GMR Infrastructure Limited					
Registered Office: 25/1, Skip House, Museum Road, Bengaluru - 560 025					
PART I					
Statement of consolidated financial results for the quarter and year ended March 31, 2014					
					[in Rs. crore]
Particulars	**Quarter Ended**			**Year Ended**	
	March 31, 2014 Refer Note 33	**December 31, 2013 Unaudited**	**March 31, 2013 Refer Note 33**	**March 31, 2014 Audited**	**March 31, 2013 Audited**
1. Income from operations					
a) Sales/ Income from operations	2,930.00	2,625.04	2,571.07	10,566.97	9,871.87
b) Other Operating income - Refer Note 32	30.75	13.31	21.45	86.25	102.99
Total Income from operations	**2,960.75**	**2,638.35**	**2,592.52**	**10,653.22**	**9,974.86**
2. Expenditure					
a) Revenue share paid/ payable to concessionaire grantors	507.74	502.61	591.46	1,943.69	1,669.48
b) Consumption of fuel	478.83	431.16	250.85	1,754.47	1,031.85
c) Cost of materials consumed	8.06	15.55	21.03	60.65	201.90
d) Purchase of traded goods	263.81	216.82	199.25	1,045.06	1,472.14
e) (Increase) or Decrease in stock in trade	14.73	(2.50)	25.42	(14.42)	19.41
f) Sub-contracting expenses	207.73	106.70	101.80	522.87	755.18
g) Employee benefits expenses	144.94	149.05	118.36	574.22	611.93
h) Depreciation and amortisation expenses	437.69	373.27	272.20	1,454.99	1,039.78
i) Utilisation fees	51.87	50.18	36.30	186.18	130.87
j) Other expenses	591.74	536.60	487.17	2,015.09	1,604.93
Total expenses	**2,707.14**	**2,379.44**	**2,103.84**	**9,542.80**	**8,537.47**
3. Profit/ (Loss) from operations before other income, finance costs and exceptional items (1) - (2)	**253.61**	**258.91**	**488.68**	**1,110.42**	**1,437.39**
4. Other income					
a) Foreign exchange fluctuations gain (net)	20.32	79.17	4.54	29.12	0.17
b) Other income - others	85.74	66.02	69.64	286.75	277.02
Total other income	**106.06**	**145.19**	**74.18**	**315.87**	**277.19**
5. Profit / (Loss) from operations before finance costs and exceptional items (3) + (4)	**359.67**	**404.10**	**562.86**	**1,426.29**	**1,714.58**
6. Finance costs	918.51	759.93	608.15	2,971.88	2,099.00
7. (Loss) / Profit after finance costs but before exceptional items (5) - (6)	**(558.84)**	**(355.83)**	**(45.29)**	**(1,545.59)**	**(384.42)**
8. Exceptional items					
a) Profit on dilution in subsidiaries - Refer Note 14 and 15	14.65	-	-	69.73	-
b) Profit on sale of jointly controlled entities - Refer Note 3	1,658.93	-	-	1,658.93	-
c) Profit on sale of assets held for sale - Refer Note 12	63.52	-	-	100.54	-
d) Profit on sale of a subsidiary - Refer Note 13	-	-	1,231.25	-	1,231.25
e) Loss on impairment of assets in subsidiaries - Refer Note 12 and 30	(8.95)	-	(251.37)	(8.95)	(251.37)
f) Assets write off in a subsidiary - Refer Note 5(a)	-	-	(202.61)	-	(202.61)
9. Profit/ (Loss) from ordinary activities before tax (7) ± (8)	**1,169.31**	**(355.83)**	**731.98**	**274.66**	**392.85**
10. Tax expenses/ (credit)	(15.05)	58.05	68.66	166.25	257.44
11. Net Profit/ (Loss) from ordinary activities after tax and before minority interest (9) - (10)	**1,184.36**	**(413.88)**	**663.32**	**108.41**	**135.41**
12. Minority interest - share of (profit) / loss	(14.18)	(27.21)	(84.15)	(98.40)	(47.29)
13. Net Profit/ (Loss) after tax and minority interest (11) + (12)	**1,170.18**	**(441.09)**	**579.17**	**10.01**	**88.12**
14. E B I T D A (3) + (2(h)) + (4(a))	**711.62**	**711.35**	**765.42**	**2,594.53**	**2,477.34**
15. Paid-up equity share capital (Face value - Re. 1 per share)	**389.24**	**389.24**	**389.24**	**389.24**	**389.24**
16. Reserves excluding revaluation reserves as per consolidated statement of assets and liabilities				**6,095.18**	**6,888.94**
17. Weighted average number of shares used in computing Earnings per share	**3,892,432,532**	**3,892,432,532**	**3,892,432,532**	**3,892,432,532**	**3,892,432,532**
18. Earnings per share - Basic and Diluted - (Rs.) (not annualised)	**3.01**	**(1.13)**	**1.49**	**0.03**	**0.23**

PART II					
Select Information for the quarter and year ended March 31, 2014					
Particulars	**Quarter Ended**			**Year Ended**	
	March 31, 2014	**December 31, 2013**	**March 31, 2013**	**March 31, 2014**	**March 31, 2013**
A. PARTICULARS OF SHAREHOLDING					
1. Public Shareholding					
- Number of shares	1,101,590,935	1,101,590,935	1,103,702,750	1,101,590,935	1,103,702,750
- Percentage of shareholding	28.30%	28.30%	28.36%	28.30%	28.36%
2. Promoters and promoter group shareholding					
a) Pledged/ Encumbered					
- Number of shares	1,785,342,465	1,584,992,465	1,026,631,555	1,785,342,465	1,026,631,555
- Percentage of shares (as % of the total shareholding of promoter and promoter group)	63.97%	56.79%	36.81%	63.97%	36.81%
- Percentage of shares (as % of the total share capital of the Company)	45.87%	40.72%	26.38%	45.87%	26.38%
b) Non-Encumbered					
- Number of shares	1,005,501,382	1,205,851,382	1,762,100,477	1,005,501,382	1,762,100,477
- Percentage of shares (as % of the total shareholding of promoter and promoter group)	36.03%	43.21%	63.19%	36.03%	63.19%
- Percentage of shares (as % of the total share capital of the Company)	25.83%	30.98%	45.26%	25.83%	45.26%

