GMR Infrastructure Limited

Registered Office: 25/1, Skip House, Museum Road, Bengaluru - 560 025

PART I

Statement of Consolidated unaudited financial results for the quarter ended June 30, 2012

[in Rs. Crore]

Particulars	Quarter ended June 30, 2012 Unaudited	Quarter ended March 31, 2012 Refer Note 16	Quarter ended June 30, 2011 Unaudited	Year ended March 31, 2012 Audited
1. Revenue from operations				
a) Sales/ Income from operations	2,533.56	2,099.28	2,054.34	8,320.11
b) Other Operating income - Refer Note 17	28.84	35.07	35.49	152.92
Total Income from operations	**2,562.40**	**2,134.35**	**2,089.83**	**8,473.03**
2. Expenditure				
a) Revenue share paid/ payable to concessionaire grantors	252.26	186.08	218.56	830.97
b) Consumption of fuel	364.81	338.23	443.75	1,446.45
c) Cost of materials consumed	112.64	97.01	64.71	299.03
d) Purchase of traded goods	386.71	333.59	269.63	1,327.99
e) (Increase) or Decrease in stock in trade	(9.30)	5.25	28.83	(27.97)
f) Sub-contracting expenses	316.77	209.15	119.65	722.64
g) Employee benefits expenses	157.96	175.46	140.25	687.83
h) Depreciation and amortisation expenses	253.00	198.61	251.12	935.81
i) Utilisation fees	24.67	24.76	24.68	98.71
j) Other expenses	359.16	440.76	296.16	1,368.68
k) Foreign exchange fluctuations expenses (net)	-	79.70	10.35	59.18
Total expenses	**2,218.68**	**2,088.60**	**1,867.69**	**7,749.32**
3. Profit/ (Loss) from operations before other income, finance costs and exceptional items (1) - (2)	**343.72**	**45.75**	**222.14**	**723.71**
4. Other income				
a) Foreign exchange fluctuations gain (net)	46.44	-	-	-
b) Other income - others	65.22	37.59	81.17	243.42
Total other income	**111.66**	**37.59**	**81.17**	**243.42**
5. Profit/ (Loss) from operations before finance costs and exceptional items (3) + (4)	**455.38**	**83.34**	**303.31**	**967.13**
6. Finance costs	480.37	464.64	372.42	1,653.13
7. Profit/ (Loss) after finance costs but before exceptional items (5) - (6)	**(24.99)**	**(381.30)**	**(69.11)**	**(686.00)**
8. Exceptional items				
a. Interest on loans against development fund - Refer Note 2	-	(162.12)	-	(162.12)
9. Profit/ (Loss) from ordinary activities before tax (7) ± (8)	(24.99)	**(543.42)**	**(69.11)**	**(848.12)**
10. Tax expenses	85.04	42.19	65.47	210.72
11. Net Profit/ (Loss) from ordinary activities after tax and before minority interest (9+10)	**(110.03)**	**(585.61)**	**(134.58)**	**(1,058.84)**
12. Minority interest	**15.73**	219.45	67.89	455.50
13. Net Profit/ (Loss) after tax and minority interest (11+12)	**(94.30)**	**(366.16)**	**(66.69)**	**(603.34)**
14. E B I T D A (3) + (2(h)) + (4(a))	**643.16**	**244.36**	**473.26**	**1,659.52**
15. Paid-up equity share capital (Face value - Re. 1 per share)	**389.24**	**389.24**	**389.24**	**389.24**
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year				**7,148.54**
17. Weighted average number of shares used in computing Earnings per share	**3,89,24,32,532**	**3,89,24,32,532**	**3,89,24,32,532**	**3,89,24,32,532**
18. Earnings per share - Basic and Diluted - (Rs.) (not annualised)	**(0.24)**	**(0.94)**	**(0.17)**	**(1.55)**

