GMR Infrastructure Limited

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July 30, 2020

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: Submission of Audited Financial Results (Standalone and Consolidated) for the year ended March 31, 2020

Ref: Regulation 33 & 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors of the Company has approved the Audited Financial Results (Standalone and Consolidated) for the year ended March 31, 2020.

In this regard, please find enclosed herewith the following: -

1. The Annual Financial Results (Standalone and Consolidated), Cash Flow Statement, Statement of Asset and Liabilities accompanied with the Audit Report thereon;
2. Information in terms of Regulation 52; and
3. Statement on impact of Audit Qualifications (in respect of modified opinion on standalone and consolidated Audited Results)

The meeting of Board of Directors was concluded at 06:45 PM.

Please take the same on the record.

For GMR Infrastructure Limited

T. Venkat Ramana
Company Secretary &
Compliance Officer

Encl: As above

Registered Office:
Plot No. C-31, G Block
7th Floor, Naman Centre
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Independent Auditor's Report on Consolidated Annual 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

Qualified Opinion

1. We have audited the accompanying consolidated annual 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 for the year ended 31 March 2020, attached herewith, 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) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, associates and joint ventures, as referred to in paragraph 16 below, the Statement:

   (i) includes the annual financial results of the entities listed in Annexure 1;

   (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the effects/possible effects of the matters described in paragraphs 3 and 4 below; and

   (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'). read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net loss after tax and other comprehensive income and other financial information of the Group, its associates and joint ventures, for the year ended 31 March 2020 except for the effects/possible effects of the matters described in paragraphs 3 and 4 below.

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Basis for Qualified Opinion

3. As stated in 5(a) to the accompanying Statement, the Group has an investment amounting to Rs. 1,897.63 crore in GMR Energy Limited ('GEL'), a joint venture company and outstanding loan amounting to Rs. 212.66 crore, recoverable from GEL as at 31 March 2020. Further, the Company has an investment in GMR Generation Assets Limited ('GGAL'), a subsidiary of the 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 5(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 Holding Company has given certain corporate guarantees for the loans including Cumulative Redeemable Preference Shares ('CRPS') outstanding in GREL amounting to Rs. 2,068.50 crores.

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 particulary with respect to availability of natural gas, future tariff of power generated and realization of claims for lossess 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 5(d), the proposed sale of equity stake by management of GEL in GKEL during the year ended 31 March 2020 has been put on hold by the buyer subsequent to the year end. The management continues to account 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 including the uncertainty and the final outcome of the litigations as regards claims against GKEL.

Further, as mentioned in note 5(f),GBHPL has stopped the construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand, since May 07, 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 and achievements of the 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 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 the predecessor auditor, in their audit report dated 29 May 2019, for the year ended 31 March 2019, was also qualified with respect to the matters pertaining to GVPGL and GREL. Our review report dated 13 February 2020 on the consolidated financial results for the quarter ended 31 December 2019 was also qualified in respect of these matters.

The above matter pertaining to GVPGL and investment in GKEL and GBHPL have been reported as a qualification in the audit report dated 18 June 2020 and 18 June 2020 issued by other firms of chartered accountants, on the standalone financial statement of GVPGL and GEL respectively and the matters described above for GREL have been covered as an emphasis of matter in the audit report dated 19 May 2020 issued by another firm of chartered accountants on the standalone financial statement of GREL. Further, considering the erosion of net worth and net liability position of GKEL, GVGPL and GREL, we, in the capacity of auditors of GKEL and the respective auditors of GVGPL and GREL have also given a separate section on material uncertainty related to going concern in the auditor's reports on the respective standalone financial statements of aforesaid companies for the year ended 31 March 2020.

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4. As detailed in note 3 to the accompanying Statement, the Group had acquired the Class A Compulsory Convertible Preference Shares ('CCPS') of GMR Airport Limited ('GAL'), a subsidiary of the Holding Company, for an additional consideration of Rs. 3,560.00 crores from Private Equity Investors as per the settlement agreement entered during the year ended 31 March 2019. The said CCPS were converted into equity shares of an equivalent amount as per the investor agreements. The aforesaid additional settlement consideration of Rs. 3,560.00 crores paid to Private Equity Investors has been considered as recoverable and recognised as Other financial assets upto the end of the previous period ended 31 December 2019, based on proposed sale of such equity shares to the proposed investors, as detailed in note 3 to the Statement. The sale of such equity shares has been completed in the quarter ended 31 March 2020 and consequently the management has recorded the aforesaid transaction in the current quarter ended 31 March 2020 instead of restating the balances as at 31 March 2019 in accordance with the requirements of relevant accounting standards. Had the management accounted for the aforesaid transaction in the correct period, the 'Other equity' as at 31 March 2019 would have been lower by Rs. 3,560.00 crores, and 'Other financial assets' as at 31 March 2019 would have been lower by Rs. 3,560.00 crores with a consequential impact on segment assets of the Airport sector as at 31 March 2019.

   The opinion expressed by the predecessor auditor in their audit report dated 29 May 2019 for the year ended 31 March 2019 and our review report dated 13 February 2020 for the nine month period ended 31 December 2019 was also qualified in respect of this matter.

5. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Statement section of our* report. We are independent of the Group, its associates and joint ventures, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and that obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

6. We draw attention to:

   a. Note 18 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 statements of the Group as at the balance sheet date. Our opinion is not modified in respect of this matter.

   b. Note 5(b) and 5(c) to the accompanying Statement which is in addition to the matters described in paragraph 3 above, regarding the investment made by the Group in GEL amounting to Rs. 1,897.63 crores as at 31 March 2020. 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 31 March 2020, and certain other key assumptions as considered in the valuation performed by an external expert, including capacity utilization of plant in future years and renewal of Power Purchase Agreement with one of its customers which has expired in June 2020. .

      The above claims also include recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') by GWEL, based on the Order of the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated 8 May 2015 as described in aforesaid note.

      The management of the Holding Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuations, 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 year ended 31 March 2020. Our opinion is not modified in respect of this matter.

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The above matters with respect to GWEL are also reported as emphasis of matter in the audit report dated 29 May 2020 and 18 June 2020 issued by other firm of chartered accountants on the standalone financial statements of GWEL and GEL, respectively, for the year ended 31 March 2020. Further,a separate section on material uncertainty of going concern has also been reported in the auditor's reports issued by another firms of chartered accountants on the standalone financial statements of GEL and GWEL, respectively, for the year ended 31 March 2020.

c. Note 8 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 Company, now merged with GMR Generation Assets Limited ('GGAL'), a subsidiary of the 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 Tamil Nadu Electricity Regulatory Commission as directed by the Honorable Supreme Court of India. 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 opinion is not modified in respect of this matter.

   The above matter is also reported as an emphasis of matter in the audit report dated 22 June 2020 issued by another firm of chartered accountants on the standalone financial statements of GGAL for the year ended 31 March 2020.

d. Note 9 and 10 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 Company, since the commencement of commercial operations. Pending outcome of the aforementioned arbitration proceedings, GHVEPL has not paid to NHAI an amount of Rs. 620.31 crore towards additional concession fee along with interest thereon.

   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. 355.55 crores and Rs. 1,984.04 crores as at 31 March 2020. 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 stipulated time period ending in April 2024 subject to arbitration outcome. However, the useful life will have to be considered at 15 years if the six lanes could not be constructed by April 2024. Accordingly, no adjustments to the consolidated financial results are considered necessary. Our opinion is not modified in respect of this matter.

   The above matters have also been reported as an emphasis of matters in their auditor's reports dated 16 May 2020 and 23 July 2020 issued by other firms of chartered accountants on the standalone financial statements of the GACEPL and GHVEPL, respectively, for the year ended 31 March 2020. 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 audit reports.

e. Note 16(a) and 16(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 opinion is not modified in respect of this matter

   The above matter has also been reported as an emphasis of matter in the audit report dated 15 June 2020 issued by us along with other joint auditor on the financial statements for the year ended 31 March 2020 of GMR Hyderabad International Airport Limited, a subsidiary of the Company.

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f. Note 4 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 1st June 2020, the Company has to settle business profit tax amounted to USD 0.72 crore and fines on business profit tax amounted to USD 0.58 crore. As per the letter dated 22nd 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 0.58 crore and this amount should be paid by whom the payment was settled to GMR Male International Airport Private Limited ('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 statements is uncertain. Accordingly, the Company has not made any provision in these financial statements. Our opinion is not modified in respect of this matter.

   The above matter has also been reported as an emphasis of matter in the audit report dated 18 June 2020 issued by other firm of chartered accountants on the standalone financial statements of GMIAL for the year ended 31 December 2019.

g. Note 2 to the accompanying Statement with respect to completion of sale of 49% stake by the Group in GAL to Aerport De Paris SA on 7 July 2020 with certain modifications to the earlier signed share subscription and share purchase agreement, the details of which are described in aforesaid note. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

7. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss after tax and other comprehensive income, and other financial information of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors/ management of the companies included in the Group and its associates and joint ventures, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, and its associates and joint ventures, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

8. In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures, are responsible for assessing the ability of the Group and of its associates and joint ventures, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors/ management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors/ management of the companies included in the Group and of its associates and joint ventures, are responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint ventures.

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Auditor's Responsibilities for the Audit of the Statement

10. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

11. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ financial information/ financial statements of the entities within the Group, and its associates and joint ventures, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the Statement, of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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Other Matters

15. We have jointly audited with another auditor, the annual financial statements of 2 subsidiaries included in the Statement, whose annual financial statements reflect (before adjustments for consolidation) total assets of ₹ 25,683.80 crores as at 31 March 2020, total revenues of Rs 5,883.70 crores, total net profit after tax of ₹ 649.97 crores, total comprehensive income of Rs 793.35 crores, and cash flows (net) of Rs 1,690.27 crores for the year ended on that date, as considered in the Statement, as considered in the Statement. For the purpose of our opinion on the consolidated financial results, we have relied upon the work of such other auditor, to the extent of work performed by them.

16. We did not audit the annual financial statements of 77 subsidiaries and 1 joint operation included in the Statement (including 13 subsidiaries consolidated for the year ended 31 December 2019, with a quarter lag and 1 joint operation consolidated for the year ended 31 December 2019, with a quarter lag), whose annual financial statements reflect (before adjustments for consolidation) total assets of Rs 33,288.34 crores as at 31 March 2020, total revenues of Rs 7,366.23 crores, total net loss after tax of Rs 2,726.94 crores, total comprehensive loss of Rs 2,773.28 crores, and cash flows (net) of Rs 118.17 crores for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs 257.83 crores and total comprehensive loss of Rs 261.06 crores for the year ended 31 March 2020, in respect of 5 associates and 46 joint ventures (including 28 joint ventures consolidated for the year ended 31 December 2020, with a quarter lag), whose annual financial statements have not been audited by us. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion 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 audit reports of such other auditors, and the procedures performed by us as stated in paragraph 11 above.

    Further, of these subsidiaries/ joint operation/ associates/ joint ventures, 13 subsidiaries, 1 joint operations and 30 joint ventures, are located outside India, whose annual financial statements/ financial information/ financial results have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries . The Holding Company's management has converted the financial statements of such subsidiaries/ joint operation/ joint venturesfrom accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the balances and affairs of these subsidiaries/ joint operations/ joint ventures, is based on the audit report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

    Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

17. The Statement includes the financial information of 12 subsidiaries (including 6 subsidiaries consolidated for the year ended 31 December 2019, with a quarter lag), which have not been audited, whose financial information reflect (before adjustments for consolidation) total assets of Rs 1,208.88 crores as at 31 March 2020, total revenues of Rs 5.37 crores, total net profit after tax of Rs 1.49 crores, total comprehensive loss of Rs 41.55 crores for the year ended 31 March 2020, and cash flow (net) of ₹ (0.57) crores for the year then ended, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs 1.67 crores, and total comprehensive loss of Rs 1.67 crores for the year ended 31 March 2020, in respect of 1 associate and 7 joint ventures (including 3 joint ventures consolidated for the year ended 31 December 2019, with a quarter lag), based on their annual financial statements, which have not been audited by their auditors. These financial statements have been furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries, associates, joint ventures is based solely on such unaudited financial statements. In our opinion, and according to the information and explanations given to us by the management, these financial statements/ financial information/ financial results are not material to the Group.