Particulars	**Quarter ended March 31, 2014**
B. INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	39
Disposed of during the quarter	39
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**	
	March 31, 2014 Refer Note 33	**December 31, 2013 Unaudited**	**March 31, 2013 Refer Note 33**	**March 31, 2014 Audited**	**March 31, 2013 Audited**
1. Segment Revenue					
a) Airports	1,548.05	1,605.36	1,731.00	6,023.01	6,121.91
b) Power	984.60	762.26	508.92	3,342.61	2,429.50
c) Roads	249.55	163.30	182.05	737.88	517.37
d) EPC	139.80	78.07	250.30	468.67	1,453.72
e) Others	150.19	119.98	132.83	570.98	541.34
	3,072.19	2,728.97	2,805.10	11,143.15	11,063.84
Less: Inter Segment	111.44	90.62	212.58	489.93	1,088.98
Segment revenue from operations	**2,960.75**	**2,638.35**	**2,592.52**	**10,653.22**	**9,974.86**
2. Segment Results					
a) Airports	324.39	324.33	552.42	1,309.33	1,255.52
b) Power	(96.33)	(41.30)	(144.17)	(438.37)	(139.47)
c) Roads	99.60	73.04	69.32	324.30	246.89
d) EPC	(27.52)	(6.07)	63.45	(40.84)	164.69
e) Others	61.84	34.47	51.37	271.52	289.01
	361.98	384.47	592.39	1,425.94	1,816.64
Less: Inter Segment	47.44	20.38	62.35	149.73	245.64
Net Segment Results	**314.54**	**364.09**	**530.04**	**1,276.21**	**1,571.00**
Less: Finance costs (net)	873.39	719.92	575.33	2,821.80	1,955.42
Add/ (Less) : Exceptional items					
a) Profit on dilution in subsidiaries - Refer Note 14 and 15	14.65	-	-	69.73	-
b) Profit on sale of jointly controlled entities - Refer Note 3	1,658.93	-	-	1,658.93	-
c) Profit on sale of assets held for sale - Refer Note 12	63.52	-	-	100.54	-
d) Profit on sale of a subsidiary - Refer Note 13	-	-	1,231.25	-	1,231.25
e) Loss on impairment of assets in subsidiaries - Refer Note 12 and 30	(8.95)	-	(251.37)	(8.95)	(251.37)
f) Assets write off in a subsidiary - Refer Note 5(a)	-	-	(202.61)	-	(202.61)
(Loss) /Profit before tax	**1,169.31**	**(355.83)**	**731.98**	**274.66**	**392.85**
3. Capital employed					
(Segment Assets - Segment Liabilities)					
a) Airports	15,147.06	16,990.95	15,990.68	15,147.06	15,990.68
b) Power	26,936.82	26,192.53	24,622.15	26,936.82	24,622.15
c) Roads	5,868.42	6,715.42	6,876.11	5,868.42	6,876.11
d) EPC	385.11	460.95	152.65	385.11	152.65
e) Others	15,082.99	12,457.39	12,059.30	15,082.99	12,059.30
	63,420.40	62,817.24	59,700.89	63,420.40	59,700.89
Less: Inter Segment	6,187.27	4,393.09	4,940.25	6,187.27	4,940.25
Unallocated Assets / (Liabilities)	(46,447.80)	(48,569.74)	(43,791.36)	(46,447.80)	(43,791.36)
Total	**10,785.33**	**9,854.41**	**10,969.28**	**10,785.33**	**10,969.28**

Notes to consolidated financial results for the quarter and year ended March 31, 2014

1. Consolidated Statement of Assets and Liabilities

[in Rs. crore]

Particulars	As at March 31, 2014	As at March 31, 2013
Equity and Liabilities		
Shareholders' funds		
Share capital	1,525.91	389.24
Reserves and surplus	6,095.18	6,888.94
	7,621.09	7,278.18
Preference shares issued by subsidiary companies	1,155.60	1,971.10
Minority interest	2,008.64	1,720.00
Non-current liabilities		
Long-term borrowings	33,599.28	31,633.16
Deferred tax liability (net)	73.27	55.39
Trade payables	20.97	68.57
Other long term liabilities	2,398.71	2,858.23
Long term provisions	78.45	148.84
	36,170.68	34,764.19
Current liabilities		
Short-term borrowings	5,588.17	4,856.62
Trade payables	1,759.31	1,481.59
Other current liabilities	10,547.84	11,492.21
Short-term provisions	290.52	253.10
	18,185.84	18,083.52
TOTAL	**65,141.85**	**63,816.99**
Assets		
Non-current assets		
Fixed assets	45,911.95	43,350.41
Goodwill on consolidation	3,461.15	3,163.13
Non-current investments	104.22	104.16
Deferred tax asset (net)	44.57	58.11
Long term loans and advances	2,441.08	3,477.82
Trade receivables	171.76	173.41
Other non-current assets	3,802.93	3,845.81
	55,937.66	54,172.85
Current assets		
Current investments	775.35	178.63
Inventories	358.92	270.43
Trade receivables	1,600.14	1,695.63
Cash, cash equivalents and other bank balances	3,321.19	5,134.84
Short-term loans and advances	493.15	879.79
Other current assets	2,655.44	1,484.82
	9,204.19	9,644.14
TOTAL	**65,141.85**	**63,816.99**

2. Consolidation and Segment Reporting

a. GMR Infrastructure Limited ('the Company' or 'GIL') carries on its business through various subsidiaries, jointly controlled entities and associates (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', AS – 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS – 27 on 'Financial Reporting of Interests in Joint Ventures'.

b. The segment reporting of the Group has been prepared in accordance with AS - 17 on Segment Reporting.

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).