PART II				
Select Information for the quarter ended June 30, 2012				
Particulars	**As at quarter ended**			**As at year ended**
	June 30, 2012 Unaudited	**March 31, 2012 Refer Note 16**	**June 30, 2011 Unaudited**	**March 31, 2012 Audited**
A. PARTICULARS OF SHAREHOLDING				
1. Public Shareholding				
- Number of shares	1,11,19,90,950	1,11,20,12,950	1,11,35,13,450	1,11,21,12,950
- Percentage of shareholding	28.57%	28.57%	28.61%	28.57%
2. Promoters and promoter group share holding				
a) Pledged/ Encumbered				
- Number of shares	77,74,08,907	89,10,30,809	64,39,57,272	89,10,30,809
- Percentage of shares (as % of the total shareholding of promoter and promoter group)	27.96%	32.05%	23.17%	32.05%
- Percentage of shares (as % of the total share capital of the Company)	19.97%	22.89%	16.54%	22.89%
b) Non-Encumbered				
- Number of shares	2,00,30,34,925	1,88,93,91,023	2,13,49,64,060	1,88,93,91,023
- Percentage of shares (as % of the total shareholding of promoter and promoter group)	72.04%	67.95%	76.83%	67.95%
- Percentage of shares (as % of the total share capital of the Company)	51.46%	48.54%	54.85%	48.54%

Particulars	**Quarter ended June 30, 2012**
B. INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	7
Disposed of during the quarter	7
Remaining unresolved at the end of the quarter	-

GMR Infrastructure Limited
Report on Consolidated Segment Revenue, Results and Capital Employed

Particulars	**Quarter ended**			**Year ended**
	June 30, 2012 Unaudited	**March 31, 2012 Refer Note 16**	**June 30, 2011 Unaudited**	**March 31, 2012 Audited**
1. Segment Revenue				
a) Airports	1,284.26	1,154.68	1,061.48	4,405.38
b) Power	746.28	533.05	695.26	2,374.99
c) Roads	105.10	103.68	100.27	405.64
d) EPC	489.25	330.33	208.41	1,234.56
e) Others	136.17	156.45	121.58	577.02
	2,761.06	2,278.19	2,187.00	8,997.59
Less: Inter Segment	198.66	143.84	97.17	524.56
Segment revenue from operations	**2,562.40**	**2,134.35**	**2,089.83**	**8,473.03**
2. Segment Results				
a) Airports	204.84	(7.01)	86.95	253.69
b) Power	75.56	(63.45)	97.31	96.11
c) Roads	53.23	107.25	51.10	269.47
d) EPC	38.75	(42.69)	12.41	20.09
e) Others	93.46	33.82	46.65	309.60
	465.84	27.92	294.42	948.96
Less: Inter Segment	38.60	(7.09)	33.61	100.25
Net Segment Results	**427.24**	**35.01**	**260.81**	**848.71**
Less: Interest expenses (net)	452.23	416.31	329.92	1,534.71
Less: Exceptional item - Interest on loans against development fund - Refer Note 2	-	162.12	-	162.12
Profit before tax	**(24.99)**	**(543.42)**	**(69.11)**	**(848.12)**
3. Capital employed				
(Segment Assets - Segment Liabilities)				
a) Airports	17,001.31	16,152.06	15,677.13	16,152.06
b) Power	23,046.45	20,465.98	10,865.97	20,465.98
c) Roads	6,198.26	5,863.36	5,026.20	5,863.36
d) EPC	282.04	255.56	147.33	255.56
e) Others	11,432.79	10,298.69	9,993.61	10,298.69
	57,960.85	53,035.65	41,710.24	53,035.65
Less: Inter Segment	4,556.72	4,517.63	5,714.72	4,517.63
Unallocated Assets / (Liabilities)	(42,098.94)	(37,208.39)	(24,519.33)	(37,208.39)
Total	**11,305.19**	**11,309.63**	**11,476.19**	**11,309.63**

Notes to consolidated results:

1. **Consolidation and Segment Reporting**

   a. GMR Infrastructure Limited ("the Company") carries on its business through various subsidiaries and joint ventures (hereinafter referred to as "the Group"), being special purpose vehicles exclusively formed to build and operate various infrastructure projects. The consolidated results have been prepared in accordance with the principles and procedures as set out in the Accounting Standard (AS) - 21 on 'Consolidated Financial Statements and AS – 27 on 'Financial Reporting of Interests in Joint Venture', notified pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended).

   b. The segment reporting of the Company and its Group has been prepared in accordance with AS - 17 on Segment Reporting notified pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended).