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

18. The Statement includes the consolidated financial results for the quarter ended 31 March 2020, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

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19. The audit of consolidated financial results for the corresponding quarter and year ended 31 March 2019 included in the Statement was carried out and reported by S. R. Batliboi & Associates LLP who have expressed modified opinion vide their audit report dated 29 May 2019 (date of the audit report for the previous year ended 31 March 2019), whose report has been furnished to us and which has been relied upon by us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103
UDIN: 20502103AAAABJ2257

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Place: New Delhi
Date: 30 July 2020

Annexure 1

List of entities included in the Statement

S.No.	Name of the entity	Relation
1	GMR Infrastructure Limited	Holding Company
2	GMR Energy Trading Limited	Subsidiary
3	GMR Power Corporation Limited (merged with GMR Generation Assets Limited wef 31 March 2019)	Subsidiary
4	GMR Coastal Energy Private Limited (merged with GMR Generation Assets Limited wef 31 March 2019)	Subsidiary
5	GMR Londa Hydropower Private Limited	Subsidiary
6	GMR Kakinada Energy Private Limited (merged with GMR Generation Assets Limited wef 31 March 2019)	Subsidiary
7	SJK Powergen Limited (merged with GMR Generation Assets Limited wef 31 March 2019)	Subsidiary
8	GMR Genco Assets Limited (merged with GMR Generation Assets Limited wef 31 March 2019)	Subsidiary
9	GMR Generation Assets Limited	Subsidiary
10	GMR Power Infra Limited	Subsidiary
11	GMR Highways Limited	Subsidiary
12	GMR Tambaram Tindivanam Expressways Limited	Subsidiary
13	GMR Tuni Anakapalli Expressways Limited	Subsidiary
14	GMR Ambala Chandigarh Expressways Private Limited	Subsidiary
15	GMR Pochanpalli Expressways Limited	Subsidiary
16	GMR Hyderabad Vijayawada Expressways Private Limited	Subsidiary
17	GMR Chennai Outer Ring Road Private Limited	Subsidiary
18	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (merged with GMRHL wef 1 April 2019)	Subsidiary
19	GMR Hyderabad International Airport Limited	Subsidiary
20	Gateways for India Airports Private Limited	Subsidiary
21	GMR Hyderabad Air cargo and Logistic Private Limited (Hyderabad Menzies Air Cargo Private Limited) (merged with GMR Air Cargo and Aerospace Engineering Limited wef 1 April 2019)	Subsidiary
22	Hyderabad Airport Security Services Limited (liquidated wef 13 September 2019)	Subsidiary
23	GMR Aerostructure Services Limited	Subsidiary
24	GMR Hyderabad Aerotropolis Limited	Subsidiary
25	GMR Hyderabad Aviation SEZ Limited	Subsidiary
26	GMR Air Cargo and Aerospace Engineering Limited (formerly GMR Aerospace Engineering Limited)	Subsidiary
27	GMR Aero Technic Limited	Subsidiary
28	GMR Airport Developers Limited	Subsidiary
29	GMR Hospitality and Retail Limited	Subsidiary
30	GMR Hyderabad Airport Power Distribution Limited	Subsidiary
31	Delhi International Airport Limited	Subsidiary
32	Delhi Aerotropolis Private Limited	Subsidiary

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S.No.	Name of the entity	Relation
33	Delhi Airport Parking Services Private Limited	Subsidiary
34	GMR Airports Limited	Subsidiary
35	GMR Aviation Private Limited	Subsidiary
36	GMR Krishnagiri SIR Limited	Subsidiary
37	Advika Properties Private Limited	Subsidiary
38	Aklima Properties Private Limited	Subsidiary
39	Amartya Properties Private Limited	Subsidiary
40	Baruni Properties Private Limited	Subsidiary
41	Bougainvillea Properties Private Limited	Subsidiary
42	Camelia Properties Private Limited	Subsidiary
43	Deepesh Properties Private Limited	Subsidiary
44	Eila Properties Private Limited	Subsidiary
45	Gerbera Properties Private Limited	Subsidiary
46	Lakshmi Priya Properties Private Limited	Subsidiary
47	Honeysuckle Properties Private Limited	Subsidiary
48	Idika Properties Private Limited	Subsidiary
49	Krishnapriya Properties Private Limited	Subsidiary
50	Larkspur Properties Private Limited	Subsidiary
51	Nadira Properties Private Limited	Subsidiary
52	Padmapriya Properties Private Limited	Subsidiary
53	Prakalpa Properties Private Limited	Subsidiary
54	Purnachandra Properties Private Limited	Subsidiary
55	Shreyadita Properties Private Limited	Subsidiary
56	Pranesh Properties Private Limited	Subsidiary
57	Sreepa Properties Private Limited	Subsidiary
58	Radhapriya Properties Private Limited	Subsidiary
59	Asteria Real Estates Private Limited	Subsidiary
60	Lantana Properies Private Limited	Subsidiary
61	Namitha Real Estates Private Limited	Subsidiary
62	Honey Flower Estates Private Limited	Subsidiary
63	GMR SEZ and Port Holdings Limited	Subsidiary
64	East Godavari Power Distribution Company Private Limited (liquidated wef 26 July 2019)	Subsidiary
65	Suzone Properties Private Limited	Subsidiary
66	GMR Utilities Private Limited	Subsidiary
67	Lilliam Properties Private Limited	Subsidiary
68	GMR Corporate Affairs Private Limited	Subsidiary
69	Dhruvi Securities Private Limited	Subsidiary
70	Kakinada SEZ Limited	Subsidiary
71	GMR Business Process and Services Private Limited	Subsidiary
72	Raxa Security Services Limited	Subsidiary
73	Kakinada Gateway Port Limted	Subsidiary

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

S.No.	Name of the entity	Relation
74	GMR Infra Services Limited (formerly GMR SEZ Infra Services Limited) (sold during the period on 25 February 2020)	Subsidiary
75	GMR Goa International Airport Limited	Subsidiary
76	GMR Infra Developers Limited	Subsidiary
77	GMR Energy (Cyprus) Limited	Subsidiary
78	GMR Energy (Netherlands) B.V.	Subsidiary
79	GMR Logistics Park Private Limited	Subsidiary
80	GMR Energy Projects (Mauritius) Limited	Subsidiary
81	GMR Infrastructure (Singapore) Pte Limited	Subsidiary
82	GMR Coal Resources Pte Limited	Subsidiary
83	GADL International Limited	Subsidiary
84	GADL (Mauritius) Limited	Subsidiary
85	GMR Male International Airport Private Limited	Subsidiary
86	GMR Airports (Mauritius) Limited	Subsidiary
87	GMR Infrastructure (Mauritius) Limited	Subsidiary
88	GMR Infrastructure (Cyprus) Limited	Subsidiary
89	GMR Infrastructure Overseas Limited	Subsidiary
90	GMR Infrastructure (UK) Limited	Subsidiary
91	GMR Infrastructure (Global) Limited	Subsidiary
92	GMR Energy (Global) Limited	Subsidiary
93	Indo Tausch Trading DMCC	Subsidiary
94	GMR Infrastructure (Overseas) Limited	Subsidiary
95	GMR Airports International B.V	Subsidiary
96	GMR Airports (Singapore) Pte. Ltd. (incorporated on 24 July 2019)	Subsidiary
97	GMR Nagpur International Airport Limited (incorporated on 22 August 2019)	Subsidiary
98	GMR Power & Urban Infra Limited (incorporated on 17 May 2019)	Subsidiary
99	GMR Kannur Duty Free Services Limited (wef 20 November 2019)	Subsidiary
100	GMR Mining & Energy Private Limited	Subsidiary
101	Megawide GISPL Construction Joint Venture	Joint operation
102	GMR Energy Limited	Joint venture
103	GMR Energy (Mauritius) Limited	Joint venture
104	GMR Lion Energy Limited	Joint venture
105	Karnali Transmission Company Private Limited	Joint venture
106	Marsyangdi Transmission Company Private Limited (sold during the period on 26 May 2019)	Joint venture
107	GMR Kamalanga Energy Limited	Joint venture
108	GMR Vemagiri Power Generation Limited	Joint venture
109	GMR (Badrinath) Hydro Power Generation Private Limited	Joint venture
110	GMR Consulting Services Limited	Joint venture
111	GMR Bajoli Holi Hydropower Private Limited	Joint venture
112	GMR Warora Energy Limited	Joint venture
113	GMR Bundelkhand Energy Private Limited	Joint venture
114	GMR Rajam Solar Power Private Limited	Joint venture

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

S.No.	Name of the entity	Relation
115	GMR Maharashtra Energy Limited	Joint venture
116	GMR Gujarat Solar Power Limited	Joint venture
117	GMR Indo-Nepal Energy Links Limited	Joint venture
118	GMR Indo-Nepal Power Corridors Limited	Joint venture
119	Tenaga Operations & Maintenance Private Limited	Joint venture
120	Rampia Coal Mine and Energy Private Limited	Joint venture
121	GMR Upper Karnali Hydropower Limited	Joint venture
122	Delhi Duty Free Services Private Limited	Joint venture
123	Laqshya Hyderabad Airport Media Private Limited	Joint venture
124	Delhi Aviation Services Private Limited	Joint venture
125	Delhi Aviation Fuel Facility Private Limited	Joint venture
126	WAISL Limited (formerly Wipro Airport IT Services Limited) (sold during the period on 26 June 2019)	Joint venture
127	GMR Megawide Cebu Airport Corporation	Joint venture
128	SSP Mactan Cebu Corporation	Joint venture
129	Mactan Travel Retail Group Corp.	Joint venture
130	Limak GMR Construction JV	Joint venture
131	Megawide GMR Construction Joint Venture Inc.	Joint venture
132	PT Golden Energy Mines Tbk	Joint venture
133	PT Dwikarya Sejati Utma	Joint venture
134	PT Duta Sarana Internusa	Joint venture
135	PT Barasentosa Lestari	Joint venture
136	PT Unsoco	Joint venture
137	PT Roundhill Capital Indonesia	Joint venture
138	PT Borneo Indobara	Joint venture
139	PT Kuansing Inti Makmur	Joint venture
140	PT Karya Cemerlang Persada	Joint venture
141	PT Bungo Bara Utama	Joint venture
142	PT Bara Harmonis Batang Asam	Joint venture
143	PT Berkat Nusantara Permai	Joint venture
144	PT Tanjung Belit Bara Utama	Joint venture
145	PT Trisula Kencana Sakti	Joint venture
146	PT Era Mitra Selaras	Joint venture
147	PT Wahana Rimba	Joint venture
148	PT Berkat Satria Abadi	Joint venture
149	GEMS Trading Resources Pte Limited	Joint venture
150	PT Kuansing Inti Sejahtera	Joint venture
151	PT Bungo Bara Makmur	Joint venture
152	PT GEMS Energy Indonesia	Joint venture
153	PT Karya Mining Solution (formerly PT Bumi Anugerah Semesta)	Joint venture
154	Heraklion Crete International Airport S.A.	Joint venture
155	GIL SIL JV	Joint venture
156	Celebi Delhi Cargo Terminal Management India Private Limited	Associate

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

S.No.	Name of the entity	Relation
157	Travel Food Services (Delhi Terminal 3) Private Limited	Associate
158	TIM Delhi Airport Advertising Private Limited	Associate
159	GMR Chhattisgarh Energy Limited (sold on 29 June 2019 wef 1 April 2019)	Associate
160	GMR Rajahmundry Energy Limited	Associate
161	Digi Yatra Private Limited	Associate

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR Infrastructure Limited
Corporate Identity Number (CIN): L45203MH1996PLC281138
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

PART I

Statement of consolidated financial results for the quarter and year ended March 31, 2020

(in Rs. crore)

Particulars	Quarter ended			Year ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	(Refer Note 22)	Unaudited	(Refer Note 22)	Audited	Audited
A. Continuing operations					
1. Income					
a) Revenue from operations					
i) Sales/ income from operations	1,947.90	1,990.76	1,890.48	7,515.24	7,113.11
ii) Other operating income (refer note 21)	400.85	205.73	103.14	1,010.30	462.85
b) Other income					
i) Foreign exchange fluctuations gain (net)	98.52	6.20	-	131.47	-
ii) Other income - others	107.04	94.96	300.01	535.12	708.76
Total Income	**2,554.31**	**2,297.65**	**2,293.63**	**9,222.13**	**8,284.72**
2. Expenses					
a) Revenue share paid/ payable to concessionaire grantors	535.69	523.16	452.76	2,037.19	1,764.75
b) Cost of materials consumed	121.84	96.11	102.07	434.85	504.27
c) Purchase of traded goods	305.37	228.40	216.08	830.45	606.08
d) (Increase)/ decrease in stock in trade	(5.83)	(2.19)	3.61	(15.63)	1.82
e) Sub-contracting expenses	103.21	53.35	80.22	297.36	406.51
f) Employee benefit expenses	236.45	202.20	189.56	831.21	759.88
g) Finance costs	1,047.42	858.37	785.69	3,545.07	2,684.15
h) Depreciation and amortisation expenses	297.35	259.60	250.49	1,064.25	983.96
i) Other expenses	397.50	363.09	625.74	1,511.55	1,671.25
j) Foreign exchange fluctuations loss (net)		-	3.51		155.69
Total expenses	**3,039.00**	**2,582.18**	**2,709.73**	**10,536.30**	**9,538.36**
3. Loss before share of (loss)/profit of associates and joint ventures, exceptional items and tax expenses from continuing operations (1) - (2)	**(484.69)**	**(284.53)**	**(416.10)**	**(1,314.17)**	**(1,253.64)**
4. Share of (loss)/profit of associates and joint ventures accounted for using equity method	(131.98)	24.15	271.07	(288.33)	(87.89)
5. Loss before exceptional items and tax from continuing operations (3) + (4)	**(616.67)**	**(260.38)**	**(145.03)**	**(1,602.50)**	**(1,341.53)**
6. Exceptional items					
Loss on impairment of investments in associates / joint ventures (refer note 5)	(680.91)		(2,212.30)	(680.91)	(2,212.30)
7. Loss before tax expenses from continuing operations (5) + (6)	**(1,297.58)**	**(260.38)**	**(2,357.33)**	**(2,283.41)**	**(3,553.83)**
8. Tax (credit) / expenses continuing operations (net)	(170.42)	18.80	(4.71)	(84.92)	(87.42)
9. Loss after tax from continuing operations (7) - (8)	**(1,127.16)**	**(279.18)**	**(2,352.62)**	**(2,198.49)**	**(3,466.41)**

