.29	109.72	93.42	449.16
	1,836.72	2,380.66	1,198.22	6,520.57
Less: inter segment	(60.85)	(60.13)	(64.16)	(291.19)
Segment revenue from operations	1,775.87	2,320.53	1,134.06	6,229.38
2. Segment results				
a) Airports	(157.16)	152.99	(644.48)	(1,365.48)
b) Power	93.68	(98.74)	8.68	(245.18)
c) Roads	40.80	51.98	36.00	152.65
d) EPC	18.85	28.47	26.78	105.45
e) Others	(7.21)	69.91	(1.60)	157.83
Total segment results	(11.04)	204.61	(574.62)	(1,194.73)
Less: finance costs (net)	(345.63)	(384.68)	(410.31)	(1,614.88)
Loss before exceptional items and tax from continuing operations	(356.67)	(180.07)	(984.93)	(2,809.61)
Less : exceptional items (refer note 15)	-	(585.48)	-	(880.57)
Loss before tax expenses from continuing operations	(356.67)	(765.55)	(984.93)	(3,690.18)
Tax credit on continuing operations (net)	(38.77)	(40.08)	(151.08)	(262.43)
Loss after tax from continuing operations	(317.90)	(725.47)	(833.85)	(3,427.75)
(Loss)/ profit before tax expenses from discontinued operations	(0.01)	2.11	(0.02)	(0.02)
Tax expenses on discontinued operations (net)	-	-	-	-
(Loss)/ profit after tax from discontinued operations	(0.01)	2.11	(0.02)	(0.02)
Loss after tax for the respective periods	(317.91)	(723.36)	(833.87)	(3,427.77)
3. Segment assets				
a) Airports	32,455.97	32,899.20	26,669.30	32,899.20
b) Power	6,259.39	6,091.88	6,921.13	6,091.88
c) Roads	3,881.19	3,840.29	3,654.07	3,840.29
d) EPC	1,225.86	1,253.02	1,449.80	1,253.02
e) Others	1,869.07	2,471.26	8,299.56	2,471.26
f) Unallocated	3,177.34	3,090.27	2,427.26	3,090.27
g) Assets classified as held for sale	307.01	314.35	90.53	314.35
Total assets	49,175.83	49,960.27	49,511.65	49,960.27
4. Segment liabilities				
a) Airports	28,868.37	29,376.22	23,705.07	29,376.22
b) Power	2,857.01	2,660.97	2,791.88	2,660.97
c) Roads	1,299.33	1,250.41	1,080.95	1,250.41
d) EPC	594.16	627.32	760.22	627.32
e) Others	329.84	377.06	489.18	377.06
f) Unallocated	14,213.21	14,327.42	17,590.51	14,327.42
g) Liabilities directly associated with the assets classified as held for sale	22.32	22.31	22.51	22.31
Total liabilities	48,184.24	48,641.71	46,440.32	48,641.71



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GMR Infrastructure Limited

Notes to the unaudited consolidated financial results for the quarter ended June 30, 2021

1. Consolidation and Segment Reporting

- a. GMR Infrastructure Limited ('the Company', 'the Holding Company' or 'GIL') carries on its business through various subsidiaries, joint ventures, jointly controlled operations and associates (hereinafter referred to as 'the Group'), being special purpose vehicles exclusively formed to build and operate various infrastructure projects.
- b. The segment reporting of the Group has been prepared in accordance with Ind AS-108 on 'Operating Segments' prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder.

The business segments of the Group comprise of the following:

Segment	Description of Activity
Airports	Development and operation of airports
Power	Generation of power, transmission of power, mining and exploration and provision of related services
Roads	Development and operation of roadways
EPC	Handling of engineering, procurement and construction solutions in the infrastructure sector
Others	Urban infrastructure and other residual activities

- c. Investors can view the results of the Company on the Company's website www.gmrgroup.in or on the websites of BSE (www.bseindia.com) or NSE (www.nse-india.com).
2. (a) The Group has investments of Rs. 1,177.42 crore and loan (including accrued interest) (net of impairment) amounting to Rs. 861.19 crore in GMR Energy Limited ('GEL') (including its subsidiaries and joint ventures), a joint venture of the Group and in GMR Rajahmundry Limited ('GREL'), an associate of GMR Generation Assets Limited ("GGAL"), subsidiary of the Group, as at June 30, 2021. GEL has certain underlying subsidiaries / joint ventures which are engaged in energy sector. GREL, GEL and some of its underlying subsidiaries / joint ventures, as further detailed in notes 2(b), 2(c), 2(d), 2(e) and 2(f) below have substantially eroded net worth. Based on the valuation assessment by an external expert during the year ended March 31, 2021 and the sensitivity analysis carried out for some of the aforesaid assumptions, the value so determined after discounting the projected cash flows using discount rate ranging from 10.83% to 21.83% across various entities, the management has accounted for an impairment loss of Rs. 228.50 crore in the value of Group's investment in GEL and its subsidiaries/ joint ventures which has been disclosed as an exceptional item in the consolidated financial statements of the Group for the year ended March 31, 2021. The management is of the view that post such diminution, the carrying value of the Group's investment in GEL and provision created against future liabilities for GREL is appropriate.

(b) GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL has accumulated losses of Rs. 744.70 crore as at June 30, 2021 which has resulted in substantial erosion of GWEL's net worth and its current liabilities exceed current assets. There have been delays in receipt of the receivables from customers which has resulted in delays in meeting its financial liabilities. GWEL had claimed compensation for coal cost pass through and various "change in law" events from its customers under the Power Purchase Agreements ('PPA') and have filed petitions with the regulatory authorities for settlement of such claims in favour of GWEL. GWEL has trade receivables, other receivables and unbilled revenue (including claims) of Rs. 673.01 crore and the payment from the



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customers against the claims including interest on such claims which are substantially pending receipt. Based on certain favorable interim regulatory orders, the management is confident of a favorable outcome towards the outstanding receivables.

Further, GWEL received notices from one of its customer disputing payment of capacity charges of Rs. 132.01 crore for the period March 23, 2020 to June 30, 2020 as the customer had not availed power during the said period sighting force majeure on account of COVID 19 pandemic. GWEL responded and clarified that the said situation is not covered under force majeure clause in view of the clarification by the Ministry of Power stating that Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. The customer is of the view that the aforesaid clarification by the Ministry of Power cannot override the terms of the PPA and continue to dispute the payment thereof.

Accordingly, during the year ended March 31, 2021, GWEL filed petition with Central Electricity Regulatory Commission ('CERC') for settlement of the dispute. The management based on its internal assessment and petition filed with CERC, is of the view that the aforesaid capacity charges are fully recoverable. Further, in view of the ongoing COVID-19 pandemic and expiry of the PPA with one of the customer availing 200 MW of power in June 2020 and a consequent cancellation of the fuel supply agreement, there could be impact on the future business operations, financial position and future cash flows of GWEL. Further, GWEL basis the requisite approval of the lenders, has invoked resolution process as per Resolution Framework for COVID-19 related stress prescribed by RBI on December 30, 2020 in respect of all the facilities (including fund based, non-fund based and investment in non-convertible debentures) availed by GWEL as on the invocation date. In this regard, all the lenders of GWEL have entered into an Inter Creditors Agreement ('ICA') on January 21, 2021 and a Resolution Plan is to be implemented within 180 days from the invocation date in accordance with the framework issued by RBI. During the quarter ended June 30, 2021 resolution process under Prudential Framework for Resolution of Stressed Assets, as prescribed by the RBI on June 07, 2019 has been invoked on June 29, 2021. Inter Creditors Agreement would be executed within 30 days from the date of invocation along with 180 days timeline for resolution plan implementation.

The management of GWEL expects that the plant will generate sufficient profits in the future years and will be able to recover the receivables and based on business plans and valuation assessment by an external expert during the year ended March 31, 2021, considering key assumptions such as capacity utilization of plant in future years based on current levels of utilization including merchant sales and sales through other long term PPA's and management's plan for entering into a new long-term PPA to replace the PPA earlier entered with one of its customers which has expired in June 2020 and the pending outcome of the Prudential Framework for resolution of stressed assets with the lenders of GWEL, the management of the Group is of the view that the carrying value of the net assets in GWEL by GEL as at 30 June, 2021 is appropriate.

(c) GWEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') on March 17, 2010 for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, GWEL has raised claim of Rs. 617.20 crore towards reimbursement of transmission charges from March 17, 2014 till June 30, 2021. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and the matter is pending conclusion. Pursuant to notification No. L-



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GMR Infrastructure Limited

Notes to the unaudited consolidated financial results for the quarter ended June 30, 2021

1/250/2019/CERC, the transmission charges (other than the deviation charges) are being directly billed to the respective customers (DISCOMS) by Power Grid Corporation of India Limited and accordingly, GWEL has not received transmission charges (other than the deviation charges) related invoices for the period December 2020 to June 2021. Though there is a change in the invoicing mechanism, the final obligation towards the transmission charges will be decided based on the order of the Hon'ble Supreme Court of India as stated above.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of Rs. 617.20 crore relating to the period from March 17, 2014 to June 30, 2021 (including Rs. 5.62 crore for the quarter ended June 30, 2021) in the financial results of GWEL.

(d) GMR Kamalanga Energy Limited ('GKEL'), a joint venture of GEL, is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has accumulated losses of Rs. 1,816.23 crore as at June 30, 2021, which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. Further, GKEL has trade receivables, other receivables and unbilled revenue (including claims) of Rs. 1,486.57 crore as at June 30, 2021, for coal cost pass through and various "change in law" events from its customers under the PPAs and have filed petitions with the regulatory authorities for settlement of such claims in favour of GKEL. The payment from the customers against the claims is substantially pending receipt as at June 30, 2021. Based on certain favorable interim regulatory orders with regard to its petition for 'Tariff Determination' and 'Tariff Revision' with its customers, the management is confident of a favorable outcome towards the outstanding receivables of GKEL.

GKEL in view of the Supreme Court Order in Energy Watchdog vs CERC and others and CERC order in its own case for Haryana Discoms had sought legal opinion from the legal counsel on certainty of the claims with Bihar Discom. Considering opinion received from legal counsels that GKEL has good tenable case with virtual certainty with respect to coal cost pass through and favourable Order from APTEL dated December 21, 2018 and CERC judgment in GKEL's own case for Haryana Discom where the computation methodology of coal cost pass through was decided, the management was virtually certain on receipt of the GKEL's claim of revenue on coal cost pass through and was of the opinion that no contingency was involved in this regard. GKEL has now received a favourable order on September 16, 2019 whereby the CERC has allowed the coal cost pass through to be charged to the Bihar Discom, based on a certain methodology. However, GKEL has filed a review petition with Hon'ble Appellate Tribunal for Electricity dated November 14, 2019 against this methodology on the grounds that the methodology stated in this order, even though favourable, is contradictory to the methodology stated in the earlier order of CERC in GKEL's case with Haryana Discom. Accordingly, GKEL continued to recognize the income on Coal Cost Pass Through claims of Rs. 0.90 crore for the quarter ended June 30, 2021. The total outstanding receivables (including unbilled revenues) amount to Rs. 435.98 crore as on June 30, 2021.

GKEL has accounted for transportation cost of fly ash as change in law event as the same was agreed in principle by CERC vide Order 131/MP/2016 dated February 21, 2018 and on March 22, 2021 in case no 405/MP/2019, CERC allowed to recover ash transportation costs including GST from Bihar and Haryana Discoms. Similarly, CERC in its order dated April 8, 2019 has allowed Maithan Power Limited in case no – 331/MP/2018 to recover the actual ash disposal expenses from its beneficiaries (DVC).

Based on the above orders of CERC, GKEL has recognised revenue amounting to Rs 6.97 Cr for GRIDCO during the quarter ended June 30, 2021 post complying with the conditions mandated in this regard. GKEL



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has filed petition with CERC for determination of compensation of transportation charges of fly ash as per Order.

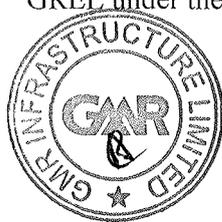
Further, as detailed below there are continuing litigations with SEPCO Electric Power Construction Corporation (SEPCO) ('Capital Creditors') which are pending settlement. Further during the previous year, GKEL has won the bid for supply of balance 150 MW to Haryana Discom. GKEL has signed fuel supply agreement with Coal India Limited for supply of coal from its Mahanadi Coal Field Mines for 0.36 crore ton which is within a distance of 15 KM from the plant site. In addition to above, GKEL has won the bid (Shakti-III) for supply of 0.04 crore ton of coal for balance 150 MW. GKEL is actively pursuing its customers for realization of claims and selling its untied capacity in exchange market to support the Company's ability to continue the business without impact on its operation.

Further, GKEL had entered agreement with SEPCO in 2008 for the construction and operation of coal fired thermal power plant. There were certain disputes between the parties in relation to the delays in construction and various technical issues relating to the construction and operation of the plant. SEPCO served a notice of dispute to GKEL in March 2015 and initiated arbitration proceedings. The Arbitral Tribunal has issued an opinion (the Award) on September 7, 2020 against GKEL. Since there were computation/ clerical / typographical errors in the Award, both parties (GKEL and SEPCO) immediately applied for correction of the award under Section 33 of the Arbitration & Conciliation Act 1996 (as amended). The Arbitral Tribunal considered the applications of both the parties and has pronounced the corrected award on November 17, 2020. GKEL already accounted for the aforementioned liability in excess of the amount as per the award pertaining to the retention money, unpaid invoices and the Bank Guarantee revoked. GKEL has challenged the award under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'able High Court of Orissa on February 15, 2021. Based on the legal opinion obtained, GKEL has good arguable case under section 34 of the Act to challenge the Award and seek setting aside of the same as thus the is not expecting cash outflow in this matter.

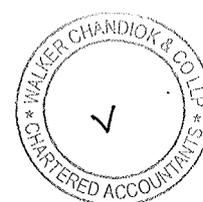
In view of these matters, business plans (including expansion and optimal utilization of existing capacity, rescheduling/ refinancing of existing loans at lower rates), valuation assessment by an external expert during the year ended March 31, 2021, the management is of the view that the carrying value of the investments in GKEL held by GEL as at June 30, 2021 is appropriate.

(e) In view of lower supplies / availability of natural gas to the power generating companies in India, GREL, GMR Vemagiri Power Generation Limited ('GVPGL'), a subsidiary of GEL, and GEL are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL has not generated and sold electrical energy since April 2013. GREL and GVPGL emerged as successful bidders in the auction process organised by the Ministry of Power and operated on an intermittent basis from August 2015 and October 2015 respectively till September 2016 by using Re-gasified Liquefied Natural Gas ('RLNG') as natural gas. These entities have ceased operations and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply.