   The business segments of the Group comprise of the following:

Segment	**Description of Activity**
Airports	Development and operation of airports
Power	Generation 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. Airport Economic Regulatory Authority ('AERA') in its order No. 03/2012-13 issued on April 24, 2012 considered interest amount aggregating to Rs 350.50 Crore for the period from March 1, 2009 till November 30, 2011 on the loans taken by Delhi International Airport Private Limited ('DIAL') against Development Fee ('DF') receipts as an operating cost for the purpose of tariff determination and not adjusted against the DF receipts as was allowed by MOCA in its order dated February 9, 2009.

   In view of the aforesaid order and the fact that the DIAL has used DF loans obtained against DF receivable for the construction of the airport, DIAL has capitalised a portion of interest aggregating to Rs. 188.38 Crore till the date of commencement of operations of the domestic and international terminals at the airport and interest aggregating to Rs. 162.12 Crore subsequent to such commencement of operations is charged in the consolidated financial results as an exceptional item during the quarter and year ended March 31, 2012.

3. As at June 30, 2012, the power segment companies have receivables (including unbilled revenue) from Tamil Nadu Electricity Board ('TNEB') and TANGENDCO Limited ('TANGENDCO') aggregating to Rs. 827.79 Crore. Based on internal assessment and various discussions that the Group had with TNEB and TANGENDCO, the management is confident of recovery of such receivables.

4. DIAL, a subsidiary of the Company has incurred a net loss of Rs. 130.82 Crore during the quarter ended June 30, 2012 and has accumulated losses of Rs. 1,584.03 Crore resulting in substantial erosion of net worth as at the quarter end. Airport Economic Regulatory Authority ('AERA') vide its powers conferred by section 13(1) (a) of AERA Act, 2008 passed an Aeronautical tariff hike order No.03/2012-13 on April 24, 2012. The aforesaid order increased the Aeronautical tariffs to be levied at Delhi airport which is effective from May 15, 2012 and April 1, 2013 respectively. AERA has also approved the rates of UDF in terms of the provisions of section 13 (1) (b) of the AERA Act, 2008 read with Rule 89 of the Aircraft rules 1937.

   Based on the order received and DIAL's business plan, the management is confident that DIAL will be able to meet its financial obligations as they arise.

5. The Company and its subsidiary have made an investment of Rs. 380.08 Crore (including loans of Rs. 73.14 Crore and investment in equity shares of Rs. 306.94 Crore) in its joint venture Istanbul Sabiha Gokcen Uluslararasi Havalimani Yatirim Yapim Ve Isletme Anonim Sirketi (ISG) as at June 30, 2012. The Group's share of ISG's accumulated losses / negative reserves amounts to Rs. 348.75 Crore. This has resulted in substantial erosion of net worth as at the quarter end. Based on ISG's business plan, the management of the Company is confident that ISG will be able to meet its financial obligations as they arise.

6. The Group has an investment of Rs. 310.91 Crore (including loans of Rs. 94.32 Crore and investment in equity / preference shares of Rs. 216.59 Crore made by the Company and its subsidiaries) in GMR Ambala Chandigarh Expressways Private Limited '('GACEPL'), a subsidiary of the Company. GACEPL has been incurring losses since the commencement of commercial operations. 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. 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 accordingly, the management is of the view that the carrying value of net assets of Rs. 224.30 Crore (after providing for losses till date of Rs. 86.61 Crore) as regards investment in GACEPL as at June 30, 2012 is appropriate. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review report in this regard.