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(in Rs. crore)					
Particulars	Quarter ended			Year ended	
	March 31, 2020 (Refer Note 22)	December 31, 2019 Unaudited	March 31, 2019 (Refer Note 22)	March 31, 2020 Audited	March 31, 2019 Audited
B. Discontinued operations					
10. Profit/(loss) before tax expenses from discontinued operations	0.34	(1.56)	7.19	(3.70)	117.84
11. Tax (credit)/expenses on discontinued operations (net)	-		(4.19)		7.72
12. Profit/(loss) after tax from discontinued operations (10) - (11)	0.34	(1.56)	11.38	(3.70)	110.12
13. Loss after tax for the respective periods (9) + (12)	(1,126.82)	(280.74)	(2,341.24)	(2,202.19)	(3,356.29)
14. Other comprehensive income					
(A) (i) Items that will be reclassified to profit or loss	(130.50)	(6.55)	(86.60)	102.02	190.71
(ii) Income tax relating to items that will be reclassified to profit or loss	(35.11)	36.47	(33.33)	(72.30)	(14.73)
(B) (i) Items that will not be reclassified to profit or loss	0.41	(1.65)	1.88	(6.53)	(2.70)
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.11	0.13	(0.61)	0.96	0.35
15. Total other comprehensive income, net of tax for the respective periods	(165.09)	28.40	(118.66)	24.15	173.63
16. Total comprehensive income attributable to (13) + (15)	(1,291.91)	(252.34)	(2,459.90)	(2,178.04)	(3,182.66)
a) Owners of the Company	(1,227.90)	(338.41)	(2,474.93)	(2,461.10)	(3,420.29)
b) Non controlling interest	(64.01)	86.07	15.03	283.06	237.63
17. Paid-up equity share capital (Face value - Re. 1 per share)	603.59	603.59	603.59	603.59	603.59
18. Earnings per share - basic and diluted - (Rs.) (not annualised)					
a) Basic and diluted earning per share	(1.82)	(0.61)	(3.92)	(4.03)	(5.95)
b) Basic and diluted earning per share from continuing operations	(1.82)	(0.61)	(4.13)	(4.02)	(6.14)
c) Basic and diluted earning per share from discontinued operations		-	0.21	(0.01)	0.19

GMR INFRASTRUCTURE LIMITED

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

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GMR Infrastructure Limited

Consolidated statement of segment revenue, results, assets and liabilities

(in Rs. Crore)

Particulars	Quarter ended			Year ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	(Refer Note 22)	Unaudited	(Refer Note 22)	Audited	Audited
1. Segment revenue					
a) Airports	1,582.49	1,636.14	1,389.58	6,190.87	5,371.63
b) Power	310.28	207.20	220.41	801.40	617.23
c) Roads	155.16	137.58	151.01	585.20	570.50
d) EPC	262.62	194.91	209.83	860.66	907.73
e) Others	122.47	100.79	98.53	441.70	385.94
	2,433.02	2,276.62	2,069.36	8,879.83	7,853.03
Less: inter segment	(84.27)	(80.13)	(75.74)	(324.29)	(277.07)
Segment revenue from operations	**2,348.75**	**2,196.49**	**1,993.62**	**8,555.54**	**7,575.96**
2. Segment results					
a) Airports	102.63	188.74	13.90	695.89	508.64
b) Power	(175.23)	(29.15)	152.77	(486.76)	(392.79)
c) Roads	31.09	55.99	119.59	229.12	292.17
d) EPC	76.91	33.39	25.00	166.31	(36.53)
e) Others	(3.24)	(26.35)	(116.67)	(70.51)	(127.73)
Total segment results	32.16	222.62	194.59	534.05	243.76
Less: Finance costs (net)	(648.83)	(483.00)	(339.62)	(2,136.55)	(1,585.29)
Loss before exceptional items and tax from continuing operations	**(616.67)**	**(260.38)**	**(145.03)**	**(1,602.50)**	**(1,341.53)**
Less : exceptional items					
a) Loss on impairment of investments in associates / joint ventures (refer note 5)	(680.91)	-	(2,212.30)	(680.91)	(2,212.30)
Loss before tax expenses from continuing operations	(1,297.58)	(260.38)	(2,357.33)	(2,283.41)	(3,553.83)
Tax (credit)/ expenses on continuing operations (net)	(170.42)	18.80	(4.71)	(84.92)	(87.42)
Loss after tax from continuing operations	**(1,127.16)**	**(279.18)**	**(2,352.62)**	**(2,198.49)**	**(3,466.41)**
Profit/ (loss) before tax expenses from discontinued operations	0.34	(1.56)	7.19	(3.70)	117.84
Tax (credit)/expenses on discontinued operations (net)	-	-	(4.19)	-	7.72
Profit /(loss) after tax from discontinued operations	**0.34**	**(1.56)**	**11.38**	**(3.70)**	**110.12**
Loss after tax for the respective periods	**(1,126.82)**	**(280.74)**	**(2,341.24)**	**(2,202.19)**	**(3,356.29)**
3. Segment assets					
a) Airports	27,683.46	28,039.55	21,771.11	27,683.46	21,771.11
b) Power	6,583.76	7,322.47	7,724.72	6,583.76	7,724.72
c) Roads	3,586.77	3,634.12	3,801.88	3,586.77	3,801.88
d) EPC	1,338.08	1,268.62	1,215.55	1,338.08	1,215.55
e) Others	4,712.53	4,361.16	3,944.02	4,712.53	3,944.02
f) Unallocated	2,560.47	2,058.30	1,667.40	2,560.47	1,667.40
g) Assets classified as held for sale	61.73	3.29	28.91	61.73	28.91
Total assets	**46,526.80**	**46,687.51**	**40,153.59**	**46,526.80**	**40,153.59**
4. Segment liabilities					
a) Airports	24,189.03	22,143.85	15,861.04	24,189.03	15,861.04
b) Power	2,563.23	2,525.30	2,864.97	2,563.23	2,864.97
c) Roads	1,042.27	1,029.63	909.70	1,042.27	909.70
d) EPC	691.94	1,005.48	775.55	691.94	775.55
e) Others	335.74	214.20	371.50	335.74	371.50
f) Unallocated	17,417.20	19,433.69	18,068.86	17,417.20	18,068.86
g) Liabilities directly associated with the assets classified as held for sale	71.50	30.65	60.08	71.50	60.08
Total liabilities	**46,310.91**	**46,382.80**	**38,911.70**	**46,310.91**	**38,911.70**

GMR INFRASTRUCTURE LIMITED

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

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GMR Infrastructure Limited
Consolidated statement of assets and liabilities

(in Rs. crore)

	Particulars	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
A	**Assets**		
1	**Non-current assets**		
	Property, plant and equipment	9,379.68	9,614.42
	Right of use asset	106.19	-
	Capital work-in-progress	3,809.02	857.03
	Investment property	3,491.28	3,139.79
	Goodwill on consolidation	436.68	458.56
	Other intangible assets	2,763.67	2,867.05
	Intangible assets under development	2.45	1.25
	Investment accounted for using equity method	7,012.75	7,659.94
	Financial assets		
	Investments	147.39	105.13
	Trade receivables	109.86	109.22
	Loans	447.73	276.83
	Other financial assets	3,090.19	2,000.45
	Non-current tax assets (net)	275.62	293.99
	Deferred tax assets (net)	654.78	342.65
	Other non-current assets	2,420.60	1,771.99
		34,147.89	**29,498.30**
2	**Current assets**		
	Inventories	190.53	112.57
	Financial assets		
	Investments	2,959.12	2,350.34
	Trade receivables	1,423.84	1,447.37
	Cash and cash equivalents	2,859.43	918.66
	Bank balances other than cash and cash equivalents	1,589.34	710.99
	Loans	916.98	109.78
	Other financial assets	1,601.88	4,722.83
	Other current assets	776.06	253.84
		12,317.18	**10,626.38**
3	Assets classified as held for sale	61.73	28.91
	Total assets (1+2+3)	**46,326.80**	**40,153.59**
B	**Equity and liabilities**		
4	**Equity**		
	Equity share capital	603.59	603.59
	Other equity	(3,062.28)	(1,056.72)
	Equity attributable to equity holders of the parent	(2,458.69)	(453.13)
	Non-controlling interests	2,674.58	1,695.02
	Total equity	**215.89**	**1,241.89**
	Liabilities		
5	**Non-current liabilities**		
	Financial liabilities		
	Borrowings	26,521.90	21,663.81
	Lease liabilities	105.24	-
	Other financial liabilities	747.26	722.19
	Provisions	105.83	123.33
	Deferred tax liabilities (net)	225.04	78.11
	Other non-current liabilities	2,004.52	2,079.46
		29,709.79	**24,666.90**
6	**Current liabilities**		
	Financial liabilities		
	Borrowings	1,630.87	2,364.99
	Trade payables	2,261.51	1,946.29
	Lease liabilities	10.13	-
	Other financial liabilities	10,289.49	7,443.44
	Provisions	968.45	1,052.62
	Other current liabilities	1,327.46	1,312.57
	Liabilities for current tax (net)	41.71	64.81
		16,529.62	14,184.72
	Liabilities directly associated with assets classified as held for sale	71.50	60.08
		16,601.12	**14,244.80**
	Total equity and liabilities (4+5+6)	**46,526.80**	**40,153.59**

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GMR Infrastructure Limited

Consolidated statement of cash flows

(in Rs. crore)

Particulars	March 31, 2020 (Audited)	March 31, 2019 (Audited)
CASH FLOW FROM OPERATING ACTIVITIES		
Loss from continuing operations before tax expenses	(2,283.41)	(3,553.83)
(Loss)/ profit from discontinued operations before tax expenses	(3.70)	117.84
Loss before tax expenses	**(2,287.11)**	**(3,435.99)**
Adjustments to reconcile loss before tax to net cash flows		
Depreciation of property, plant and equipment, investment property and amortization of intangible assets	1,064.25	985.13
Income from government grant	(5.28)	(5.26)
Adjustments to the carrying value of investments/ gain on fair value of investment	0.04	4.82
Provisions no longer required, written back	(111.73)	(68.45)
Profit on sale / dilution of subsidiaries / joint ventures / associates		(124.64)
Loss on impairment of assets in subsidiaries / joint venture's and associates (net)	680.91	2,212.30
Unrealised exchange (gains) / losses	(104.58)	99.54
Property, plant and equipment written off / (profit) on sale of property, plant and equipment (net)	1.90	(10.35)
Provision / write off of doubtful advances and trade receivables	29.06	184.14
(Reversal) /Provision for upfront loss on long term construction cost	(95.05)	109.86
Interest expenses on financial liability carried at amortised cost	93.42	66.63
Deferred income on financial liabilities carried at amortized cost	(107.76)	(128.59)
Net gain on sale or fair valuation of investments	(64.30)	(184.72)
Finance costs	3,545.07	2,687.82
Finance income	(404.66)	(536.54)
Gain on fair valuation of derivative instrument	(0.99)	(1.78)
Share of loss of associates and joint ventures (net)	288.33	87.89
Operating profit before working capital changes	**2,521.52**	**1,941.81**
Movements in working capital :		
Increase/ (decrease) in trade payables and financial/other liabilities and provisions	469.33	356.80
(Decrease)/ increase in non-current/current financial and other assets	(1,453.87)	22.87
Cash generated from operations	**1,536.98**	**2,321.48**
Direct taxes paid (net)	(161.13)	(269.21)
Net cash flow from operating activities (A)	**1,375.85**	**2,052.27**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment property, intangible assets and cost incurred towards such assets under construction / development (net)	(2,912.09)	(2,847.06)
Proceeds from sale of property, plant and equipment's and intangible assets	26.32	12.58
Payments for (acquisition) / proceeds from sale of stake in subsidiaries / JV's	(234.41)	466.91
Loans (given to) / repaid by related parties	(964.93)	246.64
Loans given to employees/others	0.18	(8.71)
(Payments for purchase)/proceeds from sale of investments	(769.88)	1,873.76
Consideration received /(paid) on disposal /acquisition of joint ventures/associates/subsidiaries	4,014.20	(3,637.57)
Movement in investments in bank deposits (net) (having original maturity of more than three months)	(614.25)	(421.49)
Dividend received from associates and joint ventures	123.37	218.41
Finance income received	341.89	491.51
Net cash used in investing activities (B)	**(989.60)**	**(3,605.02)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	9,307.85	4,934.10
Repayment of borrowings	(4,144.82)	(1,594.48)
Repayment of lease liability principal	(6.53)	
Repayment of lease liability interest	(10.51)	
Finance costs paid	(3,451.66)	(2,426.68)
Dividend paid	(50.34)	(59.97)
Dividend distribution taxes paid	(27.28)	(37.17)
Net cash flow from financing activities (C)	**1,616.71**	**815.80**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	2,002.96	(736.95)
Cash and cash equivalents as at beginning of the period	913.02	1,649.58
Effect of cash and cash equivalents on account of stake disposal of entities during the period		(5.43)
Effect of exchange difference on cash and cash equivalents held in foreign currency	2.29	5.82
Cash and cash equivalents as at the end of the period	**2,918.27**	**913.02**

	March 31, 2020	March 31, 2019
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Balances with banks:		
On current accounts	595.60	239.83
Deposits with original maturity of less than three months	2,261.70	670.28
Cheques / drafts on hand	0.00	1.74
Cash on hand	2.13	6.81
Cash at bank and short term deposits attributable to entities held for sale	58.84	0.59
Less: Bank overdraft	-	(6.23)
Total cash and cash equivalents as at the end of the period	**2,918.27**	**913.02**

GMR INFRASTRUCTURE LIMITED

CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

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GMR Infrastructure Limited

Notes to the consolidated financial results for the quarter and year ended March 31, 2020

1. Consolidation and Segment Reporting

a. GMR Infrastructure Limited ('the 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 standalone 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. The management of the Group along with other shareholders of the Company and GMR Airports Limited (GAL), a subsidiary Company (together referred as "GMR Group") had signed a share subscription and share purchase agreement with Aerport De Paris SA (ADP) for stake sale in the GAL on February 20, 2020. Pursuant to consummation of the same, ADP would hold 49% stake (directly & indirectly) in the GAL for an equity consideration of Rs 10,780.00 crore, valuing GAL at the Base post money valuation of Rs. 22,000.00 crore. The equity consideration comprises of:

- Rs. 9,780.00 crore towards secondary sale of shares by GMR Group; and
- Rs. 1,000.00 crore equity infusion in GAL

In addition, ADP had also pegged Earn-outs upto Rs. 4,475.00 crore linked to achievement of certain agreed operating performance metrics as well as on receipt of certain regulatory clarifications. The successful consummation of earnouts, could increase, GAL's valuation on post money basis to Rs. 26,475.00 crore and the Group stake in GAL to ~59%. The Group will retain management control over the Airports Business with ADP having customary rights and board representation at Company and its key subsidiaries.