(i) GREL had not commenced commercial operations pending linkages of natural gas supply from the Ministry of Petroleum and Natural Gas till the period ended September 30, 2015. As a result, the consortium of lenders of GREL decided to implement Strategic Debt Restructuring Scheme ('SDR'). Pursuant to the scheme, borrowings aggregating to Rs. 1,308.57 crore and interest accrued thereon amounting to Rs. 105.42 crore was converted into equity shares of GREL for 55% stake in equity share capital of GREL and the Group had given a guarantee of Rs 2,571.71 crore to the lenders against the remaining debt. Under the SDR Scheme, the bankers had to find new promoters for GREL within the period as prescribed under the scheme, which expired during the year ended March 31, 2018. Consequent to the SDR and the conversion of loans into equity share capital by the consortium of lenders, GREL ceased to be a subsidiary of the Group and the Group has accounted its investments in GREL under the Equity Method as per the requirements of Ind AS – 28.



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During the year ended March 31, 2019, considering that GREL continued to incur losses in absence of commercial operations, the consortium of lenders has decided to implement a revised resolution plan which has been approved by all the lenders and accordingly the lenders have restructured the debt. The Group has provided guarantees to the lenders against the servicing of sustainable debts having principal amounting to Rs. 1,115.11 crore and all interests there on, including any other obligation arising out of it and discharge of the put option in regard to Cumulative Redeemable Preference Shares ('CRPS') (unsustainable debt) amounting to Rs 940.59 crore, if any exercised by the CRPS lenders, as per the terms of the revised resolution plan.

- (ii) During the year ended March 31, 2018, pursuant to the appeal filed by Andhra Pradesh Discoms ('APDISCOMs'), the Hon'ble Supreme Court held that RLNG is not natural gas and accordingly GVPGL cannot be entitled for capacity charges based on availability declaration for generation of power on the basis of RLNG. GVPGL had also filed petition claiming losses of Rs. 447.00 crore pertaining to capacity charges pertaining to period 2006 to 2008 before Andhra Pradesh Electricity Regulatory Commission ('APEREC'). Over the years, the case was heard for deciding the jurisdiction to adjudicate the proceedings. During the year ended March 31, 2019, the Hon'ble High Court of Andhra Pradesh passed its Judgment and held that the Central Electricity Regulatory Commission ('CERC') has the jurisdiction to adjudicate the aforesaid claims of GVPGL. Further, during the year ended March 31, 2020, the Andhra Pradesh DISCOMs (APDISCOMs') appealed against, the aforesaid judgement before the Hon'ble Supreme Court. The Supreme Court vide its order dated February 4, 2020 dismissed the aforesaid petition of the DISCOMs and held that CERC will have jurisdiction to adjudicate the disputes in the present case and directed CERC to dispose off the petition filed before it within six months. The matter is pending to be heard before the CERC as at June 30, 2021

Additionally, during the year ended March 31, 2020, in case of GVPGL's litigation with APDISCOMs, wherein APDISCOMs refused to accept declaration of capacity availability on the basis of deep water gas citing that natural gas for the purpose of PPA does not include Deep Water Gas and consequent refusal to schedule power from GVGPL and pay applicable tariff including capacity charges, CERC has passed order dated January 28, 2020, declaring that natural gas for the purpose of PPA includes Deep Water Gas. Accordingly, GVGPL is entitled to claim capacity charges from APDISCOMs from October 2016 based on availability declaration for generation of power on the basis of deep water gas, along with late payment surcharge.

GVGPL has calculated a claim amount of Rs. 741.31 crore for the period from November 2016 till February 2020. GVPGL has not received any of the aforesaid claims and is confident of recovery of such claims in the future based on CERC order.

- (iii) Further, the management of the Group is evaluating various approaches / alternatives to deal with the situation and is confident that Government of India ('GoI') would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. The management of the Group carried out a valuation assessment of GREL and GVPGL during the year ended March 31, 2021 which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff, tying up of PPA, realization of claims for losses incurred in earlier periods and current period from the customer and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The business plan of GREL considered for valuation assessment has been approved by the consortium of lenders at the time of execution of the resolution plan. The management of the Group will monitor these aspects closely and take actions as are considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations. Based on the aforementioned reasons, claims for capacity charges and business plans, the management is of the view that the carrying value of net assets of GVPGL by GEL as at June 30, 2021 is appropriate. The Group has provided for its investment in full in GREL and the management is



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confident that no further obligation would arise for the guarantees provided to the lenders against the servicing of sustainable and unsustainable debts.

(f) GMR Badrinath Hydro Power Generation Private Limited ('GBHPL'), a subsidiary of GEL is in the process of setting up 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India ('the Court'), while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. During the year ended March 31, 2018, the validity of Environmental Clearance ('EC') granted to GBHPL by the MoEF ceased to exist. Pursuant to an application made by GBHPL, the MoEF vide its letter dated April 17, 2018, proposed to extend the EC granted to GBHPL for a period of 3 years, subject to the final outcome of the matter pending before the Court. Based on its internal assessment and a legal opinion, the management of the Group is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert during the year ended March 31, 2021, the management of the Group is of the view that the carrying value of net assets of GBHPL by GEL as at June 30, 2021 is appropriate.

3. In GMR Male International Airport Private Limited ('GMIAL'), during the year ended March 31, 2018, Maldives Inland Revenue Authority ('MIRA') has issued tax audit reports and notice of tax assessments demanding business profit tax amounting to USD 1.44 crore, USD 0.29 crore as the additional withholding tax excluding fines and penalties. During the year ended March 31, 2019, MIRA has issued additional demands of USD 0.21 crore and USD 0.13 crore on account of fines on business profit tax and withholding taxes respectively. However, management of the Group is of the view that the notice issued by MIRA is not tenable.

On May 23, 2019, the Attorney General's office has issued statement on this matter to MIRA stating that in the event of the Maldives parties deducting any sum from this award in respect of taxes, the amount payable under the award shall be increased to enable GMIAL to receive the sum it would have received if the payment had not been liable to tax.

Further, as per the letter dated January 22, 2020 received from Ministry of Finance Male', Republic of Maldives (the "Ministry"), the amount of tax assessed by MIRA relating to the final arbitration award is USD 0.59 crore and in the event of any tax payable by GMIAL on the same shall be borne by whom the payment was settled to GMIAL, without giving any workings / break-up for the same. As such the Ministry has confirmed that GMIAL is not liable to pay for the tax assessed by MIRA on the final arbitration award.

GMIAL has obtained the statement of dues from MIRA on December 31, 2020, according to which GMIAL is required to settle business profit tax amounting to USD 0.72 crore and fines on business profit tax amounting to USD 0.68 crore and GMIAL is required to settle withholding tax amounting USD 0.29 crore and fines on withholding tax amounted to USD 0.36 crore (withdrawing the interim tax liability claim of USD 0.72 crore).

Considering the entire tax liability pertaining to the business profit taxes is relating to the Arbitration Award Sum, the management of Group is of view that GMIAL will be able to successfully defend and object to the notice of tax assessments and accordingly, no additional provision is required to be recognized in these financial statements. Further, in respect of the matters pertaining to the withholding taxes and the fines thereon, Group, believes that since these pertain to the aforementioned matter itself, the tax demand on these items is not valid and based on an independent legal opinion, no adjustments to the books of account are considered necessary.



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4. GMR Generation Assets Limited (“GGAL”) (earlier called GMR Power Corporation Limited (‘GPCL’), now merged with GGAL with effect from March 31, 2019), a subsidiary of the Company, approached Tamil Nadu Electricity Regulatory Commission (‘TNERC’) to resolve the claims / counterclaims arising out of the PPA and Land Lease Agreement (‘LLA’) in respect of the dues recoverable from Tamil Nadu Generation and Distribution Corporation Limited (‘TAGENDCO’) on account of sale of energy including reimbursement towards interest on working capital, Minimum Alternate Tax (‘MAT’), rebate, start / stop charges and payment of land lease rentals to TAGENDCO. GPCL received a favourable order from TNERC and in pursuance of the Order, filed its claim on April 30, 2010 amounting to Rs. 481.68 crore.

TAGENDCO filed a petition against TNERC Order in Appellate Tribunal for Electricity (‘APTEL’). In terms of an interim Order from APTEL, TAGENDCO deposited Rs. 537.00 crore including interest on delayed payment of the claim amount. APTEL vide its Order dated February 28, 2012, upheld the claim of GPCL and further directed GPCL to verify and pay counterclaims of TAGENDCO in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL had appealed to the Hon’ble Supreme Court in Civil Appeals seeking certain interim relief with respect to the benefits pointed out by APTEL on credit period of Fuel Supplies in terms of the FSA. The Hon’ble Supreme Court vide its Order dated April 24, 2014, has referred the dispute to TNERC for examining the claim of the contesting parties in so far as the quantum of amount is concerned. GPCL and TAGENDCO have filed their respective petitions before TNERC during August 2014. Further, TAGENDCO has filed the petition in the Hon’ble Supreme Court against APTEL order which is pending before the Hon’ble Supreme Court. During the period ended December 31, 2018, GPCL has received an order from TNERC whereby TNERC has upheld the TAGENDCO’s claim amounting to Rs 121.37 crore. GPCL’s counter claim of Rs 191.00 crore under old PPA towards interest on delayed payments, start and stop charges and invoice for nil dispatches and invoice for differential rates for the period from July 2011 to February 2014 has not yet been adjudicated by TNERC. The management has filed an appeal before APTEL and the final outcome is yet to be announced.

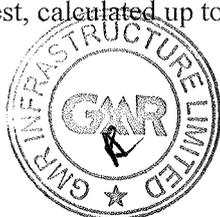
GPCL was availing tax holiday under Section 80IA of the Income Tax Act, 1961 (‘IT Act’) in respect of its income from power generation. Considering that the substantial amount, though under protest, has been received by GPCL, based on an expert opinion, GPCL offered the claims up to March 31, 2014 as income in its tax returns and claimed the deduction as available under Section 80IA of the IT Act.

In accordance with the above, the amount received towards the above mentioned claims is being disclosed as advance from the customer in the books of account. Further, GPCL has been legally advised that pending adjudication of petition, the entire matter is now sub-judice and has not attained the finality.

Hence, pending acceptance of claims by TAGENDCO and pending adjudication of petition before the Hon’ble Supreme Court, the Group has not recognised the aforesaid claim in the books of account.

5. GMR Ambala Chandigarh Expressways Private Limited (‘GACEPL’), a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of Rs. 564.13 crore as at June 30, 2021. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads.

GACEPL had invoked arbitration proceedings against National Highways Authority of India (NHAI), State of Haryana (SoH) and State of Punjab (SoPb) as per the terms of the Concession Agreement dated November 16, 2005 and State Support Agreement dated February 21, 2006 and March 8, 2006 due to continued losses suffered by GACEPL on account of diversion of traffic to parallel roads developed by SoH and SoPb. GACEPL has raised its contention that NHAI, SoH & SoPb has breached the provisions of Concession Agreement and State Support Agreements by building parallel highways resulting in loss of traffic to the GACEPL’s toll road. GACEPL had filed a net claim of Rs. 1,003.35 crore including interest, calculated up to March 31, 2019 before the Tribunal.



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The three member Hon'ble Tribunal vide its order dated August 26, 2020, has pronounced the award wherein majority of the Tribunal has disagreed with the contention of the GACEPL and has rejected all the claims of GACEPL whereas the minority arbitrator has upheld the claims of the GACEPL and awarded the entire amount claimed by GACEPL. Majority Award has also vacated the stay granted on recovery of negative grant vide Tribunal's interim order dated August 13, 2013. Minority Arbitrator by way of minority award has agreed with most of the contentions of GACEPL and has directed State of Haryana and State of Punjab to jointly pay the claim covered under his award along with interest from 2008 till March 31, 2019.

Further, in accordance with the terms of the Concession Agreement entered into with National Highways Authority of India (NHAI), dated November 16, 2005, GACEPL has an obligation to pay an amount of Rs.174.75 crore by way of Negative Grant over the concession period. The total value of Negative Grant has been recognized in the financials by way of capitalization in the cost of carriageway and a corresponding obligation has been created towards Deferred Payment. During earlier years GACEPL has paid negative grant to NHAI in various instalment and balance negative grant of Rs.66.41 crore was due in instalments (i. e, Rs.17.47 crore, Rs.17.48 crore, Rs.26.21 crore and Rs.5.24 crore were due in August 2013, August 2014, August 2015 and August 2016 respectively) but have not been remitted to NHAI as there was a stay on account of arbitration. The Arbitral Tribunal on August 26, 2020 while rejecting the GACEPL's prayer for compensation for breach of State Support Agreement & Concession Agreement by State Government of Haryana, State Government of Punjab and NHAI, vacated the stay granted on payment of Negative Grant and NHAI consequently demanded the payment of negative grant including interest from GACEPL and the Escrow Banker. The claim by NHAI for interest communicated to GACEPL and the Escrow Banker was Rs. 101.34 crore calculated up October 31, 2020, though the interest as computed by GACEPL upto August 25, 2020 is Rs.60.32 crore (@SBI PLR plus 2%). Escrow Banker based on the demand from NHAI, has remitted Rs. 6.08 crore as per the waterfall mechanism to NHAI and the same is considered by GACEPL as paid under protest. The dissenting opinion of the other Arbitrator also rejected GACEPL's contention on the non-payment of Negative Grant and has concluded that GACEPL shall be bound by the Concession Agreement in relation to payment of Negative Grant.

GACEPL aggrieved by rejection of all claims by majority members had preferred an appeal, in both Punjab and Haryana matters, under Section 34 and Section 9 of the Arbitration Act before Hon'ble Delhi High Court requesting to stay the Majority Award and grant stay on payment of Negative Grant. The Hon'ble Delhi High Court has admitted the application under Section 34 with direction to all parties to file the document before the next date of hearing i.e., February 12, 2021 whereas the application under Section 9 has been dismissed on the ground that the losing party in an Arbitration proceeding cannot seek relief under Section 9 of Arbitration Act. Subsequently, the Division Bench of Hon'ble Delhi High Court also dismissed the aforementioned application under Section 9 on the similar grounds.

GACEPL in terms of its communication to NHAI has provided for delay in payment of interest on negative grant w.e.f. August 26, 2020 onwards amounting to Rs. 7.32 Crores (31 March 2021: Rs. 5.19 crores) under prudence, pursuant to the vacation of stay on payment of negative grant vide Arbitral Award dated August 26, 2020. Further, the management is of the opinion that there is no charge of interest in pursuance of stay given by the Arbitral Tribunal for the period to August 26, 2020 and effect, if any will be given on the conclusion of proceedings pending before hon'ble Supreme Court.

On October 30, 2020, GACEPL aggrieved by the dismissal of application by Division Bench as well has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India under Section 9 seeking interim relief on recovery of Negative Grant till the time Section 34 petition is decided by Hon'ble Delhi Court. In this regard, the GACEPL has obtained legal opinion from the legal counsel handling matters, wherein the legal counsel has opined that the GACEPL has a fair chance of getting stay on payment of Negative Grant, considering the Hon'ble Supreme Court in similar matters have granted interim relief to the Petitioners.



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Based on legal opinion, GACEPL is of the view that majority Award has not interpreted the relevant clauses of the concession agreement from point of view of intention of the parties and has also ignored the fact that NHAI has also not produced any data to contradict the reason for reduction in traffic in comparison to its Detailed Project Report (DPR). In the opinion of the legal team no effective consultations among the three arbitrators had also lead to a fractured award and that majority award has also ignored the provisions and guidelines of Indian Road Congress which have the force of statutory bindings thereby taking a contrary view as the nature of development carried out by States have altered/changed the status of roads.