7. DIAL entered into contracts with various vendors in connection with construction of Terminal 3 and its related assets. Terminal 3 has been completed and capitalised by DIAL during the year ended March 31, 2011. In view of the significant size of the contracts and other complexities, DIAL is in the process of reconciling the balances with the aforesaid vendors and as such, has capitalised the said cost on the basis of its best estimate. The management believes that differences, if any, arising out of such reconciliation, will not be material to the consolidated financial results. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review report in this regard.

8. As per the terms of the agreement dated June 28, 2010 entered into with Maldives Airport Company Limited ('MACL') and Republic of Maldives, GMR Male International Airport Limited (GMIAL) was granted an exclusive right to collect retain and appropriate Airport Development Charges ('ADC') amounting to USD 27 (including insurance charge of USD 2) per international passenger from January 1, 2012. Maldivian civil court in its judgment dated December 8, 2011 disallowed the levy of ADC. Pursuant to the judgment of Maldivian civil court , GMIAL issued a letter dated December 26, 2011 to MACL and Ministry of Finance & Treasury (MoFT), Male, seeking relief and proposed to adjust the short fall due to non collection of ADC against future Variable annual concession fees payable as per the terms of the concession agreement. MACL and MoFT, vide letter dated January 5, 2012, accorded its consent and authorized GMIAL to set off / adjust the actual loss suffered by GMIAL against variable annual concession fees.

   However subsequent to the year end, MACL and MoFT retracted its earlier letter dated January 5, 2012 and communicated their disagreement to any setoff / adjustment against the variable fees and Maldives Civil Aviation Authority ('MCAA') vide its letter dated July 3, 2012 instructed GMIAL to stop development works at the new terminal due to pending necessary approvals.

   GMIAL, basis consent received earlier from MACL and MoFT, has paid the variable concession fees after adjusting ADC. MACL vide letter dated May 13, 2012 requested GMIAL to refund the adjusted amount without any further delay.

   Based on an internal assessment and a legal opinion obtained by GMIAL, the management of the Group is confident that GMIAL is entitled to set off / adjust ADC from the Variable fees. Pending resolution of dispute through the dispute resolution mechanism as stated in the aforementioned agreement, ADC amounting to USD 1.38 Crore deducted from Variable fees has been considered as a contingent liability by the Group as at June 30, 2012.

9. In case of GMR Power Corporation Limited ('GPCL'), a subsidiary of the Company, there are claims / counterclaims arising out of the Power Purchase Agreement ('PPA') and Land Lease Agreement (LLA) in respect of the dues recoverable from TNEB 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 TNEB. GPCL approached Tamil Nadu Electricity Regulatory Commission (TNERC) to resolve the aforementioned claims/counterclaims. A favourable Order was received from TNERC on April 16, 2010 and in pursuance of the Order, GPCL had filed its claim on April 30, 2010 amounting to Rs. 481.68 Crore and recognised Rs.79.55 Crore as income in the books of account.

   TNEB filed a petition against TNERC Order in Appellate Tribunal for Electricity (APTEL). In terms of an interim Order on November 19, 2010 from APTEL, TNEB deposited Rs. 537.00 Crore including interest on delayed payment of claim amount. APTEL vide its Order dated February 28, 2012, upheld the claim of GPCL and further directed GPCL to verify and pay counter claims of TNEB in respect of the benefits earned if any by GPCL with regard to delayed payment towards fuel supply that are not in terms of Fuel Supply Agreement (FSA). GPCL has appealed to the Honorable 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 FSA.

In accordance with the Group's accounting policy, pending acceptance of claims by TNEB, pending adjudication of petition before the Honorable Supreme Court, the Group has not recognised the balance claim in the books of account.

In accordance with the above, the amount received towards Claim and Claim towards Land Lease Rentals after the date of Order is being disclosed as advance from customer in the books of account pending adjudication of petition before the Honorable Supreme Court. Further the Company has been legally advised that in view of the appeal filed by TNEB against the Order of APTEL in Honorable Supreme Court, the entire matter is now subjudice and has not attained the finality. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review report in this regard.