The first tranche of Rs 5,248.00 crore for 24.99% shares of GAL (primarily through buyout of GMR Infra Services Limited (GISL) via primary infusion of equity) had been completed on February 24,

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2020. The second & final tranche of Rs. 5,532.00 crore (including primary of Rs. 1,000.00 crore in GAL) was subject to regulatory approvals, consents and other approvals.

Since March 31, 2020, the outbreak of COVID-19 and related global responses have caused material disruptions to businesses around the world, leading to an economic slowdown. Despite unprecedented adverse conditions, on July 7, 2020 the Group has successfully completed the transaction with ADP with slight modifications. As per the revised Share Purchase Agreement, the second tranche of the investment for 24.01% of GAL has been structured in two parts:

- A firm amount, immediately paid at Second closing, for a total of Rs. 4,565.00 crore, including Rs. 1,000.00 crore equity infusion in GAL.
- Earn-outs amounting to Rs 1,060.00 crore, subject to the achievement of certain performance related targets by GAL upto FY2024.

Accordingly, ADP has increased earn-outs for Group which are now pegged at up to Rs. 5,535.00 crore compared to the earlier Rs. 4,475.00 crore. These additional Earn-outs of Rs. 1,060.00 crore are linked to the achievement of certain agreed operating performance metrics as well as the receipt of certain regulatory clarifications over the next 5 years. The amount of Rs. 4,565.00 crore towards second & final tranche payment from ADP has been received. This money will primarily be used in servicing the debt which will help deleverage both the Group and GAL further and result in improved cash flows and profitability.

3. Pursuant to the investor agreements (including amendments thereof) entered into during the years ended March 31, 2011 and 2012 (hereinafter collectively referred to as "investor agreements"), GAL, a subsidiary of the Company, had issued 3,731,468 Class A Compulsorily Convertible Preference Shares ("CCPS A") of Rs. 1,000 each at a premium of Rs. 2,885.27 each and Rs. 3,080.90 each aggregating to Rs. 663.31 crore and Rs. 441.35 crore respectively, to certain Private Equity Investors ('Investors').

   As per the terms of the investor agreement, the Company had a call option to buy CCPS A from the Investors for a call price to be determined as per the terms of the investor agreement.

   The Company vide its letter dated April 1, 2015, had exercised the call option to buy the CCPS A, subject to obtaining the requisite regulatory approvals. However, Investors had initiated arbitration proceedings against GAL and the Company, seeking conversion of CCPS A.

   The Company together with GAL had executed a settlement agreement dated August 13, 2018 with Investors to amicably settle all outstanding disputes pertaining to the matters which were the subject of the aforesaid arbitration. As per the settlement agreement, the Company through its wholly owned subsidiary, GISL, had purchased 2,714,795 CCPS A of GAL for an additional consideration of Rs. 3,560.00 crore from the Investors and balance 932,275 CCPS A have been converted into equity shares representing 5.86% shareholding of GAL in the hands of the Investors with a put option given by the Group to acquire the same at fair value.

   However pursuant to the definitive agreement dated July 04, 2019 with TRIL Urban Transport Private Limited, a subsidiary of Tata Sons, Solis Capital (Singapore) Pte. Limited and Valkyrie Investment Pte. Limited, the management had considered the aforesaid additional obligation of Rs. 3,560.00 crore as recoverable and had recognized the same as a financial asset in it consolidated

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financial statements for the year ended March 31, 2019. This agreement was cancelled during the year ended March 31, 2020.

As detailed in note 2 above, pursuant to the transaction with ADP appropriate adjustments have been made to reflect the above transaction and the financial asset of Rs. 3,560.00 crore has also been adjusted with other equity as a consequence of the receipt of the above consideration.

4. GMR Male International Airport Private Limited ('GMIAL'), a subsidiary of the Company entered into an agreement on June 28, 2010 with Maldives Airports Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT'), Republic of Maldives, for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport ('MIA') for a period of 25 years ("the Concession Agreement"). On November 27, 2012, MACL and MoFT issued notices to GMIAL stating that the Concession Agreement was void ab initio and that neither MoFT nor MACL had authority under the laws of Maldives to enter into the agreement and MACL took over the possession and control of the MIA and GMIAL vacated the airport effective December 8, 2012. The matter was under arbitration. During the year ended March 31, 2017, the arbitration tribunal delivered its final award in favour of 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 23rd May 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 the GMIAL to receive the sum it would have received if the payment had not been liable to tax.

Further, as per the letter dated 22nd January 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.

Subsequent to the year end, GMIAL has obtained the statement of dues from MIRA on 1st June 2020 and as per the statements of dues as at 1st June 2020, GMIAL is required to settle business profit tax amounting to US$ 0.72 Crore and fines on business profit tax amounting to US$ 0.58 crore and GMIAL is required to settle withholding tax amounting US$ 0.29 crore/- and fines on withholding tax amounted to US$ 0.31 crore (withdrawing the interim tax liability claim of US$ 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

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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.

5. (a) The Group has investments of Rs. 1,897.63 crore and loan amounting to Rs. 212.66 crore in GMR Energy Limited ('GEL'), 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 March 31, 2020. 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 5(b), 5(c), 5(d), 5(e) and 5(f) below have substantially eroded net worth. Based on the valuation assessment by an external expert during the year ended March 31, 2020 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 10.79% to 19.92%% across various entities, the management had accounted for an impairment loss of Rs 680.91 crore in the value of Group's investment in GEL and its subsidiaries/ joint ventures which had been disclosed as an exceptional item in the consolidated financial statements of the Group for the year ended March 31, 2020. 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. 640.76 crore as at March 31, 2020 which has resulted in substantial erosion of GWEL's net worth. 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. 535.87 crore which are substantially pending receipt. Based on certain favorable interim regulatory orders, the management is confident of realization of the outstanding receivables. Further, the management of the GWEL is in active discussions with one of its customers for renewal of the existing PPA expiring in June 2020 Though the net worth of GWEL is substantially eroded, GWEL has made pretax profits during the year ended March 31, 2020, 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, 2020, the management of the Group is of the view that the carrying value of the net assets in GWEL by GEL as at March 31, 2020 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

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inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, as at March 31, 2020, GWEL has raised claim of Rs. 535.77 crore towards reimbursement of transmission charges from March 17, 2014 till March 31, 2020. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and also applied for stay proceedings for the above order of APTEL, which was rejected by the Hon'ble Supreme Court of India.

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. 535.77 crore relating to the period from March 17, 2014 to March 31, 2020 (including Rs. 32.26 crore and Rs. 121.68 crore for the quarter and year ended March 31, 2020) in the consolidated financial results of the Group.

(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. 1,803.49 crore as at March 31, 2020, 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. 1,502.86 crore as at March 31, 2020, 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. 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 21 December 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 16 September 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 14 November 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. 58.86 crore for the year ended March 31, 2020.

In the current year ended March 31, 2020, GKEL has accounted for late payment surcharge on billed invoices to Haryana Discoms amounting to Rs. 94.25 crore as per Order 135 of 2018 passed by APTEL dated 20 December 2020.

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Further as per the PPA with GRIDCO, GKEL shall raise a combined invoice for capacity charge and energy charge. GKEL had raised invoices and claimed capacity charges based on availability declared to State Load Dispatch Center (SLDC) on the basis of Tariff Orders issued by CERC for FY 2009-14 and FY 2014-19 respectively. However, GRIDCO disputed the declared availability, calculated the capacity charges and paid partial amount, against which the GKEL has objected as to the method of calculation and filed a petition before CERC in case no 115IMP/2019 on account non receipt of capacity charges along with late payment surcharge. CERC has passed an Order on 04 February 2020 and directed GRIDCO to pay the outstanding amount along with late payment surcharge as per CERC Tariff Regulation 2014. Further, CERC has directed SLDC to revise the availability for the said period as available by the Company. Accordingly, the Company has raised invoice to GRIDCO on LPS and recognised Rs. 47.26 crore during year ended March 31, 2020.

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 21 February 2018 and recognized revenue amounting to Rs. 36.36 crore for Haryana, Bihar and GRIDCO PPAs for the year ended March 31, 2020 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 131/MP/2016 and is awaiting final order.

Further, there is uncertainty regarding the final outcome of litigations as regards claims against GKEL. In view of these matters, business plans, valuation assessment by an external expert during the year ended March 31, 2020, the management is of the view that the carrying value of the investments in GKEL held by GEL as at March 31, 2020 is appropriate.

Further, during the year ended March 31, 2020, as part of the strategic initiatives being undertaken by the management to ensure liquidity and timely payment of its obligations, the management of the Company, entered into share purchase agreement with JSW Energy Limited for sale of its equity stake in GKEL. However, subsequent to the year end, the said transaction has been put on hold due to uncertainties on account of COVID – 19 pandemic.

(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

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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.

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. 1,127.91 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 present dispute. 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.

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 October 2016 till February 2020, out of which the Company has claimed by submitting invoices to APDISCOMs of Rs. 363.42 crore for the period from October 2016 to January 2018 and is in the process of submitting invoices for the remaining amounts.

(iii) During the year, GEL entered into a Sale and Purchase Agreement with a prospective buyer for a consideration of USD 15.50 million for sale of the Barge Mounted Power Plant ('Barge Plant') on as is where is basis, out of which USD 0.30 crore has been received till 31 March 2020. The transaction was expected to be completed by May 31, 2020. However, the dismantling work is on hold due to COVID - 19. However, the management is confident of completing the transfer

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of Barge by December 31, 2020. Since the estimate of realizable value amounting Rs. 112.02 crore done by the management as at 31 March 2020 is consistent with the consideration for the Barge Plant as per the agreement, no further impairment charge is required.

(iv) 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, 2020 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 as they arise and GEL will be able to dispose off the Barge Power Plant as per the aforementioned Sale and Purchase agreement. 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 March 31, 2020 is appropriate. 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.

(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, 2020, the management of the Group is of the view that the carrying value of net assets of GBHPL by GEL as at March 31, 2020 is appropriate.

6. GMR Generation Assets Limited ('GGAL' or 'the Transferee Company'), a subsidiary of the company had applied for confirmation / approval of scheme of merger / amalgamation and capital reduction ('the Scheme') with its wholly owned subsidiaries GMR GENCO Assets Limited, GMR Kakinada Energy Private Limited and GMR Coastal Energy Private Limited and partly owned

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subsidiaries SJK Powergen Limited and GMR Power Corporation Limited (collectively referred to as the 'Transferor Companies'). The appointed date of merger / amalgamation is March 31, 2019. The scheme was filed with the Hon'ble Regional Director, Mumbai (RD). Necessary approvals from shareholders and creditors (vide NOCs) were obtained and submitted with the office of RD. The RD filed its report dated February 20, 2020 with National Company Law Tribunal, Special Bench, Mumbai ('NCLT') and NCLT passed the order approving the scheme on March 13, 2020. Pursuant to the Scheme, financial statements of GGAL have been prepared on merged basis with effect from March 31, 2019 in accordance with the accounting treatment prescribed in the Scheme.

7. a) During the year ended March 31, 2018, the Group had entered in to a Memorandum of Understanding (MOU) with PT Golden Energy Mines ('PTGEMS') for the sale of entire stake in PT Dwikarya Sejati Utama ('PTDSU') for a consideration of USD 65.6 million towards purchase of share and mandatory convertible bonds issued by PTDSU, subject to fulfillment of various conditions as specified in the said agreement. The transaction was completed on August 31, 2018. Pursuant to the aforesaid transaction, PTDSU ceased to be subsidiary of the Company. Pursuant to the aforesaid transfer of equity shares and mandatorily convertible bonds, the Group has recognized profit of Rs 124.64 crore which has been disclosed under discontinued operations in the consolidated financial results of the Group for the year ended March 31, 2019.

   b) The Group has investments of Rs. 3,611.21 crore in PTGEMS, a joint venture of the Group as at March 31, 2020. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The cost of investments made by the Group is significantly higher than the book value of assets of PTGEMS and includes certain future benefits including Coal Supply Agreement ('CSA') of GMR Coal Resources Pte. Ltd. (GCRPL) with PTGEMS whereby the Group is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount other than profit from mining operations. Though the shares of PTGEMS are listed on the overseas exchanges, the management is of the view that the quoted prices are not reflective of the underlying value of the mines as in the past few years the shares have been very thinly traded. Based on profitable mining operations, ramp up of production volumes and other assumptions around off take at a discounted price and trading thereof considered in valuation assessment carried out by an external expert during the year ended March 31, 2020, the management of the Group believes that the carrying value of aforesaid investments in PTGEMS as at March 31, 2020 is appropriate.

8. 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

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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.

9. 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. 467.15 crore as at March 31, 2020. 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. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant, till further orders. Based on an internal assessment and a legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and considering expected future traffic flow, the management of the Group believes that the carrying value of carriageways in GACEPL of Rs. 355.55 crore as at March 31, 2020 is appropriate.