Accordingly, the Management of GACEPL is of the opinion that the matter has not attained the finality and GACEPL has good chances of getting stay on the majority award and expects to win the case in Delhi High Court and to receive the Claims in due course. As per the internal assessment by the management, on the reasonable certainty of inflows of the claims discussed above, GACEPL has considered that there would be no cash outflow related to negative grants or that there will be net cash inflows even if the negative grant out flows are considered and expects realisability of GACEPL's claims in the near future.

Further, the valuation expert based on the assumptions that it would be receiving the compensation in the future, had determined value in use of GACEPL assets as at December 31, 2020 (i.e. valuation date) which is higher than the carrying value of assets. The management is confident of receipt of claims for loss due to diversion of traffic/compensation in the appellate proceedings and accordingly is of the opinion that carrying value of Carriageway in GACEPL of Rs. 338.16 crore as at June 30, 2021 is appropriate.

Furthermore, GACEPL's right to receive the User fee for usage of the toll roads have been effected due to the farmers protests from October 12, 2020 where the farmers are not allowing for collection of the toll fees. The said protest is ongoing as on the date and the actual losses have not yet been crystallized. Pending the same GACEPL had approached NHAI for loss of revenue due to ongoing farmers protest which is under the consideration of NHAI and also the State authorities. GACEPL has filed writ petition before Punjab and Haryana high court for providing security and restoration of law and order in and around toll plaza so that company can collect toll revenue. The matter has been adjourned till August 19, 2021. The management of GACEPL has filed claim with NHAI for compensation against operation and maintenance expenses and interest on rupee term loan incurred till March 31, 2021 which is under consideration by NHAI and GACEPL will be filing its claim with NHAI for extension of concession period and compensation for loss of revenue related to period April 01, 2021 and thereafter after the protest is over. The management of GACEPL does not foresee any adverse effect on the overall functioning of GACEPL.

The management has filed claim with NHAI for compensation against operation and maintenance expenses and interest on rupee term loan incurred till March 31, 2021 which is under consideration by NHAI and GACEPL will be filing its claim with NHAI for extension of concession period and compensation for loss of revenue related to period April 01, 2021 and thereafter after the protest is over. The management does not foresee any adverse effect on the overall functioning of the Company. Pending resolution of the issue the company has estimated there would be no charge of amortization for the period ending June 30, 2021 considering NIL revenue for the period in view of the accounting policy followed by the company in respect of the amortization.

6. GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of Rs. 1,394.40 crore as at June 30, 2021. The management believes that these losses are primarily due to loss of revenue arising as a result of drop in commercial traffic on account of bifurcation of State of Andhra Pradesh and ban imposed on sand mining in the region. The management of the Group based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to a claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim for the loss of revenue till the year ended March 31, 2017 with National Highways Authority of India ('NHAI'). The claim of GHVEPL was rejected by NHAI and accordingly during the year ended March 31, 2018, GHVEPL had decided to proceed with arbitration and accordingly Arbitral Tribunal was constituted and claims were filed. The project was initially developed from existing



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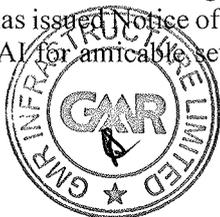
2 lanes to 4 lanes to be further developed to 6 laning subsequently (before 14th anniversary of the appointed date). If 6 laning is not carried out (if so required by NHAI/desired by GHVEPL), concession period will be restricted to 15 years as against 25 years. GHVEPL has been amortising intangible assets over the concession period of 25 years.

GHVEPL has recognised a provision of additional concession fees (premium) of Rs. 838.92 crore including interest till June 30, 2021 (March 31, 2021: Rs. 793.38 crore), which is unpaid pending finality of litigation proceedings as detailed below.

The Arbitral Tribunal vide its order dated March 31, 2020, had pronounced the award unanimously, upholding GHVEPL's contention that bifurcation of state of Andhra Pradesh and ban on sand mining in the region constitutes Change in Law event and GHVEPL is entitled for compensation for the loss of revenue arising as a result of drop in commercial vehicles. Majority of the Tribunal members have directed NHAI to constitute a committee for determining the claim amount based on data/ records available with GHVEPL and NHAI. The minority member in the Tribunal however was of the opinion that Tribunal should have constituted the Committee instead of directing NHAI, which is against the principal of natural justice. GHVEPL, aggrieved by the findings, has filed applications under Section 9 and 34 of the Arbitration Act, 1996, before Delhi High Court challenging the award on the limited ground of (i) constitution of the committee by NHAI for quantification of compensation and (ii) for interim measures by restraining NHAI from constituting the Committee, demanding premium and taking coercive / precipitate measures under the Concession Agreement. Vide order dated August 4, 2020, the Delhi High Court upheld the decision of the Arbitral Tribunal that there was a change in law due to ban on sand mining and State bifurcation. The Court has also held that GHVEPL is entitled for compensation due to Change in Law and the application of the NHAI was dismissed. For quantification of claim of GHVEPL, the committee to be appointed by the NHAI has been struck down and in its place the Court has appointed a retired judge of Supreme Court as sole arbitrator to quantify the claims in nine months. Further, the Arbitrator has decided to appoint an Independent Expert for his assistance.

NHAI has challenged the aforesaid Order dated August 4, 2020 before divisional bench of Hon'ble Delhi High Court, wherein the Hon'ble Delhi High Court has clarified that the sole arbitrator shall continue to discharge his duties subject to final outcome of the appeal.

On May 8, 2020 GHVEPL has received a notice from NHAI / Regulator stating that it is satisfied that six-laning is not required for the project highway and four laning is sufficient for operating the project highway restricting the concession period to 15 years pursuant to Clause 3.2.2 of the Concession Agreement dated October 9, 2009. GHVEPL has filed a response with NHAI on May 26, 2020, June 16, 2020, August 31, 2020 and October 19, 2020 seeking the material on record on the basis of which the NHAI has decided that six-laning is not required, since in terms of GHVEPL's assessment, six-laning shall be required considering the current traffic flow on the project highway. NHAI, however vide its letter dated June 24, 2020 and October 15, 2020 has stated that the contention of GHVEPL is unmerited and due reasons have been conveyed, even though no substantial information is provided on the basis of which such decision is taken. In this regard, GHVEPL has obtained a legal opinion from its Counsel handling NHAI matter in Honorable Delhi High Court which has opined that with the majority findings of the Arbitral Award in favour of GHVEPL, issuance of Notice dated May 8, 2020 and letter dated June 24, 2020 / October 15, 2020 by NHAI / Regulator is in bad light and arbitrary. Legal Counsel opined that NHAI being aware of the financial implications of the Notice dated May 8, 2020 trying to somehow avoid quantifying and making any payment of the claim to GHVEPL under Change in Law. The Counsel further opined that, NHAI after having failed in its series of coercive steps including the notices for recovery of alleged Premium, suspension notice and notices in relation to non-compliance of O & M requirements has, on May 8, 2020, issued the Notice under Article 3.2.2 of the Concession Agreement and that too in the middle of extensive arguments in the aforesaid petitions before the Hon'ble Delhi High Court, only to make GHVEPL to somehow give up its claims and avoid determination of claims. GHVEPL on October 30, 2020 has issued Notice of Dispute under Article 44.2 read with Clause 44.1.2 of the Concession Agreement to NHAI for amicable settlement as a first step in dispute resolution, which has been declined by NHAI



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on December 4, 2020. Pursuant to the notice dated April 6, 2021, the Arbitrators have been appointed and the Arbitral Tribunal has held its first hearing setting procedural timelines for hearing the litigation. Legal counsel has opined that GHVEPL has a fair chance of winning the arbitration proceedings and has rightful claim for Change in Law for 25 years concession period.

Further GHVEPL has also internally assessed the average daily traffic for financial year 2024-25, the scheduled six-laning period which indicates that average daily traffic at designated Toll Plaza will exceed the Design Capacity that would require six-laning as per Clause 29.2.3 of the Concession Agreement. In terms of the internal assessment by GHVEPL where in the traffic flows were estimated to increase to the levels which mandates six-laning during the concession period and based on the opinion from the legal Counsel, the management is of the view that the withdrawal of the Six Laning of the project highway without any reasoning is not a tenable action by NHAI / Regulator based on which a notice for invoking Arbitration under clause 44 of the concession agreement has been served upon on April 6, 2021. The legal counsel has opined that GHVEPL is in good position to assert for concession period of 25 years. Accordingly, considering the matter is sub-judice, concession life of 25 years with six laning has been considered for the purposes of the amortisation of Intangibles considering the initiation of Arbitration Proceedings challenging the communication/notice by NHAI / Regulator restricting the period to 15 years with four-laning.

The valuation expert based on the assumptions that it would be receiving the compensation in the future, had determined value in use of GHVEPL assets as at March 31, 2021 (i.e. valuation date) which is higher than the carrying value of assets.

The management of the Group is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons. Accordingly, based on the aforesaid legal opinion, expected future traffic flow over a concession period of 25 years, valuation assessment by an external expert based on expected compensation claim inflows, the management of the Group believes that the carrying value of carriage ways of Rs. 1,907.83 crore of GHVEPL as at June 30, 2021, is appropriate.

7. The Group had signed definitive Securities sale and purchase agreement ('SSPA') on September 24, 2020 which had been subsequently amended on March 31, 2021, for the sale of entire 51% equity stake owned by its wholly owned subsidiary GMR SEZ & Port Holdings Limited ('GSPHL') in Kakinada SEZ Limited ('KSEZ') to Aurobindo Realty and Infrastructure Private Limited ('ARIPL'). As part of the transfer of stake of KSEZ ('transaction'), the 74% equity stake of Kakinada Gateway Port Limited ('KGPL') held by KSEZ has also been transferred to ARIPL.

The consideration for the aforementioned transaction comprised of Rs. 1,692.03 crore upfront payment which is to be received on or before the closing date and Rs. 1,027.18 crore to be received in next 2 to 3 years from the transaction date which is contingent upon achievement of certain agreed milestones primarily related to the sale of 2,500 acres of the land parcels by KSEZ at specified prices during the financial years ended March 31, 2022 and March 31, 2023. The said transaction was subject to conditions precedent as specified in SSPA. Pursuant to the satisfaction of such conditions precedent, entire amount of upfront consideration has been received from ARIPL till date of approval of these unaudited consolidated financial results. Consequent to the aforementioned, the Group had accounted for the consideration pursuant to the SSPA during the quarter ended March 31, 2021 and had recognized loss of Rs. 137.99 crore as exceptional loss in relation to same considering the fair value determined by an external valuation expert.

The Group expects in next 2-3 years there will be significant development in the Kakinada SEZ which includes the development of Bulk Drug Park, establishment of a large pharmaceutical unit, Commercial Sea port, establishment of various port-based industries, manufacturing industries, development of new International Airport at Bhogapuram. Based on assessment of the achievement of the aforementioned



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milestones by an independent property consultancy agency, management of the Group is confident of achieving the aforementioned milestones and is of the view that the carrying value of the amount recoverable as at June 30, 2021 is appropriate.

- Delhi Duty Free Services Private Limited ('DDFS'), a Joint Venture Company had filed three refund applications dated January 31, 2018 under section 11(B) of Central Excise Act, 1944 seeking refund of Rs. 40.62 crore being the service tax and cess paid on license fees, marketing fees, airport services charges and utility charges during the period October 2016 to June 2017 for services rendered to DDFS at the duty-free shops at T-3, IGI Airport, Delhi. Such refund claims were filed in pursuance of the decision of the CESTAT Mumbai in Commissioner of Service Tax VII, Mumbai vs. Flemingo Duty Free Private Limited 2018 (8) GSTL 181 (Tri. Mumbai) (Flemingo) wherein it was held that service tax on license fee was not payable since services were provided outside taxable territory.

In respect of the said refund applications, DDFS received a Show Cause Notice (SCN) dated August 24, 2018 that refund claims for the period October 2016 to January 2017 were barred by limitation and refund cannot be processed. Vide order dated September 06, 2018, the Assistant Commissioner, CGST held that only the period of October 2016 to December 2016 is barred by limitation and denied refund of Rs. 12.78 crore. The balance amount of Rs. 27.84 crore was allowed in favour of DDFS and subsequently refunded to the DDFS, which was recognized as income in Statement of Profit and Loss during the quarter and six months ended September 30, 2018 when this refund was received. The Department filed an appeal against the aforesaid Order dated September 06, 2018 before Commissioner (Appeals) to the extent refund of Rs. 27.84 crore was held to be payable to DDFS. The said appeal of the Department has been rejected by the Commissioner (Appeals) vide Order dated May 18, 2020. On August 25, 2020 the Department filed an appeal before the CESTAT, New Delhi against the order of Commissioner (Appeal) dated May 18, 2020.

As against denial of refund of Rs 12.78 crore, DDFS has filed an appeal before the Commissioner (Appeals) who rejected the appeal on May 10, 2019 and upheld the Order dated September 06, 2018. DDFS had filed an appeal before the CESTAT, New Delhi who allowed the appeal of DDFS vide its Order dated August 14, 2019 and held that since service tax was not payable on license fee, the limitation prescribed under Section 11B of the Central Excise Act, 1944 has no application. Accordingly, refund of Rs. 12.78 crore is allowed in favour of DDFS. The Department served a copy of the appeal along with application for stay against the CESTAT Order dated August 14, 2019 before the Delhi High Court in March 2020 which has yet to be listed.

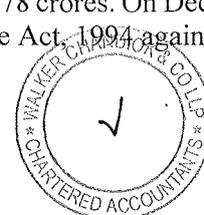
DDFS had also filed application dated December 31, 2018 with the Department for the period April 2010 to September 2016 seeking refund of service tax and cess amounting Rs.182.13 crore paid on the input services (concession fee, marketing Fee, airport service charges and utility charges rendered to DDFS at the duty-free shops at T-3, IGI Airport, Delhi. The Assistant Commissioner issued the Order dated June 26, 2019 rejecting the claim filed by DDFS that the Duty free shops are in non-taxable territory. DDFS had filed an appeal on August 07, 2019 against the Assistant Commissioner's order before Commissioner (Appeals) and received an order dated May 26, 2020 in favor of DDFS allowing the refund of Rs. 182.13 crore. DDFS requested the Asst. Commissioner to process the refund based on the order passed by the Commissioner (Appeals). The Assistant Commissioner issued a SCN dated August 04, 2020 asking DDFS to explain that the refund claim is not hit by the bar of unjust enrichment as incidence of duty appears to be passed by the DDFS to their customers at the time of sale of goods. Subsequently on August 25, 2020 the Department filed an appeal before the CESTAT, New Delhi against the Order of Commissioner (Appeals) dated May 26, 2020.

Accordingly, based on legal advice an amount of Rs. 194.91 crore had been recognized as income during the quarter ended September 30, 2020.