10. The Group is engaged in the business of generation and sale of energy from its two gas based power plants of 220MW and 387.63MW situated at Kakinada and Vemagiri respectively. Further, the Group has investments in a gas based power plant which is under construction stage. In view of lower supplies/ availability of natural gas to the power generating companies in India, the Group is facing shortage of natural gas supply and delays in securing gas linkages. The Group is actively pursuing /making representations with various government authorities to secure the natural gas linkage / supply as the natural gas supplies from KG D6 basin have dropped significantly from September 2011 onwards. The Group for its 768 MW gas based power plant, which is under construction at Rajahmundry, has applied for allocation of gas and Ministry of Power and Natural Gas (MoPNG) is yet to allocate the gas linkage. In the meantime, the Group has approached the lenders for reschedulement of Commercial Operation Date ('COD') of the plant and repayment of project loans. The Group is closely monitoring the macro situation and is evaluating various approaches / alternatives to deal with the situation and the management of the Group is confident that the Government of India and the State Government of Andhra Pradesh would take necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas in the foreseeable future. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review report in this regard.

11. The cost of investment in Homeland Energy Group Limited ('HEGL'), a subsidiary as at June 30, 2012 amounting to Rs. 361.60 Crore (including an unsecured loan of Rs. 193.66 Crore) substantially exceeds the net worth/ market value of shares in HEGL. The management of the Group is of the view that such shortfall in the net worth/decline in market value of shares in HEGL is purely temporary in nature and the mines owned by HEGL have significant reserves and value potential which reflect intrinsic value in excess of carrying value of investments and loan in HEGL and accordingly, the management of the Group is of the view that the carrying value of net assets of Rs. 278.23 Crore after providing for losses till March 31, 2012, (considering that HEGL along with the subsidiaries and joint ventures is consolidated on a three months lag) as regards investment in HEGL as at June 30, 2012 is appropriate.

12. As at June 30, 2012, DIAL and GMR Hyderabad International Airport Limited ('GHIAL') have receivables from Air India aggregating to Rs. 138.09 Crore. Considering the delays in realisation of the dues from Air India and the uncertainty over the timing of the ultimate collection involved, the domestic airport companies, as a measure of prudence, have decided to recognize the revenue from Air India when such uncertainty is removed as required by para 9.2 of Accounting Standard 9, 'Revenue Recognition'. However, based on an internal assessment and various discussions that the Group had with Air India and other Government authorities, the management is confident of recovery of such receivables and hence no adjustments have been made to the consolidated financial results for the quarter ended June 30, 2012. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review report in this regard.

13. As at June 30, 2012, GHIAL has receivables from Kingfisher Airlines Limited aggregating to Rs. 17.01 Crore. The management of the Group is of the view that the receivables are fully recoverable and GHIAL has taken necessary steps to recover these amounts. As such, no adjustments have been made in the consolidated financial results. The statutory Auditors of the Company have drawn an Emphasis of Matter in their Limited Review report in this regard.

14. As at June 30, 2012, GMR Hotels and Resorts Limited (GHRL) has accumulated losses of Rs. 66.70 Crore that exceeds fifty percent of GHRL's net worth. The management of the Group expects that there will be significant increase in the operations of GHRL that will lead to improved cash flows and long term sustainability. GHIAL has undertaken to provide such financial support as necessary, to enable GHRL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due.

15. Information pertaining to the Company on a standalone basis:

(in Rs. Crore)

	Quarter ended			Year ended
	June 30, 2012	March 31, 2012	June 30, 2011	March 31, 2012
	Unaudited	Unaudited Refer Note 16	Unaudited	Audited
(a) Revenue from operations	487.18	370.86	266.80	1,381.87
(b) Profit / (loss) before tax	29.03	(23.00)	31.69	140.85
(c) Profit / (loss) after tax	18.01	(38.52)	24.49	120.30

16. The figures for the quarter ended March 31, 2012 are the balancing figures between the audited figures in respect of the year ended March 31, 2012 and the published unaudited year to date figures for nine months period ended December 31, 2011.

17. Other operating income comprises of:
    - interest income, dividend income and profit on sale of current investments for companies which undertake investment activities; and
    - other operating income for other companies.

18. The consolidated financial results of the Group for the quarter ended June 30, 2012 have been reviewed by the Audit Committee at their meeting on August 8, 2012 and approved by the Board of Directors at their meeting on August 9, 2012.

19. The Statutory Auditors of the Company have carried out the Limited Review of the above consolidated financial results of the Group for the quarter ended June 30, 2012. The auditors have also carried out the Limited Review of the standalone results of the Company for quarter ended on that date published on Company's website and furnished to the stock exchanges.

20. Pursuant to Notification No. 447(E) dated February 28, 2011 and Notification No. 653(E) dated March 30, 2011 issued by the Ministry of Corporate Affairs and Notification no. CIR/CFD/D IL/4/2012 dated April 16, 2012, by Securities and Exchange Board of India, the Company has prepared its consolidated financial statements/results as per revised Schedule VI to the Companies Act, 1956. Accordingly, the previous period figures have been regrouped / rearranged, wherever required to align the consolidated financial statements/ results to the revised format.

For GMR Infrastructure Limited

Sd/-
B V Nageswara Rao
Managing Director

Bengaluru
August 9, 2012

S.R. BATLIBOI & ASSOCIATES
Chartered Accountants

12th & 13th Floor
"UB City" Canberra Block
No.24, Vittal Mallya Road
Bengaluru 560 001, India
Tel: +91 80 4027 5000
Fax: +91 80 2210 6000

Limited Review Report

Review Report to
The Board of Directors of GMR Infrastructure Limited

1. We have reviewed the statement of unaudited consolidated financial results of GMR Infrastructure Limited ('the Company') and its subsidiaries and joint ventures (together, 'the Group' and individually as 'components'), for the quarter ended June 30, 2012 (the 'Statement'), included in the accompanying statement of unaudited consolidated financial results, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. (a) The unaudited financial results and other financial information of 2 subsidiaries, with total assets of Rs.15,543.40 Crore as at June 30, 2012, total revenue (including other income) of Rs.712.40 Crore and total loss of Rs.120.11 Crore for the quarter then ended (before adjustments on consolidation) have been reviewed jointly by S.R. Batliboi & Associates along with other auditors.

   (b) We did not review the unaudited financial results and other financial information of (i) 108 subsidiaries (including 10 subsidiaries consolidated for the period January 1, 2012 to March 31, 2012), with total assets of Rs.44,052.71 Crore as at June 30, 2012, total revenue (including other income) of Rs.1,011.14 Crore and total profit of Rs.63.94 Crore for the quarter then ended (before adjustments on consolidation); and (ii) 24 jointly controlled entities (including 14 jointly controlled entities consolidated for the period January 1, 2012 to March 31, 2012), with Group's share of total assets of Rs.2,502.51 Crore as at June 30, 2012, total revenue (including other income) of Rs.452.11 Crore and total loss of Rs.13.08 Crore for the quarter then ended (before adjustments on consolidation). The unaudited financial results and other financial information for these subsidiaries and jointly controlled entities have been reviewed by the other auditors whose reports have been furnished to us, and our review report on the unaudited consolidated financial results is based solely on the reports of the other auditors.

   (c) We did not review the unaudited financial results and other financial information of (i) 6 subsidiaries, with total assets of Rs.72.38 Crore as at June 30, 2012, total revenue (including other income) of Rs.13.01 Crore, and total profit of Rs. 6.86 Crore for the quarter then ended (before adjustments on consolidation); and (ii) 6 jointly controlled entities with Group's share of total assets of Rs. 244.44 Crore as at June 30, 2012, total revenue (including other income) of Rs.31.27 Crore and total profit of Rs.2.73 Crore for the quarter then ended (before adjustments on consolidation). The unaudited financial results and other financial information for these subsidiaries and joint ventures have been incorporated in the unaudited consolidated financial results of the Group based on unaudited financial results and other financial information as certified by the management of the Group.

4. Without qualifying our conclusion, we draw attention to Note 6 to the unaudited consolidated financial results for the quarter ended June 30, 2012 in connection with carrying value of net assets of Rs 224.30 Crore (after providing for losses till date of Rs. 86.61 Crore) as regards investment in GMR Ambala Chandigarh Expressways Private Limited (GACEPL). Though GACEPL has been incurring losses since the commencement of commercial operations, based on management's internal assessment and legal opinion obtained by the management of GACEPL, the Group's management is of the view that the carrying value of the net assets (after providing for losses till date) as regards investment in GACEPL is appropriate. Accordingly, no adjustments have been made in the accompanying unaudited consolidated financial results.

S.R. BATLIBOI & ASSOCIATES
BENGALURU
CHARTERED ACCOUNTANTS

5. Without qualifying our conclusion, we draw attention to Note 7 to the unaudited consolidated financial results for the quarter ended June 30, 2012. Delhi International Airport Private Limited ('DIAL') is in the process of reconciling the balances with vendors in relation to the cost of Terminal 3 of Indira Gandhi International Airport, capitalised during the year ended March 31, 2011. Pending such reconciliation, DIAL has done such capitalisation on the basis of its best estimate. Accordingly, no adjustments have been made in the accompanying unaudited consolidated financial results.

6. Without qualifying our conclusion, we draw attention to Note 12 to the unaudited consolidated financial results for the quarter ended June 30, 2012. In view of the uncertainty over collection, DIAL and GMR Hyderabad International Airport Limited have decided to recognise revenue from Air India effective October 1, 2011 only when such uncertainty over ultimate collection is removed. Further, the management of the Group has represented that they have taken steps to recover the amounts and are of the opinion that the receivables amounting to Rs. 138.09 Crore as at June 30, 2012 from Air India are fully recoverable. Accordingly, no adjustments have been made in the accompanying unaudited consolidated financial results.

7. Without qualifying our conclusion, we draw attention to Note 13 to the unaudited consolidated financial results for the quarter ended June 30, 2012 regarding outstanding dues from Kingfisher Airlines Limited ('KAL') aggregating to Rs 17.01 Crore. The Group's management has represented that they have taken steps to recover the amounts and are of the opinion that the receivables are fully recoverable. Accordingly, no adjustments have been made in the accompanying unaudited consolidated financial results.

8. Without qualifying our conclusion, we draw attention to Note 9 to the unaudited consolidated financial results for the quarter ended June 30, 2012 which indicate that the entire matter relating to claims / counter claim arising out of the Power Purchase Agreement and Land Lease Agreement, filed by GMR Power Corporation Limited and Tamil Nadu Electricity Board, is sub-judice before the Hon'ble Supreme Court of India and has not attained the finality. Accordingly, no adjustments have been made in the accompanying unaudited consolidated financial results.

9. Without qualifying our conclusion, we draw attention to Note 10 to the unaudited consolidated financial results for the quarter ended June 30, 2012, regarding uncertainty towards lower supplies/ availability of natural gas to power plants and Group's communication to lenders to consider reschedulement of Commercial Operation Date and repayment of loans pertaining to a power plant which is under construction. The management of the Group has represented that it is confident of improvement in the situation regarding availability of natural gas in the foreseeable future.

10. Based on our review conducted as above and on consideration of reports of other auditors and certification by the management of the unaudited separate quarterly financial results and other financial information of the components, nothing has come to our attention that causes us to believe that the Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 'Interim Financial Reporting' notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. Batliboi & Associates

For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

per Sunil Bhumralkar
Partner
Membership No.:35141

S.R. BATLIBOI & ASSOCIATES
BENGALURU
CHARTERED ACCOUNTANTS

Bengaluru
August 9, 2012