10. 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. 1,162.21 crore as at March 31, 2020. 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

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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 has decided to proceed with arbitration and accordingly Arbitral Tribunal was constituted and claims were filed. Further, the project was initially developed from existing 2 lanes to 4 lanes and will 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. 620.31 crore including interest till March 31, 2020 based on NHAI's directions, failure to which, it will terminate the concession agreement. GHVEPL has approached the Tribunal to restrain NHAI from seeking any such recovery / demand / claim and / or taking any coercive action including termination of concession agreement, till the completion of present arbitration proceedings and Tribunal has restrained NHAI from taking action.

Furthermore, NHAI vide notice dated November 18, 2019, pursuant to Article 36 of the concession agreement has suspended the rights of GHVEPL to collect toll. Aggrieved by the notice, GHVEPL approached the tribunal for stay of the said notice from NHAI and stay was granted by Ad-interim order on the same date. Tribunal directed GHVEPL to deposit Rs. 75.00 crore (Rs. 25.00 Crore each month) till February 29, 2020 as deposit, on without prejudice basis, in a no lien escrow account, considering the consequences of said notice. GHVEPL has complied with the orders of the Tribunal and the amount so deposited every month has been subsequently transferred to NHAI account on the directions of the Tribunal. However, aggrieved by the interim order, GHVEPL preferred an appeal before Delhi High Court wherein the Court had directed both the parties to maintain status quo till the matter is disposed off by Arbitral Tribunal.

The Arbitral Tribunal vide its order dated March 31, 2020, has 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 vehicle. However, majority of the Tribunal members have directed NHAI to constitute a committee for determining the claim amount based on data/ records available with the 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.

On May 8, 2020 GHVEPL has received notice from NHAI restricting the concession period to 15 years pursuant to clause 3.2.2 of the concession agreement dated October 9, 2009 by stating, it is satisfied that six-laning is not required for the highway and four laning is sufficient for operating highway. GHVEPL has filed its response seeking material on record from NHAL and has further obtained legal opinion, based on which the Company has decided and is in the process of challenging the said notice in the court of law considering the pending quantification of the favorable Arbitral award before the High Court.

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The restriction, in terms of notice dated May 8, 2020 from NHAI, on the concession period to 15 years from 25 years would have impact on the carrying value of intangible assets, in case any adverse outcome of the notice from NHAI upon challenge before court of law, the carrying value of intangible assets as at March 31, 2020 of Rs 1,984.04 crore which is being amortised over balance life of 15 years on revenue projection at present would have to be amortised over next 5 years.

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 and the same would be contested in the Court of law subsequent to the awaited decision from Delhi High Court. Accordingly, concession life of 25 years with six laning has been considered for the purposes of the amortisation of Intangibles in spite of the communication / notice by NHAI / Regulator restricting the period to 15 years with four-laning.

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 based on valuation assessment by an external expert and expected compensation claim inflows, the management of the Group believes that the carrying value of carriage ways of Rs. 1,984.04 crore of GHVEPL as at March 31, 2020, is appropriate.

11. GMR Highways Limited, a subsidiary of the Company, received approval of shareholders and creditors and subsequent confirmation from National Company Law Tribunal (NCLT) vide the order dated March 20, 2020 to reduce the Company's issued, subscribed and paid-up equity share capital from Rs. 2,052.93 crore (comprising 2,05,29,29,749 fully paid up equity shares of Rs. 10/- each) to Rs. 775.44 crore, comprising of 77,54,40,510 fully paid up equity shares of Rs. 10/- each. Such reduction has been given effect by cancelling and extinguishing 62.23% of the total issued, subscribed and paid up equity share capital of the Company (the "Capital Reduction"). The shareholders whose share capital has been reduced have been paid a sum of 10 paise per equity share as the consideration.

12. The Group through GMR Infrastructure Mauritius Limited ('GIML') has an investment in GMR Infrastructure (Cyprus) Limited ('GICL'), a subsidiary of GIML. GICL has fixed deposits of Rs. 107.08 crore (USD 15.00 million) with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. During the period ended December 31, 2019, the bank has released USD 5.00 million and the management of the Group is of the view that despite such economic difficulties, the amount held as fixed deposit with Eurobank is good for recovery, though withdrawal of the amount from the Republic of Cyprus would be subject to restriction as may be imposed by the Central Bank of Cyprus.

13. 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

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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, 2020 (March 31, 2019: 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 the 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.

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 the 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 and year ended March 31, 2020. Further, as directed by the Hon'ble High Court of Delhi and pending further orders, DIAL has charged Rs.102.81 crore from April 1, 2014 till March 31, 2020 towards the expenditure incurred on repair and maintenance of security equipment to the statement of profit and loss which includes Rs. 6.42 crore during the year ended March 31, 2020.

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.

14. Subsequent to balance sheet date on June 15, 2020, Delhi Cantonment Board ('DCB') has passed the order on DIAL, contradicting its own previous demand and acted in contravention of Cantonment Act, 2006 and the HC order dated December 02, 2019 has sought to retrospectively enhance the rate of property tax leviable on the DIAL on the pretext of purported errors in calculation , determining the property tax payable by the DIAL for the assessment period i.e. 2016-17, 2017-18, 2018-19 to be Rs 2589.10 crores. DIAL has thus challenged the assessment and demand by way of writ petition before Hon'ble Delhi High Court and sought stay against the assessment and demand. The Hon'ble Court has passed the order and asked DCB to justify its assessment and demand. If DCB tries to take any precipitative steps during this time, liberty has been granted to DIAL to approach the court for interim relief.

15. (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 filed an appeal, challenging the disallowance of pre-control period losses, foreign exchange loss on external commercial borrowings and other issues for determination of its tariff with the Airport Economic

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Regulatory Authority Appellate Tribunal ('AERAAT') against the aforesaid order. Due to non-constitution of AERAAT Bench, GHIAL had filed a writ petition with the Hon'ble High court at Hyderabad for adjudication. In addition, pursuant to the directions issued by MoCA, GHIAL had filed another writ petition for restoration of Airport charges with Hon'ble High Court at Hyderabad and Hon'ble High Court passed an order allowing the company to collect the Airport charges as were prevailing prior to February 24, 2014. During the period, Hon'ble High Court vide its order dated October 17, 2019 has directed the appeal to be transferred to Telecom Disputes Settlement Appellate Tribunal ('TDSAT') with the request to TDSAT to dispose of the same as expeditiously as possible. With respect to writ petition, the said order has allowed GHIAL to continue to collect the airport charges till the disposal of appeal by TDSAT. 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, the Company 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 March 25, 2019 has allowed the Company 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, the Company has applied aeronautical tariff as prevailed on March 31, 2016 during the year ended March 31, 2020.

During the year, the Company has withdrawn the aforesaid writ petition vide Order dated February 25, 2020 from the Hon'ble High Court. Accordingly, AERA has determined the Aeronautical tariff in respect of second control period vide its Order no: 34/2019-20/HIAL dated March 27, 2020 and the same is valid for the balance unexpired control period of one year effective from April 01, 2020 onwards.

(b) In case of DIAL, the AERA passed an Aeronautical tariff order Viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five years control period (i.e. 2009 - 2014). DIAL had filed an appeal before AERAAT on certain disputed issues in the aforesaid Tariff order.

Subsequently, the Hon'ble Delhi High Court vide its Final Order dated January 22, 2015 ordered that the tariff determined by AERA for the First Control Period shall continue till the disposal of the appeals pending against the said tariff order by AERAAT. Subsequently, AERA also released the tariff order No. 40/2015-16 dated December 08, 2015 for second control period i.e. 2014 -2019. DIAL filed an appeal with AERAAT against some of the matters in the tariff order for the second control period.

Further, Ministry of Finance vide the notification dated May 26, 2017, directed the merger of Appellate Tribunal under the Airports Economic Regulatory Authority Act, 2008 ("AERA Act") i.e. AERAAT into Telecom Disputes Settlement and Appellate of Tribunal ('TDSAT').
The Hon'ble Supreme Court of India, on SLP filed by Air India, vide its judgement dated July 03, 2017, vacated the order of Hon'ble High Court of Delhi and directed TDSAT to dispose of the appeals of DIAL in the next two months.

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As per the directions of Director General of Civil Aviation dated July 07, 2017, DIAL implemented the Tariff Order No. 40/2015-16 dated December 08, 2015 with immediate effect i.e., from July 08, 2017

DIAL's appeal no. 10/2012 with respect to first control period has been concluded along with the appeal by 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 determination of tariff of the third control period starting from April 1, 2019. DIAL expects the uplift impact of the TDSAT order to be factored in the tariff determination by AERA for the next period i.e., 2019-2024. DIAL's appeal against the second control period shall be heard in due course.

Further, DIAL has filed an appeal in the Hon'ble Supreme Court of India on July 21, 2018 for few matters in respect of TDSAT order dated April 23, 2018 and same was listed on September 4, 2018 wherein Hon'ble Supreme Court of India has issued notices in the matter. The matter was taken up by Hon'ble Supreme Court on February 10, 2020 and two weeks' time was granted for filing counter affidavit and further two weeks' time to file rejoinder thereafter. Accordingly, the Company has filed its rejoinders and next date of hearing before Hon'ble Supreme Court has not yet been notified, however, an application of early hearing shall be filed by the Company for an early disposal of the matter.

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. Further, as the second control period completed on March 31, 2019, DIAL requested the AERA to extend the current tariff till the tariff for third control period is determined. Accordingly, AERA vide order no 48/2018-19 dated March 25, 2019 extended the prevailing tariff for DIAL till September 30,2019 which is further extended by AERA order no 09/2019-20 to March 31, 2020 and vide order no 31/2019-20 dated March 20, 2020 till June 30, 2020 or determination of tariff for third control period, whichever is earlier.

AERA has issued consultation paper in the matter of determination of aeronautical tariff for third control period vide consultation paper no. 15/2020-21 dated June 9, 2020. Last date for submission of comments is July 31, 2020 and for submission of counter comments is August 14, 2020.

Basis the cash projections prepared by the management of DIAL for next one year, the management expects to have cash profit. Further, considering DIAL's business plans and the availability of sufficient cash reserve as at March 31, 2020, the management do not foresee any uncertainty in continuing its business/ operations and meeting its liabilities for the foreseeable future and accordingly, the financial results of DIAL are continued to be prepared and consolidated on a going concern basis.

16. (a) The Ministry of Civil Aviation (MoCA) had issued orders dated February 18, 2014 requiring the Airport Operators to reverse the expenditure incurred, together with the interest, since inception 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 the Airport Operator in a fiduciary capacity. GHIAL had incurred Rs.142.00 crore towards capital expenditure (including the cost of land, construction cost and related finance cost as mentioned in note (b) below, excluding related maintenance expense, other costs and interest thereon till March 31, 2018, which is currently not

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ascertainable out of PSF (SC) escrow account as per SOPs, 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 Hon'ble High court of Andhra Pradesh. The Hon'ble 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 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 and year ended March 31, 2020.

PSF (SC) is replaced with Aviation Security Fee (ASF) with effect from July 1, 2019 vide AIC No. 15/2019 dated June 19, 2019 and in this regard MoCA has formed a Trust for operating and maintenance of the ASF Fund namely National Aviation Security Fee Trust (NASFT). NASFT has issued a detailed standard operating procedures (SOP) for operation and maintenance of ASF vide SOP dated November 21, 2019. As per the SOPs, billing of ASF would be under the name of NASFT and accordingly all the risk and rewards would remain with the NASFT. In respect of expenses, cost of deployment of Central Industrial Security Force (CISF) would be paid directly by the NASFT. However, the other security related expenses for CISF are to be first incurred by the Airport Operator which would be reimbursed through a tax invoice raised on the NASFT. Accordingly, PSF (SC) Fund ceased to operate with effect from July 01, 2019.

(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 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 and also, made an application for increase in PSF (SC) tariff to recover these dues and to meet the shortfall in discharging other liabilities from PSF (SC) Fund.

In earlier years, MoCA responded that, it is not in a position to consider the request for enhancement in the PSF (SC) tariff. As a result, GHIAL requested MoCA to advice 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 and year ended March 31, 2020.

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

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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.

17. The Group has incurred losses primarily on account of losses in the energy and highway sector as detailed in notes 5, 9, and 10 above with a consequent erosion of its 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. Pursuant to such initiatives the Group had divested its stake in certain assets in the highway sector and 30% stake in selected portfolio in energy assets over the last few years from 2016 onwards. Further as detailed in note 2, the management has signed a share subscription and share purchase agreement with Aeroport De Paris SA (ADP) and divest equity stake of 49% (for a equity consideration of Rs. 9,813.00 crore) in GAL on a fully diluted basis. The amount was received in two tranches, the first tranche of Rs. 5,248.00 crore was closed as of February 26, 2020 and the same has been primarily used to repay debt obligations the and the second tranche of Rs 4,565.00 crore closed subsequent to the balance sheet date on July 7, 2020. The money received in second tranche will primarily be used in servicing the debt which will help deleverage GMR Group further and result in improved cash flows and profitability and net worth of the group will improve significantly.

    Further, the Company 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 it's cash flows and profitability. The details of such claims have been enumerated below: -

    i) GCORR has received award of Rs. 341 Crore plus interest (in case of delay in payment) against Government of Tamil Nadu ('GOTN') which is challenged by GOTN in Madras High Court.

    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 10. While Change in Law is upheld, amount of compensation is to be calculated by a committee. GHVEPL has raised a claim of Rs 1,341 Crore plus interest upto March 31, 2019.

    iii) GACEPL arbitration is concluded and award is in the process of being adjudicated. GACEPL has raised a claim of Rs. 561 Crore plus interest.

    iv) 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

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amount of claim is approximately Rs. 306 Crore which will be received progressively based on the work to be carried out.

v) Group have also raised a claim of Rs. 378 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.

vi) Certain other claims in Energy sector as detailed in Note 5(b), 5(c), 5(d), 5(e) and 8.