Subsequently the Assistant commissioner issued orders dated December 7, 2020 and December 10, 2020 on respective SCN and rejected the refund of service tax of Rs 182.13 crores and Rs 12.78 crores. On December 23, 2020, DDFS filed Clarification / recall request under Section 74 of the Finance Act, 1994 against both



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Notes to the unaudited consolidated financial results for the quarter ended June 30, 2021

the rejection Orders before the Assistant Commissioner. Subsequently DDFS also filed an Appeal against both the rejection Orders of the Assistant Commissioner, before the Commissioner (Appeals) on February 15, 2021, which is yet to be heard.

DDFS has received responses from the Assistant Commissioner vide its letter dated March 03, 2021 and March 15, 2021 with reference to both the rectification / recall request for an amount of Rs. 12.78 crores and Rs 182.13 crores respectively. The letters states that there is no mistake / error in both the Orders dated December 10, 2020 and DDFS may file an appeal before the appropriate authority.

Based on above the Group has decided to reverse the /aforementioned income during the previous quarter ended March 31, 2021.

9. MoCA issued an order no. AV 13024 /03/2011-AS (Pt. I) dated February 18, 2014 requiring the Airport Operators to reverse the expenditure incurred, since inception to till date, towards procurement and maintenance of security systems/ equipment and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by DIAL ('Delhi International Airport Limited'), the Airport Operator and a subsidiary of the Company in a fiduciary capacity.

DIAL had incurred Rs. 297.25 crore towards capital expenditure (excluding related maintenance expense and interest thereon) till March 31, 2021 (March 31, 2020: Rs. 297.25 crore) out of PSF (SC) escrow account as per Standard Operating Procedure (SOPs), guidelines and clarification issued by MoCA from time to time on the subject of utilization of PSF (SC) funds.

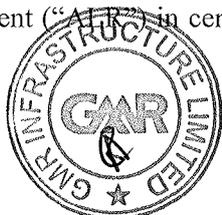
In the opinion of the management of DIAL, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble High court of Delhi. The Hon'ble High Court of Delhi, vide its order dated March 14, 2014, stayed recovery of amount already utilized by the DIAL from PSF (SC) Escrow Account till date. The matter is now listed for hearing on September 14, 2021 for arguments.

Further, MoCA has issued an order dated September 18, 2017, which is supplementary to the order dated February 18, 2014 stating the approximate amount of reversal to be made by DIAL towards capital expenditure and interest thereon amounting to Rs. 295.58 crore and Rs. 368.19 crore respectively, subject to the order of the Hon'ble High court of Delhi.

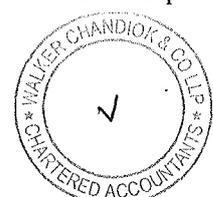
Based on internal assessments and pending final outcome of the aforesaid writ petition, no adjustments have been made to the accompanying consolidated financial results of the Group for the quarter ended June 30, 2021. Further, as directed by the Hon'ble High Court of Delhi and pending further orders, DIAL has charged Rs. 112.99 crore from April 1, 2014 till June 30, 2021 (March 31, 2021: Rs. 110.41 crore) towards the expenditure incurred on repair and maintenance of security equipment to the statement of profit and loss which includes Rs. 2.58 crore during the period ended June 30, 2021 (June 30, 2020: Rs. 1.97 crore).

However, during the financial year 2018-19, pursuant to AERA order No. 30/ 2018-19 dated November 19, 2018 with respect to DIAL's entitlement to collect X-ray baggage charges from airlines, DIAL has remitted Rs. 119.66 crore to PSF (SC) account against the transfer of screening assets to DIAL from PSF (SC) with an undertaking to MoCA by DIAL that in case the matter pending before the Hon'ble High Court is decided in DIAL's favour, DIAL will not claim this amount from MoCA.

10. (a) DIAL has entered into development agreements ("Development Agreements") with five developers collectively referred as Bharti Reality SPV's ("Developers") on March 28, 2019 ("Effective date") granting the Developers the right during the term for developing 4.8 million square feet commercial space from the Effective Date subject to the receipt of applicable permits and thereafter executed the sub lease of the asset area in Gateway and Downtown Districts. As per the terms of Development Agreements, DIAL is entitled to receive interest free refundable security deposit ("RSD"), advance development cost ("ADC") and the annual lease rent ("ALR") in certain manner and at certain times as stated in the respective Development



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Agreements. On the Effective Date as specified in the Development Agreements, DIAL has received the initial first tranche payment towards RSD amount from the Developers.

At the initial planning phase of the project, DIAL was required to procure the Concept Master Plan (“CMP”) approval from governmental authorities, including the Airport Authority of India (“AAI”) within 180 days from the Effective Date or within a further additional time period of 90 days. Post the expiry of 270 days from the Effective Date, only the Developers can extend such period as per the Development Agreements. The Developers have provided such extension initially up to June 30, 2021.

Due to global impact of COVID-19, aviation industry has been adversely affected. Further, the approval of CMP from Government authorities, has finally been received from Delhi Urban Art Commission (DUAC) in March 2021. Considering the significant delay in getting the CMP approval, DIAL was not in a position to seek payment of ALR from the Developers for the financial year ended on March 31, 2021 and thereafter till now. As discussions are in process with Developers, pending final settlement of the issues with the Developers, DIAL’s management has decided not to accrue ALR effective from April 01, 2020 till the final settlement with the Developers and has considered the period from April 1, 2020 till June 30, 2021 as Lease Holiday period. Accordingly, DIAL has accrued revenue of Rs. 116.44 crore for the quarter ended June 30, 2021 on straight line basis for current quarter, in accordance with recognition and measurement principles under Ind AS 116 “Leases”.

During the corresponding quarter ended June 30, 2020, DIAL had not recognized revenue considering the uncertainty and pending approval of CMP by governmental authorities, which resulted in other operating income, MAF payable to AAI and profit before tax being lower by Rs. 115.96 crores, Rs. 53.33 crores and Rs. 62.63 crores respectively.

(b) In the month of March 2020, DIAL in its various communications issued inter-alia under Article 16 (Force Majeure), informed AAI that consequent to outbreak of Covid-19 pandemic, the entire aviation industry, particularly the IGI Airport has been adversely affected. It was specifically communicated that the said crisis has materially and adversely affected the business of DIAL which in turn directly impacts the performance of DIAL’s obligations under the OMDA (including obligation to pay Annual Fee/Monthly Annual Fee) while it is continuing to perform its obligation to operate, maintain and manage the IGI Airport. DIAL thereby invoked Force Majeure as provided under Article 16 of OMDA and claimed that it would not be in a position to perform its obligation to prepare Business Plan and pay Annual Fee/ Monthly Annual fee to AAI. The said event(s) of Force Majeure has also been admitted by AAI in its communication to DIAL. Consequently, DIAL is entitled to suspend or excuse the performance of its said obligations as notified to AAI. However, AAI has not agreed to such entitlement of DIAL under OMDA. This has resulted in dispute and for the settlement of which, DIAL has invoked on September 18, 2020 dispute resolution mechanism in terms of Article 15 of OMDA. Further, on December 02, 2020, DIAL again requested AAI to direct the Escrow Bank to not transfer the amounts from Proceeds Accounts to AAI Fee Account, seeking similar treatment as granted by Hon’ble High Court of Delhi to Mumbai International Airport Limited.

In the absence of response from AAI, DIAL approached Delhi High Court seeking certain interim reliefs by filing a petition u/s 9 of Arbitration & Conciliation Act on December 5, 2020 due to the occurrence of Force Majeure event due to outbreak of COVID 19 and its consequential impact on business of DIAL, against AAI and ICICI Bank (Escrow Bank). The Hon’ble High Court of Delhi vide its order dated January 5, 2021 has granted ad-interim reliefs with following directions:

- The ICICI Bank is directed to transfer back, into the Proceeds Account, any amount which may have been transferred from the Proceeds Account to the AAI Fee Account, after December 9, 2020,
- Transfer of moneys from the Proceeds Account to the AAI Fee Account, pending further orders, shall stand stayed and DIAL can use money in Proceeds Account to meet its operational expenses.

The said petition still is pending before High Court and now listed for September 28, 2021. Meanwhile with the nomination of arbitrators by DIAL and AAI and appointment of presiding arbitrator, the arbitration



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tribunal has been constituted on January 13, 2021. The first preliminary hearing was held on January 29, 2021. DIAL had filed its statement of claim on March 25, 2021 and now AAI has filed its defense on July 2, 2021 along with a counter claim. AAI in its counter claim has sought for directions for payment of AF from January 2021 onwards. Now DIAL has to file its rejoinder to AAI's Statement of defense/ reply to AAI's counter claim on August 02, 2021. The tribunal will next assemble on August 23, 2021 for framing of issue/ points of determination.

Before DIAL's above referred section 9 petition could be finally disposed off, AAI has preferred an appeal against the ad-interim order dated January 5, 2021 under section 37 of the Arbitration and Conciliation Act, 1996 before division bench of Delhi High Court which is now listed for September 17, 2021.

In compliance with the ad-interim order dated January 5, 2021, AAI has not issued any certificate or instructions to the Escrow Bank from December 09, 2020 onwards regarding the amount of AAI Fee payable by DIAL to AAI, as contemplated under the Escrow Agreement and the OMDA. Resultantly both pursuant to the ad-interim order of Hon'ble Delhi High Court and in the absence of any certificate or instruction from AAI, the Escrow Bank has not transferred any amount pertaining to AAI Fee from Proceeds Account to AAI Fee Account of the Escrow Account from December 09, 2020 onwards.

Basis the legal opinion obtained, DIAL is entitled to not to pay the Monthly Annual fee under article 11.1.2 of OMDA to AAI being an obligation it is not in a position to perform or render on account of occurrence of Force Majeure Event, in terms of the provisions of Article 16.1 of OMDA till such time DIAL achieves level of activity prevailing before occurrence of Force majeure. Further, DIAL has also sought relief for refund of MAF of an amount of Rs. 465.77 crore appropriated by AAI for the period starting from March 19, 2020 till December 2020.

In view of the above, the management of DIAL has decided not to provide the Monthly Annual Fee to AAI for the quarter ended June 30, 2021 amounting to Rs. 201.40 crores in addition to Rs 768.69 crores for FY 2020-21 (June 30, 2020, 131.90 crores) on "Revenue" as defined in OMDA. As AAI had already appropriated the Monthly Annual Fee amounting to Rs. 446.21 crores from April 01, 2020 till December 09, 2020, which DIAL has already protested, the same has been shown as Advance to AAI paid under protest. However, since the recovery of this amount is sub-judice before the Hon'ble Delhi High Court and the arbitral tribunal, as a matter of prudence, DIAL has decided to create a provision against above advance and shown the same in other expenses. Accordingly, DIAL has reduced the revenue share paid/payable to concessionaire of Rs.131.90 crores with a corresponding equivalent increase in other expenses for the quarter ended June 30, 2020 and the same does not have any impact on earlier reported loss for the aforementioned quarter.

11. (a) In case of GMR Hyderabad International Airport Limited ('GHIAL'), a subsidiary of the Company, the Airport Economic Regulatory Authority ('AERA') passed Aeronautical tariff order in respect of first control period from April 1, 2011 to March 31, 2016. GHIAL had filed an appeal, challenging the disallowance of pre-control period losses, foreign exchange loss on external commercial borrowings and other issues for determination of aeronautical tariff for the First Control Period commencing from April 1, 2011 to March 31, 2016 by Airport Economic Regulatory Authority ('AERA'). During the previous year, the Adjudicating Authority, Telecom Disputes Settlement Appellate Tribunal (TDSAT), in its disposal order dated March 06, 2020 has directed AERA to reconsider the issues afresh while determining the aeronautical tariff for the Third Control Period commencing from April 01, 2021.

In relation to determination of tariff for the Second Control Period, commencing from April 1, 2016 to March 31, 2021, AERA had issued a consultation paper on December 19, 2017. However, as the aforesaid consultation paper does not address the issues arising out of the first control period, including true up for shortfall of receipt vis-a-vis entitlement for the First Control Period, GHIAL had filed a writ petition with the Hon'ble High Court at Hyderabad on February 6, 2018 and obtained a stay order from the High Court vide order dated February 7, 2018 in respect of further proceedings in determination of tariff order for the second control period. Pending determination of Aeronautical Tariff, AERA vide its order no. 48 dated



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March 25, 2019 has allowed GHIAL to continue to charge the aeronautical tariff as prevailed on March 31, 2016 till September 30, 2019 or till determination of tariff for the aforesaid period whichever is later. In view of the above, GHIAL has applied aeronautical tariff as prevailed on March 31, 2016 during the year ended March 31, 2020.

Consequently, AERA, in respect of the remainder of the second control period, i.e. April 1, 2020 to March 31, 2021, has determined the Aeronautical tariff vide its Order no: 34/2019-20/HIAL dated March 27, 2020. Accordingly, GHIAL has applied aeronautical tariff for determination of aeronautical revenue as per the aforesaid order for the year ended 31 March 2021 and quarter ended June 30, 2021.

On July 02, 2021, AERA has issued consultation paper on the aeronautical tariff for the Third Control Period, inviting comments from all the stakeholders by July 31, 2021. GHIAL shall file its responses on the consultation paper by July 31, 2021. The aeronautical tariff for the Third Control Period is expected to be implemented w.e.f. October 01, 2021.

(b) DIAL has implemented the Tariff order No. 40/2015-16 dated December 8, 2015 issued by AERA for the second control period with effect from July 08, 2017 as per directions of Director General of Civil Aviation dated July 07, 2017.

DIAL's appeal no. 10/2012 with respect to first control period has been concluded at the TDSAT along with the appeal of certain airlines. TDSAT vide its order dated April 23, 2018 has passed the order, which provides clarity on the issues which were pending for last six years and has laid down the principles to be followed by AERA in the third control period starting from April 1, 2019. DIAL expects the uplift impact of the TDSAT order to reflect in the tariff determination by AERA for the third control period i.e. 2019 - 2024. DIAL's appeal against the second control period is pending before the TDSAT and the same is still to be heard which shall be heard in due course. Also, DIAL in respect of TDSAT order dated April 23, 2018 has filed a limited appeal in the Hon'ble Supreme Court of India on July 21, 2018 and same is still to be heard.

Further, DIAL has filed tariff proposal for the third control period starting April 1, 2019 to March 31, 2024 with the regulator on November 27, 2018. AERA has time to time extended the prevailing tariff. AERA has issued tariff order for third control period on December 30, 2020 allowing DIAL to continue with BAC+10% tariff for the balance period of third control period plus compensatory tariff in lieu of Fuel Throughput Charges. DIAL had also filed an appeal against some of AERA's decision in third control period order on January 29, 2021 with TDSAT.

12. (a) The Ministry of Civil Aviation (MoCA) had issued orders in 2014, requiring the Airport Operators to reverse the expenditure incurred from PSF (SC) Fund towards (a) procurement and maintenance of security systems/equipment; (b) construction of other long lived assets (refer note (ii) below) along with interest till date of reversal. GHIAL had utilised approximately Rs.142.00 crore towards the above expenses, excluding related maintenance expense, other costs and interest thereon till March 31, 2018 which is presently unascertainable. Management is of the opinion that the utilisation of funds from PSF(SC) escrow account is consistent with the Standard Operating Procedures, guidelines and clarification issued by the MoCA from time to time on the subject of utilization of PSF (SC) funds.