3. During the year ended March 31, 2014, the Company along with its subsidiaries GMR Infrastructure (Global) Limited and GMR Infrastructure Overseas Limited has entered into a definitive agreement ('SPA') with Malaysia Airports MSC Sdn Bhd for sale of their 40% equity stake in their jointly controlled entities Istanbul Sabiha Gokcen Uluslararasi Havalimani Yatirim Yapim Ve Isletme Anonim Sirketi ('ISG') and LGM Havalimani Isletmeleri Ticaret Ve Turizm Anonim Sirketi ('LGM') for a purchase consideration of Euro 20.90 crore (net of equity gap adjustment of Euro 1.60 crore and subject to debt and other working capital adjustments, which are currently under finalisation). The management based on its internal assessment and a legal opinion is of the view that all "Conditions Precedent" were either fulfilled or waived or agreed to be not applicable as at March 31, 2014 except for the buyer to obtain approval from Bank Negara Malaysia which was obtained on April 3, 2014 and subsequently after receipt of the consideration, the shares were transferred to the buyer on April 30, 2014, In view of which, the Group has recognized the profit on the sale of its investment in ISG (net of cost incurred towards sale of shares) of Rs. 1,658.93 crore, which has been disclosed as an exceptional item in the consolidated financial results for the year ended March 31, 2014. The statutory auditors of the Company have modified their Audit Report in this regard.

The details of the results of ISG consolidated till quarter ended March 31, 2014 are as follows:

(in Rs. crore)

	Quarter ended March 31, 2014	**Quarter ended December 31, 2013**	**Quarter ended March 31, 2013**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Total income	157.97	193.11	151.69	674.10	762.98
Loss after tax (before consolidation adjustments)	(14.54)	(43.21)	(47.21)	(70.23)	(123.33)

The details of the results of LGM consolidated till quarter ended March 31, 2014 are as follows:

(in Rs. crore)	Quarter ended March 31, 2014	Quarter ended December 31, 2013	Quarter ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2013
Total income	18.72	15.68	15.46	70.13	59.04
Profit/ (loss) after tax (before consolidation adjustments)	(2.55)	0.04	2.40	(2.30)	2.92

The details of the results of Istanbul Sabiha Gokcen Uluslararasi Havalimani Yer Hizmetleri consolidated till quarter ended March 31, 2014 are as follows:

(in Rs. crore)

	Quarter ended March 31, 2014	Quarter ended December 31, 2013	Quarter ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2013
Total income	-	-	0.07	-	7.22
Profit/ (loss) after tax (before consolidation adjustments)	(0.37)	2.57	(0.71)	3.54	(15.95)

4. The Group has an investment of Rs. 357.35 crore (including loans of Rs. 117.76 crore and investment in equity / preference shares of Rs. 239.59 crore made by the Company and its subsidiaries) in GMR Ambala Chandigarh Expressways Private Limited ('GACEPL'), a subsidiary of the Company as at March 31, 2014. 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. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant which was due during the year ended March 31, 2014. 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 carrying value of net assets of Rs. 224.45 crore (after providing for losses till date of Rs.132.90 crore) as regards investment in GACEPL as at March 31, 2014 is appropriate. The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in this regard.

5. a) 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. It was also stated that MACL would take over the possession and control of MIA within 7 days of the said letter.

   Though GMIAL denied that the contract was void ab initio, MACL took over the possession and control of the MIA and GMIAL vacated the airport effective December 8, 2012. This has resulted in the GMIAL's principal activity becoming impossible from the date of takeover. The matter is currently under arbitration and the procedural meeting was held on April 10, 2013. On March 15, 2014, Government of Maldives ('GoM') and MACL have served a case summary which sets out a new case that the claimants wish to advance at trial and amended pleadings have been received on March 24, 2014. Subsequent to March 31, 2014, the hearings of liability issues have taken place from April 10, 2014 to April 16, 2014 and the tribunal has not specified any timescales to produce any award. GMIAL is in the process of seeking remedies under the aforesaid concession agreement and the outcome of the arbitration is uncertain as at March 31, 2014. In view of the aforesaid matter, GMIAL continues to reflect assets amounting to Rs. 1,431.50 crore (USD 23.66 crore) including claim recoverable of Rs. 1,062.90 crore (USD 17.57 crore) at their carrying values as at March 31, 2014, net of assets written off of Rs. 202.61 crore during the year ended March 31, 2013. Such assets write off was disclosed as an exceptional item in the financial results of the Group for the quarter and year ended March 31, 2013. GMIAL's ability to continue its future business operations and consequential impact on net assets / guarantees given by the Company and GIML is solely dependent on the outcome of arbitration and / or a negotiated settlement. However financial statements of GMIAL as at and for the year ended March 31, 2014 have been prepared and accordingly consolidated on a going concern basis.

Further, GMIAL has executed work construction contracts with GADL International Limited ('GADLIL') and other service providers for rehabilitation, expansion, modernization of MIA. Pursuant to the aforesaid takeover of airport, GMIAL has terminated the contracts with GADLIL and these service providers. As per the terms of contracts, in the event of discontinuation of construction, GMIAL is required to pay termination payment to the service providers. GMIAL has received claims of around USD 8.00 crore as at March 31, 2014 from GADLIL and other service providers. However, no such claims relating to the termination of contracts have been recognised as at March 31, 2014 since the amounts payable are not certain.

Based on an internal assessment and a legal opinion obtained by GMIAL, the management of the Group is confident of proving that the concession agreement was not void ab initio and that GMIAL would be entitled for compensation under the concession agreement atleast to the extent of the carrying value of the assets taken over by the GoM / MACL and the subsequent expenditure incurred by GMIAL and accordingly, the accompanying consolidated financial results of the Group do not include any adjustments that might result from the outcome of this uncertainty.

The results of GMIAL do not reflect results of the airport operations post December 7, 2012. The details of its results consolidated till quarter ended March 31, 2014 are as follows:

(in Rs. crore)

	Quarter ended March 31, 2014	Quarter ended December 31, 2013	Quarter ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2013
Total income	0.07	0.14	-	1.51	978.35
Profit/ (loss) after tax and minority interest (before consolidation adjustments)	(91.48)	(15.27)	(136.26)	(132.86)	(57.35)

5. b) GADLIL, a subsidiary of the Company, is re-registered in the Republic of Maldives for upgrading of existing terminal and construction of new terminal at the MIA. As per the work construction contract dated October 25, 2010 entered into with GMIAL, the expected substantial completion date of the construction was July 01, 2014, and GADLIL's registration in the Republic of Maldives is valid till December 31, 2016. However, pursuant to the takeover of MIA by MACL, GMIAL has terminated the work construction contract with GADLIL on December 10, 2012. These conditions indicate the existence of a material uncertainty about the going concern of GADLIL which is fully dependent on the outcome of the arbitration process between GMIAL and GoM and MACL. However, the financial statements of GADLIL as at and for the year ended March 31, 2014 have been prepared and accordingly consolidated on a going concern basis.