18. With the recent and rapid development of the COVID – 19 outbreak, many countries have implemented travel restrictions. The Group has majority of its subsidiaries, JVs and associates operate in Airport sector, Energy Sector, Highway sectors and Urban Infra sector and with respect to COVID - 19 impact on the business of these entities, management believes while the COVID - 19 may impact the businesses in the short term, it does not anticipate medium to long term risk to the business prospects. Considering the business plans of the investee companies the management does not foresee any material impact on the carrying value at which the aforementioned investments, property plant & equipment, intangible assets, capital work in progress and trade receivables. Accordingly, no adjustments to the carrying value of these assets are considered necessary. Further, the management has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets as at the balance sheet date and has concluded that there are no material adjustments required in the 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.

19. Effective April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to lease arrangements existing on the date of initial application using the modified retrospective approach with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application.
Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. Further on adoption of Ind AS 116, the Group as a lessor has recorded lease rent income on systematic basis or straight line basis on prospective basis with a corresponding debit to lease equalization reserve.

20. The accompanying consolidated financial results of the Group for the quarter/ year ended March 31, 2020 have been reviewed by the Audit Committee in their meeting held on July 29, 2020 and approved by the Board of Directors in their meeting held on July 30, 2020.

21. Other operating income includes interest income on financial assets of annuity companies in roads sector, dividend income, 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.

22. The figures of the last quarter of the current and previous years are the balancing figure between the audited figures for the respective full financial year and the published unaudited year to date figures for the nine months ended of the respective financial years.

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

For GMR Infrastructure Limited

GMR INFRASTRUCTURE LIMITED

Grandhi Kiran Kumar
Managing Director & CEO

New Delhi
July 30, 2020

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ANNEXURE I

GMR Infrastructure Limited

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted by GMR Infrastructure Limited along with its consolidated financial results for the year ened March 31, 2020

(in Rs. crore except for earning per share)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / total income (including other income)	9,222.13	9,222.13
	2	Total Expenditure (including finance cost, tax expenses, share of loss/profit with associates and loss/profit from discontinued operations before exceptional items)	10,743.41	10,743.41
	3	Exceptional items (gain) / loss (net)	680.91	680.91
	4	Net profit/(loss)	(2,202.19)	(2,202.19)
	5	Earnings Per Share (in Rs.) - Basic		
	6	Total Assets	46,526.80	46,526.80
	7	Total Liabilities	46,310.91	46,310.91
	8	Net Worth (refer note 1)	215.89	215.89
	9	Any other financial item(s) (as felt appropriate by the management)	Refer Emphasis of Matter paragraph in the Auditor's Report on Year to Date Consolidated Financial Results	

Note 1: Net worth has been calculated as per the definition of net worth in Guidance Note on "Terms used in Financial Statements" issued by the Institute of Chartered Accountants of India

II. Audit Qualification (each audit qualification seperately) :

(i) Qualification

1 a.. Details of audit qualification:

As stated in 5(a) to the accompanying Statement, the Group has an investment amounting to Rs. 1,897.63 crore in GMR Energy Limited ('GEL'), a joint venture company and outstanding loan amounting to Rs. 212.66 crore recoverable from GEL as at March 31, 2020. Further, the Company has an investment in GMR Generation Assets Limited ('GGAL'), a subsidiary of the 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, joint venture of GEL. GGAL has further invested in GMR Rajahmundry Energy Limited ('GREL'), an associate company of GGAL.

As mentioned in note 5(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 March 31, 2019. The Holding Company has given certain corporate guarantees for the loans including Cumulative Redeemable Preference Shares ('CRPS') outstanding in GREL amounting to Rs. 2,068.50 crores.

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 particulary with respect to availability of natural gas, future tariff of power generated and realization of claims for lossess 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 5(d), the proposed sale of equity stake by management of GEL in GKEL during the year ended March 31, 2020 has been put on hold by the buyer subsequent to the year end. The management continues to account 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 including the uncertainty and the final outcome of the litigations as regards claims against GKEL.

Further, as mentioned in note 5(f),GBHPL has stopped the construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand, since May 07, 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 and achievements of the 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 non-current investment, and any further provisions, if any, required to be made for the said obligations, and the consequential impact on the accompanying Statement.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Third year of qualification

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not applicable

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

Management view is documented in note 5 d, 5 e and 5 f of quarterly/annual consolidated financial statement of GIL for March 31, 2020. As detailed in the notes, on account of non availability of gas, both GVPGL and GREL plants were not operated for significant time resulting in erosion of economic value. Various stakeholders, including Central and State Governments have formulated schemes for efficient utilisation of these facilities, though these efforts have not brought in permanent resolutions to the operations. GREL have implemented resolution plan during the year ending March 2019 to restructure its debt obligation which would improve the profitability and consequently the carrying cost of these companies. Further, CERC has passed order dated January 28, 2020, declaring that natural gas for the purpose of PPA includes Deep Water Gas and 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 which will further improve the valuation. Taking into account the uncertainities associated with the efforts of various stakeholders, management is not in a position to assess the impact of these measures on the carrying values.

Basis the internal assessment and legal opinions, the management of the Group is confident of obtaining the requisite clearances and favourable ordes for GBHPL and GKEL and based on business plan and a valuation assessment carried out by an external expert the management of the Group is of the view that the carrying value of net assets of GBHPL/GKEL by GEL as at March 31, 2020 is appropriate.

(i) Management's estimation on the impact of audit qualification: Not applicable

(ii) If management is unable to estimate the impact, reasons for the same: Not ascertainable

(iii) Auditors' Comments on (i) above:Not applicable

2a. Details of Audit Qualification:

As detailed in note 3 to the accompanying Statement, the Group had acquired the Class A Compulsory Convertible Preference Shares ('CCPS') of GMR Airport Limited ('GAL'), a subsidiary of the Holding Company, for an additional consideration of Rs. 3,560.00 crores from Private Equity Investors as per the settlement agreement entered during the year ended March 31, 2019. The said CCPS were converted into equity shares of an equivalent amount as per the investor agreements. The aforesaid additional settlement consideration of Rs. 3,560.00 crores paid to Private Equity Investors has been considered as recoverable and recognised as Other financial assets upto the end of the previous period ended December 31, 2019, based on proposed sale of such equity shares to the proposed investors, as detailed in note 3 to the Statement. The sale of such equity shares has been completed in the quarter ended March 31, 2020 and consequently the management has recorded the aforesaid transaction in the current quarter ended March 31, 2020 instead of restating the balances as at March 31, 2019 in accordance with the relevant accounting standards. Had the management accounted for the aforesaid transaction in the correct period, the 'Other equity' as at March 31, 2019 would have been lower by Rs. 3,560.00 crores, and 'Other financial assets' as at March 31, 2019 would have been lower by Rs. 3,560.00 crores with a consequential impact on segment assets of the Airport sector as at March 31, 2019.

2b. Type of Audit Qualification : Qualified Opinion

2c. Frequency of qualification: Second year of qualification

2d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

Management view is documented in note 3 of the accompanying consolidated financial results for the quarter and year ended March 31, 2020.

2e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable

(i) Management's estimation on the impact of audit qualification: Not applicable

(ii) If management is unable to estimate the impact, reasons for the same: Not applicable

(iii) Auditors' Comments on (i) or (ii) above: Not applicable

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III.	Signatories:	
	Managing Director & CEO	Grandhi Kiran Kumar
	Chief Financial Officer	Saurabh Chawla
	Audit Committee Chairman	N.C. Sarabeswaran
	Statutory Auditor	Walker Chandiok & Co LLP Chartered Accountants ICAI firm registration number: 001076N/ N500013 per Neeraj Sharma Partner Membership Number: 502103
	Place:	New Delhi
	Date:	July 30, 2020

Walker Chandiok & Co LLP

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Independent Auditor's Report on Standalone Annual Financial Results of GMR Infrastructure Limited Pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of GMR Infrastructure Limited

Qualified Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of GMR Infrastructure Limited ('the Company') for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.

2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   (i) presents financial results in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations, except for the effects/possible effects of the matters described in paragraph 3 below; and

   (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net loss after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2020 except for the effects/possible effects of the matters described in paragraph 3 below.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Basis for Qualified Opinion

3. As stated in Note 4(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 together with GGAL and GEPML has investments in GMR Energy Limited ('GEL'), a Joint venture of the Company, amounting to Rs. 1,897.63 crores and has outstanding loan amounting to Rs. 212.66 crore recoverable from GEL as at 31 March 2020. 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 4(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. 2,068.50 crores.

   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 4(d), the proposed sale of equity stake by management of GEL in GKEL during the year ended 31 March 2020 has been put on hold by the buyer subsequent to the year end. The management continues to account 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 including the uncertainty and the final outcome of the litigations as regards claims against GKEL.

   Further, as mentioned in in note 4(f), GBHPL has stopped the construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand, since May 07, 2014 on directions of Hon'ble Supreme Court of India ('the Supreme Court'). The carrying value of the investments in GBHPL is significantly dependent upon obtaining requisite approvals from Supreme court, environmental clearances, availability of funding support and achievements of the 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 non-current investment, and any further provisions, if any, required to be made for the said obligations, and the consequential impact on the accompanying Statement.

   The opinion expressed by the predecessor auditor in their auditor's report dated 29 May 2019 for the year ended 31 March 2019, was also qualified with respect to the matters pertaining to GVPGL and GREL. Our review report dated 13 February 2020 on the standalone financial results for the quarter ended 31 December 2019 was also qualified in respect of these matters.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

4. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

5. In addition to the matters described in paragraph 3 above, we draw attention to note 4(b) and 4(c) to the accompanying Statement, in relation to the investment made by the Company in GEL amounting to Rs. 1,897.63 crore as at 31 March 2020. 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 31 March 2020, and certain other key assumptions considered in the valuation performed by an external expert, including capacity utilization of plant in future years and renewal of Power Purchase Agreement with one of its customers which has expired in June 2020 .

   The above claims also include recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') by GWEL, based on the Order of the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated 8 May 2015 as described in aforesaid note.

   The management of the Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuations, 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 year ended 31 March 2020. Our opinion is not modified in respect of this matter.

6. We draw attention to note 12 to the accompanying Statement, which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the investments carried at fair value in the financial statements of the Company as at the balance sheet date. Our opinion is not modified in respect of this matter.

7. We draw attention to note 3 to the accompanying Statement with respect to the decline in fair value of Company's investment in equity shares of GMR Airports Limited ('GAL'), a subsidiary company, subsequent to the year end. The said event has been considered as a non-adjusting event in accordance with the principles of Ind AS 10 'Events after the Reporting Period' and accordingly Company's investments in equity shares of GAL classified as held for sale and as Investments in equity shares are being carried at the fair values determined based on conditions that existed as at 31 March 2020. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

8. This Statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

9. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

11. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

12. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Other Matters

15. The Statement includes the financial results for the quarter ended 31 March 2020, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

16. The audit of standalone financial results for the corresponding quarter and year ended 31 March 2019 included in the Statement was carried out and reported by S. R. Batliboi & Associates LLP who have expressed modified opinion vide their audit report dated 29 May 2019, whose report has been furnished to us, and which has been relied upon by us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103
UDIN: 20502103AAAABH4004

WALKER CHANDIOK & CO LLP * CHARTERED AC

Place: New Delhi
Date: 30 July 2020

GMR Infrastructure Limited
Corporate Identity Number (CIN): L45203MH1996PLC281138

Registered Office: Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block,
Bandra Kurla Complex, Bandra (East), Mumbai, Mumbai City, Maharashtra, India - 400051
Phone: +91-22-42028000 Fax: +91-22 42028004
Email: gil.cosecy@gmrgroup.in Website: www.gmrgroup.in

Statement of standalone financial results for quarter and year ended March 31, 2020

(Rs. in crore)

S.No.	Particulars	Quarter ended			Year ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		Unaudited (refer note 13)	Unaudited	Unaudited (refer note 13)	Audited	Audited
1	**Revenue**					
	(a) Revenue from operations					
	i) Sales/income from operations	246.42	170.76	212.07	803.46	763.04
	ii) Other operating income (refer note 11)	106.71	90.94	80.40	351.64	338.00
	(b) Other income	3.48	1.19	11.07	7.90	47.86
	Total Revenue	**356.61**	**262.89**	**303.54**	**1,163.00**	**1,148.90**
2	**Expenses**					
	(a) Cost of materials consumed	95.75	87.69	87.55	360.39	448.17
	(b) Subcontracting expenses	45.17	30.84	63.38	176.03	224.55
	(c) Employee benefit expenses	10.04	9.18	10.89	40.71	47.29
	(d) Finance costs	105.47	290.12	215.54	892.93	845.65
	(e) Depreciation and amortisation expenses	5.62	5.89	6.25	23.52	24.49
	(f) Other expenses	55.51	26.49	30.47	133.09	125.18
	Total expenses	**317.56**	**450.21**	**414.08**	**1,626.67**	**1,715.33**
3	**Profit/(loss) before exceptional items and tax**	**39.05**	**(187.32)**	**(110.54)**	**(463.67)**	**(566.43)**
4	**Exceptional items**					
	(i) Provision for impairment in carrying value of investments, loans/advances carried at amortised cost (refer note 8)	(821.52)	(35.33)	(475.96)	(990.47)	(475.96)
5	**Loss before tax (3 ± 4)**	**(782.47)**	**(222.65)**	**(586.50)**	**(1,454.14)**	**(1,042.39)**
6	**Tax expense/(credit)**	**34.91**	**(2.92)**	**(4.12)**	**24.98**	**(8.08)**
7	**Loss for the period/ year (5 ± 6)**	**(817.38)**	**(219.73)**	**(582.38)**	**(1,479.12)**	**(1,034.31)**
8	**Other comprehensive income (net of tax)**					
	(i) Items that will not be reclassified to profit or loss					
	-Re-measurement gains on defined benefit plans	0.04	-	0.21	0.04	0.21
	-Net gain/(loss) on fair valuation through other comprehensive income (FVOCI) of equity securities	2,401.83	(117.29)	(1,718.31)	1,996.21	(4,315.81)
	Total other comprehensive income for the period/year	**2,401.87**	**(117.29)**	**(1,718.10)**	**1,996.25**	**(4,315.60)**
9	**Total comprehensive income for the period/year (7 ± 8)**	**1,584.49**	**(337.02)**	**(2,300.48)**	**517.13**	**(5,349.91)**
10	**Paid-up equity share capital (Face value - Re. 1 per share)**	603.59	603.59	603.59	603.59	603.59
11	**Other equity**				11,464.15	11,097.56
	Earnings per share (EPS) (of Re. 1 each) (not annualised)					
	(a) Basic and Diluted EPS before exceptional items	0.01	(0.31)	(0.18)	(0.81)	(0.93)
	(b) Basic and Diluted EPS after exceptional items	(1.35)	(0.36)	(0.97)	(2.45)	(1.72)