As the above order, in management's opinion, is contrary to and inconsistent with SOPs, guidelines and clarification issued by the MoCA from time to time in this regard, GHIAL had challenged the said order before the Hon'ble High court of Andhra Pradesh. The Hon'ble High Court, vide its order dated March 3, 2014 followed by further clarifications dated April 28, 2014 and December 24, 2014, stayed the MoCA order with an undertaking that, in the event the decision of the writ petition goes against GHIAL it shall restore the PSF (SC) Fund to this extent.

Based on the internal assessments, GHIAL's management is of the view that no further adjustments are required to be made, in this regard.



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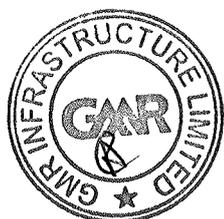
(b) As per the advice from the Ministry of Home Affairs and the Standard Operating Procedures ('SOP') issued by MoCA on March 6, 2002, GHIAL, through its wholly owned subsidiary, Hyderabad Airport Security Services Limited ('HASSL') constructed residential quarters for Central Industrial Security Forces ('CISF') deployed at the Hyderabad airport. After completion of such construction, the total construction cost including the cost of land and related finance cost amounting to Rs. 113.73 crore was debited to the PSF (SC) Fund with corresponding intimation to MoCA. The Comptroller and Auditor General of India ('CAG'), during their audits of PSF (SC) Fund, observed that, GHIAL had not obtained prior approval from MoCA for incurring such cost from the PSF (SC) Fund as required by the guidelines dated January 8, 2010 and April 16, 2010 issued by MoCA. However, management of the Group is of the opinion that these guidelines were issued subsequent to the construction of the said residential quarters and approached MoCA for approval to debit such costs to the PSF (SC) Fund account. Further, GHIAL requested MoCA to advise the AERA for considering the cost of land/ construction and other related costs with regard to the aforesaid residential quarters in determination of Aeronautical Tariff for the Hyderabad airport. Pending final instruction from MoCA, cost of residential quarters continued to be accounted in the PSF (SC) Fund and no adjustments have been made to the accompanying consolidated financial results of the Group for the quarter ended June 30, 2021.

(c) In case of DIAL and GHIAL, as per the Operations, Management and Development Agreement ('OMDA') / concession agreement, DIAL and GHIAL are liable to pay a certain percentage of the revenue as Monthly Annual Fee ("MAF") / Concession Fee ("CF") to Airport Authority of India / Ministry of Civil Aviation respectively. The management is of the view that certain income / credits arising on adoption of Ind AS, mark to market gain on valuation of derivative contracts, gain on reinstatement of Senior Secured Notes and Scrips received under Services Export from India Scheme ('SEIS') in the nature of government grant, interest income from Air India, interest income generated on funds taken for capex, etc. were not contemplated by the parties to the agreements at the time of entering the agreements and these income / credit do not represent receipts from business operations from any external sources and therefore should not be included as revenue for the purpose of calculating MAF / CF. Accordingly, DIAL and GHIAL based on a legal opinion, has provided for MAF / CF on the basis of revenue adjusted for such income / credits.

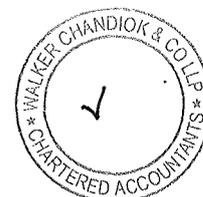
13. The Group has incurred losses primarily on account of losses in the energy and highway sector as detailed in notes 2, 5, and 6 above with a consequent impact on net worth, delay in debt and interest servicing and lower credit ratings for some of its borrowings. Management is taking various initiatives including monetization of assets, sale of stake in certain assets, raising finances from financial institutions and strategic investors, refinancing of existing debt and other strategic initiatives to address the repayment of borrowings and debt.

Further, the Group has received certain favorable orders on various ongoing matters in energy, highway and DFCC which involve significant value of claims. Management is optimistic of such favorable orders and believes that such claims will further improve its cash flows and profitability. The details of such claims have been enumerated below: -

- i) GCORR has received award of Rs. 341.00 crore plus interest against Government of Tamil Nadu ('GOTN') which is challenged by GOTN in Madras High Court. The Hon'ble Judge after hearing the counsels for both the parties adjourned the matter to be listed on August 23, 2021.
- ii) GHVEPL has received award for arbitration for compensation for Change in Law on account of bifurcation of state of Andhra Pradesh and change in policies as detailed in note 6. While Change in Law is upheld, amount of compensation is to be calculated by a Sole Arbitrator. GHVEPL has raised a claim of Rs 1,676.00 crore plus interest up to March 31, 2020. However, NHAI has challenged the Award before Divisional Bench of Delhi High Court after single Judge of Delhi High Court upheld the award in favor of GHVEPL.



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Notes to the unaudited consolidated financial results for the quarter ended June 30, 2021

- iii) In case of DFCC, there are various claims under various heads which has been either agreed by DFCCIL or Group has got the award through Dispute Adjudication Board (DAB). Total amount of claim is approximately Rs. 321.00 crore which will be received progressively based on the work to be carried out.
 - iv) Group have also raised a claim of Rs. 378.00 crore on DFCCIL under Change in Law on account of Mining Ban in the state of UP. Though DAB has given award in Group's favor but DFCCIL has not accepted and arbitration is invoked which is under process.
 - v) Certain other claims in Energy sector as detailed in Note 2(b), 2(c), 2(d), 2(e) and 4.
14. The operations of the Group, its joint ventures and associates were impacted by the second wave of Covid-19 pandemic and while the management believes that such impacts are short term in nature and doesn't anticipate any long term impact on business prospects considering the recovery was seen in past as well as during the later part of the quarter ended June 30, 2021. The Group based on its assessment of the business/economic conditions and liquidity position for the next one year, expects to recover the carrying value of assets, and accordingly no material adjustments are considered necessary in the consolidated financial results. The impact of the COVID 19 pandemic might be different from that estimated as at the date of approval of these consolidated financial results and the Group will closely monitor any material changes to future economic conditions.
15. Exceptional items for the quarter ended March 31, 2021 comprise of the impairment in joint venture and associates and write off/provision of receivables.
16. The accompanying consolidated financial results of the Group for the quarter ended June 30, 2021 have been reviewed by the Audit Committee in their meeting on August 12, 2021 and approved by Board of Directors in their meeting held on August 13, 2021.
17. Other operating income includes interest income on financial assets of annuity companies in roads sector, income from management and other services, commercial property development, profit on sale of current investments and interest income for companies which undertake investment activities and other operating income for other companies.
18. The figures of the last quarter of the previous year are the balancing figure between the audited figures for the full financial year and the published unaudited year to date figures for the nine months ended December 31, 2020.



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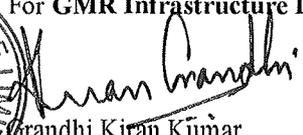


GMR Infrastructure Limited

Notes to the unaudited consolidated financial results for the quarter ended June 30, 2021

19. Figures pertaining to previous quarter / year have been re-grouped / reclassified, wherever necessary, to conform to the classification adopted in the current quarter.

Place: Dubai
Date: August 13, 2021

For GMR Infrastructure Limited

Kiran Kumar
Managing Director & CEO



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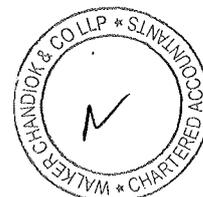
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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of GMR Infrastructure Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of GMR Infrastructure Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of GMR Infrastructure Limited ('the Company') for the quarter ended 30 June 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended); including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi - 110001, India

4. As stated in note 3(a) to the accompanying Statement, the Company has invested in GMR Generation Assets Limited ('GGAL') and GMR Energy Projects Mauritius Limited ('GEPML'), subsidiaries of the Company, which have further invested in step down subsidiaries and joint ventures. Further, the Company has outstanding loan (including accrued interest) amounting to Rs. Nil (net of impairment) recoverable from GGAL as at 30 June 2021. Also, the Company together with GGAL and GEPML has investments in GMR Energy Limited ('GEL'), a Joint venture of the Company, amounting to Rs. 1,177.42 crore and has outstanding loan (including accrued interest) amounting to Rs. 829.52 crore (net of impairment) recoverable from GEL as at 30 June 2021. GEL has further invested in GMR Vemagiri Power Generation Limited ('GVPGL') and GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL'), both subsidiaries of GEL and in GMR Kamalanga Energy Limited ('GKEL'), joint venture of GEL and GGAL has further invested in GMR Rajahmundry Energy Limited ('GREL'), an associate company of GGAL. The aforementioned investments are carried at their respective fair value in the Statement as per Ind AS 109 – 'Financial Instruments'.

As mentioned in note 3(e), GVPGL and GREL have ceased operations due to continued unavailability of adequate supply of natural gas and other factors mentioned in the said note and have been incurring significant losses, including cash losses with consequential erosion of their respective net worth. Further, GREL has entered into a resolution plan with its lenders to restructure its debt obligations during the year ended 31 March 2019. The Company has given certain corporate guarantees for the loans including Cumulative Redeemable Preference Shares ('CRPS') outstanding in GREL amounting to Rs. 2,055.70 crore.

The carrying value of the investment of the Company in GEL, to the extent of amount invested in GVPGL, and the Company's obligations towards the corporate guarantees given for GREL are significantly dependent on the achievement of key assumptions considered in the valuation performed by the external expert particularly with respect to availability of natural gas, future tariff of power generated and realization of claims for losses incurred in earlier periods from the customer as detailed in the aforementioned note. The Company has provided for its investment in full in GREL and the management is confident that no further obligation would arise for the guarantees provided to the lenders against the servicing of sustainable and unsustainable debts.

As mentioned in note 3(d), the management has accounted the investment in GKEL based on the valuation performed by an external expert using the discounted future cash flows method which is significantly dependent on the achievement of certain assumptions considered in aforementioned valuation such as settlement of disputes with customers and timely realization of receivables, expansion and optimal utilization of existing capacity, rescheduling/refinancing of existing loans at lower rates amongst other key assumptions and the uncertainty and the final outcome of the litigations with the capital creditors as regards claims against GKEL.

Further, as mentioned in note 3(f), GBHPL has stopped the construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand, since 7 May 2014 on directions of Hon'ble Supreme Court of India ('the Supreme Court'). The carrying value of the investments in GBHPL is significantly dependent on obtaining requisite approvals from Supreme court, environmental clearances, availability of funding support for development and construction of the aforesaid power plant and achievement of the other key assumptions made in the valuation assessment done by an external expert.

Accordingly, owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the aforesaid loans and investments, and further provisions, if any, required to be made for the said obligations, and the consequential impact on the accompanying Statement for the quarter ended 30 June 2021.

The opinion expressed by us on the standalone financial results for the quarter and year ended 31 March 2021 vide our report 18 June 2021 and the conclusion expressed by us in our review report dated 27 August 2020 on the standalone financial results for the quarter ended 30 June 2020 was also qualified in respect of above matters.



5. As detailed in note 4 to the accompanying Statement, during the quarter ended 30 September 2020, the Company, along with Kakinada SEZ Limited ('KSEZ'), GMR SEZ and Port Holdings Limited ('GSPHL'), Kakinada Gateway Port Limited ('KGPL') had entered into a securities sale and purchase agreement with Aurobindo Reality and Infrastructure Private Limited, ('ARIPL') for the sale of entire 51% stake in KSEZ held by GSPHL (Securities sale and purchase agreement hereinafter referred as 'SSPA') along with the settlement of inter corporate deposits given by the Company to KSEZ.

The investment in KSEZ held by the Company through GSPHL was carried at its fair value of Rs. 502.00 crore that had been determined without giving cognizance to the consideration of Rs.12.00 crore specified in the aforementioned SSPA and was consequently not in accordance with the requirements of Ind AS 113, Fair Value Measurement (Ind AS 113).

The Company had recognised exceptional loss of Rs. 95.00 crore and loss in other comprehensive income amounting to Rs. 490.00 crore in relation to the above transaction during the quarter ended 31 March 2021, as explained in the said note, instead of restating the financial results for previous quarters in accordance with the requirements of relevant Ind AS.

The opinion expressed by us on the standalone financial results for the quarter and year ended 31 March 2021 vide our report dated 18 June 2021 was also qualified in respect of this matter.

Had the management accounted for the aforesaid transaction in the correct period, the 'exceptional loss' for the quarter ended 31 March 2021 would have been lower by Rs. 126.70 crore and other comprehensive income for the quarter ended 31 March 2021 would have been lower by Rs. 490.00 crore.

6. Based on our review conducted as above except for the possible effects of the matters described in previous sections nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. In addition to the matters described in paragraph 4 above, we draw attention to note 3(b) and 3(c) to the accompanying Statement, in relation to the investment made by the Company in GEL amounting to Rs. 1,177.42 crore as at 30 June 2021. The recoverability of such investment is further dependent upon various claims, counter claims and other receivables from customers of GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, which are pending settlement / realization as on 30 June 2021, and certain other key assumptions as considered in the valuation performed by an external expert, including capacity utilization of plant in future years, management's plan for entering into a new long-term power purchase agreement ('PPA') to replace the PPA expired in June 2020 with one of its customers and the pending outcome of the Prudential Framework for Stressed Assets as prescribed by the Reserve Bank of India ('RBI'), being discussed with the lenders of GWEL, as explained in the said note.

The above claims also include disputed claims pertaining to recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') by GWEL. GWEL has disputed the contention of MSEDCL that the cost of transmission charges are to be paid by GWEL. Based on the Order of the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated 8 May 2015, currently contested by MSEDCL in the Supreme Court and pending conclusion, GWEL has accounted for reimbursement of such transmission charges in the Statement of Profit and Loss amounting to Rs. 617.20 crore for the period from 17 March 2014 to 30 June 2021 and transmission charges invoiced directly to MSEDCL by Power Grid Corporation Limited for the period December 2020 to June 2021 as contingent liability, as further described in aforesaid note.



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The management of the Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment of the Company in GEL, taking into account the matters described above in relation to the investments made by GEL in its aforementioned subsidiaries, is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying Statement for the quarter ended 30 June 2021. Our conclusion is not modified in respect of this matter.