The statutory auditors of the Company have modified their Audit Report as regards Para 5(a) and 5(b) above.

6. GMR Kishangarh Udaipur Ahmedabad Expressways Limited, a subsidiary of the Company ('GKUAEL'), had entered into a Concession Agreement with National Highways Authority of India ('NHAI') on November 30, 2011 for six laning of Kishangarh-Udaipur-Ahmedabad section of National Highways 79A, 79, 76 and 8. Pursuant to non-fulfillment of mandatory 'Conditions Precedent' specified under the Concession Agreement within the due date, GKUAEL has issued a notice to NHAI dated December 21, 2012 of its intention to terminate the Concession Agreement. In response, NHAI vide their letter dated January 1, 2013 termed the notice not maintainable both in law and in facts. Further, NHAI in their letter dated January 17, 2013 to GKUAEL had also indicated of making good the alleged defaults of NHAI within the cure period of 90 days. Further, the management of the Group has submitted the proposal for the continuance of the project subject to certain modifications in the financial and other terms in the Concession Agreement and is confident of obtaining approval of these modifications by NHAI.

   The Company along with its subsidiary has made an investment of Rs. 724.43 crore in GKUAEL (including loans of Rs. 24.43 crore and investment in equity shares of Rs. 700.00 crore made by the Company and its subsidiaries), which is primarily utilised towards payment of capital advance of Rs. 590.00 crore to its EPC contractors and Rs. 124.42 crore (including Rs. 2.07 crore during the quarter ended March 31, 2014) towards indirect expenditure attributable to the project and borrowing costs ('project expenses'). The management of the Group is confident of recovering the aforesaid capital advance and does not anticipate any compensation to be payable to NHAI in view of the aforesaid dispute and continue to carry such project expenses as capital work in progress pending satisfactory resolution of the matter. The statutory auditors of the Company have modified their Audit Report in this regard.

7. GMR Energy Limited ('GEL'), a subsidiary of the Company had entered into a Power Purchase Agreement ('PPA') with Karnataka Power Transmission Corporation Limited for supply of energy during the period December 15, 1997 to July 7, 2008. GEL had a Fuel Supply Agreement ('FSA') with a fuel supplier towards purchase of Naptha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event that there was a shortfall in the purchase of the annual guaranteed quantity.

   During the year ended March 31, 2013, GEL received a notice for Good Faith Negotiation under erstwhile FSA entered into between GEL and the fuel supplier with respect to dispute regarding liquidated damages amounting to Rs. 296.16 crore along with an interest of Rs. 5.55 crore towards failure of GEL to purchase the annual guaranteed quantity for the period from November 21, 2001 to June 6, 2008. GEL vide its letter dated October 31, 2012 had disputed the demand from the fuel supplier towards the aforementioned damages.

   Further, GEL received a notice of arbitration from the fuel supplier's legal representative requesting the appointment of arbitrator for the dispute resolution which has been disputed by GEL in their reply dated February 15, 2013.

   During the year ended March 31, 2014, the fuel supplier has filed a petition in the Hon'ble High Court of Karnataka seeking appointment of a sole arbitrator for the resolution of the dispute. GEL has filed its reply on January 8, 2014 and the final outcome of the arbitration is pending conclusion. However based on its internal assessment and a legal opinion, the management of the Group is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been made to these consolidated financial results of the Group and claim from the fuel supplier has been considered as a contingent liability as at March 31, 2014.

8. GMR Power Corporation Limited ('GPCL'), 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') (formerly known as Tamil Nadu Electricity Board '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 TAGENDCO. GPCL had received a favourable Order 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.

   TAGENDCO filed a petition against TNERC Order in Appellate Tribunal for Electricity ('APTEL'). In terms of an interim Order on November 19, 2010 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 counter claims of TAGENDCO in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL has 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 legal counsel handling the matter has confirmed that on April 24, 2014, the Hon'ble Supreme Court has disposed off the appeal of TAGENDCO and directed GPCL and TAGENDCO to file their respective claim / account statement before TNERC within one month for adjudication. GPCL is yet to receive the certified copy of the Order dated April 24, 2014, on the subject matter for its perusal and further action. The management does not expect any cash outflow in this regard.

   GPCL is 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 has offered the claims upto March 31, 2013 as income in its tax returns and has claimed the deduction as available under Section 80IA of the IT Act.

   However, in accordance with the Group's accounting policy, pending acceptance of claims by TAGENDCO and pending adjudication of petition before the Hon'ble Supreme Court, the Group has not recognised such balance claim in the books of account.

In accordance with the above, the amount received towards the above mentioned claims after the date of Order is being disclosed as advance from the customer in the books of account. Further, GPCL has been legally advised that in view of the appeal filed by TAGENDCO against the Order of APTEL in Hon'ble 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 Audit Report in this regard.

9. The PPA entered into by GPCL with TAGENDCO on September 12, 1996 has expired on February 14, 2014 and the same was extended for a period of one year from February 15, 2014 with revised commercial terms and conditions. However, TAGENDCO has filed petition before TNERC for approval of Tariff. GPCL is recognising the income on a provisional basis from February 15, 2014 based on the revised commercial terms pending approval of TNERC.