GMR INFRASTRUCTURE LIMITED

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Additional disclosures as per regulation 52(4) of Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulation, 2015:

A. Credit Rating of the Non-Convertible Debentures and change in Credit Rating (if any)

Name of credit rating agency: Infomerics Valuation and Ratings Private Limited	Outstanding balance as at March 31, 2020 : Rs 252.50 Crores	**Date of report :** May 22, 2020 **Credit rating:** IVR BBB-/stable outlook (IVR Triple B Minus with stable outlook)

B. Previous due date for the payment of interest as at March 31, 2020 are as under

Details of Non-Convertible Debentures	Due date for payment of Interest	Date of payment of Interest
Rs. 350 Crore (Tranche I), Rs. 350Crore (Tranche II),Rs. 200 Crore (Tranche III), Rs. 100 Crore (Tranche IV)	March 25, 2020	June 23, 2020

C. Previous due date for the payment of principal as at March 31, 2020 are as under:

Details of Non-Convertible Debentures	Due date for payment of principal	Date of payment of principal
Rs. 350 Crore (Tranche I), Rs. 350 Crore (Tranche II),Rs. 200 Crore (Tranche III), Rs. 100 Crore (Tranche IV)	March 25, 2020	June 23, 2020

D. Next due date and amount for the payment of interest/principal along with the amount of interest and the redemption amount of non-convertible debentures

Details of Non-Convertible Debentures	Principal/Interest amount (Rs. in Crore)	Due date for Payment	Type (Principal/Interest/Redemption Premium)
Rs. 350 Crore (Tranche I), Rs. 350 Crore (Tranche II),Rs. 200 Crore (Tranche III), Rs. 100 Crore (Tranche IV)	51.80	June 25, 2020	Principal
Rs. 350 Crore (Tranche I), Rs. 350 Crore (Tranche II),Rs. 200 Crore (Tranche III), Rs. 100 Crore (Tranche IV)	7.03	June 25, 2020	Interest

E. Ratios:

Particulars	March 31, 2020 (Audited)	March 31, 2019 (Audited)
Debt Equity Ratio (refer note 9)	0.68	0.61
Asset Coverage Ratio	2.97	3.10
Paid-up debt capital (refer note 10)	252.18	431.78
Debenture Redemption Reserve	59.49	94.86
Debt Service Coverage Ratio ('DSCR') (refer note 9)		
(a) DSCR before exceptional items	0.17	0.14
(b) DSCR after exceptional items	(0.22)	(0.10)
Interest Service Coverage Ratio ('ISCR') (refer note 9)		
(a) ISCR before exceptional items	0.48	0.33
(b) ISCR after exceptional items	(0.63)	(0.23)
Net worth (paid up equity share capital plus Other Equity)	12,067.74	11,701.15

GMR INFRASTRUCTURE LIMITED

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	GMR Infrastructure Limited Statement of standalone assets and liabilities		
			(Rs. in crore)
	Particulars	**As at March 31, 2020 (Audited)**	**As at March 31, 2019 (Audited)**
A	**ASSETS**		
1	**Non-current assets**		
	Property, plant and equipment	132.71	156.84
	Intangible assets	1.94	1.92
	Financial assets		
	Investments	15,018.66	12,238.91
	Trade receivables	109.57	88.64
	Loans	1,256.28	1,600.35
	Other financial assets	81.24	94.04
	Non-current tax assets (net)	64.42	48.61
	Other non-current assets	8.73	8.36
		16,673.55	**14,237.67**
2	**Current assets**		
	Inventories	98.48	45.08
	Financial assets		
	Investments	98.00	0.01
	Trade receivables	538.87	394.74
	Cash and cash equivalents	23.26	18.01
	Bank balances other than cash and cash equivalents	2.01	6.84
	Loans	1,137.96	295.42
	Other financial assets	863.83	1,061.42
	Other current assets	96.68	53.43
		2,859.09	**1,874.95**
3	**Assets classified as held for sale**	**4,748.88**	**6,180.12**
	Total assets (1+2+3)	**24,281.52**	**22,292.74**
B	**EQUITY AND LIABILITIES**		
1	**Equity**		
	Equity share capital	603.59	603.59
	Other equity	11,464.15	11,097.56
	Total equity	**12,067.74**	**11,701.15**
	Liabilities		
2	**Non-current liabilities**		
	Financial liabilities		
	Borrowings	6,341.45	5,233.70
	Other financial liabilities	128.72	150.15
	Provisions	0.89	1.13
	Deferred tax liabilities (net)	882.84	392.05
	Other non-current liabilities	-	563.85
		7,353.90	**6,340.88**
3	**Current liabilities**		
	Financial liabilities		
	Borrowings	818.64	943.55
	Trade payables		
	a) Total outstanding dues of micro enterprises and small enterprises	32.64	13.94
	b) Total outstanding dues of creditors other than (a) above	519.42	482.05
	Other financial liabilities	3,322.14	2,526.12
	Other current liabilities	162.21	249.82
	Provisions	4.83	4.82
	Current tax liabilities (net)	-	5.18
		4,859.88	**4,225.48**
4	**Libilities directly associated with the assets classified as held for sale**	-	**25.23**
	Total equity and liabilities (1+2+3+4)	**24,281.52**	**22,292.74**

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GMR Infrastructure Limited

Standalone Statement of cash flows

(Rs. in crore)

Particulars	March 31, 2020	March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(1,454.14)	(1,042.39)
Non-cash adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expenses	23.52	24.49
Fair value (gain) on financial instruments at fair value through profit or loss	-	(0.31)
Exceptional items- Provision for impairment in carrying value of investments, loans/advances carried at amortised cost	990.47	475.96
Bad debts written off/ provision for doubtful debts	4.02	14.03
Net foreign exchange differences (unrealised)	33.94	3.93
Gain on disposal of assets (net)	(1.67)	-
Provision no longer required, written back	(0.71)	(1.85)
(Reversal) /Provision for upfront loss on long term construction cost	(95.05)	109.86
Profit on sale of current investments	(0.92)	(2.02)
Dividend income on current investments (gross) Rs. 4,360 (March 31, 2019: Rs. 14,732)	0.00	0.00
Finance income (including finance income on finance asset measured at amortised cost)	(349.53)	(333.09)
Finance costs	892.93	845.65
Operating profit before working capital changes	**42.86**	**94.26**
Working capital adjustments:		
(Increase) in inventories	(53.40)	(6.98)
(Increase) in trade receivables	(169.08)	(380.32)
Decrease in other financial assets	45.15	138.92
(Increase)/ decrease in other assets	(44.35)	19.42
Increase in trade payables	151.83	54.15
(Decrease) in other financial liabilities	(11.84)	-
(Decrease) in provisions	(0.23)	(0.49)
(Decrease)/ increase in other liabilities	(95.71)	546.88
Cash (used in) / from operations	**(134.77)**	**465.84**
Direct taxes paid (net of refunds)	(19.67)	(14.02)
Net cash (used in)/ from operating activities	**(154.44)**	**451.82**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(0.96)	(37.14)
Proceeds from sale of property, plant and equipment	3.95	-
Purchase of non-current investments	(0.10)	(2,060.00)
Proceeds from sale and redemption of non-current investments	1,206.85	1,869.85
(Purchase) / sale of current investments (net)	(97.07)	28.61
Proceeds from bank deposit (having original maturity of more than three months) (net)	17.63	63.41
Loans given to group companies	(2,951.11)	(2,022.54)
Loans repaid by group companies	1,679.24	2,009.74
Interest received	184.83	223.56
Dividend received [(Rs. 4,360 (March 31, 2019: Rs. 14,732)]	0.00	0.00
Net cash from investing activities	**43.26**	**75.49**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	2,493.60	604.44
Repayment of long term borrowings	(1,622.51)	(791.54)
Proceeds/ repayment of short term borrowings (net)	(118.68)	169.38
Finance costs paid	(629.75)	(572.99)
Net cash from/(used in) financing activities	**122.66**	**(590.71)**
Net increase/(decrease) in cash and cash equivalents	11.48	(63.40)
Cash and cash equivalents at the beginning of the period	11.78	75.18
Cash and cash equivalents at the end of the period	**23.26**	**11.78**

	March 31, 2020	March 31, 2019
Component of Cash and Cash equivalents		
Balances with banks:		
– On current accounts	22.33	17.87
Deposits with original maturity of less than three months	0.90	-
Cash on hand	0.03	0.14
	23.26	18.01
Less: Bank overdraft	-	(6.23)
	23.26	**11.78**

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CHANDIOK & CO LLP CHARTERED ACCOUNTANTS WALKER CHANDIOK

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Notes to the standalone financial results for the quarter and year ended March 31, 2020

1. Investors can view the 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. The Company has presented the operating segments information on the basis of its consolidated Ind AS financial results.

3. The management of the Company along with other shareholders of the Company and GMR Airports Limited (GAL), a subsidiary Company (together referred as "GMR Group") had signed a share subscription and share purchase agreement with Aerport De Paris SA (ADP) for stake sale in the GAL on February 20, 2020. Pursuant to consummation of the same, ADP would hold 49% stake (directly & indirectly) in the GAL for an equity consideration of Rs 10,780.00 crore, valuing GAL at the Base post money valuation of Rs. 22,000.00 crore. The equity consideration comprises of:

   - Rs. 9,780.00 crore towards secondary sale of shares by GMR Group; and
   - Rs. 1,000.00 crore equity infusion in GAL

   In addition, ADP had also pegged Earn-outs upto Rs. 4,475.00 crore linked to achievement of certain agreed operating performance metrics as well as on receipt of certain regulatory clarifications. The successful consummation of Earnouts, could increase, Company's valuation on post money basis to Rs. 26,475.00 crore and GMR Group stake to ~59%. GMR Group will retain management control over the Airports Business with the Investors having customary rights and board representation at Company and its key subsidiaries.

   The first tranche of Rs 5,248.00 crore for 24.99% shares of GAL (primarily through buyout of GMR Infra Services Limited (GISL) via primary infusion of equity) had been completed on February 24, 2020. The second & final tranche of Rs. 5,532.00 crore (including primary of Rs. 1,000.00 crore in GAL) was subject to regulatory approvals, consents and other approvals.

   Since March 31, 2020, the outbreak of COVID-19 and related global responses have caused material disruptions to businesses around the world, leading to an economic slowdown. Despite unprecedented adverse conditions, on July 7, 2020 the Company has successfully completed the transaction with ADP with slight modifications. As per the revised Share Purchase Agreement, the second tranche of the investment for 24.01% of GAL has been structured in two parts:

   - A firm amount, immediately paid at Second closing, for a total of Rs. 4,565.00 crore, including Rs. 1,000.00 crore equity infusion in GAL.

   - Earn-outs amounting to Rs 1,060.00 crore, subject to the achievement of certain performance related targets by GAL upto FY2024.

   Accordingly, ADP has increased earn-outs for GMR Group which are now pegged at up to Rs. 5,535.00 crore compared to the earlier Rs. 4,475.00 crore. These additional Earn-outs of Rs. 1,060.00 crore are linked to the achievement of certain agreed operating performance metrics as well as the receipt of certain regulatory clarifications over the next 5 years. The amount of Rs. 4,565.00 crore towards second & final tranche payment

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from ADP has been received. This money will primarily be used in servicing the debt which will help deleverage both GMR Group and GAL further and result in improved cash flows and profitability.

Further, the financial results of March 31, 2020 reflected an excess of current labilities over current assets of Rs. 2,000.75 crore and loss from continuing operation after tax of Rs. 1,478.97 crore. The divestment of GAL stake will enable the company to meet its financial obligations and its cash flow requirements in an orderly manner.

The management has engaged an external valuation expert to ascertain the fair value of such investments. The subsequent modification in the terms of the deal with ADP, detailed above, shall result in a potentially reduced fair value of the Company's investments in GAL. As at July 30, 2020 the date that these financial results were authorized for issue, owing to the aforementioned reason, the fair value of the Company's investments in GMR Airport Limited had declined by Rs. 2,046.94 crore (net of taxes).

However, considering the negotiations for the modifications were initiated subsequent to the year end, such modification has been considered as a non-adjusting event. Accordingly, the Company's investments in GAL have been carried at the fair value determined by the external valuation expert which are based on the conditions existing as at the balance sheet date.