8. We draw attention to note 7(a) of the accompanying Statement, which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of its impact on the assumptions underlying the valuation of investments which are carried at fair value in the Statement as at 30 June 2021. Further, we also draw attention to note 7(b) in relation to the carrying value of investments in subsidiaries specified in the note which are further dependent on the uncertainties relating to the future outcome of the ongoing matters. Our conclusion is not modified in respect of this matter.
9. We draw attention to note 4 to the accompanying Statement in relation to the recoverability of sale consideration receivable as at 30 June 2021 amounting to Rs. 513.21 crore pursuant to the sale of equity stake and inter-corporate deposits given to KSEZ which is dependent on the achievement of the milestones as detailed in the aforementioned note. Such achievement of milestones is significantly dependent on future development in the Kakinada SEZ and basis independent assessment by property consultancy agency, Management is confident of achieving such milestones and is of the view that no adjustment to the aforesaid balance is required to be made in the accompanying Statement. Our conclusion is not modified in respect of this matter.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013


Neeraj Sharma
Partner
Membership No. 502103



UDIN 21502103AAAADL4621

Place: Greater Noida
Date: 13 August 2021

GMR Infrastructure Limited

Corporate Identity Number (CIN): L45203MH1996PLC281138

Registered Office: Naman Centre , 7th Floor, Opp. Dena Bank, Plot No. C-31 , G Block ,
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Statement of unaudited standalone financial results for the quarter ended June 30, 2021

(Rs. in crore)

S.No.	Particulars	Quarter ended			Year ended
		June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
		Unaudited	(refer note 10)	Unaudited	Audited
1	Income				
	(a) Revenue from operations				
	i) Sales/income from operations	268.28	409.64	213.67	1,055.20
	ii) Other operating income (refer note 6)	85.28	94.07	84.92	393.40
	(b) Other income	5.18	14.14	0.89	19.48
	Total Income	358.74	517.85	299.48	1,468.08
2	Expenses				
	(a) Cost of materials consumed	138.28	297.79	122.76	662.56
	(b) Sub-contracting expenses	77.16	59.90	43.05	194.66
	(c) Employee benefit expenses	7.76	7.82	7.13	28.76
	(d) Finance costs	156.13	230.71	275.63	890.71
	(e) Depreciation and amortisation expenses	5.05	5.20	5.48	21.50
	(f) Other expenses	27.35	62.33	15.93	157.06
	Total expenses	411.73	663.75	469.98	1,955.25
3	Loss before exceptional items and tax	(52.99)	(145.90)	(170.50)	(487.17)
4	Exceptional items (refer note 5)	66.40	(256.15)	(66.86)	(796.85)
5	Profit/(loss) before tax (3 ± 4)	13.41	(402.05)	(237.36)	(1,284.02)
6	Tax credit	-	-	(1.91)	(3.86)
7	Profit/(loss) for the period/ year (5 ± 6)	13.41	(402.05)	(235.45)	(1,280.16)
8	Other comprehensive income (net of tax)				
	Items that will not be reclassified to profit or loss				
	-Re-measurement gains/(loss) on defined benefit plans	0.08	(0.14)	1.12	0.55
	-Net (loss)/gain on fair valuation through other comprehensive income (FVTOCI) of equity securities	(120.89)	1,102.44	(2,005.47)	(1,116.48)
	Total other comprehensive income for the period/year	(120.81)	1,102.30	(2,004.35)	(1,115.93)
9	Total comprehensive income for the period/year (Comprising (loss)/profit and Other comprehensive income (net of tax) for the period/year) (7 ± 8)	(107.40)	700.25	(2,239.80)	(2,396.09)
10	Paid-up equity share capital (Face value - Re. 1 per share)	603.59	603.59	603.59	603.59
11	Other equity (excluding equity share capital)				9,142.63
12	Earnings per share (EPS) (of Re. 1 each) (not annualised)				
	(a) Basic and Diluted EPS before exceptional items	(0.09)	(0.24)	(0.28)	(0.80)
	(b) Basic and Diluted EPS after exceptional items	0.02	(0.67)	(0.39)	(2.12)



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Notes to the unaudited standalone financial results for the quarter ended June 30, 2021

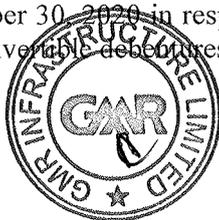
1. Investors can view the unaudited standalone financial results of GMR Infrastructure Limited (“the Company” or “GIL”) on the Company’s website www.gmrgroup.in or on the websites of BSE (www.bseindia.com) or NSE (www.nse-india.com). The Company carries on its business through various subsidiaries, joint ventures and associates (hereinafter referred to as ‘the Group’), being special purpose vehicles exclusively formed to build and operate various infrastructure projects.
2. The Company carries on its business in two business verticals viz., Engineering, Procurement and Construction (‘EPC’) and Others.

The segment reporting of the Company has been prepared in accordance with Ind AS 108 ‘Operating Segments’ prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder.

3. (a) The Company has invested in GMR Generation Assets Limited (“GGAL”) which has further invested in step down subsidiaries and joint ventures. Further, the Company has outstanding loan (including accrued interest) amounting to Rs. Nil (net of impairment) recoverable from GGAL as at June 30, 2021. Also, the Company together with GGAL and GMR Energy Projects Mauritius Limited has investments in GMR Energy Limited (“GEL”) amounting Rs. 1,177.42 crore and has outstanding loan (including accrued interest) amounting to Rs. 829.52 crore in GEL as at June 30, 2021. GEL and GGAL have certain underlying subsidiaries/ associates/ joint ventures which are engaged in energy sector including mining operations. GEL, GGAL and some of the underlying subsidiaries/ associates/ joint ventures as further detailed in note 3(b), 3(c), 3(d), 3(e) and 3(f) below have been incurring losses resulting in substantial erosion in their net worth. Based on its internal assessment with regard to future operations and valuation assessment by an external expert during the year ended March 31, 2021, the management of the Company has fair valued its investments and for reasons as detailed in 3(b), 3(c), 3(d), 3(e) and 3(f) below, the management is of the view that the fair values of the Company’s investments in GGAL and GEL are appropriate.

(b) GMR Warora Energy Limited (‘GWEL’), a subsidiary of GEL, is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL, has accumulated losses of Rs.744.70 crore as at June 30, 2021, which has resulted in substantial erosion of GWEL’s net worth and its current liabilities exceed current assets. There have been delays in receipt of the receivables from customers which has resulted in delays of repayment of dues to the lenders GWEL had claimed compensation for coal cost pass through and various "change in law" events from its customers under the Power Purchase Agreements (‘PPA’) and have filed petitions with the regulatory authorities for settlement of such claims in favour of GWEL. GWEL has trade receivables, other receivables and unbilled revenue (including claims) of Rs. 673.02 crore and the payment from the customers against the claims including interest on such claims which are substantially pending receipt. Based on certain favorable interim regulatory orders, the management is confident of a favorable outcome towards the outstanding receivables.

Further, GWEL received notices from one of its customer disputing payment of capacity charges of Rs. 132.01 crore for the period March 23, 2020 to June 30, 2020 as the customer had not availed power during the said period sighting force majeure on account of COVID 19 pandemic. GWEL responded and clarified that the said situation is not covered under force majeure clause in view of the clarification by the Ministry of Power stating that Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. The customer is of the view that the aforesaid clarification by the Ministry of Power cannot override the terms of the PPA and continue to dispute the payment thereof. Accordingly, during the period ended March 31, 2021, GWEL filed petition with Central Electricity Regulatory Commission (‘CERC’) for settlement of the dispute. The management based on its internal assessment and petition filed with CERC, is of the view that the aforesaid capacity charges are fully recoverable. Further, in view of the ongoing COVID-19 pandemic and expiry of the PPA with one of the customer availing 200 MW of power in June 2020 and a consequent cancellation of the fuel supply agreement, there could be impact on the future business operations, financial position and future cash flows of GWEL. Further, GWEL basis the requisite approval of the lenders, has invoked resolution process as per Resolution Framework for COVID-19 related stress prescribed by RBI on December 30, 2020 in respect of all the facilities (including fund based, non-fund based and investment in non-convertable debentures) availed by GWEL as on the invocation date. In this regard, all the lenders of



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GWEL have entered into an Inter Creditors Agreement ('ICA') on January 21, 2021 and a Resolution Plan is to be implemented within 180 days from the invocation date in accordance with the framework issued by RBI During the quarter ended June 30, 2021, resolution process under Prudential Framework for Resolution of Stressed Assets, as prescribed by the RBI on June 07, 2019 has been invoked on June 29, 2021. Inter Creditors Agreement would be executed within 30 days from the date of invocation along with 180 days timeline for resolution plan implementation.

The management of GWEL expects that the plant will generate sufficient profits in the future years and will be able to recover the receivables and based on business plans and valuation assessment by an external expert during the year ended March 31, 2021, considering key assumptions such as capacity utilization of plant in future years based on current levels of utilization including merchant sales and sales through other long term PPA's and management's plan for entering into a new long-term PPA to replace the PPA earlier entered with one of its customers which has expired in June 2020 and the pending outcome of the Prudential Framework for resolution of stressed assets with the lenders of GWEL, the management of the GEL is of the view that the carrying value of the net assets in GWEL by GEL as at 30 June, 2021 is appropriate.

(c) GWEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') on March 17, 2010 for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, GWEL has raised claim of Rs. 617.20 crore towards reimbursement of transmission charges from March 17, 2014 till 30 June, 2021. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and the matter is pending conclusion. Pursuant to notification No. L-1/250/2019/CERC, the transmission charges (other than the deviation charges) is being directly billed to the respective customers (DISCOMS) by Power Grid Corporation of India Limited and accordingly, GWEL has not received transmission charges (other than the deviation charges) related invoices for the period December 2020 to June 2021. Though there is a change in the invoicing mechanism, the final obligation towards the transmission charges will be decided based on the order of the Hon'ble Supreme Court of India as stated above.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of Rs. 617.20 crore relating to the period from March 17, 2014 till 30 June, 2021 (including Rs. 5.62 crore for the quarter ended June 30, 2021) in the financial results of GWEL.

(d) GMR Kamalanga Energy Limited ('GKEL'), a joint venture of GEL is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has accumulated losses of Rs. 1,816.23 crore as at June 30, 2021, which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. Further, GKEL has trade receivables, other receivables and unbilled revenue (including claims) of Rs. 1,486.57 crore as at June 30, 2021, for coal cost pass through and various "change in law" events from its customers under the PPAs and have filed petitions with the regulatory authorities for settlement of such claims in favour of GKEL. The



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Notes to the unaudited standalone financial results for the quarter ended June 30, 2021

payment from the customers against the claims is substantially pending receipt as at June 30, 2021. Based on certain favorable interim regulatory orders with regard to its petition for 'Tariff Determination' and 'Tariff Revision' with its customers, the management is confident of a favorable outcome towards the outstanding receivables of GKEL.

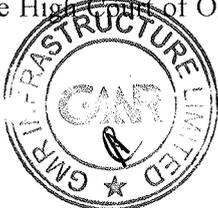
GKEL in view of the Supreme Court Order in Energy Watchdog vs CERC and others and CERC order in its own case for Haryana Discoms had sought legal opinion from the legal counsel on certainty of the claims with Bihar Discoms. Considering opinion received from legal counsels that GKEL has good tenable case with virtual certainty with respect to coal cost pass through and favourable Order from APTEL dated December 21, 2018 and CERC judgment in GKEL's own case for Haryana Discoms where the computation methodology of coal cost pass through was decided, the management was virtually certain on receipt of the GKEL's claim of revenue on coal cost pass through and was of the opinion that no contingency was involved in this regard. GKEL has now received a favorable order on September 16, 2019 whereby the CERC has allowed the coal cost pass through to be charged to the Bihar Discom, based on a certain methodology. However, GKEL has filed a review petition with Hon'ble Appellate Tribunal for Electricity dated November 14, 2019 against this methodology on the grounds that the methodology stated in this order, even though favorable, is contradictory to the methodology stated in the earlier order of CERC in GKEL's case with Haryana Discom. Accordingly, GKEL continued to recognize the income on Coal Cost Pass Through claims of Rs. 0.90 crore for the quarter ended June 30, 2021. The total outstanding receivables (including unbilled revenues) amounts to Rs. 435.98 crore as on June 30, 2021.

GKEL has accounted for transportation cost of fly ash as change in law event as the same was agreed in principle by CERC vide Order 131/MP/2016 dated February 21, 2018 and on March 22, 2021 in case no 405/MP/2019, CERC allowed to recover ash transportation costs including GST from Bihar and Haryana Discoms. Similarly, CERC in its order dated April 8, 2019 has allowed Maithan Power Limited in case no – 331/MP/2018 to recover the actual ash disposal expenses from its beneficiaries (DVC).

Based on the above orders of CERC, GKEL has recognised revenue amounting to Rs 6.97 Cr for GRIDCO during the quarter ended June 30, 2021 post complying with the conditions mandated in this regard. GKEL has filed petition with CERC for determination of compensation of transportation charges of fly ash as per Order.

Further, as detailed below there are continuing litigation with SEPCO Electric Power Construction Corporation (SEPCO) ('Capital Creditors') which are pending settlement. Further, during the last year, GKEL has won the bid for supply of balance 150 MW to Haryana Discom. GKEL has signed fuel supply agreement with Coal India Limited for supply of coal from its Mahanadi Coal Field Mines for 0.36 crore ton which is within a distance of 15 KM from the plant site. In addition to above, GKEL has won the bid (Shakti-III) for supply of 0.04 crore ton of coal for balance 150 MW. GKEL is actively pursuing its customers for realization of claims and selling its untied capacity in exchange market to support the Company's ability to continue the business without impact on its operation.

Further, GKEL had entered agreement with SEPCO in 2008 for the construction and operation of coal fired thermal power plant. There were certain disputes between the parties in relation to the delays in construction and various technical issues relating to the construction and operation of the plant. SEPCO served a notice of dispute to GKEL in March 2015 and initiated arbitration proceedings. The Arbitral Tribunal has issued an opinion (the Award) on September 07, 2020 against GKEL. Since there were computation/ clerical / typographical errors in the Award, both parties (GKEL and SEPCO) immediately applied for correction of the award under Section 33 of the Arbitration & Conciliation Act 1996 (as amended). The Arbitral Tribunal considered the applications of both the parties and has pronounced the corrected award on November 17, 2020. GKEL already accounted for the aforementioned liability in excess of the amount as per the award pertaining to the books, representing the retention money, unpaid invoices and the Bank Guarantee revoked. GKEL has challenged the award under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'ble High Court of Orissa on February 15, 2021. Based on the legal opinion obtained, GKEL has good



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Notes to the unaudited standalone financial results for the quarter ended June 30, 2021

arguable case under section 34 of the Act to challenge the Award and seek setting aside of the same as thus they are not expecting cash outflow in this matter.

In view of these matters, business plans (including expansion and optimal utilization of existing capacity, rescheduling/ refinancing of existing loans at lower rates), valuation assessment by an external expert during the year ended March 31, 2021, the management is of the view that the carrying value of the investments in GKEL held by GEL as at June 30, 2021 is appropriate.

(e) In view of lower supplies / availability of natural gas to the power generating companies in India, GREL, GMR Vemagiri Power Generation Limited ('GVPGL'), a subsidiary of GEL and GEL are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL has not generated and sold electrical energy since April 2013. GREL and GVPGL emerged as successful bidders in the auction process organised by the Ministry of Power and operated on an intermittent basis from August 2015 and October 2015 respectively till September 2016 by using Re-gasified Liquefied Natural Gas ('RLNG') as natural gas. These entities have ceased operations and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply.

(i) GREL had not commenced commercial operations pending linkages of natural gas supply from the Ministry of Petroleum and Natural Gas till the period ended September 30, 2015. As a result, the consortium of lenders of GREL decided to implement Strategic Debt Restructuring Scheme ('SDR Scheme'). Pursuant to the scheme, borrowings aggregating to Rs. 1,308.57 crore and interest accrued thereon amounting to Rs. 105.42 crore was converted into equity shares of GREL for 55% stake in equity share capital of GREL and the Company and GGAL have given a guarantee of Rs 2,571.71 crore to the lenders against the remaining debt. Under the SDR Scheme, the bankers had to find new promoters for GREL within the period as prescribed under the scheme, which expired during the year ended March 31, 2018. Consequent to the SDR and the conversion of loans into equity share capital by the consortium of lenders, GREL ceased to be a subsidiary of the Company and has been considered as associate as per the requirements of Ind AS -28.

During the year ended March 31, 2019, considering that GREL continued to incur losses in absence of commercial operations, the consortium of lenders has decided to implement a revised resolution plan which has been approved by all the lenders and accordingly the lenders have restructured the debt. The Company along with its subsidiaries has provided guarantees to the lenders against the servicing of sustainable debts having principal amounting to Rs. 1,115.11 crore and all interests there on, including any other obligation arising out of it and discharge of the put option in regard to Cumulative Redeemable Preference Shares ('CRPS') (unsustainable debt) amounting to Rs. 940.59 crore, if any exercised by the CRPS lenders, as per the terms of the revised resolution plan.

(ii) During the year ended March 31, 2018, pursuant to the appeal filed by Andhra Pradesh Discoms ('APDISCOMs'), the Hon'ble Supreme Court held that RLNG is not natural gas and accordingly GVPGL cannot be entitled for capacity charges based on availability declaration for generation of power on the basis of RLNG. GVPGL had also filed petition claiming losses of Rs. 447.00 crore pertaining to capacity charges pertaining to period 2006 to 2008 before Andhra Pradesh Electricity Regulatory Commission ('APERC'). Over the years, the case was heard for deciding the jurisdiction to adjudicate the proceedings. During the year ended March 31, 2019, the Hon'ble High Court of Andhra Pradesh passed its Judgment and held that the Central Electricity Regulatory Commission ('CERC') has the jurisdiction to adjudicate the aforesaid claims of GVPGL. Further, during the year ended March 31, 2020, the Andhra Pradesh DISCOMs (APDISCOMs') appealed against, the aforesaid judgement before the Hon'ble Supreme Court. The Supreme Court vide its order dated February 4, 2020 dismissed the aforesaid petition of the DISCOMs and held that CERC will have jurisdiction to adjudicate the disputes in the present case and directed CERC to dispose off the petition filed before it within six months. The matter is pending to be heard before the CERC as at June 30, 2021.



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Notes to the unaudited standalone financial results for the quarter ended June 30, 2021

Additionally, during the year ended March 31, 2020, in case of GVPGL's litigation with APDISCOMs, wherein APDISCOMs refused to accept declaration of capacity availability on the basis of deep water gas citing that natural gas for the purpose of PPA does not include Deep Water Gas and consequent refusal to schedule power from GVGPL and pay applicable tariff including capacity charges, CERC has passed order dated January 28, 2020, declaring that natural gas for the purpose of PPA includes Deep Water Gas. Accordingly, GVGPL is entitled to claim capacity charges from APDISCOMs from October 2016 based on availability declaration for generation of power on the basis of deep water gas, along with late payment surcharge.

GVGPL has calculated a claim amount of Rs. 741.31 crore for the period from November 2016 till February 2020. GVPGL has not received any of the aforesaid claims and is confident of recovery of such claims in the future based on CERC order.

(iii) Further, the management of the Company is evaluating various approaches / alternatives to deal with the situation and is confident that Government of India ('GoI') would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. The management of the Company carried out a valuation assessment of GREL and GVPGL during the year ended March 31, 2021 which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff, tying up of PPA, realization of claims for losses incurred in earlier periods and current period from the customer and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The business plan of GREL considered for valuation assessment has been approved by the consortium of lenders at the time of execution of the resolution plan. The management of the Company will monitor these aspects closely and take actions as are considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations. Based on the aforementioned reasons, claims for capacity charges and business plans, the management is of the view that the carrying value of the investment in GVPGL by GEL as at 30 June, 2021 is appropriate. The Company has provided for its investment in full in GREL and the management is confident that no further obligation would arise for the guarantees provided to the lenders against the servicing of sustainable and unsustainable debts.

(f) GMR Badrinath Hydro Power Generation Private Limited ('GBHPL') a subsidiary of GEL, is in the process of setting up 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India ('the Court'), while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. During the year ended March 31, 2018, the validity of Environmental Clearance ('EC') granted to GBHPL by the MoEF ceased to exist. Pursuant to an application made by GBHPL, the MoEF vide its letter dated April 17, 2018, proposed to extend the EC granted to GBHPL for a period of 3 years, subject to the final outcome of the matter pending before the Court. Based on its internal assessment and a legal opinion, the management of GBHPL is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert during the year ended March 31, 2021, the management of the Company is of the view that the carrying value of the investments in GBHPL by GEL as at June 30, 2021 is appropriate.



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GMR Infrastructure Limited

Notes to the unaudited standalone financial results for the quarter ended June 30, 2021

4. The Company had signed definitive share sale and purchase agreement ('SSPA') on September 24, 2020 which had been subsequently amended on March 31, 2021 for the sale of equity owned by its wholly owned subsidiary GMR SEZ & Port Holdings Limited ("GSPHL") of its entire 51% stake in Kakinada SEZ Limited ("KSEZ") to Aurobindo Realty and Infrastructure Private Limited ("ARIPL"). As part of the transfer of stake of KSEZ ("transaction"), the 74% equity stake of Kakinada Gateway Port Limited ("KGPL") held by KSEZ would also be transferred to ARIPL. The consideration for the aforementioned transaction comprised of Rs. 1,692.03 crore upfront payment to be received on or before the closing date and Rs. 1,027.18 crore to be received in next 2 to 3 years from the transaction date which is contingent upon achievement of certain agreed milestones primarily related to the sale of 2,500 acres of the land parcels by KSEZ at specified prices during the financial years ended March 31, 2022 and March 31, 2023.

The said transaction was subject to Conditions Precedent as specified in SSPA. Pursuant to the satisfaction of such conditions precedent, entire amount of upfront consideration has been received from ARIPL till date of approval of these unaudited standalone financial results. Accordingly, during the quarter ended March 31, 2021 Company had recognized exceptional loss of Rs. 95.00 crore and loss of Rs. 490.00 crores in other comprehensive income in the quarter ended March 31, 2021 in relation to the said transaction.

The Company expects in next 2-3 years there will be significant development in the Kakinada SEZ which includes the development of Bulk Drug Park, Commercial Sea port, establishment of various port-based industries, manufacturing industries, development of new International Airport in Bhogapuram. Based on assessment of the achievement of the aforementioned milestones by an independent property consultancy agency, management of the Company is confident of achieving the aforementioned milestones and is of the view that the carrying value of the amount recoverable as at June 30, 2021 is appropriate.

5. During the quarter ended June 30, 2021, the Company has accounted for reversal/(creation) of provision for impairment in carrying value of investments, loans/advances/other receivables carried at amortised cost amounting to Rs. 66.40 crore {March 31, 2021: (Rs. 256.15 crore)} for the quarter given to Group Companies, which has been disclosed as an exceptional item in the standalone financial results.
6. Other operating income includes interest income, income from management and other services and profit on sale of current investments considering that the Company undertakes investment activities.
7. a) The operations of the investee entities were impacted by the second wave of Covid-19 pandemic and while the Management believes that such impact is short term in nature and does not anticipate any long term impact on business prospects considering the recovery seen in the past as well as during the later part of the quarter ended June 30, 2021. The Company based on its assessment of the business/ economic conditions and liquidity position for the next one year, expects to recover the carrying value of investments, and accordingly no material adjustments are considered necessary in the standalone financial results. The impact of the COVID - 19 pandemic might be different from that estimated as at the date of approval of these financial results and the Company will closely monitor any material changes to the future economic conditions



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Notes to the unaudited standalone financial results for the quarter ended June 30, 2021

b) Further, fair value of investments in Equity shares and CCPS of GAL are also subject to likely outcome of ongoing litigations and claims pertaining to DIAL and GHIAL as follows:

- Ongoing arbitration between DIAL and AAI in relation to the payment of Monthly Annual fees for the period till the operations of DIAL reaches pre COVID 19 levels. Basis an independent legal opinion obtained by the management of DIAL, the Company is entitled to be excused from making payment of Monthly Annual fee under article 11.1.2 of OMDA to AAI on account of occurrence of Force Majeure Event under Article 16.1 of OMDA, till such time the Company achieves level of activity prevailing before occurrence of force majeure. In view of the above, the management has not considered the Annual Fee payable to AAI for the years ended March 31, 2021 and March 31, 2022 in the cash flows used for the purposes of estimation of the fair value of investment made by the Company in DIAL through GAL.
- Consideration of Cargo, Ground Handling and Fuel farm ('CGHF') income as part of non-aeronautical revenue in determination of tariff for the third control period by Airport Economic Regulatory Authority in case of GHIAL. GHIAL has filed appeal with Telecom Disputes Settlement Appellate Tribunal ('TDSAT') and during the previous year, the adjudicating authority, TDSAT, in its disposal order dated March 06, 2020 has directed AERA to reconsider the issue afresh while determining the aeronautical tariff for the Third Control Period commencing from April 01, 2021. In July 2020, the GHIAL has filed an application with the AERA for determination of Aeronautical tariff for the third control period commencing from April 1, 2021 to March 31, 2026 wherein it has contended that CGHF income shall be treated as non-aero revenue. The management has also obtained legal opinion and according to which GHIAL position is appropriate as per terms of Concession agreement and AERA Act, 2008.

8. The financial results for the quarter ended June 30, 2021 reflected an excess of current liabilities over current assets. Management is taking various initiatives including monetization of assets, sale of stake in certain non-core assets, recovery of outstanding claims in highway and power sector investee entities, raising finances from financial institutions and strategic investors, refinancing of existing debt and other strategic initiatives. Such initiatives will enable the Company to meet its financial obligations and its cash flow in an orderly manner.

9. The unaudited standalone financial results of the Company for the quarter and year ended June 30, 2021 have been reviewed by the Audit Committee in their meeting on August 12, 2021 and approved by the Board of Directors in their meeting on August 13, 2021.

10. The figures of the last quarter of the previous year are the balancing figure between the audited figures for the full financial year and the published unaudited year to date figure for the nine month ended December 31, 2020.



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GMR Infrastructure Limited

Notes to the unaudited standalone financial results for the quarter ended June 30, 2021

11. Previous quarter / period / year's figures have been regrouped/ reclassified, wherever necessary to conform to current period's classification.

Place: Dubai
Date: August 13, 2021



For GMR Infrastructure Limited

Kiran Kumar
Kiran Kumar
Managing Director & CEO



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GMR Infrastructure Limited

Business Highlights

Update on Demerger to Unlock Value

We filed the composite scheme of Amalgamation and Arrangement amongst GMR Power Infra Limited and GMR Infrastructure Limited and GMR Power and Urban Infra Limited and their respective shareholders with the National Company Law Tribunal (NCLT) on March 5, 2021 for taking the Scheme forward. We have already received consent of the Stock Exchanges and SEBI and are awaiting schedule for hearing from NCLT. **Simultaneously, process for obtaining requisite approvals from the relevant stakeholders, especially financial & operational creditors is at an advanced stage of completion as we have received in-principle approvals for demerger from majority of the financial creditors.**

The Scheme involves vertical split demerger of the Non-Airport Business (Energy, EPC, Urban Infrastructure, etc.) of GIL into GMR Power and Urban Infra Limited (GPUIL), as a going concern, along-side amalgamation of GMR Power Infra Limited (GPIL) with GIL, as a step preceding demerger.

Groupe ADP and GMR Execute Industrial Partnership

Groupe ADP and GMR announced the execution of Industrial Partnership, demonstrating intent to cooperate with each other and a shared global vision for the airport sector. It is a significant step into building the world's largest airport alliance to welcome passengers and leverage both groups' expertise to continuously improve operations.

Delhi Airport's completed issuance of INR 3,257 Cr NCDs

Delhi Airport successfully completed the issuance of Non-Convertible Debentures (NCD's) for INR 3,257 Cr priced at an interest rate of 10.96 % p.a and subscribed by FPI's. The proceeds from the NCD's will be utilized to refinance the outstanding debt of around USD 289 Mn due in FY22 and to partly finance the Phase 3A expansion. This shows the confidence of investor in our projects & businesses and reflects our continued effort to create value for our investors.

Completed Divestment of Kakinada SEZ Limited

We have received first tranche considerations of ~INR 1692 Cr out of the total consideration of INR 2719 Cr towards divestment of entire stake in Kakinada SEZ Limited. Additionally, ~INR 1027 Cr is to be received in next 2 - 3 years which is contingent upon certain agreed milestones. As part of the agreement, 51% equity stake held in Kakinada SEZ Ltd through GMR SEZ and Port Holding Limited is divested to Aurobindo Realty and Infrastructure Private Limited (ARIPL).

APTEL Order on Kamalanga Plant's Change in Law appeal against Bihar Discom

As per the APTEL order passed on August 6, 2021, all the amounts due and payable to GMR Kamalanga Energy Limited (GKEL) by the Bihar Discom under various change in law events shall be paid along with carrying costs in accordance with law within six weeks from August 6, 2021. GKEL is entitled to recover expenditure involved in procurement of alternate coal due to shortfall in domestic coal supply corresponding to scheduled generation pertaining to Bihar PPA thereby restoring GKEL to the same economic position as before as if no change in law event has occurred.

Boston Living signed definitive agreements with GMR Hyderabad Aero City

Boston Living, an incubation venture of INCOR Group, signed definitive agreements with GMR Hyderabad Aero City to develop co-living and serviced residences. The new project will be named "The Landing by Boston Living". As part of the agreement, GMR Hyderabad Aero City will lease land to Boston Living to develop 0.5 million sq. ft. space.

Business recovery

Airport Business

- Post relaxation of restrictions since May 2020, our Airports saw a significant traction in traffic till February 2021. However, the growth was stalled due to the onset of second Covid wave resulting in a decline in traffic during April 2021– May 2021.
- However, traffic rebounded quickly from last week of May 2021 and is on a fast pace recovery path than initially anticipated. This is encouraging considering Govt. of India imposed curb on the capacity for the airlines at 50% from June 1, 2021 which was later revised to 65% from July 5, 2021. On August 13, 2021, it has been further increased to 72.5%. Passenger confidence to travel is on the rise with the decline in Covid cases.

Our Airports have witnessed increase in traffic post Second Wave				
% of pre-Covid level	1st Week (25-31 May 2020)	39th Week (15-21 Feb 2020 (Peak)	52nd Week (17-23 May 2021 (Trough – Second Wave)	63rd Week (2-8 Aug 2021)
Delhi Airport				
Average Daily Pax	12%	64%	13%	53%
Daily Average ATM	23%	69%	26%	58%
Hyderabad Airport				
Average Daily Pax	7%	66%	12%	56%
Daily Average ATM	12%	65%	22%	58%
Cargo Traffic remains resilient				
	May 2020	Feb 2021	May 2021	July 2021
Delhi Airport	31%	95%	92%	91%
Hyderabad Airport	41%	95%	87%	93%

Note: 1. Non-adjusted gross numbers

2. Pre-Covid benchmark to average daily traffic for the entire FY20 (excluding March 2020).

3. Govt had allowed 33% capacity for the airlines till Jun 25, 2020 and increased to 45% till Sep 2, 2020, 60% till Nov 11, 2020, 70% till Dec 3, 2020 and 80% till May 31, 2021. Jun 1, 2021 onwards cap reduced to 50% and revised to 65% w.e.f July 5, 2021

- We expect traffic to gain further momentum with the reducing trend in Covid cases, lifting of government restrictions on airline capacity and the increased pace of vaccination.
 - India's daily new Covid cases remain stable and low while vaccination is picking up pace. 51.9 Cr vaccine doses administered as of August 11, 2021 in India
 - Metro cities, which are core to our business, have recorded much higher vaccine coverage than India average

- Government of India is working on vaccinating all citizens by December 2021
 - Globally too, countries have resorted to fast vaccination measures to unlock the economy which will provide further boost to international traffic. Globally, ~ 450 Cr vaccine doses has been administered
 - Air Bubbles' arrangement will continue for next few months aiding recovery of international traffic. Currently Air Bubbles' arrangement is with 28 nations - USA, UK, Canada, Germany, France, UAE, Qatar, Maldives, Afghanistan, Bahrain, Bhutan, Iraq, Japan, Nigeria, Oman, Kenya, Ukraine, Bangladesh, Rwanda, Tanzania, Netherlands, Ethiopia, Nepal, Kuwait, Russia, Seychelles, Sri Lanka & Uzbekistan
 - Fleet addition by major Indian airlines and entry of new airlines including Jet Airways to aid expansion of operating capacity
- We anticipate a return to the pre-Covid traffic level in our Indian Airports by end FY22 driven by domestic segment.

Energy Business

Power demand and coal supply are improving as the lockdown is easing up resulting in higher PLFs

PLF (%)	FY20	FY21	Q1FY22	July 2021
Kamalanga	64%	77%	83%	77%
Warora	82%	75%	54%*	67%

Note: *impacted by lower supply of linkage coal from mines, lower exchange rates and delayed realization from Discoms

Highway Business

Hyderabad Vijayawada expressway

- Traffic increased by 61% YoY to 8.4 Mn during April 2021 - Jun 2021 period.
- However, per day avg. traffic volume decreased by 36% MoM in May'21 due to lockdown but increased by 30% MoM in June 2021 and 24% MoM in July 2021 as the lockdown eased.

Ambala Chandigarh expressway

- Toll has been suspended since Oct 12, 2020 due to farmer's agitation

PT Gems

PT Gems was able to showcase its strength despite Covid by reporting a Sales growth of 4% YoY and EBITDA margin of USD 14.6 per ton for Q1FY22 driven by 16% YoY increase in realization. Per ton costs reduced by 11% YoY to USD 26.5/ton in Q1FY22. Q1FY22 has been significant due to the following:

- Best quarter in PT Gems history in terms of PBT - \$129 Mn.
- Highest Q1 coal production since inception despite adverse weather conditions
- Robust EBITDA margins of \$136 Mn (\$14.6 per ton)
- Final dividend for CY2020 of USD 75 Mn declared in May'21. Additionally, an interim dividend for CY2021 of USD 75 Mn declared in Apr'21

Q1FY22 Performance Highlights

Airport Sector

Delhi Airport

- Traffic improved by 4.2x YoY from 1.23 Mn in Q1FY21 to 5.13 Mn in Q1FY22. On a QoQ basis, traffic declined 47% in Q1FY22
- Gross Revenue increased by 79% YoY from INR 348 Cr in Q1FY21 to INR 622 Cr in Q1FY22. On a QoQ basis, revenue declined by 46% in Q1FY22
- EBITDA improved from a loss of INR 69 Cr in Q1FY21 to INR 315 Cr in Q1FY22. On a QoQ basis, EBITDA declined by 54% in Q1FY22
- Capex to increase capacity from 66 Mn pax to 100 Mn pax - achieved 45.3% completion as of June 30, 2021. As on July 31, 2021, overall progress achieved is 46.6%
- Pre-second wave of Covid, 77 domestic destinations were connected against 72 in Mar'20. Total connected domestic destinations now stand at 67 post moderation of second wave of Covid

ESG Initiatives, Recognition and Awards

- Received the Platinum Recognition in the Green Airports Recognition run by ACI Asia Pacific in over 25 Mn passenger category
- Adjudged as the 'Best Regional Airport in India and Central Asia' for the third consecutive year in 2021 by Skytrax
- Improved its Skytrax global ranking, moving from 50th in 2020 to number 45th in the 2021
- Bestowed with the 'COVID-19 Airport Excellence Award' for providing exemplary safety protocols during the global pandemic, making it the only airport in India to be ascribed in this category
- Fifth consecutive year where DIAL's sustainability initiatives have been recognized

Hyderabad Airport

- Traffic improved by 4.7x YoY from 0.33 Mn in Q1FY21 to 1.53 Mn in Q1FY22. On a QoQ basis, traffic declined 54% in Q1FY22
- Gross revenue increased by 2.3x YoY from 44 Cr in Q1FY21 to INR 102 Cr in Q1FY22. On a QoQ basis, revenue declined 44% in Q1FY22
- EBITDA improved from a loss of INR 52 Cr in Q1FY21 to INR 3 Cr in Q1FY22. On a QoQ basis, EBITDA fell by 96% in Q1FY22
- Capex to increase capacity from 12 Mn pax to 34 Mn pax - achieved 60.4% completion as on June 30, 2021. As on July 31, 2021, overall progress achieved is 61.9%
- Pre-second wave of Covid, 58 domestic destinations were connected against 55 in Mar'20. Total connected domestic destinations now stand at 53 post moderation of second wave of Covid; including 12 domestic destinations which were discontinued by airlines during May-Jun'21 but restarted

ESG Initiatives, Recognition and Awards

- Received ACI Asia-Pacific Green Airports Gold Recognition 2021

- Adjudged the 'Best Regional Airport in India and Central Asia' by Skytrax; global ranking improved from 71st position in 2020 to 64th in 2021
- Bagged 3rd rank in the 'Cleanest Airport in India and Central Asia' category, 4th rank in 'Best Airport Staff in India and Central Asia' category and 6th rank in the 'Best Regional Airports in Asia' category by Skytrax
- Commissioned its second 5 MW solar power plant in July'21

Goa Airport

- Work is in progress at site with physical activities being carried out simultaneously at multiple sites of the project including Runway, Earthwork, ATC etc.
- Achieved Milestone III in terms of both financial and physical progress within the agreed timelines as defined in Concession Agreement and have achieved physical progress of 34.24% as of June 30, 2021. As on July 31, 2021, overall progress achieved 35.22%
- Land acquisition for the expressway (NH166S) connecting NH 66 to MOPA Airport is nearing completion & expressway is expected to be operational by COD of the airport

Cebu Airport

- Traffic declined by 91% YoY from ~2.4 Mn in Q1FY21 to ~0.21 Mn in Q1FY22. On a QoQ basis, traffic improved 41% in Q1FY22
- Revenue declined by 85% YoY from INR 111.4 Cr in Q1FY21 to INR 16.3 Cr in Q1FY22. On a QoQ basis, revenue improved 2% in Q1FY22
- With the election campaigning expected to begin in August-September 2021, we expect rapid increase in domestic traffic

Crete

- Earthworks are progressing in multiple fronts of runway, taxiway, apron, terminal building, external access roads
- ~5.5% financial progress is achieved with completion of ~31% of earthworks in Airport area and ~19.15% of earthworks in access Roads as of June 30, 2021
- As on July 31, 2021, ~6.2% financial progress is achieved with completion of ~41.5% of earthworks in Airport area and 21% of earthworks in access roads

Bhogapuram

- Land acquisition and R&R works in progress. ~1650 acres of land out of ~2200 acres has been handed over
- Preliminary works and design in progress.

Energy Sector

Kamalanga Power Project

- PLF at 83.0% in Q1FY22 as against 58.0% in Q1FY21
- Revenue increased by 36% YoY to INR 573 Cr in Q1FY22
- Generated Cash Profit of INR 78 Cr in Q1FY22 as against INR 37 Cr in Q1FY21

ESG Initiatives, Recognition and Awards

- Environment Quality (Ambient Air, Noise, PM) is within norms
- Water quality STP, ETP outlet is within norms
- Safety Performance Highlights for Q1FY22 - Lost Time Injury Frequency Rate (LTIFR) and Lost Time Injury Severity Rate (LTISR) is 0.00 in Q1FY21
- Planted 0.39 Mn sapling covering 357 acres till Q1FY22

Warora Power Project

- PLF at 53.6% in Q1FY22 as against 48.7% in Q1FY21
- Revenue at INR 258 Cr in Q1FY22 as against INR 358 Cr in Q1FY21
- Generated cash loss at INR 31 Cr in Q1FY22 vs cash profit of INR 71 Cr in Q1FY21

ESG Initiatives, Recognition and Awards

- During the Second wave, operated Health clinics in 10 villages and also operated Mobile Medicare unit in 22 villages.
- Continued the help & support to old people of local community by providing monthly rations
- Environment Quality (Ambient Air, Noise, PM) is within norms
- Water quality STP, ETP outlet is within norms
- Safety performance highlights - LTIFR and LTISR is 0.00 in Q1FY22

Bajoli Holi

- More than 98% overall project completed - COD during FY22

Indonesia Coal Mine (PT GEMS)

- Sales volume increased by 4% YoY to 9.3 Mn tons in Q1FY22 from 8.9 Mn tons in Q1FY21
- Revenue at INR 2,790 Cr in Q1FY22 vs INR 2,314 Cr in Q1FY21 mainly due to higher realization
- Realisation up 16% YoY to USD 41.1/ton in Q1FY22 from USD 35.5/ton in Q1FY21, mainly because of the improvement in the global market prices
- EBITDA at INR 992 Cr in Q1FY22 vs INR 377 Cr in Q1FY21
- Reduced Per ton Costs by 11% YoY to USD 26.5/ton in Q1FY21
- PAT at INR 735 Cr in Q1FY22 vs INR 247 Cr in Q1FY21
- Cash balance is at INR 1,932 Cr at the end of Q1FY22

ESG Initiatives

- PTGEMS Corporate Social and Environmental Responsibility (CSER) programs are constantly aligned with the 7 core subjects of ISO 26000 and support the UN Sustainable Development Goals (SDGs)
- PTGEMS through its subsidiaries has won several awards/certifications in the field of environmental management i.e.:
 - GREEN rating for PROPER to PT Borneo Indobara from the Ministry of Environment and Forestry for the achievement and performance in the field of management and monitoring of mining environment of Subsidiaries for 2018-2020;
 - BLUE rating for PROPER to PT Kuansing Inti Makmur from the Ministry of Environment and Forestry for the achievement and performance in the field of management and monitoring of mining environment of Subsidiaries for 2018-2020.
- During 2020, PTGEMS Subsidiary BIB has won following 2 prestigious awards at the TOP CSR Awards 2020 event:
 - TOP CSR Award 2020 – Star 5 (Outstanding) and
 - TOP Leader on CSR Commitment 2020
- PTGEMS has incurred the total expenditure of USD 2.3 Mn in 2020 on CSR initiatives

Highways

Hyderabad – Vijayawada

- Traffic increased by 61% YoY to 8.4 Mn in Q1FY22 from 5.2 Mn in Q1FY21
- Gross revenue increased by 78% YoY to INR 75 Cr in Q1FY22 from INR 42 Cr in Q1FY21
- EBITDA at INR 36 Cr in Q1FY22 vs INR 19 Cr in Q1FY21

Ambala – Chandigarh

- Revenues and Traffic during the quarter impacted due to farmer's agitation
- EBITDA loss at INR 5 Cr in Q1FY22 vs profit of INR 2 Cr in Q1FY21

Chennai Outer Ring Roads

- Revenue declined by 9% YoY to INR 21 Cr in Q1FY22 from INR 23 Cr in Q1FY21
- EBITDA at INR 15 Cr in Q1FY22 vs INR 18 Cr in Q1FY21

Pochanpalli Expressways [on NH-7, Andhra Pradesh]

- Revenue increased 79% YoY to INR 26 Cr in Q1FY22 from INR 14 Cr in Q1FY21
- EBITDA declined by 3% YoY to INR 8 Cr in Q1FY22

Dedicated Freight Corridor Project

- GMR along with the partner SEW Infra has been executing contract to construct a part of the eastern corridor:
 - Mughalsarai to New Karchana (UP) - 181 Kms
 - New Karchana to New Bhaupur (UP) - 236 Kms

- Construction work is picking up pace - ~74% of package 201 and ~80% of package 202 completed

Consolidated Financial Highlights

[INR Cr]

Particulars	Quarter ended		
	Q1 Jun'21	Q4 Mar'21	Q1 Jun'20
Gross Revenue	1,776	2,321	1,134
Net Revenue	1,658	2,071	1,088
EBITDA	422	844	(19)
PBT (Before excep. items & share of JVs)	(434)	46	(973)
Share of Profit / (loss) from JVs / associates	77	(226)	(12)
Exceptional Item	-	(585)	-
PBT	(357)	(766)	(985)
Profit After Tax (from continuing operations)	(318)	(725)	(834)



About GMR Infrastructure Limited:

GMR Infrastructure Limited, a leading global infrastructure conglomerate with interests in Airport, Energy, Transportation and Urban Infrastructure, is listed on Indian Stock Exchanges.

GMR Group's Airport portfolio has around 172 Mn passenger capacity in operation and under development, comprising of India's busiest Indira Gandhi International Airport in New Delhi, Hyderabad's Rajiv Gandhi International Airport, Mactan Cebu International Airport in partnership with Megawide in Philippines. While greenfield projects under development includes Airport at Mopa in Goa and Airport at Heraklion, Crete, Greece in partnership with GEK Terna. The GMR-Megawide consortium has won the Clark International Airport's EPC project, the second project in Philippines. The Group has recently signed the Concession Agreement for the development and operation of a greenfield airport at Bhogapuram in Andhra Pradesh. The group recently signed concession agreement to commission, operationalize and maintain the Civilian Enclave at the Bidar Airport in North Karnataka. GMR Group is developing very unique airport cities on the commercial land available around its airports in Delhi, Hyderabad and Goa.

The Group's Energy business has a diversified portfolio of around 4,995 MW, of which ~3,040 MWs of Coal, Gas and Renewable power plants are operational and around ~1,955 MWs of power projects are under various stages of construction and development. The group also has coal mines in Indonesia, where it has partnered with a large local player.

Transportation and Urban Infrastructure division of the Group has four operating highways project spanning over 1,820 lane km. The Group has a large EPC order book of railway track construction including Government of India's marquee Dedicated Freight Corridor project. It is also developing multi-product Special Investment Regions spread across ~2500 acres at Krishnagiri in Tamil Nadu and 10,400 acres at Kakinada in Andhra Pradesh.

GMR Group, through its Corporate Social Responsibility arm, GMR Varalakshmi Foundation carries out community based development initiatives at 24 different locations across India.

For further information, please contact:

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