10. a. The Group is engaged in the business of generation and sale of electrical 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 subsidiary, GMR Rajahmundry Energy Limited ('GREL') which is constructing a gas based power plant. 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. As a result, GEL and GMR Vemagiri Power Generation Limited ('GVPGL') have not generated and sold electrical energy since April 2013 and May 2013 respectively and have been incurring losses on account of the aforesaid shortage of natural gas supply, thereby resulting in erosion of networth and usage of short term funds for long term purposes. The Gas Sales and Purchase Agreements ('GSPA') for supply of natural gas in GEL and GVPGL expired on March 31, 2014 and the Group is in the process of renewal of the same. GREL has not yet commenced commercial operations pending linkages of natural gas supply. 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 Petroleum and Natural Gas ('MoPNG') is yet to allocate the gas linkage. The consortium of lenders have approved the reschedulement of Commercial Operations Date ('COD') of the plant under construction to April 1, 2014 and repayment of project loans. GREL has sought further extension of COD and repayment of project loans with the consortium of lenders in the absence of gas linkage. The Group and the Association of Power Producers are closely monitoring the macro situation and are evaluating various approaches / alternatives to deal with the situation and the management of the Group is confident that the Government of India ('GoI') would take necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. Despite the aforementioned reasons, based on business plan and valuation assessment, the management of the Group is confident that GEL and GVPGL will be able to generate sufficient profits in future years, GREL will get an extension of the COD as stated aforesaid and these gas based power generating companies would meet their financial obligations as they arise. The management of the Group considers that the going concern assumption and the carrying value of the net assets of the aforesaid entities as at March 31, 2014 is appropriate and these consolidated financial results of the Group do not include any adjustments that might result from the outcome of this uncertainty. In the meantime, the Company has committed to provide necessary financial support to these companies as they may require for continuance of their normal business operations. The statutory auditors of the Company have drawn an Emphasis of Matter in their Audit Report in this regard.

    b. In respect of plant under construction at Rajahmundry, pending securing supply of requisite natural gas, the Group has put on hold the active construction work of the plant. The management of the Group believes that the indirect expenditure attributable to the construction of the project and borrowing costs incurred during the period of uncertainty around securing gas supplies qualifies for capitalisation under paragraphs 9.3 and 9.4 of AS -10 and paragraphs 18 and 19 of AS -16. The subsidiary company setting up the plant has approached the Ministry of Corporate Affairs seeking clarification / relaxation on applicability of the aforementioned paragraphs to the gas availability situation referred in 10(a) above. The management of the Group is confident of obtaining necessary clarification / relaxation allowing such capitalisation. Pending receipt of requisite clarification / relaxation, the Group has capitalised aforesaid expenses amounting to Rs. 101.54 crore and Rs. 679.95 crore for the quarter ended March 31, 2014 and cumulatively upto March 31, 2014 respectively towards cost of the plant under construction. The statutory auditors of the Company have modified their Audit Report in this regard.

11. As at March 31, 2014, the Group has an investment of Rs. 2.44 crore in the equity shares of Rampia Coal Mine and Energy Private Limited ('RCMEPL') and has provided bank guarantees of Rs. 22.18 crore on behalf of RCMEPL to the Ministry of Coal ('MoC'). MoC vide its letter dated January 15, 2014 asked the allocatees of 61 coal blocks including RCMEPL to obtain certain necessary approvals within the stipulated time specified in the letter and indicated that the absence of obtaining such approvals would result in de-allocation of these coal blocks. RCMEPL has filed a writ petition in the Hon'ble High Court of Delhi, New Delhi against Union of India whereby RCMEPL has requested the Hon'ble High Court to quash the letter by MoC dated January 15, 2014 and direct the State Government of Orissa to expedite the grant of requisite approvals. The Hon'ble High Court has passed an interim order maintaining status quo of the block. MoC vide their letter dated February 17, 2014 to the joint venture partners of RCMEPL has indicated that the Inter Ministerial Group has recommended de-allocation of the said blocks which have been accepted by MoC, but further action is put on hold in view of the interim order of the Hon'ble High Court. The management of the Group based on the filed writ petition and its internal assessment is of the view that the reasons for delay in obtaining the said approvals were beyond the control of RCMEPL, that it would obtain the necessary approvals in the foreseeable future and the aforesaid de-allocation of coal blocks by MoC is not tenable. Accordingly, no adjustments have been made in these consolidated financial results of the Group in this regard.

12. The Group has an investment of Rs. 167.94 crore and has given a loan of Rs. 222.15 crore to Homeland Energy Group Limited ('HEGL'), a subsidiary of the Company. During the year ended March 31, 2013, the Group had entered into agreements for divestment of the key coal mines held by certain subsidiaries and jointly controlled entities of HEGL, subject to obtaining necessary approvals. Based on the realisable value of these mines, pursuant to the proposed divestment, during the year ended March 31, 2013, the Group had made an impairment provision of Rs. 251.37 crore towards the carrying value of the net assets of HEGL (including goodwill on consolidation of Rs. 98.71 crore), which was disclosed as an exceptional item in the consolidated financial results for the quarter and year ended March 31, 2013.

    During the year ended March 31, 2014, the sale transaction has been completed for the coal mines of HEGL after obtaining the requisite approvals and the Group has realised a profit of Rs. 37.02 crore on sale of one of such mines, which has been disclosed as an 'exceptional item' in these consolidated financial results. On account of the disposal of the shares in the entities having the abovementioned mining rights, the Group has recognised foreign exchange gain (inclusive of Foreign Currency Translation Reserve) of Rs. 63.52 crore for the quarter and year ended March 31, 2014, which has been disclosed as an 'exceptional item' in these consolidated financial results.

    The management of the Group is confident that the carrying value of balance net assets as at March 31, 2014 in HEGL is appropriate.

    The details of the results of HEGL consolidated till quarter ended March 31, 2014 are as follows:

(in Rs. crore)

	Quarter ended March 31, 2014	**Quarter ended December 31, 2013**	**Quarter ended March 31, 2013**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Total income	51.39	0.29	9.29	89.27	103.57
Profit/(loss) after tax and minority interest (before consolidation adjustments)	79.75	(7.95)	(216.67)	64.12	(259.22)

13. During the year ended March 31, 2013, the Group had divested its 70% stake in GMR Energy Singapore Pte. Limited ('GESPL') to FPM Power Holding Limited and had realised a profit of Rs. 1,231.25 crore arising on such sale of shares, which was disclosed as an 'exceptional item' in the consolidated financial results of the Group for the quarter and year ended March 31, 2013. GESPL was developing a 800MW combined cycle gas turbine power plant in Jurong Island, Singapore. Further, the Company has provided a guarantee of Singapore Dollar ('SGD') 38.00 crore towards warranties as specified in the Share Purchase Agreement ('ShPA') and other ShPA transaction documents for a period till September 30, 2014 and in respect of tax claims, if any, the guarantee period is upto March 31, 2018.

The details of the results of GESPL consolidated till year ended March 31, 2013 are as follows:

(in Rs. crore)

	Quarter ended March 31, 2013	Year ended March 31, 2013
Total income	Nil	Nil
Profit after tax and minority interest (before consolidation adjustments)	3.41	4.49

14. During the year ended March 31, 2013, the Group had entered into definitive sale agreements for divestment of 74% stake in GMR Jadcherla Expressways Private Limited (‘GJEPL’), an erstwhile subsidiary of the Company to Macquarie SBI Infrastructure Investments Pte Limited and SBI Macquarie Infrastructure Trustee Limited. During the year ended March 31, 2014, the sale transaction has been completed and the Group has realised a profit of Rs. 55.08 crore on such sale of shares which has been disclosed as an ‘exceptional item’ in these consolidated financial results.

    The Group has also entered into a definitive sale agreement for the balance 26% stake in GJEPL subject to obtaining regulatory approvals. As such, the Group has accounted for investment in such associate in accordance with AS – 13 ‘Accounting for Investments’.

    The details of the results of GJEPL consolidated till year ended March 31, 2013 are as follows:

(in Rs. crore)

	Quarter ended March 31, 2013	Year ended March 31, 2013
Total income	17.31	66.75
Profit after tax and minority interest (before consolidation adjustments)	0.27	2.09

15. During the year ended March 31, 2014, the Group has divested 74% of its stake in GMR Ulundurpet Expressways Private Limited (‘GUEPL’), an erstwhile subsidiary of the Company to India Infrastructure Fund and realised a profit of Rs. 14.65 crore on such divestment, which has been disclosed as an ‘exceptional item’ in these consolidated financial results. Further, as at March 31, 2014, the Group has provided a loan of Rs.74.43 crore to GUEPL carrying an interest rate of 0.01% p.a. The loan is repayable by January 22, 2027.

    The details of the results of GUEPL consolidated till quarter ended March 31, 2014 are as follows:

(in Rs. crore)

	Quarter ended March 31, 2014	Quarter ended December 31, 2013	Quarter ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2013
Total income	12.60	23.00	23.23	83.37	88.70
Profit/ (loss) after tax and minority interest (before consolidation adjustments)	0.90	1.26	(3.01)	3.07	(8.26)

16. GMR Kamalanga Energy Limited, a subsidiary of the Company has recognised Rs. 96.07 crore as revenue which has been billed on a provisional tariff basis in view of ‘ Tariff Determination Petition’ and ‘Tariff Review Petition’ filed by the Company which are pending before Central Electricity Regulatory Commission (‘CERC’), and Appellate Tribunal for Electricity (‘APTEL’).

17. During the quarter ended March 31, 2014, GMR Hotels and Resorts Limited (‘GHRL’), a subsidiary of GMR Hyderabad International Airport Limited (‘GHIAL’), has incurred net loss of Rs. 3.91 crore and has accumulated losses of Rs. 105.76 crore as at March 31, 2014, which has resulted in a substantial erosion of GHRL’s net worth. Further, GHRL has incurred cash losses during the year ended March 31, 2014. The management of the Group expects that there would be a significant increase in the operations of GHRL that will lead to improved cash flows and long term sustainability. The Group 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. Accordingly, these consolidated financial results do not include any adjustments relating to the recoverability and classification of carrying amount of assets or the amounts and classification of liabilities that may be necessary if GHRL were unable to continue as a going concern.

18. During the quarter ended March 31, 2014, MAS GMR Aero Technic Limited ('MGATL'), a 50% jointly controlled entity of the Group (effective ownership interest of the Group is 30.60%), has incurred net loss of Rs. 14.53 crore and has accumulated losses of Rs. 226.46 crore as at March 31, 2014, which has resulted in erosion in entire net worth of MGATL. Further, MGATL has incurred cash losses during the year ended March 31, 2014. The management of the Group expects that there would be a significant increase in the operations of MGATL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable MGATL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly, these consolidated financial results do not include any adjustments relating to the recoverability and classification of carrying amount of assets or the amounts and classification of liabilities that may be necessary if MGATL were unable to continue as a going concern.

19. During the year ended March 31, 2014, EMCO Energy Limited ('EMCO'), a subsidiary of the Company has incurred a net loss of Rs. 532.57 crore and has accumulated losses of Rs. 555.50 crore as at March 31, 2014, which has resulted in erosion of EMCO's entire net worth. EMCO has achieved the COD of Unit I in March 2013 and of Unit II in September 2013 and hence is in the stabilization phase of its operations. The management of the Group expects that the plant will generate sufficient profits in the future years in view of which the audited financial results of EMCO have been prepared on a going concern basis.

20. During the quarter ended March 31, 2014, EMCO has recognized a deferred tax asset of Rs. 30.07 crore on its carry forward losses to the extent it is available for set-off from future taxable income before the commencement of the expected tax holiday period. The deferred tax asset on carry forward losses is accounted net of the deferred tax liability arising out of the difference between tax depreciation and depreciation/ amortization charged as per the books of account of EMCO and is restricted to the extent there is virtual certainty of taxable profits under the Income Tax Act, 1961 before the commencement of expected tax holiday period. The management of the Group believes that there is virtual certainty with convincing evidence of availability of such future taxable income in view of the power pricing mechanism in the PPAs entered into by EMCO with Maharashtra State Electricity Distribution Company Limited for 200MW capacity, with Union Territory of Dadra Nagar Haveli for 200 MW capacity, with GMR Energy Trading Limited for 150 MW capacity based on back-to-back power sale agreement with Tamil Nadu Generation and Distribution Corporation Limited and fuel linkage for full capacity of its plant. The management has recognized deferred tax asset / liability is respect of all the timing differences which have originated upto March 31, 2014 and are expected to reverse either before commencement of the expected tax holiday period or after the expiry of such holiday period.

21. The Group has an investment of Rs. 292.56 crore (USD 4.84 crore) including loan of Rs. 11.42 crore (USD 0.19 crore) in PT Dwikarya Sejati Utama ('PTDSU') (March 31, 2013: Rs. 239.48 crore (USD: 4.37 crore)). The Group acquired PTDSU for a consideration of USD 4.00 crore and a deferred consideration to be determined and paid on achievement of certain conditions as specified in the share purchase agreement. PT Duta Sarana Internusa ('PTDSI'), a step down subsidiary of PTDSU has pledged 60% shares of PT Barasentosa Lestari ('PTBSL') with the sellers of PTDSU. The achievement of aforementioned conditions for settlement of deferred consideration has been under dispute and the matter is under arbitration and PTDSI has initiated a civil suit seeking direction to the sellers of PTDSU not to act on the pledge agreement provided as security earlier. Pending finalisation of the aforesaid arbitration proceedings and determination of the deferred consideration, PTDSU has not made any adjustments in the financial statements in respect of such consideration. Further, the consolidated financial statements of PTDSU and its subsidiaries PTBSL and PTDSI as at March 31, 2014 have accumulated deficit of Rs. 23.55 crore (USD 0.47 crore) (March 31, 2013: Rs. 21.92 crore (USD 0.40 crore)). PTBSL, a coal property Company remains in the exploration phase and is consistently in need of capital injection for its exploration costs. The management of PTDSU has committed to provide financial support until PTBSL commences commercial operations and generates income on its own. The management of PTDSU is not aware of any material uncertainties that may cast significant doubt upon these entities ability to continue as a going concern and accordingly, the management of the Group believes that the carrying value of the net assets in PTDSU and its subsidiaries as at March 31, 2014 is appropriate.

22. The Comptroller and Auditor General of India ('CAG') had conducted the performance audit of Public Private Partnership ('PPP') project of Airport Authority of India ('AAI') at Delhi Airport, for the period 2006 to 2012. CAG has presented its report before the Rajya Sabha on August 17, 2012 wherein they have made certain observations on DIAL. The Public Accounts Committee (PAC), constituted by the Parliament of India, has examined the CAG report and submitted its observations and recommendations to Lok Sabha vide its ninety fourth report in February 2014. The management of the Group is of the opinion that the observations in the CAG report and the PAC report do not have any financial impact on the consolidated financial results of the Group for the quarter ended March 31, 2014.

23. A search under Section 132 of the Income tax Act, 1961 ('IT Act') was carried out at the premises of the Company and certain entities of the Group by the Income Tax Authorities on October 11, 2012, followed by search closure visits on various dates during the year ended March 31, 2013, to check the compliance with the provisions of the IT Act. The Income Tax Department has subsequently sought certain information / clarifications. The Group has not received any demand from the Income Tax Authorities. The management of the Group believes that it has complied with all the applicable provisions of the IT Act with respect to its operations.

24. The Company has given an interest free loan of Rs. 115.00 crore to Welfare Trust of GMR Infra Employees ('GWT') during the year ended March 31, 2011 for the purpose of an employee benefit scheme. GWT has utilised the proceeds of the loan received from the Company in the following manner and the position as at March 31, 2014 is:

(in Rs. crore)

Equity shares of the Company	101.55
Equity shares of GMR Airports Limited ('GAL') (a subsidiary of the Company)	11.28
Others	2.17
Total	**115.00**

Securities and Exchange Board of India ('SEBI') had issued Circular No. CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed entities from framing any employee benefit scheme involving acquisition of own securities from the secondary market. SEBI had issued Circular No. CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013 extending the date of compliance to June 30, 2014. The management of the Company submitted the details of the GWT to the stock exchanges and is in the process of complying with the requirements of the circular within the prescribed timelines. As per the Trust deed, GWT is constituted for undertaking employee benefit schemes and hence the Company has not consolidated the financial results of GWT in the standalone financial results of the Company.

25. As at March 31, 2014, GMR Infrastructure (Cyprus) Limited, a subsidiary of the Company, has fixed deposits of Rs. 832.78 crore with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. The management is of the view that inspite of 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.

26. The Group has an investment of Rs. 2,117.74 crore, including subordinate loan of Rs. 414.60 crore and interest accrued thereon in GMR Chhattisgarh Energy Limited ('GCHEPL'), a subsidiary of the Company as at March 31, 2014 and has also provided corporate / bank guarantee towards loan taken by GCHEPL from the project lenders. GCHEPL is in the advanced stage of construction of 1,370 MW coal based thermal power plant at Raipur district, Chhattisgarh and is expected to commence operations in the ensuing financial year. GCHEPL has obtained provisional Mega Power status certificate from the Ministry of Power, GoI vide letter dated September 8, 2011 and accordingly has availed exemptions of customs and excise duty against bank guarantees and pledge of deposits. The management of the Group is certain of obtaining Mega Power status pending which cost of customs and excise have not been considered as cost of the project. The Group expects certain delays in the completion of construction and costs overruns including additional claims from the EPC contractor which are pending settlement as at March 31, 2014. As per the management of GCHEPL, the additional claims are not expected to be material and the cost overruns are expected to be financed by the lenders and the management of GCHEPL has commenced discussion with the lenders for funding the costs overruns. Further the Company had entered into a PPA with Chhattisgarh State Power Trading Co. Ltd ('CSPTA') for supply of 35% of the plant capacity. On September 25, 2013, CSPTA has intimated the Company that under the PPA, CSPTA has a right rather than an obligation to purchase 30% of the plant capacity, which has been disputed by GCHEPL. In view of the recent directives, the management of GCHEPL is confident of obtaining the linkage of domestic coal prior to the completion of construction of the plant and is also confident of executing the PPA for its entire capacity and hence is of the view that the carrying value of net assets of GCHEPL as at March 31, 2014 is appropriate.

27. During the year ended March 31, 2011, GEL had issued 13,950,000 Compulsorily Convertible Cumulative Preference shares (‘CCCPS’) of Rs. 1,000 each. These preference shares were held by Claymore Investments (Mauritius) Pte Limited, IDFC Private Equity Fund III, Infrastructure Development Finance Company Limited, IDFC Investment Advisors Limited, Ascent Capital Advisors India Private Limited, and Argonaut Ventures (collectively called as Investors). These preference shares were convertible upon the occurrence of Qualifying Initial Public Offering ('QIPO') of equity shares of GEL. In case of non-occurrence of QIPO within 3 years of the closing date, as defined in the terms of share subscription and shareholders agreement between the parties, investors had the right to require GIL to purchase the preference shares or if converted, the equity shares in GEL at an agreed upon internal rate of return (‘IRR’). In case GIL failed to purchase the preference shares within 180 days from the date of notice by the Investors, the CCCPS holder had the sole discretion to exercise the various rights under clause 11.18 of the share subscription and shareholders agreement including the conversion of CCCPS into equity shares of GEL / buyback of the converted shares by GEL.

    During the year ended March 31, 2014, GEL has entered into an amended and restated share subscription and shareholders agreement ('Amended SSA') with the investors, GIL and other GMR group companies. The Investors continue to hold 6,900,000 CCCPS in GEL and a new investor GKFF Capital has subscribed to additional 325,000 CCCPS of Rs. 1,000 each (collectively referred to as 'Portion B securities').

    As per the Amended SSA and Share Purchase Agreement between the investors, GEL and other GMR Group Companies, 7,050,000 CCCPS with a face value of Rs. 705.00 crore ('Portion A securities') have been bought by GMR Renewable Energy Limited (‘GREEL’) and GMR Energy Projects (Mauritius) Limited (‘GEPML’) for a consideration of Rs. 1,169.17 crore and accordingly an amount of Rs 464.17 crore representing consideration paid in excess of face value of Portion A securities has been adjusted against accumulated deficit in the statement of profit and loss in the consolidated financial results for the year ended March 31, 2014. Portion A securities shall be converted into equity shares of GEL as per the terms prescribed in clause 5 of the SPA not later than the date of conversion of Portion B securities. As defined in the terms of Amended SSA, GEL has to provide an exit to the Portion B Securities investors within 30 months from last return date (November 29, 2013) at the agreed price of Rs. 1,278.67 crore (‘Investor exit amount’). In case of non-occurrence of QIPO within 24 months from the last return date, GMR Group may give an exit to Portion B securities investors at investor exit amount by notifying them the intention to purchase the preference shares within 30 days from the expiry of the 24th month. In case of non-occurrence of QIPO or no notification from GMR group companies as stated aforesaid, the Portion B securities investors have the sole discretion to exercise the various rights under clause 10 of the Amended SSA.

    Further on March 27, 2014, GEL has converted 1,344,347 portion B securities into equity shares as per the terms of clause 4.2 of the Amended SSA so as to enable the Portion B securities investors to participate in QIPO by way of an offer for sale.

28. a) Pursuant to the shareholders’ approval obtained on March 20, 2014, the Company issued 11,366,704 Compulsorily Convertible Preference shares (CCPS) of face value of Rs. 1,000 each comprising of (a) 5,683,351 CCPS carrying a coupon rate of 0.001% per annum and having a term of 17 months from the date of allotment (“Series A CCPS”), each fully paid up and (b) 5,683,353 CCPS carrying a coupon rate of 0.001% per annum and having a term of 18 months from the date of allotment (“Series B CCPS”), each fully paid up to IDFC Limited, Dunearn Investments (Mauritius) Pte Limited, GKFF Ventures, Premier Edu-Infra Solutions Private Limited and Skyron Eco- Ventures Private Limited. The Series A CCPS and Series B CCPS shall be converted into equity shares upon the expiry of their respective term in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital Disclosure Requirements) Regulations, 2009 (ICDR Regulations). The number of equity shares allotted to the Investors upon conversion of the Investor Securities shall be on the basis of the minimum permissible price, computed in accordance with Regulation 76(1) read with Regulation 71 (b) of the SEBI ICDR Regulations on the Conversion Date.

    b) As the conversion price of the aforesaid shares is not currently determinable, they have not been considered for purpose of calculating dilutive earnings per share.

29. In case of GHIAL, the Airport Economic Regulatory Authority ('AERA'), vide its powers conferred by section 13(1)(a) of AERA Act, 2008, passed an Aeronautical tariff order No. 38 issued on February 24, 2014, in respect of control period from April 1, 2011 to March 31, 2016. As per the aforesaid order, there will be no Passenger Service Fee (Facilitation Component) ('PSF (FC)') for embarking passengers and the same will be considered as part of User Development Fee ('UDF'). Further, the UDF for the period from April 1, 2014 to March 31, 2016 has been determined to be Rs. Nil. This will significantly impact the profitability and cash flows of GHIAL for the said period April 01, 2014 to March 31, 2016.

    GHIAL has initiated legal recourse challenging the aforesaid AERA order and has also initiated certain steps towards strategic cash management. Further, with the expected UDF commencing in the next tariff cycle, the financial position will improve thereafter. Moreover, the Company has agreed to provide the necessary financial support, should the necessity arise.

30. During the year ended March 31, 2014, based on a valuation assessment of its investments including unsecured loans in Aravali Transmission Service Company Limited ('ATSCL') and Maru Transmission Service Company Limited ('MTSCL'), subsidiaries of the Company, the Group has made an impairment provision of Rs. 8.95 crore towards the carrying value of the net assets of ATSCL and MTSCL which has been disclosed as an exceptional item in these consolidated financial results.

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

(in Rs. crore)

	Quarter ended			Year ended	
	March 31, 2014	December 31, 2013	March 31, 2013	March 31, 2014	March 31, 2013
	Refer Note 33	Unaudited	Refer Note 33	Audited	Audited
(a) Revenue from operations	205.40	154.11	322.14	786.29	1,432.79
(b) Profit / (loss) before tax and after exceptional items	221.78	(30.57)	96.69	188.08	82.45
(c) Profit / (loss) after tax	209.77	(30.14)	71.43	165.90	53.45

32. 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.

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

34. The Board of Directors of the Company have recommended a dividend of Re. 0.10 per equity share of Re. 1 each for the year ended March 31, 2014.

35. The consolidated financial results of the Group for the year ended March 31, 2014 have been reviewed by the Audit Committee at their meeting on May 28, 2014 and approved by the Board of Directors at their meeting on May 29, 2014.

36. Previous year / period figures have been re-grouped / re-arranged, wherever necessary to conform to the current year's presentation.

For GMR Infrastructure Limited

Sd/-
G.M.Rao
Executive Chairman

Bengaluru
May 29, 2014