These subsequent changes in the fair value of the Company's investments in GAL are considered as non-adjusting event and are not reflected in the financial results as at March 31, 2020.

4. (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 together with GGAL and GMR Energy Projects Mauritius Limited has investments in GMR Energy Limited ("GEL") amounting Rs. 1,897.63 crores and has outstanding loan amounting to Rs. 212.66 crore in GEL. 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 4(b), 4(c), 4(d), 4(e) and 4(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, 2020, the management of the Company has fair valued its investments and for reasons as detailed in 4(b), 4(c), 4(d), 4(e), 4(f) and 4(g) 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. 640.76 crore as at March 31, 2020 which has resulted in substantial erosion of GWEL's net worth. 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 has 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. 535.87 crore which are substantially pending receipt. Based on certain favorable interim regulatory orders, the management is confident of realization of the outstanding receivables. Further, the management of the GWEL is in active discussions with one of its customers for renewal of the existing PPA expiring in June 2020. Though the net worth of GWEL is substantially eroded GWEL has made pretax profits during the year ended March 31, 2020, 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, 2020, the management of GEL is of the view that the carrying value of the net assets in GWEL by GEL as at March 31, 2020 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

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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, as at March 31, 2020, GWEL has raised claim of Rs. 535.77 crore towards reimbursement of transmission charges from March 17, 2014 till March 31, 2020. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and also applied for stay proceedings for the above order of APTEL, which was rejected by the Hon'ble Supreme Court of India.

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. 535.77 crore relating to the period from March 17, 2014 to March 31, 2020 (including Rs. 32.26 crore and Rs. 121.68 crore for the quarter and year ended March 31, 2020) in the financial statements of the 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. 1,803.49 crores as at March 31, 2020, 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. 1,502.86 crore as at March 31, 2020, 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. 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 21 December 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 16 September 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 14 November 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 has continued to recognize the income on Coal Cost Pass Through claims of Rs. 58.86 crores for the year ended March 31, 2020.

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Notes to the standalone financial results for the quarter and year ended March 31, 2020

In the current year ended March 31, 2020, GKEL has accounted for late payment surcharge on billed invoices to Haryana Discoms amounting to Rs. 94.25 crore as per Order 135 of 2018 passed by APTEL dated 20 December 2020.

Further as per the PPA with GRIDCO, GKEL shall raise a combined invoice for capacity charge and energy charge. GKEL had raised invoices and claimed capacity charges based on availability declared to State Load Dispatch Center (SLDC) on the basis of Tariff Orders issued by CERC for FY 2009-14 and FY 2014-19 respectively. However, GRIDCO disputed the declared availability, calculated the capacity charges and paid partial amount, against which the GKEL has objected as to the method of calculation and filed a petition before CERC in case no 115IMP/2019 on account non receipt of capacity charges along with late payment surcharge. CERC has passed an Order on 04 February 2020 and directed GRIDCO to pay the outstanding amount along with late payment surcharge as per CERC Tariff Regulation 2014. Further, CERC has directed SLDC to revise the availability for the said period as available by the Company. Accordingly, the Company has raised invoice to GRIDCO on LPS and recognised Rs. 47.26 crore during year ended March 31, 2020.

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 21 February 2018 and recognized revenue amounting to Rs. 36.36 crores for Haryana, Bihar and GRIDCO PPAs for the year ended March 31, 2020 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 131/MP/2016 and is awaiting final order.

Further, there is uncertainty regarding the final outcome of litigations as regards claims against GKEL. In view of these matters, business plans, valuation assessment by an external expert during the year ended March 31, 2020, the management is of the view that the carrying value of the investments in GKEL held by GEL as at March 31, 2020 is appropriate.

Further, during the year ended March 31, 2020, as part of the strategic initiatives being undertaken by the management to ensure liquidity and timely payment of its obligations, the management of the Company, entered into share purchase agreement with JSW Energy Limited for sale of its equity stake in GKEL. However, subsequent to the year end, the said transaction has been put on hold due to uncertainties on account of COVID – 19 pandemic.

(e) In view of lower supplies / availability of natural gas to the power generating companies in India, GMR Rajahmundry Energy Limited ('GREL'), an associate of GMR Generation Assets Limited ("GGAL"), subsidiary of the Company, 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, GREL ceased to be a

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subsidiary of the Company and has been considered as associate as per the requirement 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. 1,127.91 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 present dispute. 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.

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 crores for the period from October 2016 till February 2020, out of which the Company has claimed by submitting invoices to APDISCOMs of Rs. 363.42 crores for the period from October 2016 to January 2018 and is in the process of submitting invoices for the remaining amounts.

(iii) During the year, GEL entered into a Sale and Purchase Agreement with a prospective buyer for a consideration of USD 1.55 crore for sale of the Barge Mounted Power Plant ('Barge Plant') on as is where is basis, out of which USD 0.30 crore has been received till March 31, 2020. The transaction was expected to be completed by May 31, 2020. However, the dismantling work is on hold due to COVID-19. However, the management is confident of completing the transfer of Barge by December 31, 2020. Since the estimate of realizable value amounting Rs. 112.02 crore done by the management as at March 31, 2020 is consistent with the consideration for the Barge Plant as per the agreement, no further impairment charge is required.

(iv) 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

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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, 2020 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 as they arise and GEL will be able to dispose off the Barge Power Plant as per the aforementioned Sale and Purchase agreement. Based on the aforementioned reasons and business plans, the management is of the view that the carrying value of the investment in GVPGL amounting to Rs. 605.70 crore by GEL as at March 31, 2020 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, 2020, the management of the Company is of the view that the carrying value of the investments in GBHPL by GEL as at March 31, 2020 is appropriate.

5. The Company through its subsidiary GMR Coal Resources Pte. Limited ('GCRPL') has investments of Rs. 3,618.65 crore in PTGEMS, a joint venture as at March 31, 2020. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The cost of investments is significantly higher than the book value of assets of PTGEMS and includes certain future benefits including Coal Supply Agreement ('CSA') of GCRPL with PTGEMS whereby the Company along with its subsidiaries is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount other than profit from mining operations. Though the shares of PTGEMS are listed on the overseas exchanges, the management is of the view that the quoted prices are not reflective of the underlying value of the mines as in the past few years the shares have been very thinly traded. Based on profitable mining operations, ramp up of production volumes and other assumptions around off take at a discounted price and trading thereof considered in valuation assessment carried out by an external expert during the year ended March 31, 2020, the management believes that the carrying value of aforesaid investments in PTGEMS as at March 31, 2020 is appropriate.

6. During the year ended March 31, 2020, GMR Highways Limited ("GMRHL"), a subsidiary of the Company, received approval of shareholders and creditors and subsequent confirmation from National Company Law Tribunal (NCLT) vide the order dated March 20, 2020 has reduced its issued, subscribed and paid-up equity share capital from Rs. 2,052.93 crore (comprising 2,05,29,29,749 fully paid up equity shares of Rs. 10/- each) to Rs. 775.44 crore (comprising of 77,54,40,510 fully paid up equity shares of Rs. 10/- each). Such reduction has been given effect by cancelling and extinguishing 62.23% of the total issued, subscribed and paid up

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equity share capital of the GMRHL (the "Capital Reduction"). The shareholders whose share capital has been reduced have been paid a sum of 10 paise per equity share as a consideration.

7. Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to lease arrangements existing on the date of initial application using the modified retrospective approach with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

8. During the year ended March 31, 2020, the Company has accounted for provision for diminution in value of investments at amortised cost, loans/advances amounting to Rs. 990.47 crore (March 31, 2019 Rs 475.96 crore) given to group companies, which has been disclosed as an exceptional item in the standalone financial results.

9. Debt Service Coverage Ratio (DSCR) represents profit and other income and before finance costs, and tax expenses / finance costs plus principal repayment of loan funds during the period. ISCR represents profit and other income and before finance costs and tax expenses / finance costs. Debt-equity ratio represents loan funds (long term borrowings, short term borrowings and current maturity of long-term borrowings included in current liabilities)/ shareholders' funds (equity shares + other equity).

10. Paid-up debt capital represents outstanding non-convertible debentures issued by the Company (excluding provision for redemption premium) as at the period end.

11. Other operating income includes interest income, dividend income, income from management and other services and profit on sale of current investments considering that the Company undertakes investment activities.

12. With the recent and rapid development of the COVID – 19 outbreaks, many countries have implemented travel restrictions. The company has majority of its investments in the Airport sector, Energy Sector, Highway sectors and Urban Infra sector and with respect to COVID 19 impact on the business of these entities, management believes while the COVID 19 may impact the businesses in the short term, it does not anticipate medium to long term risk to the business prospects. Considering the business plans of the investee companies the management does not foresee any material impact on the fair value at which the aforementioned investments are carried. Accordingly, no adjustments to the carrying value of these investments are considered necessary. Further, the management has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets as at the balance sheet date and has concluded that there are no material adjustments required in the 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.

13. The figures of the last quarter of the current and previous years are the balancing figure between the audited figures for the respective full financial year and the published unaudited year to date figures for the nine months ended of the respective financial years.

14. The standalone financial results of the Company for the quarter and year ended March 31, 2020 have been reviewed by the Audit Committee in their meeting on July 29, 2020 and approved by the Board of Directors in their meeting on July 30, 2020.

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Notes to the standalone financial results for the quarter and year ended March 31, 2020

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

For GMR Infrastructure Limited

Grandhi Kiran Kumar
Managing Director & CEO

New Delhi
July 30, 2020

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ANNEXURE I

GMR Infrastructure Limited

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted by GMR Infrastructure Limited along with its standalone financial results for the year ened March 31, 2020

(in Rs. crore except for earning per share)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / total income (including other income)	1,163.00	1,163.00
	2	Total Expenditure (including finance cost, tax expenses, share of loss/profit with associates and minority interest before exceptional items)	1,651.65	1,651.65
	3	Exceptional items (gain) / loss (net)	990.47	990.47
	4	Net profit/(loss)	(1,479.12)	(1,479.12)
	5	Earnings Per Share (in Rs. 1 - Basic	(2.45)	(2.45)
	6	Total Assets	24,281.52	24,281.52
	7	Total Liabilities	12,213.78	12,213.78
	8	Net Worth (refer note 1)	12,067.74	12,067.74
	9	Any other financial item(s) (as felt appropriate by the management)	Refer Emphasis of Matter paragraph in the Auditor's Report on Year to Date standalone Financial Results	

Note 1. Net worth has been calculated as per the definition of net worth in Guidance Note on "Terms used in Financial Statements" issued by the Institute of Chartered Accountants of India

II. Audit Qualification (each audit qualification seperately) :

(i) Qualification I

1a. Details of audit qualification:

As stated in Note 4(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 together with GGAL and GEPML has investments in GMR Energy Limited ("GEL"), a joint venture company, amounting Rs. 1,897.63 crores and has outstanding loan amounting to Rs. 212.66 crore recoverable from GEL as at March 31, 2020. 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, 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 financial statements as per Ind AS 109 – 'Financial Instruments'.

As mentioned in note 4(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')and Cumulative Redeemable Preference Shares ('CRPS') outstanding in GREL amounting to Rs. 2,068.50 crores.

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 4(d), the proposed sale of equity stake by management of GEL in GKEL during the year ended March 31, 2020 has put on hold by the buyer subsequent to the year end. The management continues to account 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 including the uncertainty and the final outcome of the litigations as regards claims against GKEL.

Further, as mentioned in in note 4(f), GBHPL has stopped the construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand, since May 07, 2014 on directions of Hon'ble Supreme Court of India ('the Supreme Court'). The carrying value of the investments in GBHPL is significantly dependent upon obtaining requisite approvals from Supreme court, environmental clearances, availability of funding support and achievements of the 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 non-current investment, and any further provisions, if any, required to be made for the said obligations, and the consequential impact on the accompanying Statement.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Third year of qualification

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable

e. For Audit Qualification(s) where the impact is not quantified by the auditor

Management view is documented in note 4 d, 4 e and 4 f of standalone quarterly/annual results of GIL for March 31, 2020. As detailed in the notes, on account of non availability of gas, both GVPGL and GREL plants were not operated for significant time resulting in erosion of economic value. Various stakeholders, including Central and State Governments have formulated schemes for efficient utilisation of these facilities, though these efforts have not brought in permanent resolutions to the operations. GREL have implemented resolution plan during the year ending March 2019 to restructure its debt obligation which would improve the profitability and consequently the carrying cost of these companies. Further, CERC has passed order dated January 28, 2020, declaring that natural gas for the purpose of PPA includes Deep Water Gas and 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 which will further improve the valuation Taking into account the uncertainties associated with the efforts of various stakeholders, management is not in a position to assess the impact of these measures on the carrying values.

Basis the internal assessment and legal opinions, the management of the company is confident of obtaining the requisite clearances and favourable ordes for GBHPL and GKEL and based on business plan and a valuation assessment carried out by an external expert, the management of the Group is of the view that the carrying value of net assets of GBHPL/GKEL by GEL as at March 31, 2020 is appropriate.

(ii) If management is unable to estimate the impact, reasons for the same: Not Ascertainable

(iii) Auditors' Comments on (i) or (ii) above:

SIGNED FOR IDENTIFICATION PURPOSES ONLY

III	Signatories:	
	Managing Director & CEO	Grandhi Kiran Kumar
	Chief Financial Officer	Saurabh Chawla
	Audit Committee Chairman	N.C. Sarabeswaran
	Statutory Auditor	Walker Chandiok & Co LLP Chartered Accountants ICAI firm registration number: 001076N/ N500013 per Neeraj Sharma Partner Membership Number: 502103
	Place:	New Delhi
	Date:	July 30, 2020

GMR INFRASTRUCTURE LIMITED

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS