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# GMR INFRASTRUCTURE LTD

## Investor Presentation

FY2014

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**Disclaimer:**

Totals in some columns / rows may not agree due to rounding off.

- ❏ Major reforms are expected to bolster infrastructure development in India, acting as an engine of growth, creating thousands of new jobs and pushing up GDP growth
- ❏ Fast-tracking of projects in the pipeline and resolving iron ore and coal mining issues is expected to improve the efficiency of capital that is now stuck, pave the way for better returns on investment
- ❏ Accelerated clearance of stalled projects is expected so that these projects start generating cash flows
- ❏ Quick decisive action is capable of reinvigorating the sector
- ❏ Creating an enabling environment for rapid ramp-up of Infrastructure Debt Funds to address the issue of non-availability of long term funding and the clear constraints of the commercial banking system
- ❏ The new government is expected to focus on Financial & Economic Reforms



## Industry Updates

- ✘ India is currently the 9th largest aviation market, connecting over 40 countries, handling 121 mn domestic and 41 mn international passengers, over 85 international airlines and 5 domestic carriers
- ✘ The Indian airport sector is expected to attract investments of USD 12.1 bn during the 12th plan period, ~77% of it is expected to come from the private sector
- ✘ Request for Qualifications for the proposed Navi Mumbai Airport extended to July 30 from June 18
- ✘ RBI has included Maintenance, Repair & Overhaul (MRO) operations under the Airport Infrastructure category to facilitate External commercial borrowings for the sector
- ✘ The privatization process for the 6 domestic airports (Chennai, Kolkata, Lucknow, Guwahati, Jaipur and Ahmedabad) has been put on hold and clarity is yet to emerge on the same



- ❏ Southern Grid synchronised with the rest of the national grid to create a unified national grid to facilitate bulk transfer of power to/from the southern region and relieve transmission congestion
- ❏ CERC has notified new tariff norms from April 1, 2014 to March 31, 2019. The new provisions in the regulation include withdrawal of tax arbitrage opportunities, linking of generation incentives to the PLF instead of plan availability factor and tightening of operating norms for generating stations
- ❏ Central government to set up Coal Regulatory Authority for devising procedures for coal sampling, setting standards of performance, assisting the government on principles and methodologies for coal price determination, allocation of reserves
- ❏ CIL has signed 160 fuel supply pacts with power units
- ❏ The natural gas rates are expected to increase to about USD 8.3 mmBtu from the current USD 4.2 per mmBtu which would significantly impact the cost of generation from gas-based power plants

- ❏ Finance Ministry has approved the proposal to allow developers of an existing and upcoming project to sell or transfer their stake post lender's approval
- ❏ The Planning Commission is likely to develop a new model for the implementation of the road projects whereby 50% of the project cost would be paid during the construction period and balance as annuity after commercial operations
- ❏ MoF has approved the terms of premium rescheduling which is expected to provide respite to a number of developers
- ❏ NHAI has issued a letter of assurance to ICICI Bank to operate the Central Clearinghouse for the electronic toll collection system
- ❏ NHAI has cancelled the contracts for 23 widening projects covering 2,500 km, on account of developers' failure to pay the performance guarantees of delays in land acquisition or environmental clearances



## Performance Analysis





## Consolidated Financial Performance

## Yearly Performance

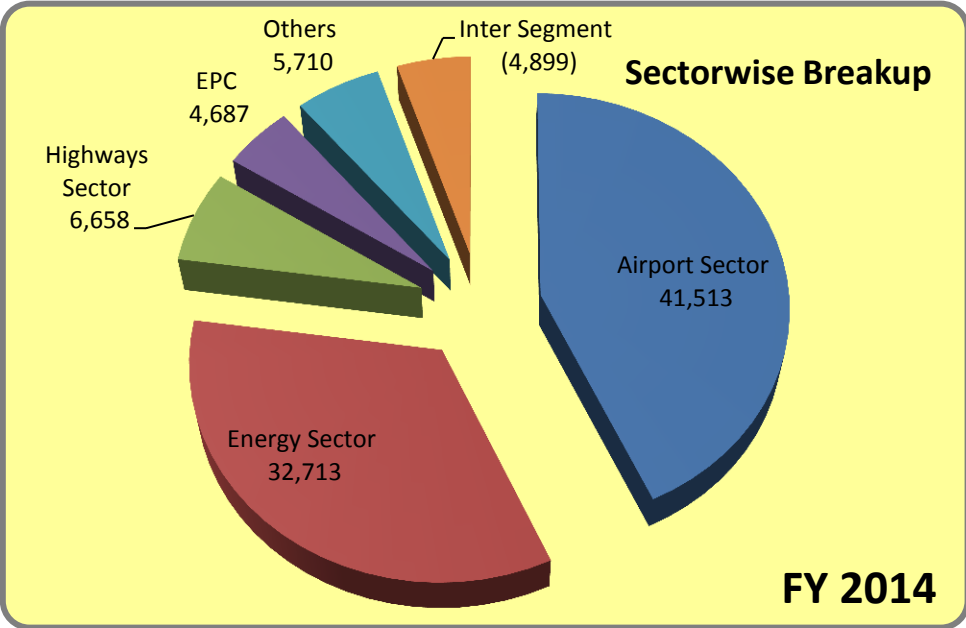
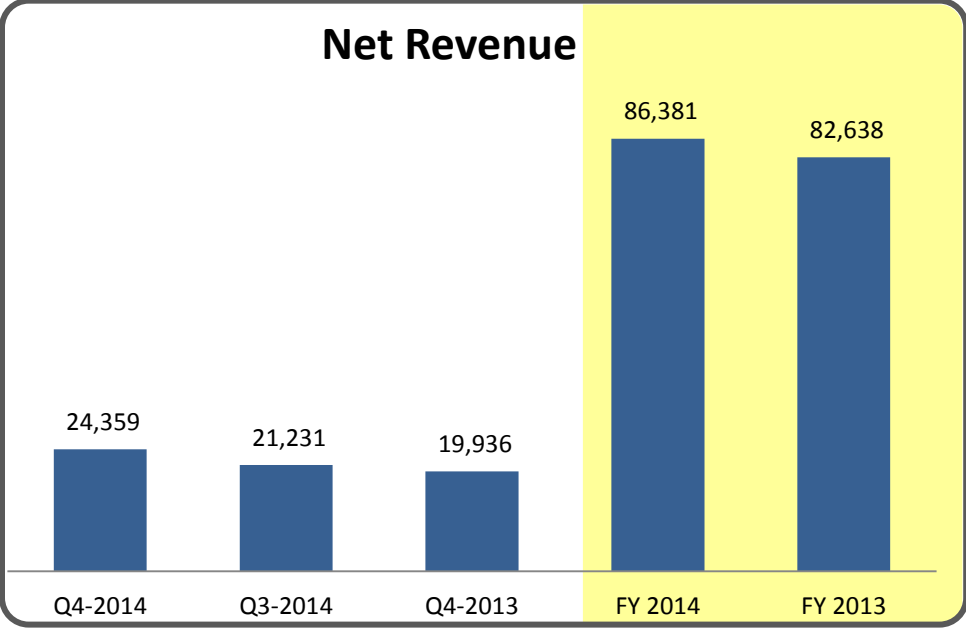
- ❏ The Gross Revenue for the year has grown by 7% to Rs. 1,06,531 mn and EBITDA has grown by 5% to Rs. 25,945 mn.
- ❏ The increase is not reflected in Profits, as EMCO and Kamalanga plants are commissioned recently and the depreciation and interest charges have impacted the Net Profit.
- ❏ Profit After Tax for the year is Rs. 1,084 mn against Rs. 1,354 mn for the previous year.
- ❏ The Cash profit for the year has increased from Rs. 11,750 mn to Rs. 15,630 mn.

## Quarterly Performance

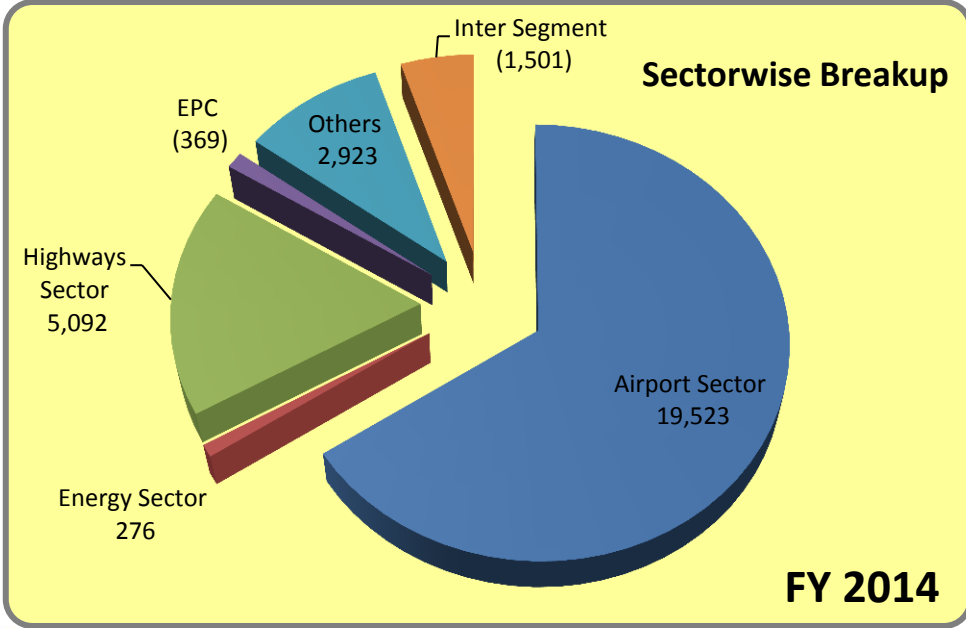
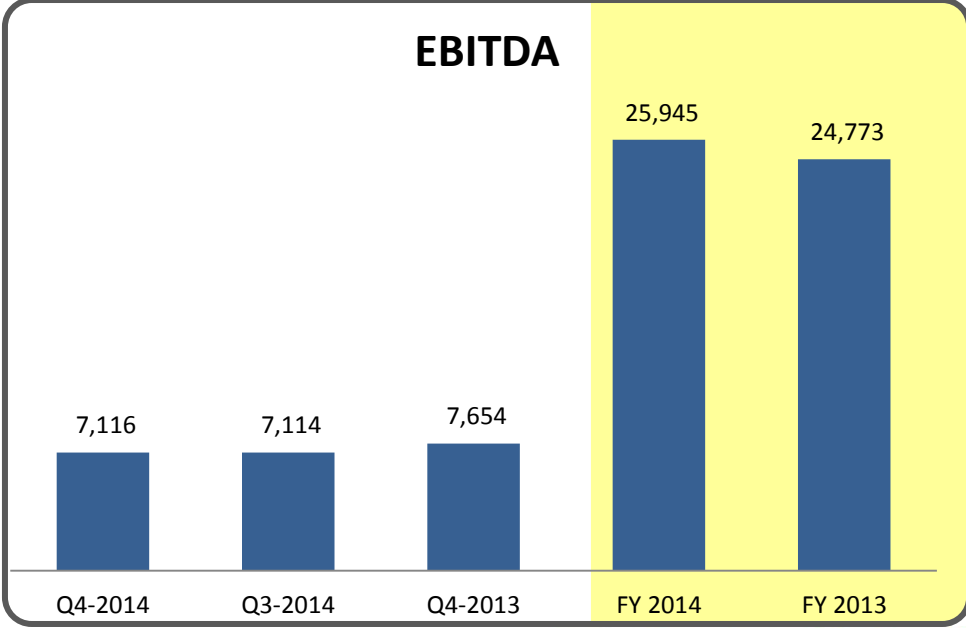
- ❏ Gross Revenue for the quarter has increased by 12% from Rs. 26,383 mn to Rs. 29,607mn.
- ❏ However, as Kamalanga & EMCO power plants have commissioned recently and are in its stabilization phase, EBITDA of Rs. 7,116 mn continues to be same level of last quarter.
- ❏ Powered by the profit of Rs. 16,589 mn on divestment our 40% stake in ISGIA Airport, the Profit After Tax for the quarter has improved to Rs. 11,844 mn as against a loss of Rs. 4,139 mn for the previous quarter.
- ❏ Cash Profit also significantly improved to Rs. 16,220 mn for the quarter against a cash loss of Rs. 410 mn for the previous quarter.

INR Mn

Net Revenue



EBITDA

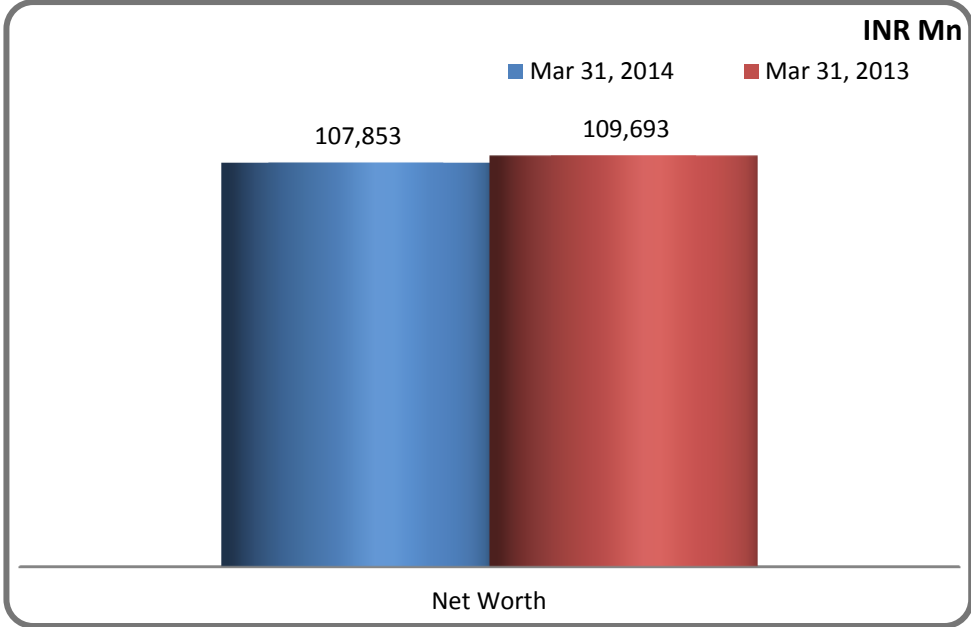
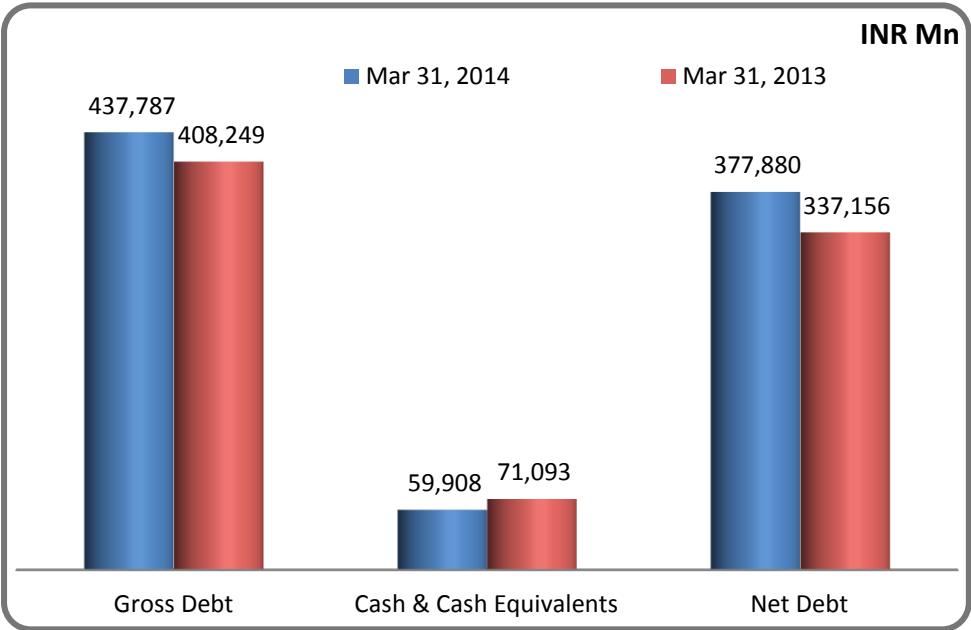
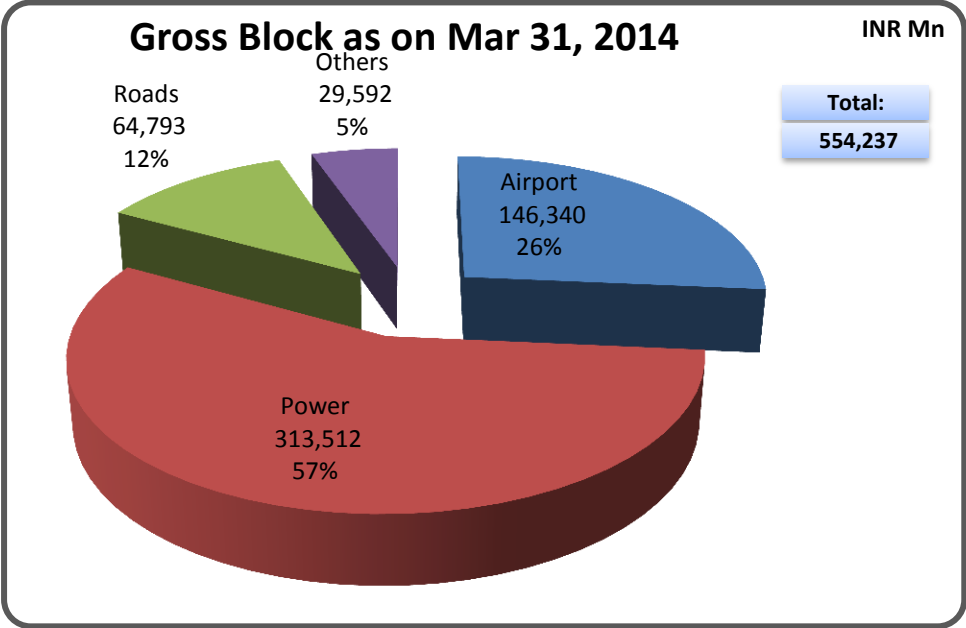


# Consolidated Profitability Statement



	INR Mn				
	Q4-2014	Q3-2014	Q4-2013	FY 2014	FY 2013
Airports	15,480	16,053	17,293	60,229	61,219
Power	9,846	7,623	5,089	33,426	24,295
Roads	2,496	1,633	1,821	7,379	5,174
EPC	1,398	781	2,503	4,687	14,537
Others	1,502	1,200	1,328	5,710	5,413
Less: Inter Segment	(1,114)	(906)	(2,126)	(4,899)	(10,890)
<b>Gross Revenue</b>	<b>29,607</b>	<b>26,383</b>	<b>25,908</b>	<b>106,531</b>	<b>99,749</b>
Less: Revenue Share / Rebate in Energy	5,249	5,153	5,972	20,150	17,110
<b>Net Revenue</b>	<b>24,359</b>	<b>21,231</b>	<b>19,936</b>	<b>86,381</b>	<b>82,638</b>
Total Expenditure	17,242	14,117	12,281	60,435	57,865
<b>EBITDA</b>	<b>7,116</b>	<b>7,114</b>	<b>7,654</b>	<b>25,945</b>	<b>24,773</b>
<i>EBITDA margin</i>	29%	34%	38%	30%	30%
Other Income	857	660	696	2,868	2,770
Exceptional Item					
a. Profit on dilution in a subsidiary-GJEPL/GUEPL	147	-	-	697	-
b. Profit on sale of a assets held for sale - HEG	635	-	-	1,005	-
c. Profit on sale of a subsidiary - GESPL	-	-	12,313	-	12,313
d. Loss on impairment of assets in a subsidiary - HEG/ATSCS/MTSCL	(90)	-	(2,514)	(90)	(2,514)
e. Assets write off in a subsidiary - GMIAL	-	-	(2,026)	-	(2,026)
f. Profit on sale of stake in ISGIA	16,589	-	-	16,589	-
Interest & Finance Charges	9,185	7,599	6,082	29,719	20,990
Depreciation	4,377	3,733	2,722	14,550	10,398
<b>PBT</b>	<b>11,693</b>	<b>(3,558)</b>	<b>7,319</b>	<b>2,747</b>	<b>3,929</b>
Tax	(151)	581	687	1,663	2,574
Current Tax	723	413	436	2,170	1,944
MAT Credit	(522)	(84)	(194)	(829)	(322)
Deferred Tax	(352)	252	445	321	953
<b>PAT (Before Minority Interest)</b>	<b>11,844</b>	<b>(4,139)</b>	<b>6,632</b>	<b>1,084</b>	<b>1,354</b>
Less: Minority Int. / Share of Associates	142	272	842	984	473
<b>PAT (After Minority Interest)</b>	<b>11,702</b>	<b>(4,411)</b>	<b>5,791</b>	<b>100</b>	<b>881</b>

# Key Balance Sheet Analysis





## Airports Sector



## DIAL

- The Total passenger traffic in FY14 has grown by 7% to 36.88 mn, International traffic grown by 10% to 12.68 mn
- Total ATM in FY14 has grown by 4% to 3.13 lac, Domestic ATM grown by 7% to 2.35 lac
- Gross Revenue in FY14 has increased by 20% to Rs 39,220 mn, Aero Revenue by 25% to Rs 26,715 mn and Non Aero Revenue by 12% to Rs 10,153 mn
- IGIA has been rated “Best Airport in India & Central Asia” in SKYTRAX – 2014 World Airport Awards
- IGIA introduces paperless acceptance of cargo – 1st Indian airport to have got the IATA e-freight program

## GHAL

- AERA has issued the Tariff Order in Feb 2014 based on Single Till methodology. However, GHIAL has filed a writ petition in A.P Court challenging the Single Till methodology adopted by the airport regulator and issue directions to the MoCA for not giving policy direction to AERA on Till Approach to be followed in case of GHIAL and discriminating GHIAL as compared with Bangalore International Airport Ltd (BIAL) which is a similar Green Field PPP where MoCA has advised AERA to follow Hybrid till Approach.
- The Total passenger traffic in FY14 has grown by 4% to 8.73 mn, International traffic grown by 14% to 2.37 mn
- International ATM in FY14 has grown by 9% to 0.17 lac
- Gross Revenue in FY14 has increased by 3% to Rs 7,253 mn, Non Aero Revenue by 8% to Rs 2,898 mn
- Sustained growth in Total Cargo tonnage in FY14 to 90,232 MT, breaching the 90,000 MT milestone for the first time since inception, growing at +7% Y-o-Y
- Crossed Milestone of 8,500 MT of Cargo Handled in a Single Month for the 1st time since inception – Handled 8,506MT of Cargo in March 2014

## ISGIA

- GMR Infrastructure announced the receipt of Rs.17,400 mn (Euro 209 Million) as culmination of divestment of its 40% equity stake on 30 April 2014.

## Mactan-Cebu

- The Department of Transportation and Communications (DOTC), Republic of the Philippines has formally awarded the Mactan-Cebu International Airport rehabilitation, expansion and operation project to the GMR-Megawide Consortium for a 25-year concession period.

# Airports Sector Consolidated: Financial Performance



	INR Mn				
	Q4-2014	Q3-2014	Q4-2013	FY 2014	FY 2013
* Aero Revenue	8,558	8,652	10,887	33,314	27,526
* Non Aero Revenue	5,515	5,804	4,744	20,984	20,112
Cargo	731	717	684	2,874	2,770
CPD Rentals	258	258	245	1,024	993
Fuel income	418	622	732	2,034	9,801
<b>Gross Revenue</b>	<b>15,480</b>	<b>16,053</b>	<b>17,293</b>	<b>60,229</b>	<b>61,202</b>
Less: Revenue Share	4,888	4,846	5,729	18,716	16,484
<b>Net Revenue</b>	<b>10,592</b>	<b>11,207</b>	<b>11,564</b>	<b>41,513</b>	<b>44,718</b>
Less: Fuel cost	347	529	696	1,695	8,298
Operating Expenditure	4,975	5,157	3,509	18,382	16,680
Forex	5	5	(12)	52	(10)
Utilization Fees	519	502	363	1,862	1,309
<b>EBITDA</b>	<b>4,746</b>	<b>5,015</b>	<b>7,008</b>	<b>19,523</b>	<b>18,440</b>
<b>EBITDA margin</b>	<b>45%</b>	<b>45%</b>	<b>61%</b>	<b>47%</b>	<b>41%</b>
Other Income	405	237	344	1,063	1,364
Interest & Finance Charges	2,634	2,464	2,711	9,963	10,586
**Exceptional Income/(Expense)	12,057	-	(2,026)	12,057	(2,026)
Depreciation	1,726	1,907	1,651	6,991	6,628
<b>PBT</b>	<b>12,847</b>	<b>882</b>	<b>963</b>	<b>15,688</b>	<b>564</b>
Current Tax	168	286	35	1,017	722
Deferred Tax	-153	216	356	398	565
MAT	(69)	(120)	(216)	(376)	(321)
<b>PAT (Before Minority Interest)</b>	<b>12,901</b>	<b>500</b>	<b>787</b>	<b>14,650</b>	<b>(402)</b>
<b>PAT (After Minority Interest)</b>	<b>11,941</b>	<b>154</b>	<b>(160)</b>	<b>12,789</b>	<b>(868)</b>

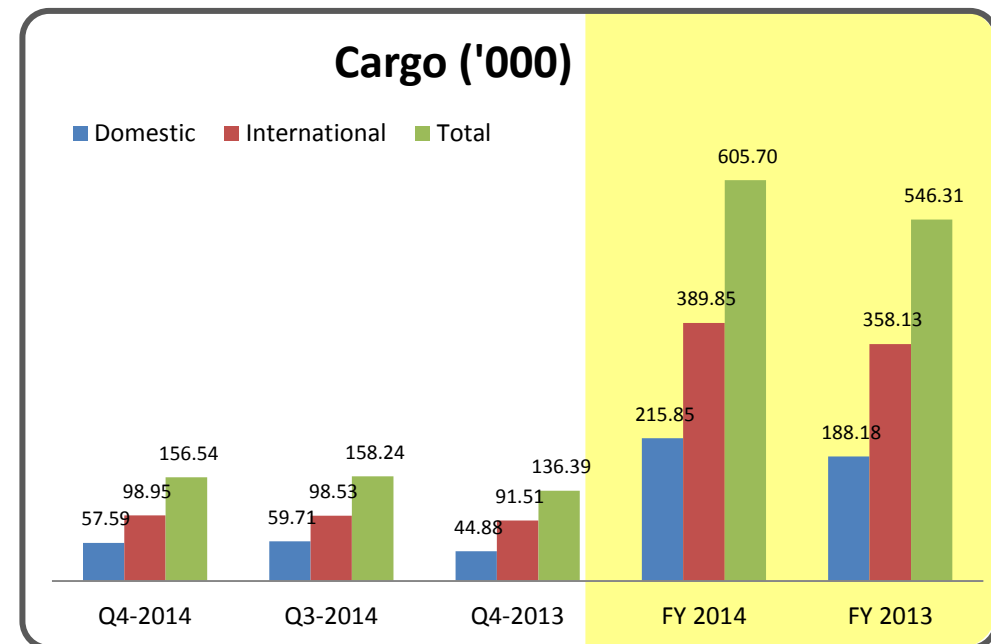
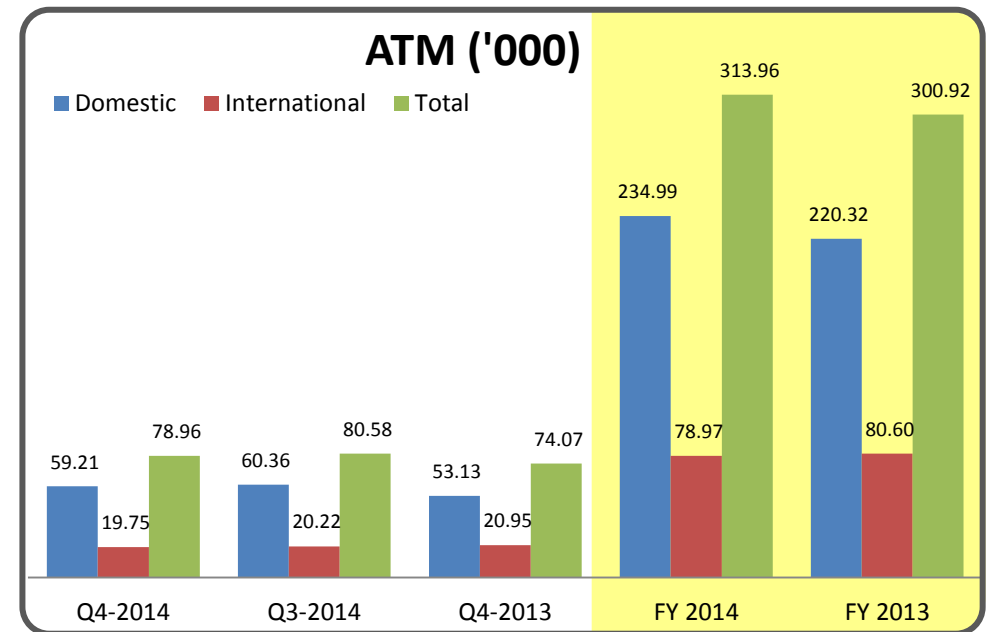
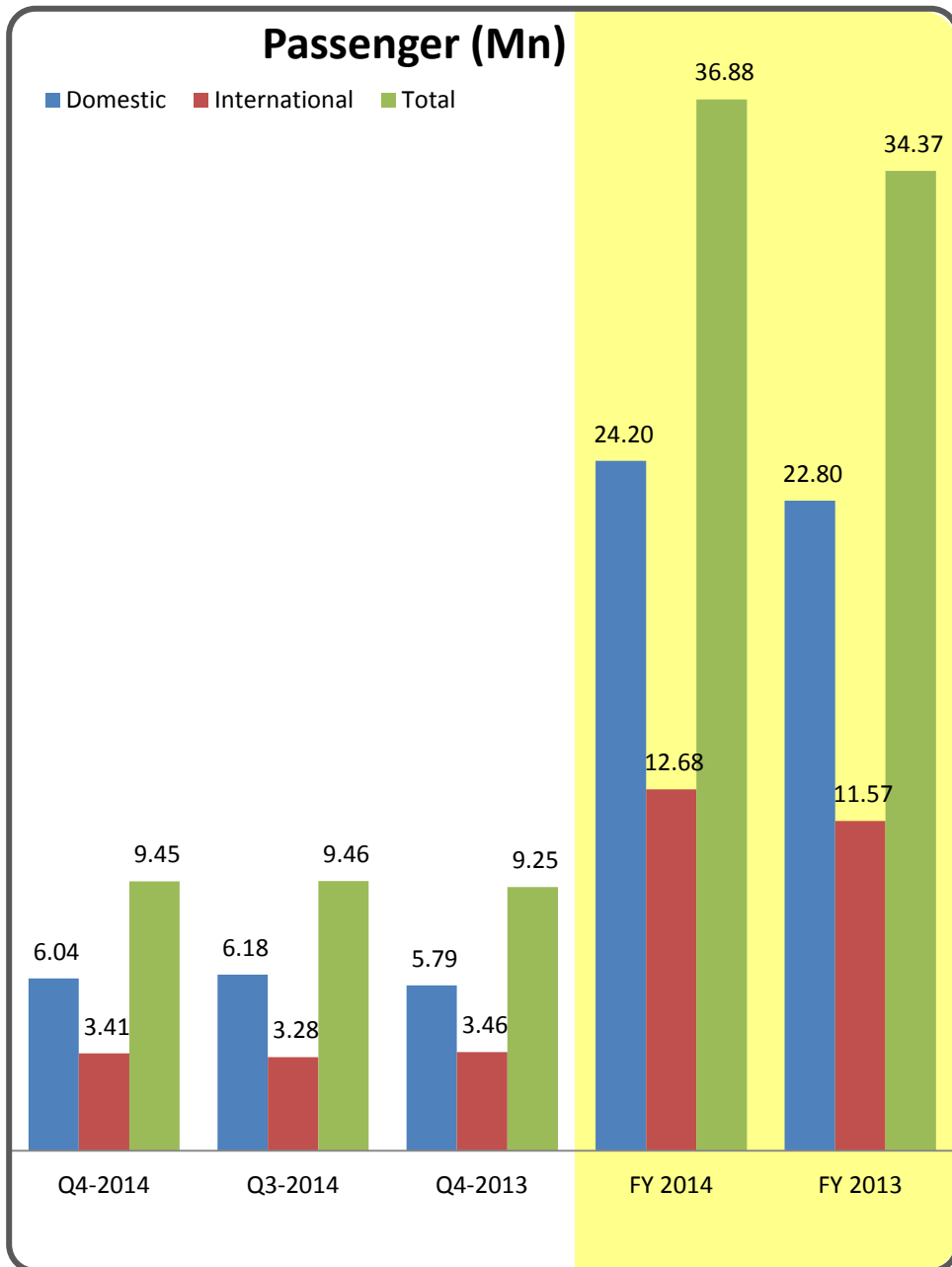
**\* Note:**

- FY14 financials do not reflect MALE Airport financials as the same was taken over by MACL on 7<sup>th</sup> Dec 2012
- In Q4FY2013, the management decided to revert on accrual basis of accounting in case of NACIL revenues that was being accounted on receipt basis from 01-Oct-2011, hence higher revenue

\*\* Exceptional Income(Rs 16,589 mn): ISGIA divestment profit of Rs 12,057 mn in FY14, LGM divestment profit of Rs 4,533 mn considered in Others Segment

\*\* Exceptional Expense of Rs 2,026 mn in FY13 - Asset write off in MALE Airport

# Delhi International Airport: Operational Performance



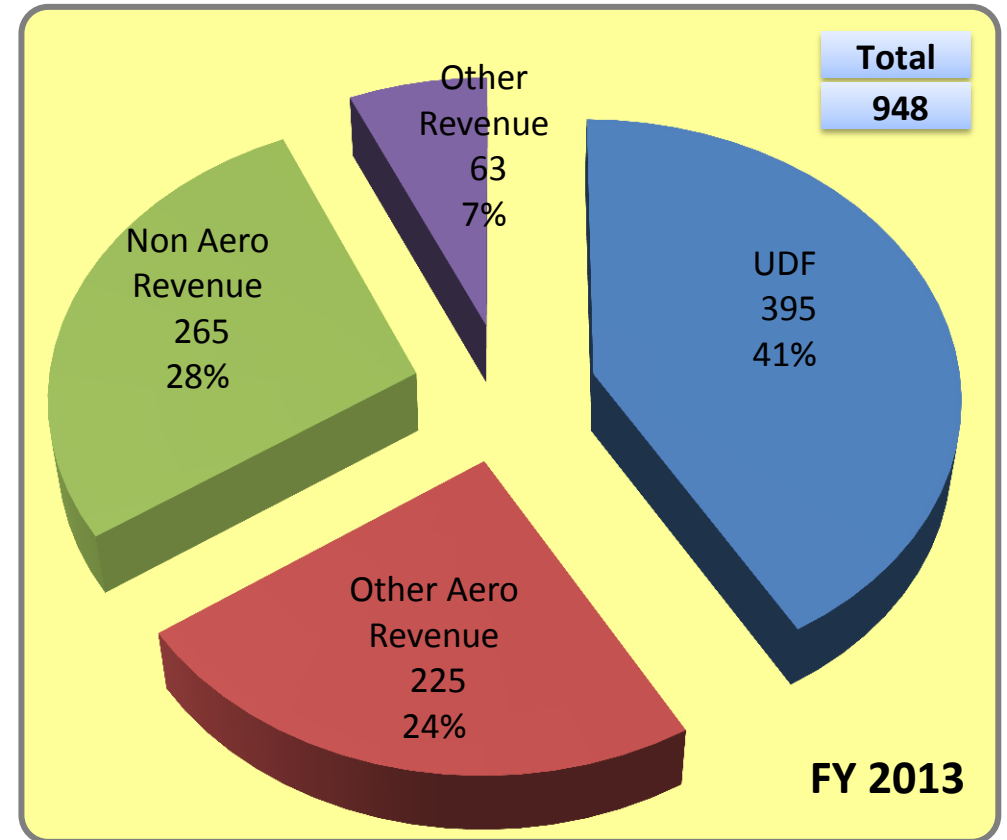
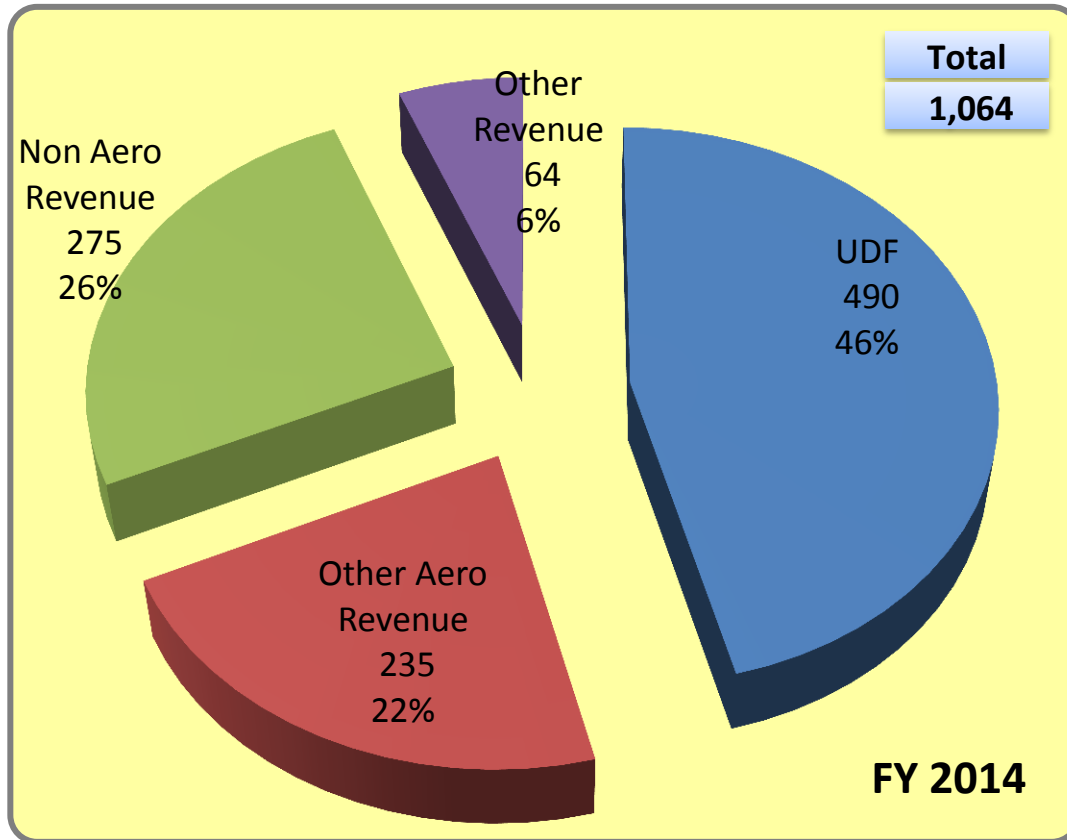
# Delhi International Airport: Financial Performance

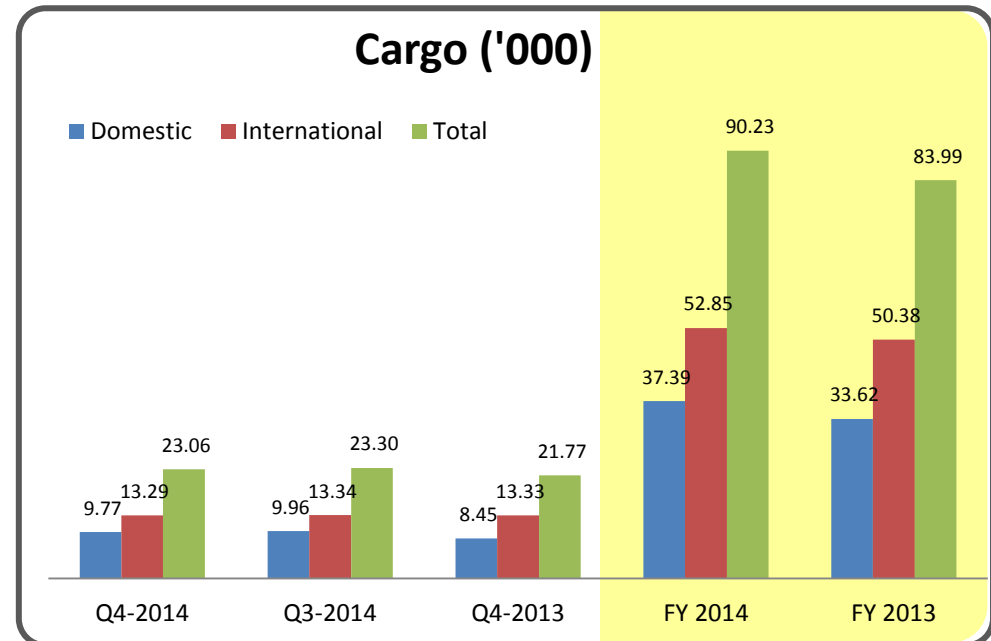
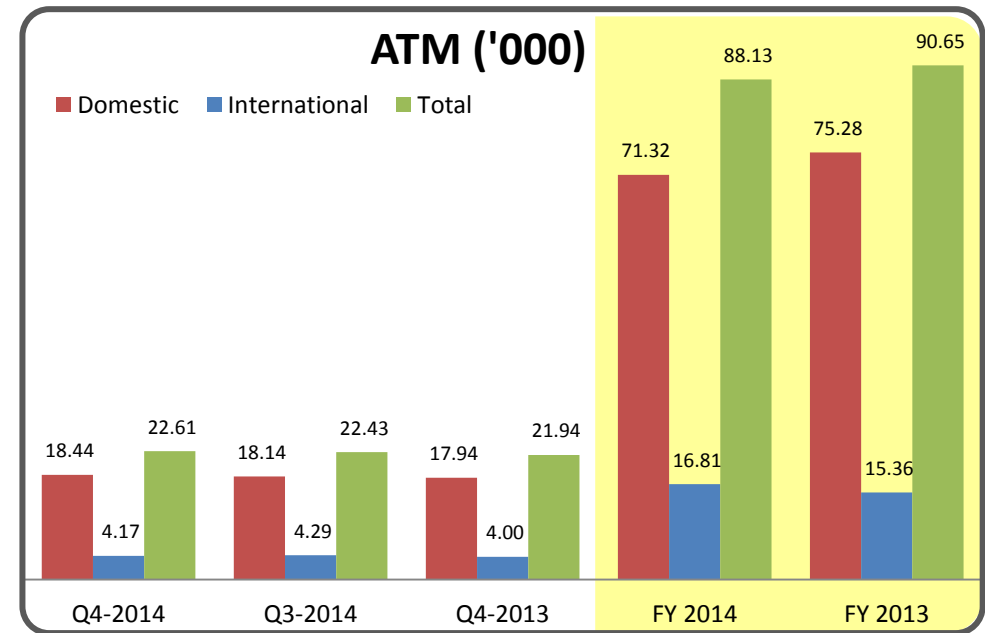
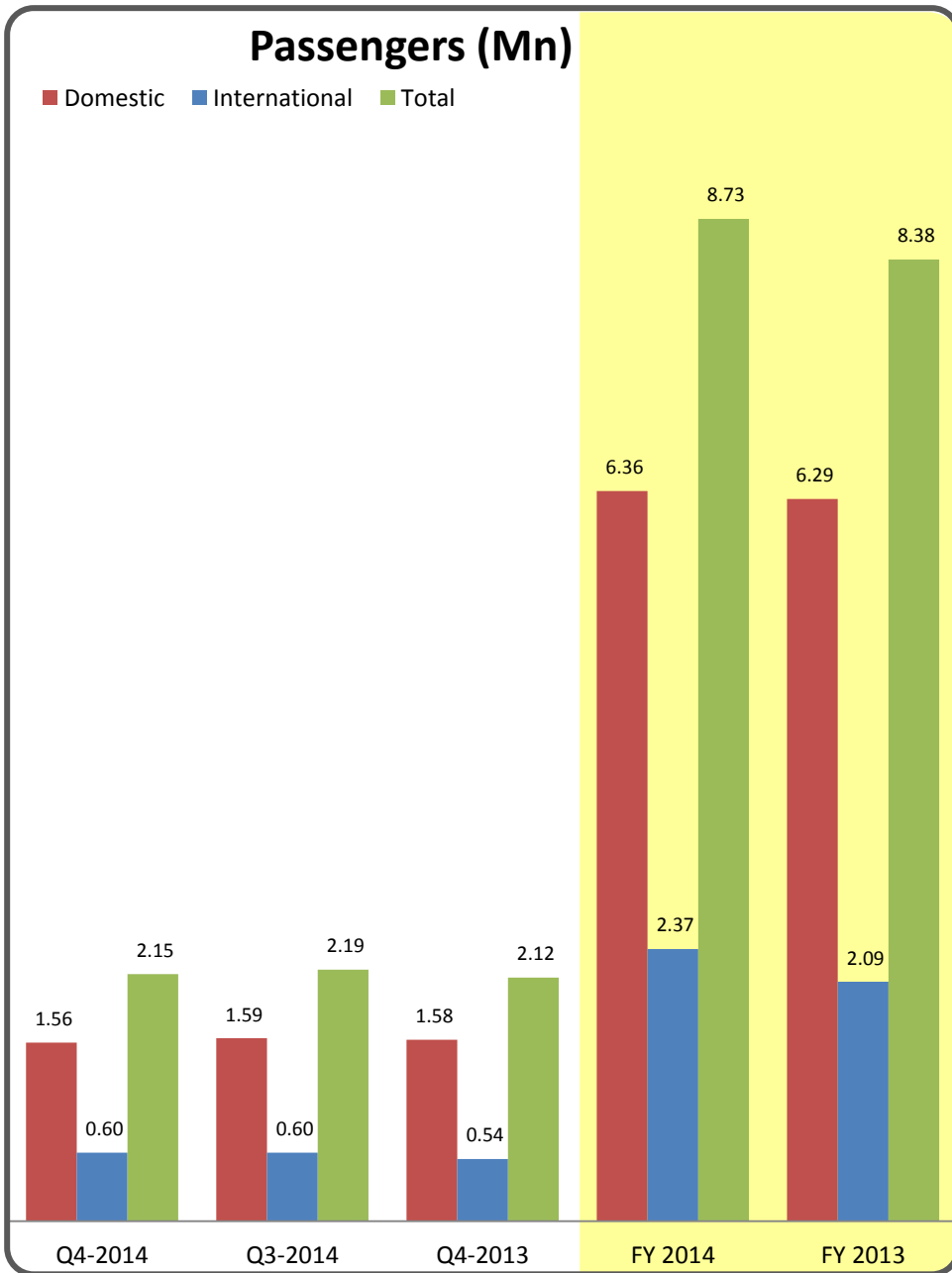


INR Mn					
Particulars	Q4-2014	Q3-2014	Q4-2013	FY 2014	FY 2013
* Aero Revenue	6,888	6,937	8,816	26,715	21,307
* Non Aero Revenue	2,573	2,707	2,695	10,153	9,101
Cargo Revenue share	372	347	339	1,421	1,294
CPD Rentals	229	235	217	930	881
<b>Gross Revenue</b>	<b>10,062</b>	<b>10,226</b>	<b>12,067</b>	<b>39,220</b>	<b>32,583</b>
Less: Revenue Share	4,814	4,735	5,627	18,381	15,332
<b>Net Revenue</b>	<b>5,249</b>	<b>5,491</b>	<b>6,440</b>	<b>20,839</b>	<b>17,252</b>
Total Expenditure	2,180	2,176	1,532	8,347	6,632
<b>EBITDA</b>	<b>3,069</b>	<b>3,315</b>	<b>4,909</b>	<b>12,492</b>	<b>10,620</b>
<i>EBITDA margin</i>	<i>58%</i>	<i>60%</i>	<i>76%</i>	<i>60%</i>	<i>62%</i>
Other Income	426	120	213	825	831
Interest & Finance Charges	1,334	1,403	1,696	5,648	6,575
Depreciation	1,094	1,129	1,069	4,364	4,151
** Prior Period Item (Net)	-	(804)	-	(804)	-
<b>PBT</b>	<b>1,066</b>	<b>1,707</b>	<b>2,356</b>	<b>4,108</b>	<b>725</b>
Deferred Tax	-	-	-	-	-
MAT Credit Reversal	-	-	-	-	-
<b>PAT (Before Minority Interest)</b>	<b>1,066</b>	<b>1,707</b>	<b>2,356</b>	<b>4,108</b>	<b>725</b>
<b>PAT (After Minority Interest)</b>	<b>563</b>	<b>902</b>	<b>1,245</b>	<b>2,171</b>	<b>383</b>

\* In Q4FY2013, the management decided to revert on accrual basis of accounting in case of NACIL revenues that was being accounted on receipt basis from 01-Oct-2011, hence higher revenue

\*\* On account of Custom duty credit scripts which were earlier netted off from assets







# Hyderabad International Airport: Financial Performance

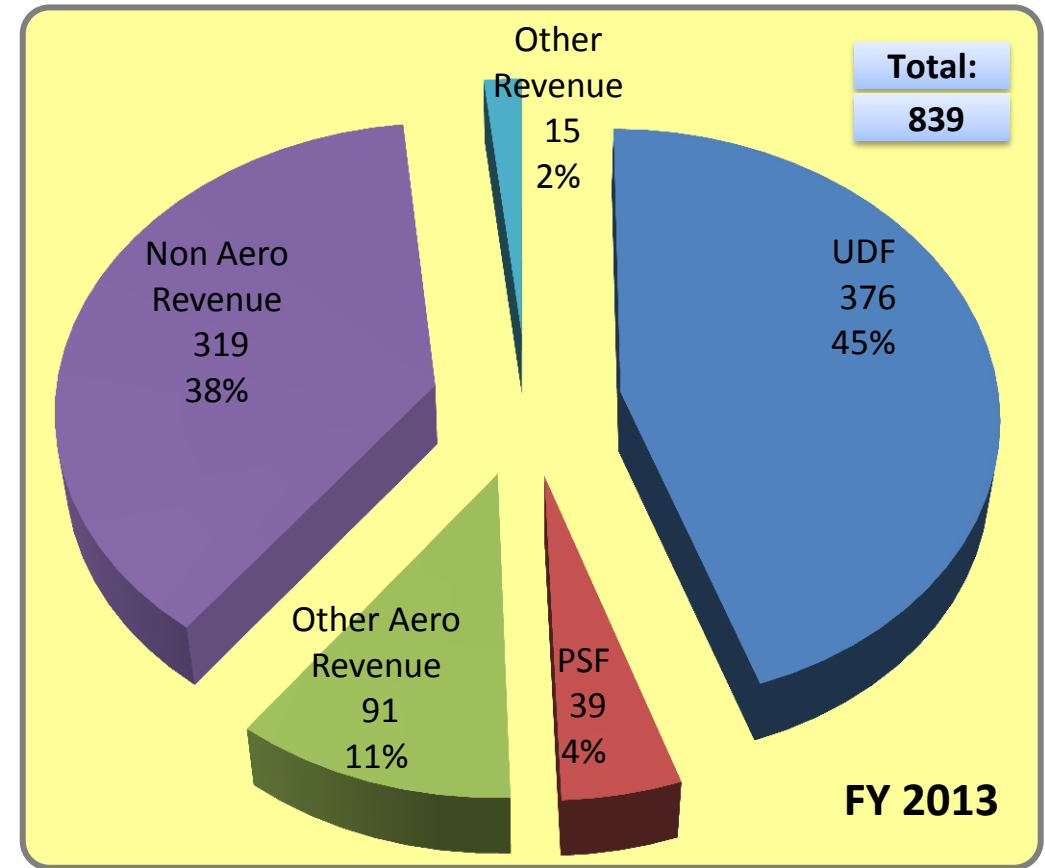
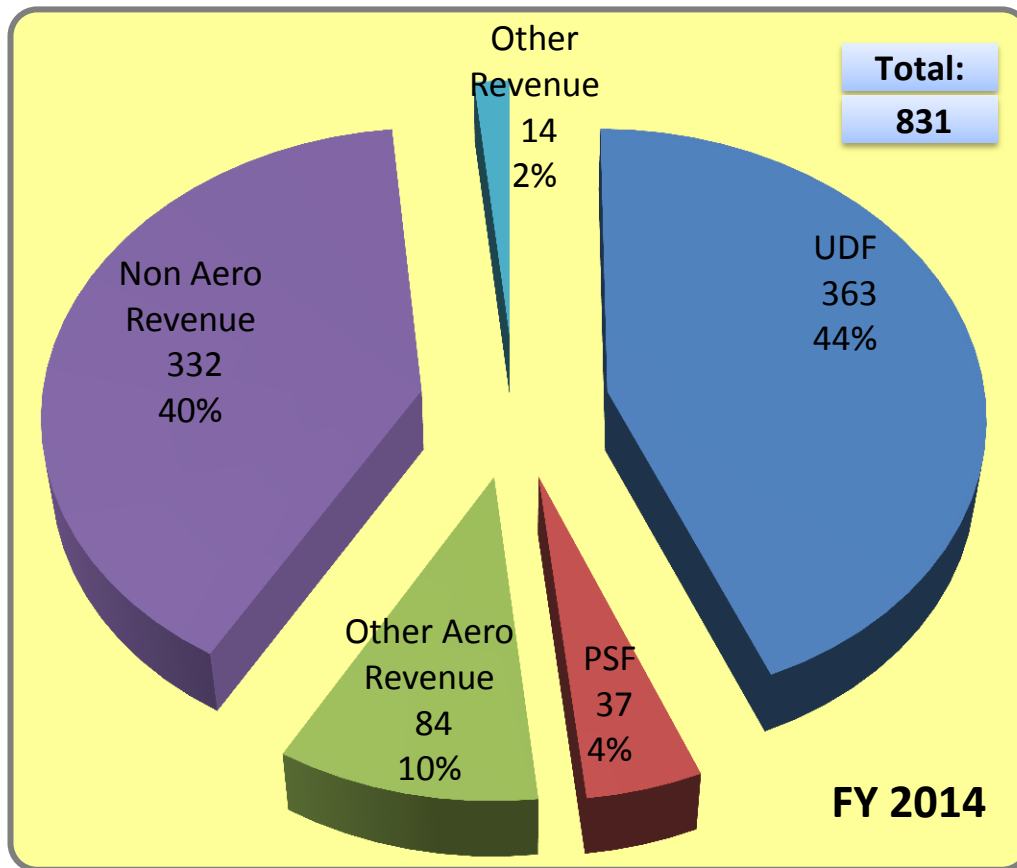


	INR Mn				
	Q4-2014	Q3-2014	Q4-2013	FY 2014	FY 2013
* Aero Revenue	1,086	1,036	1,701	4,234	4,250
* Non Aero Revenue	758	745	776	2,898	2,671
Cargo Revenue Share	30	30	28	120	107
<b>Gross Revenue</b>	<b>1,874</b>	<b>1,811</b>	<b>2,505</b>	<b>7,253</b>	<b>7,029</b>
Less: Revenue Share	75	77	103	302	295
<b>Net Revenue</b>	<b>1,800</b>	<b>1,734</b>	<b>2,402</b>	<b>6,951</b>	<b>6,734</b>
Total Expenditure	560	512	666	2,164	2,214
<b>EBITDA</b>	<b>1,240</b>	<b>1,222</b>	<b>1,735</b>	<b>4,787</b>	<b>4,520</b>
<i>EBITDA margin</i>	69%	70%	72%	69%	67%
Other Income	116	129	79	434	357
** Exceptional Item	(870)	-	-	(870)	-
Interest & Finance Charges	592	489	486	2,081	2,018
Depreciation	324	353	316	1,328	1,269
*** Prior Period Item (Net)	(6)	(52)	-	(57)	-
<b>PBT</b>	<b>(424)</b>	<b>560</b>	<b>1,013</b>	<b>999</b>	<b>1,591</b>
Current Tax	-	-	-	-	-
Deferred Tax	(138)	204	342	399	532
<b>PAT (Before Minority Interest)</b>	<b>(286)</b>	<b>356</b>	<b>671</b>	<b>601</b>	<b>1,058</b>
<b>PAT (After Minority Interest)</b>	<b>(180)</b>	<b>224</b>	<b>423</b>	<b>379</b>	<b>667</b>

\*In Q4FY2013, the management decided to revert on accrual basis of accounting in case of NACIL revenues that was being accounted on receipt basis from 01-Oct-2011, hence higher revenue

\*\* It includes impairment of investment in Hyderabad Hotels of Rs. 747 mn

\*\*\* On account of Custom duty credit scripts which were earlier netted off from assets





## Energy Sector

EMCO & Kamalanga power plants have contributed revenues of Rs 9,805 mn during the current financial year.

Past dues in TNEB has reduced substantially with receipt of around Rs 14,144 mn during the current year.

## EMCO (600 MW)

- FSA signed for entire capacity of 600 MW
- Unit 2 declared CoD on 1<sup>st</sup> Sep'13
- Achieved a PLF of ~58% in Q4FY14
- PPA signed with TNEB for 150 MW

## Kamalanga (1,050 MW)

- FSA signed for entire capacity of 1,050 MW
- Unit 1 declared CoD on 30th Apr'13
- Unit 2 declared CoD on 11<sup>th</sup> Nov'13
- Unit 3 declared CoD on 25<sup>th</sup> Mar'14
- Achieved a PLF of ~36% in Q4FY14

## Bajoli Holi (180 MW)

- Achieved financial closure in April 2013
- All statutory clearances and land required for project in place

# Energy Sector Consolidated: Financial Performance

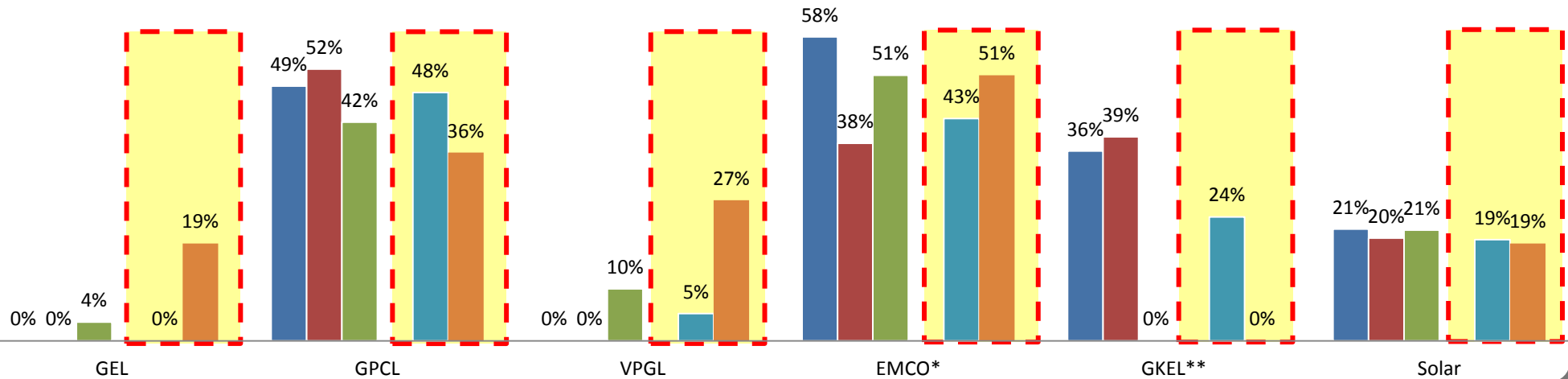


	INR Mn				
	Q4-2014	Q3-2014	Q4-2013	FY 2014	FY 2013
Power Generation	5,265	5,023	2,908	20,860	13,162
Coal Revenue	2,032	1,564	1,421	6,928	7,797
Power Trading and others	2,548	1,036	760	5,638	3,292
<b>Gross Revenue</b>	<b>9,846</b>	<b>7,623</b>	<b>5,090</b>	<b>33,426</b>	<b>24,251</b>
<b>Net Revenue (net of rebate)</b>	<b>9,675</b>	<b>7,496</b>	<b>5,032</b>	<b>32,713</b>	<b>23,847</b>
Fuel - Consumption	4,756	4,282	2,464	17,439	10,204
Other Expenses	4,541	3,117	3,669	15,294	13,358
Forex Loss/ (Gain)	(227)	(750)	(3)	(297)	347
<b>EBITDA</b>	<b>604</b>	<b>847</b>	<b>(1,099)</b>	<b>276</b>	<b>(62)</b>
<i>EBITDA margin</i>	<i>6%</i>	<i>11%</i>	<i>-22%</i>	<i>1%</i>	<i>0%</i>
Other Income	325	312	350	1,251	1,196
*Exceptional item - Income	635	(0)	11,554	1,005	11,554
Exceptional item - Expenses	(90)	-	(2,514)	(90)	(2,514)
Interest & Fin Charges	3,633	2,938	1,323	11,001	4,182
Depreciation	1,717	1,362	547	5,212	1,859
<b>PBT</b>	<b>(3,875)</b>	<b>(3,141)</b>	<b>6,422</b>	<b>(13,770)</b>	<b>4,133</b>
Current Tax (Normal)	22	180	59	450	405
Deferred Tax	(260)	10	40	(238)	527
<b>PAT (Before Minority Interest)</b>	<b>(3,638)</b>	<b>(3,331)</b>	<b>6,323</b>	<b>(13,982)</b>	<b>3,202</b>
<b>PAT (After Minority Interest)</b>	<b>(3,232)</b>	<b>(3,217)</b>	<b>6,341</b>	<b>(13,287)</b>	<b>3,232</b>

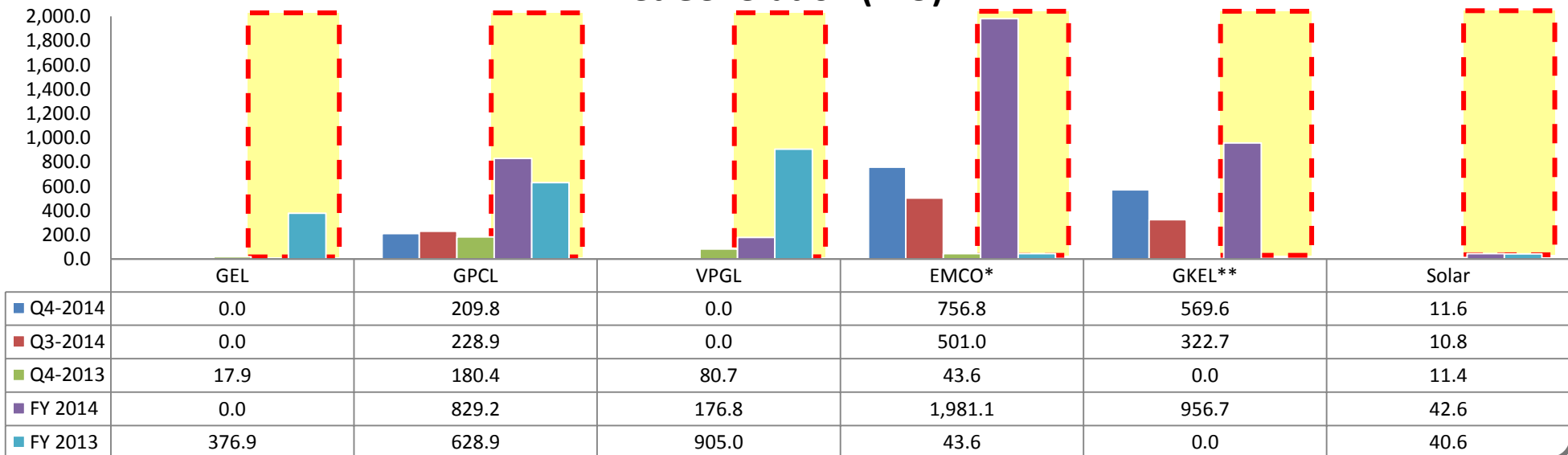
\*Exceptional Income of Rs 635 mn in Q4FY14 pertains to Homeland Energy

## PLF (%)

■ Q4-2014 ■ Q3-2014 ■ Q4-2013 ■ FY 2014 ■ FY 2013



## Net Generation (MU)



\* Unit I – 300 MW COD 19-03-2013; Unit II – 300 MW COD 27-08-2013

\*\* Unit I – 350 MW COD 28-04-2013; Unit II – 350 MW COD 11-12-2013; Unit III – 350 MW COD 25-03-2014





## Highways Sector

Divestment of 74% stake in Jadcherla road project completed

Divestment of 74% stake in Ulundurpet road project completed

Toll rates have increased during the year on account of the following inflation adjustments:

Asset	Inflation Adjustment	Date
GACEPL	7.35%	01 <sup>st</sup> Sep-2013
GHVEPL	7.31%	04 <sup>th</sup> Jul-2013
GOHHHPL	7.31%	01 <sup>st</sup> Aug-2013

Government of Tamil Nadu and all concerned agencies issued a provisional certificate for completion with effect from 15th June 2013 for Group's Chennai Outer Ring Road project.

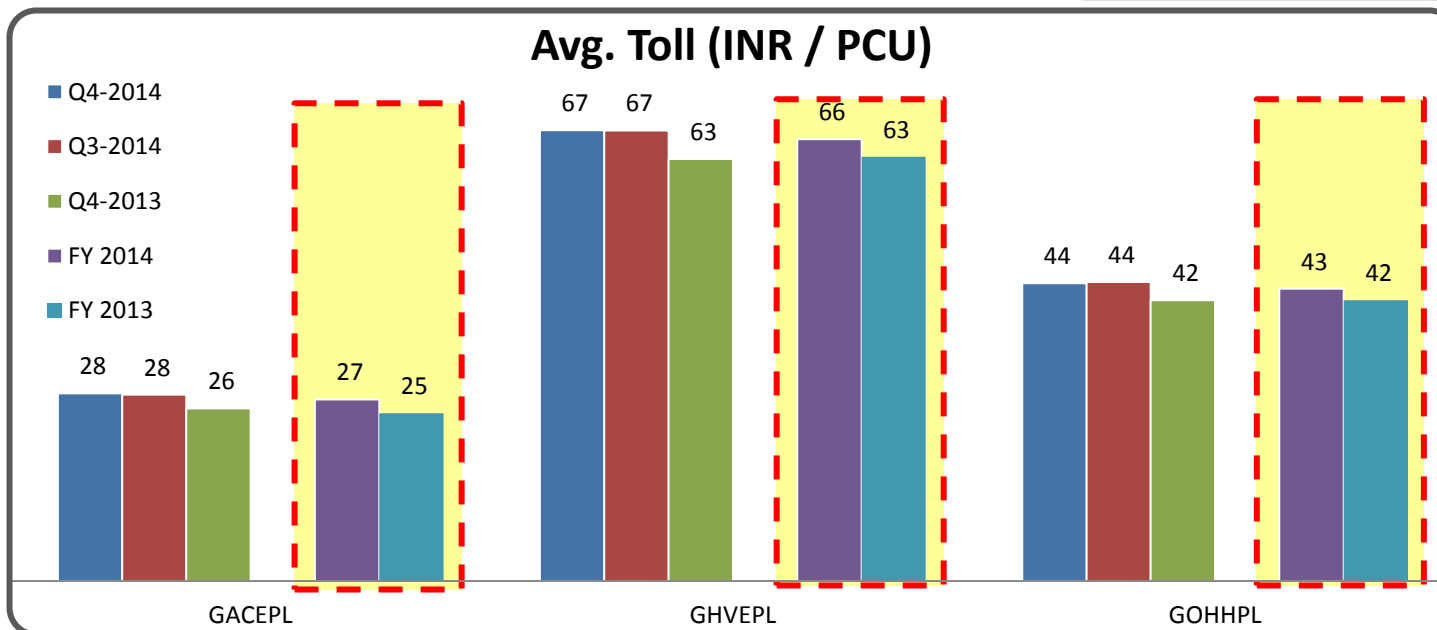
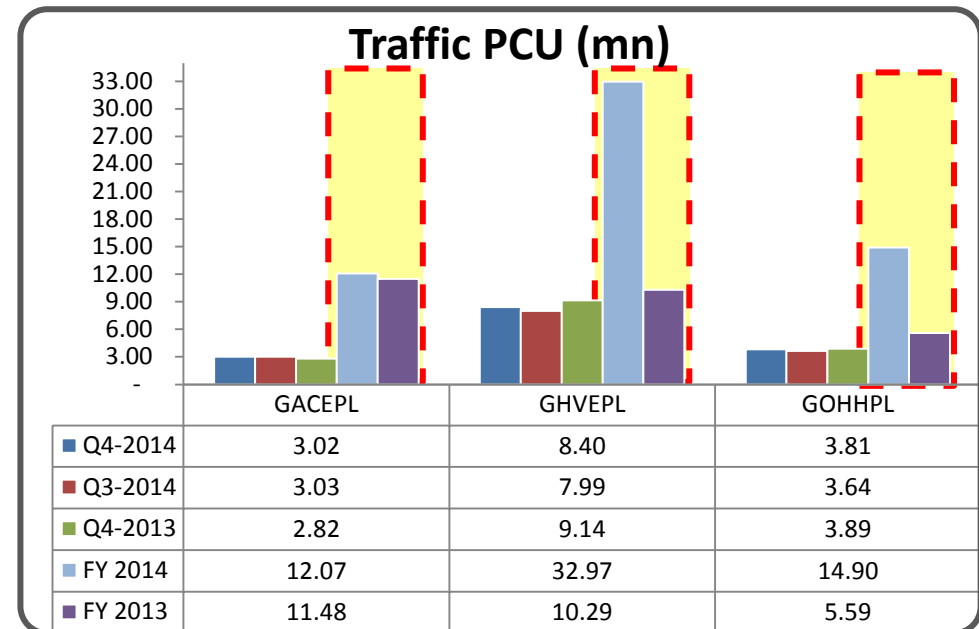
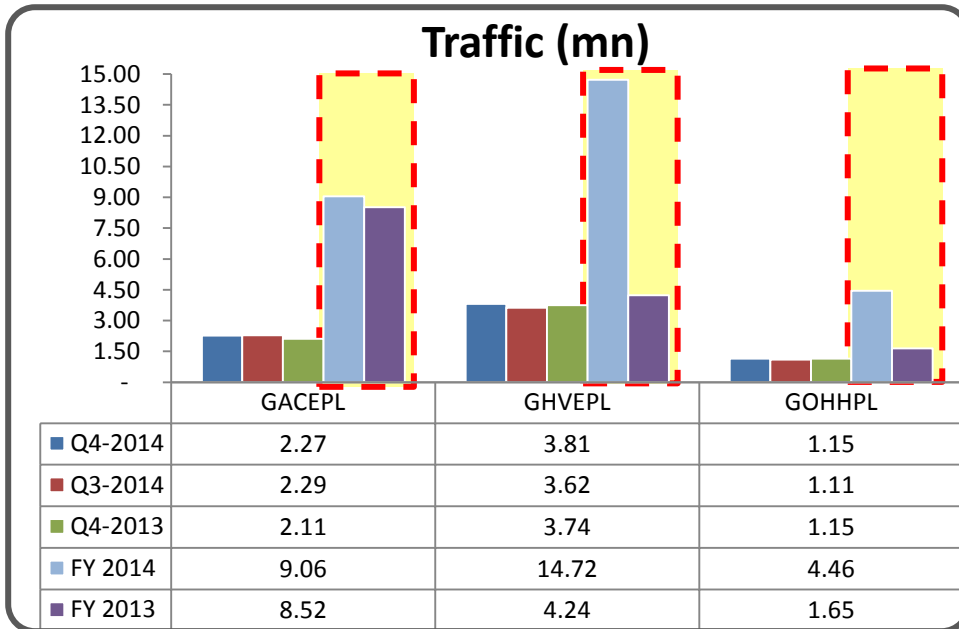
Commercial operation of the balance highway of 15 kms of Hungund – Hospet road project on National Highway 13 has been achieved which marks the commencement of collection of toll at Toll Plaza 3

# Highways Consolidated: Financial Performance



	INR Mn				
	Q4-2014	Q3-2014	Q4-2013	FY 2014	FY 2013
Annuity Revenue	1,553	628	617	3,423	2,485
Toll Revenue	943	1,005	1,204	3,956	2,688
<b>Gross Revenue</b>	<b>2,496</b>	<b>1,633</b>	<b>1,820</b>	<b>7,379</b>	<b>5,174</b>
Less: Revenue Share	189	180	186	721	211
<b>Net Revenue</b>	<b>2,306</b>	<b>1,453</b>	<b>1,635</b>	<b>6,658</b>	<b>4,963</b>
Operating Expenses	496	375	534	1,566	1,074
<b>EBITDA</b>	<b>1,811</b>	<b>1,077</b>	<b>1,100</b>	<b>5,092</b>	<b>3,888</b>
<i>EBITDA margin</i>	<i>79%</i>	<i>74%</i>	<i>67%</i>	<i>76%</i>	<i>78%</i>
Other Income	159	176	91	568	420
*Exceptional Income/(Expense)	146	(0)	-	697	-
Interest & Finance Charges	2,000	1,404	1,420	6,020	3,697
Depreciation	826	361	409	1,908	1,478
<b>PBT</b>	<b>(709)</b>	<b>(512)</b>	<b>(637)</b>	<b>(1,570)</b>	<b>(866)</b>
Current Tax	(17)	10	(21)	102	99
Deferred Tax	(0)	0	(7)	0	3
<b>PAT (Before Minority Interest)</b>	<b>(692)</b>	<b>(522)</b>	<b>(609)</b>	<b>(1,672)</b>	<b>(968)</b>
<b>PAT (After Minority Interest)</b>	<b>(651)</b>	<b>(495)</b>	<b>(561)</b>	<b>(1,572)</b>	<b>(954)</b>

\*Exceptional Income of Rs 697 mn in FY14 pertains to profit from stake sale of 74% in Ulundurpet Road Asset (Rs 146 mn) and 74% stake sale of Jadcherla Road Asset (Rs 551 mn)



GOHHPL: Project commenced operation on 23<sup>rd</sup> Nov 2012 (Q3FY13) hence previous periods figures are not comparable

GHVEPL: Project commenced operation on 20<sup>th</sup> Dec 2012 (Q3FY13) hence previous periods figures are not comparable



## Business Overview



## Group Overview

## AIRPORTS

**~87 mn Passenger Capacity**

2 Domestic Airports in Delhi & Hyderabad

Recently Awarded Mactan – Cebu International Airport



## ENERGY

**~5,454 MW Power Generation Capacity**

2,486 MW Operational / 2,968 MW Under Construction

**350kms Transmission**

**1,609 mn tons Coal Mine Reserves**



## HIGHWAYS

**599km Operational Highway**

284kms Annuity / 315kms Toll



## URBAN INFRASTRUCTURE

**~15,530 acres land**

230 acres Delhi Airport / 1,500 acres Hyderabad Airport

3,300 acres Krishnagiri / 10,500 acres Kakinada



## THE GROUP HOLDING BOARD



**GM Rao**  
Group Chairman



**Srinivas Bommidala**  
Chairman, Airports



**GBS Raju**  
Chairman, Energy



**G Kiran Kumar**  
Corporate Chairman  
& MD, GMR Infra



**B V N Rao**  
Chairman, Urban  
Infra & Highways



**P M Kumar**  
Chairman, Institution  
Building &  
Governance

## INDEPENDENT DIRECTORS ON GIL BOARD

**NC Sarabeswaran**

- Ex- director of RBI and ING Vysya Bank

**Dr Prakash G Apte**

- UTI chair professor at IIM Bangalore
- Has served on expert committees appointed by NSE and SEBI

**R S S L N  
Bhaskarudu**

- Ex- MD of Maruti Udyog Limited
- Served more than two decades at Bharat Heavy Electricals Limited

**S Sandilya**

- Chairman - Eicher Motors
- Board member of Parry's Sugar Industries & Mastek including Mastek UK

**S Rajagopal**

- Ex-Chairman & MD of Bank of India, Indian Bank

**V. Santhanaraman**

- Ex- ED of Bank of Baroda

**C. R. Muralidharan**

- Ex- whole time director of RBI



# Two highlights of our governance are the Family Constitution and outside-in views...



## Family Governance

- A family vision that is in sync with the business vision
- Describes the family governance structure through a family constitution
- Defines rights and responsibilities of family members in business and outside of business
- Codifies agreed ways of decision making within the family

## Group Performance Advisory Council

- An independent panel comprising six eminent industry leaders
- The review is based on a Balanced Score Card (BSC) approach
- Meets every quarter to assess and advise on the group performance, including in-person meetings
- Recommendations are discussed with the Board and suitable actions taken.

**Run the family like business and run the business like family**

**GPAC helps to get an outside-in view of the business & its performance**

# A feature of our governance is the Group Performance Advisory Council, which comprises eminent industry leaders.



**Dr Ram Charan**

A highly acclaimed business advisor, speaker, and author who has coached some of the world's most successful CEOs. For 35 years, he's worked with companies like GE, Bank of America, DuPont, 3M, etc.



**M Damodaran**

Retired IAS, with over 30 years experience in financial services and public sector enterprises. Served leadership positions in organization like Chairman SEBI (equivalent to SGX in S'pore, SEC in US), CMD IDBI Bank, Chairman UTI.



**K R Ramamoorthy**

He has over 4 decades of banking experience and is a consultant for World Bank, IFC, etc. He has served as CEO of Corporation Bank and MD of Vysya Banks



**Arun Thiagarajan**

Previously held leadership positions in Wipro, ABB and HP. Member of several boards including Idea Cellular and ING Vysya Bank



**Pradip P Shah**

Founder / Co-founding member Indocean, CRISIL and HDFC. He has been in advisory roles to USAID, The World Bank and The Asian Development Bank in the past



**Daljit Mirchandani**

Former Chairman Ingersoll Rand. Previously held leadership positions with Kirloskar group. He serves on the advisory and statutory Board of various Companies.



**Dr V Sumantran**

Dr. Sumantran is Executive Vice-Chairman of Hinduja Automotive. From 2001-05, he was chief executive of TATA Motors Car business. Prior to this he had a 16-year career stint with GM in Detroit

**02**

## Process & Governance

- Family Governance guided by Family Constitution
- Management Assurance , Ethics, Governance Council
- Group Performance Advisory Council (GPAC)
- Business Excellence
- Strategy & Risk Management
- Corporate Centre of Excellence for processes – procurement, HR, legal, ...

**03**

## Technology

- Centralized infrastructure and ERP with real-time intelligence
- Business automation with real-time war rooms, toll monitoring, video audits, laser mapping, ...
- Process automation through ERP and an e-enabled shared services organization for back-office transactions



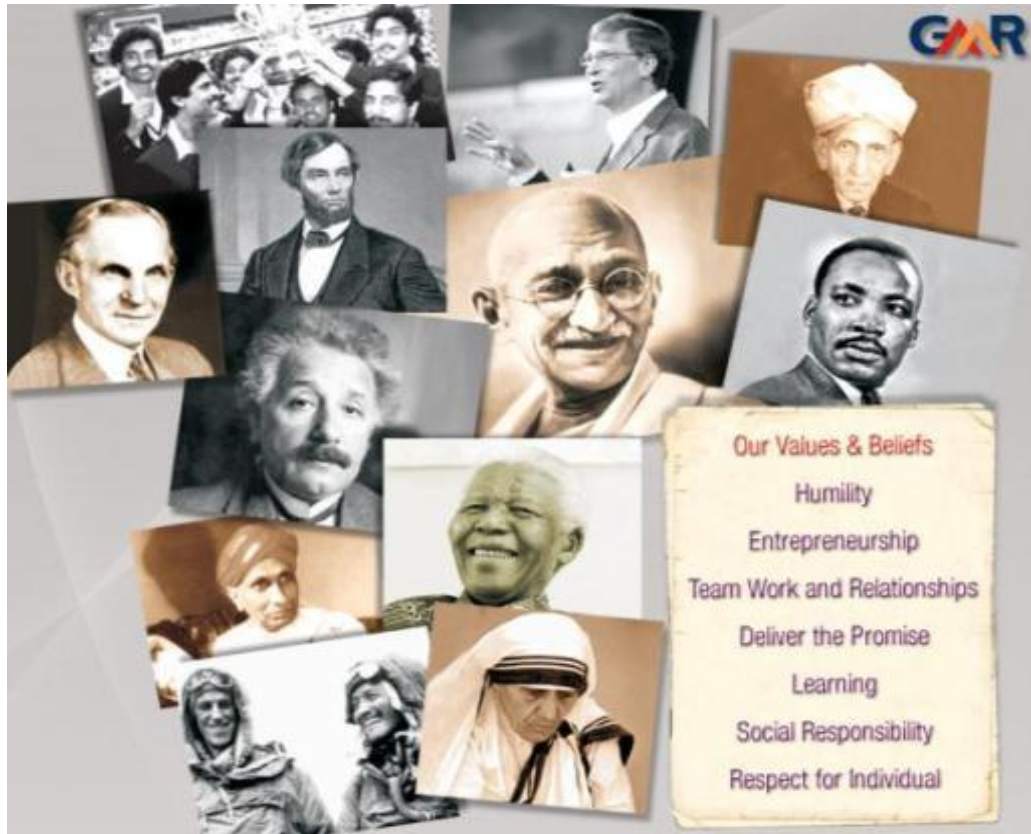
**01**

## People

- Vision, Values & Beliefs
- Leadership Development and talent Management
- Empowered Organization

## Integration of Values & Beliefs into GMR Work

- Mandatory value clarification workshops
- Used as a key criteria during recruitment
- 360 degree feedback on values
- Incorporated in performance appraisal of all employees



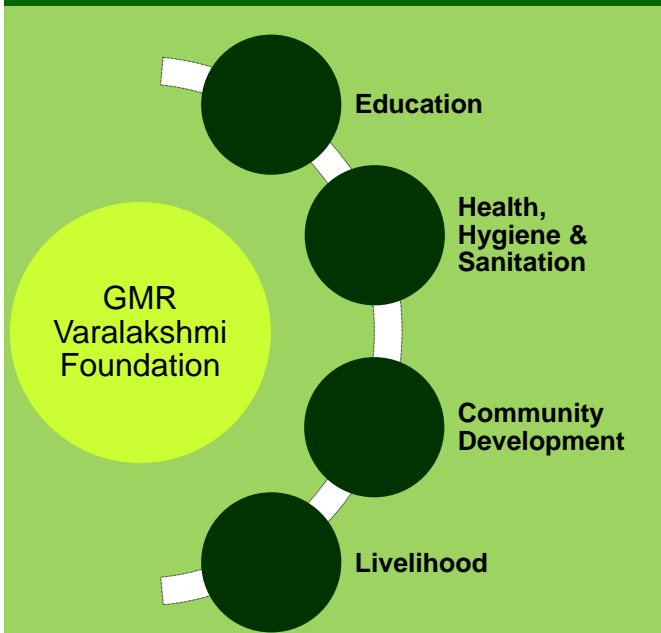
# We are committed to “Giving back to the Community” through GMR Varalakshmi Foundation.



## The GMR VF Mission

*“To make sustainable impact on the human development of under-served communities through initiatives in education, health and livelihoods”*

### Our Four Pronged approach



### Through “Our Projects”

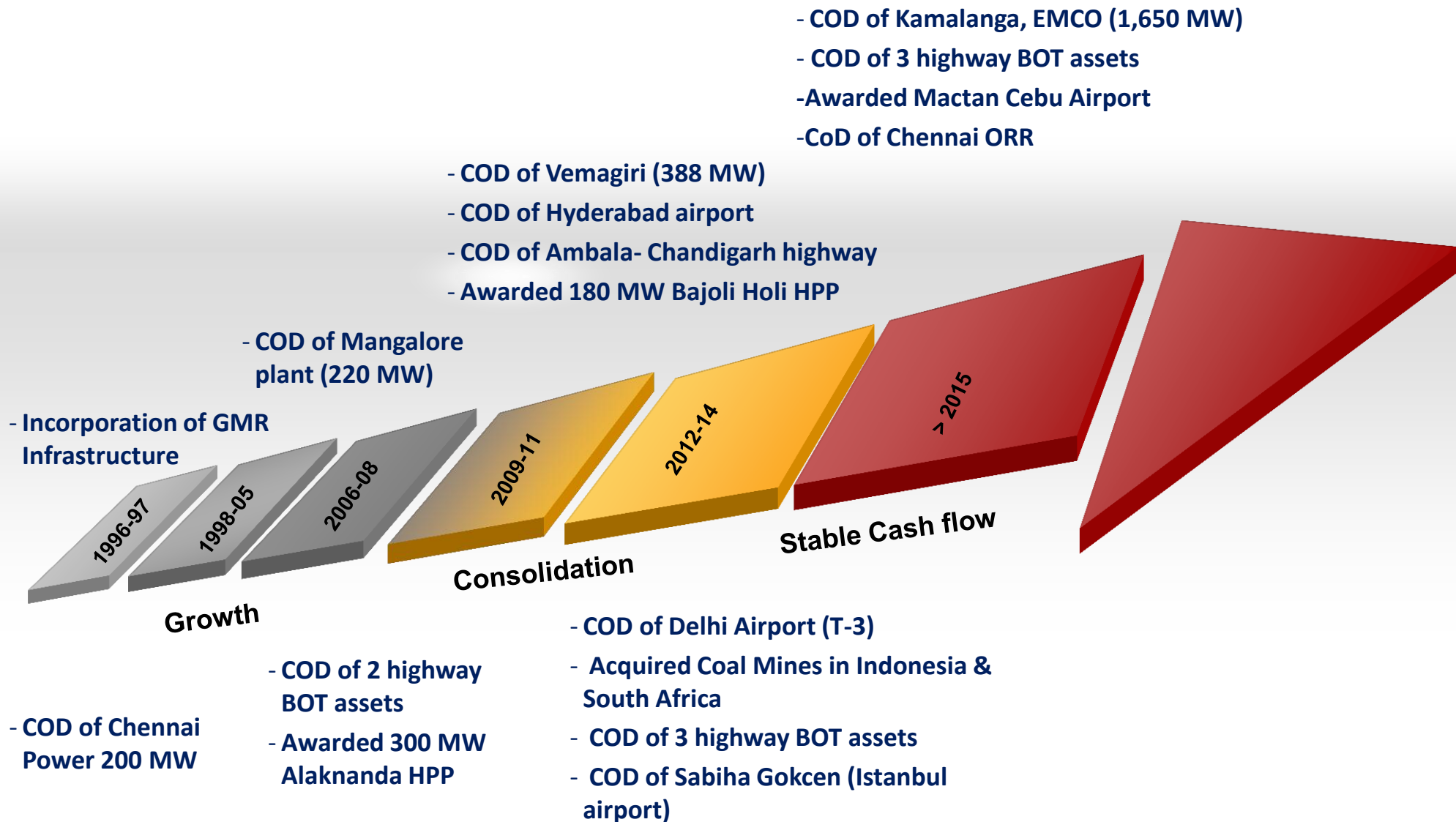
- Our Foundation GMRVF works with communities wherever the Group has business operations
- 22 locations in India & 2 in Nepal

### Through “Personal Philanthropy”

- Family Tradition of “Giving back to society”
- 1991 - Formal foundation activities started from Rajam (A.P) in South India
- Group Chairman (GM Rao) pledges personal contribution to the Foundation corpus
- Family Constitution ensures donation by the family members to the Foundation

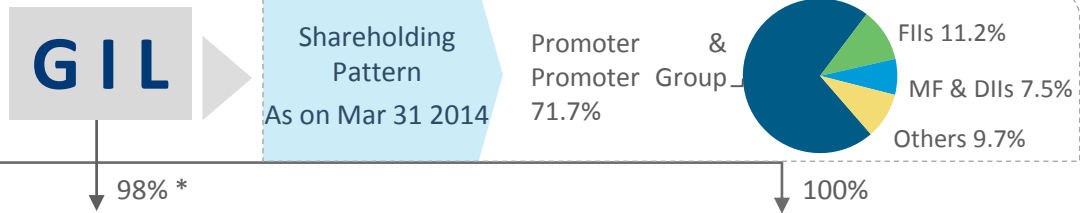






# Corporate Structure

The Group has been conferred with the Most Caring Company Award-2013 at a ceremony in Mumbai



Airports		Energy		Roads	
Operational	Group Stake**	Operational	Group Stake**	Operational	Group Stake**
Delhi International Airport	54%	Barge Plant #		Tuni Anakapalli	100%
GMR Hyderabad International Airport	63%	GMR Power Corporation	51%	Tambaram Tindivanam	100%
		Vemagiri Power Generation	100%	Pochanpalli	100%
Awarded		EMCO Energy	100%	Ambala Chandigarh	100%
Mactan-Cebu International Airport	40%	Renewable Energy cos.	100%	Faruknagar Jadcherla	26%
		GMR Kamalanga	82%	Tindivanam Ulunderpet	26%
		<b>Under-construction</b>		Hungund Hospet	51%
		GMR Rajahmundry Energy	100%	Hyderabad Vijayawada	90%
		GMR Chhattisgarh Energy	100%	Chennai ORR	90%
		Bajoli Holi Hydro Power	100%		
		Badrinath Hydro Power	100%		
		Transmission cos.	100%		

\*Balance with Employee Welfare Trust

# Barge Plant is part of GMR Energy Limited

\*\* Group Stake includes any Direct or Indirect stake by GIL

- ✦ Delhi Airport has been rated “Best Airport in India & Central Asia” in SKYTRAX – 2014 World Airport Awards
- ✦ The CNBC AWAAZ announced " Best Managed Airport " Award for Delhi Airport held at Mumbai on 25th June 2013. The Airport received this award for third time in a row.
- ✦ Delhi Airport has been awarded the ‘Highly Commended’ award in over 20 million passengers category in the Routes Airport Marketing Awards 2013
- ✦ Delhi Airport introduces paperless acceptance of cargo – 1st Indian airport to have got the IATA e-freight program
- ✦ Hyderabad Airport added another feather to its cap by winning the 2013 Air Transport News (ATN) award for Airport of the Year under 10 Million Passengers, at the 2013 ATN Awards Ceremony held at the Hilton Bonaventure in Montreal, Canada.
- ✦ Hyderabad Airport has won the prestigious “Best Management Award” from the Government of Andhra Pradesh at the State May Day Function at Ravindra Bharathi Auditorium, Hyderabad.
- ✦ Hyderabad Airport bagged ASSOCHAM CSR Excellence Award 2013-14 in recognition of the outstanding Corporate Social Responsible activities.
- ✦ GMR Group won the Award for Most Admired Infrastructure Company- Overall at 5th KPMG Infrastructure Today Awards.
- ✦ GMR Varalakshmi Foundation was declared the winner of “The Best CSR Practices Award-2014” for undertaking exemplary livelihood activities among communities dwelling in the neighborhood of the 1,400 MW GKEL Power plant at Kamalanga, Dhenkanal District at Odisha.





## Airports Sector

# Airport Asset Details



GMR is the largest private developer and operator of Airports in India

Project	Delhi International Airport (DIAL) India	Hyderabad International Airport (GHIAL) India
<b>Annual Passenger Capacity</b>	60 mn	12 mn
<b>GMR Stake</b>	54%	63%
<b>Other Stakeholders</b>	Airport Authority of India - 26% Malaysia Airports - 10% Fraport – 10%	Airport Authority of India - 13% Malaysia Airports - 11% Govt. of Andhra Pradesh – 13%
<b>Project cost</b>	Rs. 128 bn for Phase I (\$ 2,143 mn)	Rs. 29 bn for Phase I (\$ 487 mn)
<b>Traffic in FY 2014</b>	36.88 mn Pax; 313,962 ATMs	8.73 mn Pax; 88,131 ATMs
<b>Concession Terms</b>	<ul style="list-style-type: none"> <li>▪ 30 + 30 years concession</li> <li>▪ 46% Revenue share</li> <li>▪ 230 acres Real Estate parcel</li> </ul>	<ul style="list-style-type: none"> <li>▪ 30 + 30 years concession</li> <li>▪ 4% revenue share</li> <li>▪ 1,000 acres Real Estate parcel</li> <li>▪ 250 + 250 acres SEZ</li> </ul>

# Exchange Rate : 1USD = INR 60.00

# GMR Megawide Cebu Airport Corporation (Mactan - Cebu International Airport)



## Consortium Partners



**Megawide Construction 60%**



**GMR Infrastructure 40%**

## Architectural concept design which will be refined during Detailed Design



## Airport Capacity

	Current	Phase I Planned
PAX Capacity	5 mn	15 mn
PTB area (sq m)	~ 39,000	~ 87,000

## Scope of Work

- Construction of a new passenger Terminal
- Renovation of the existing passenger terminal
- Operation and maintenance of the airport (except the runway and cargo facilities)

## Concession Overview

Concession Date	22 <sup>nd</sup> April 2014
Concession Period	25 years (from the O&M start date)
Upfront fees	USD 326 mn + Vat

## Financing Plan

- Total Est. Project Cost USD 700 mn
  - Upfront Fee USD 326 mn excluding VAT + Construction Capex USD 325 mn
  - Debt : Equity - 70:30

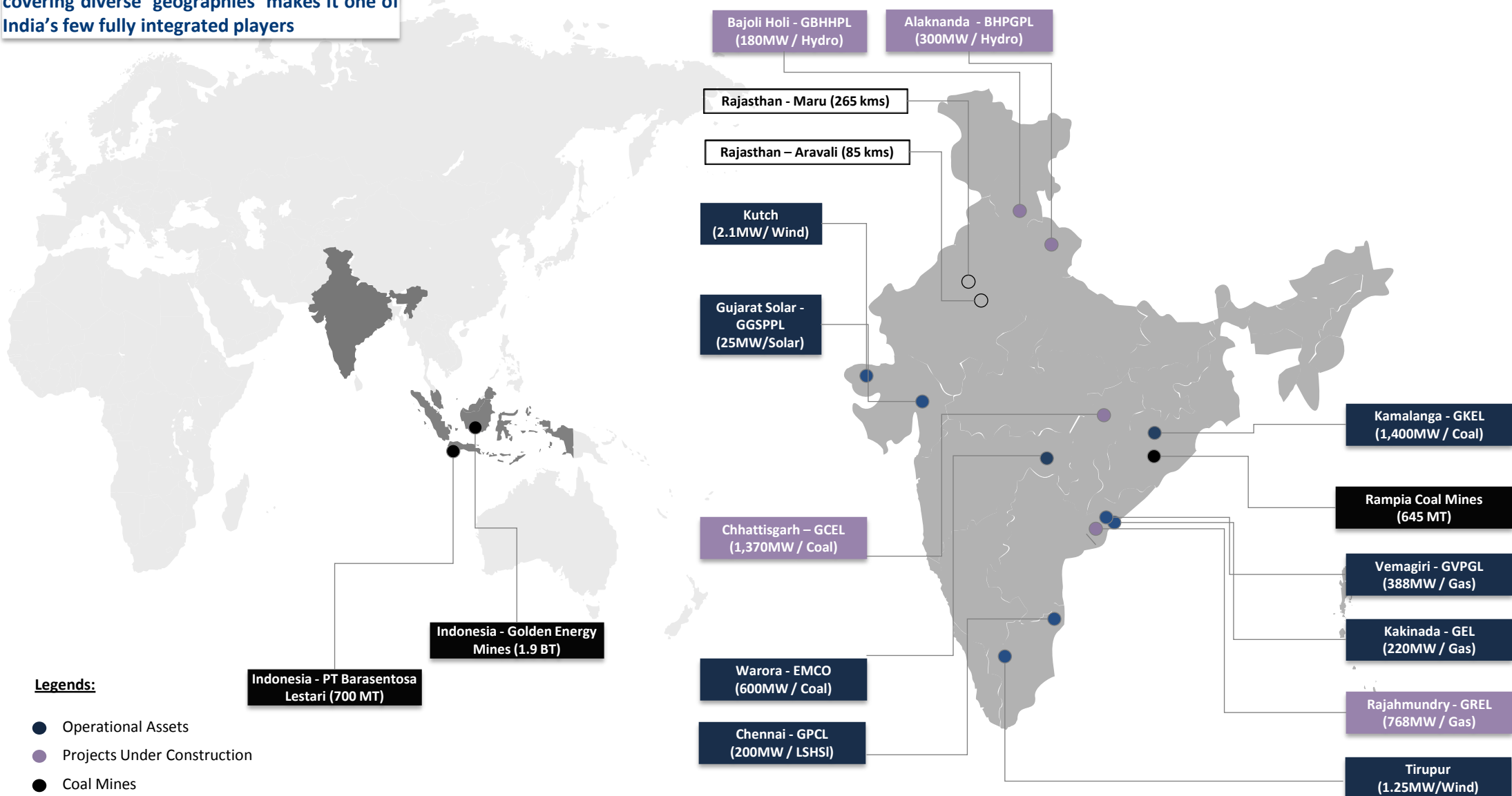


## Energy Sector

# Energy Assets

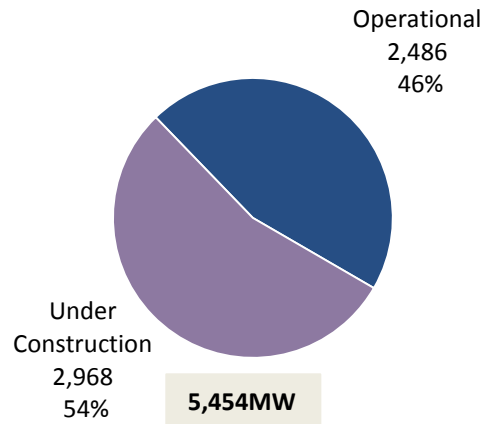
2,486MW in operation and 2,968MW under construction

Presence across the entire value chain covering diverse geographies makes it one of India's few fully integrated players

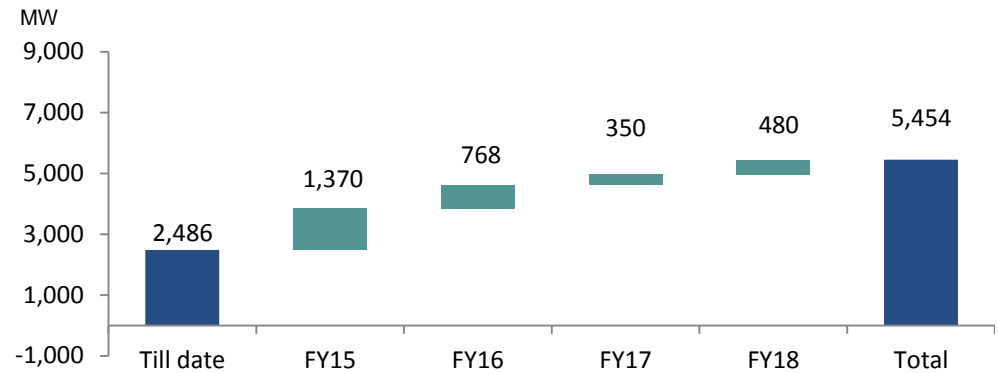


- Legends:**
- Operational Assets
  - Projects Under Construction
  - Coal Mines
  - Transmission Projects

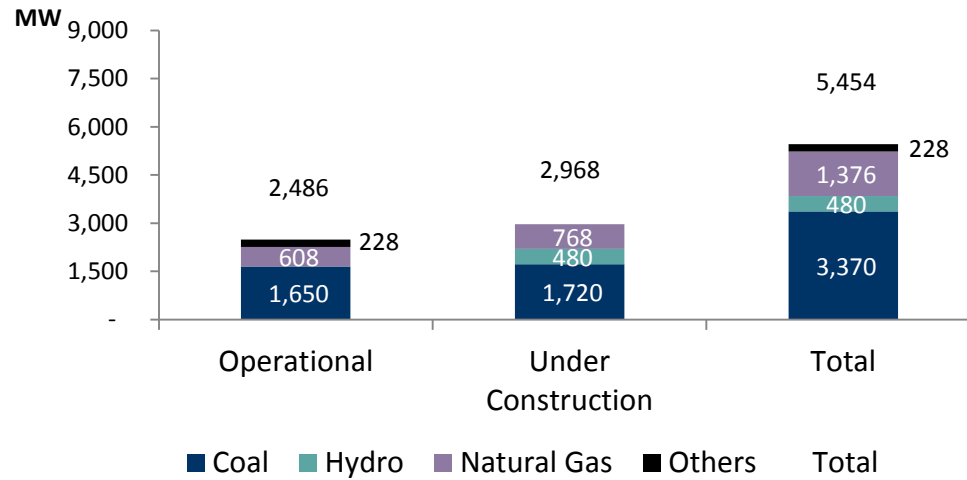
## Capacity by stage



## Capacity build-up



## Fuel type split<sup>1</sup>



Note:

1. Others includes LSHS (200MW), solar (25MW) and wind energy (3.35MW) for the operational projects.

# 2,486 MW of Operational Power Generation Capacity



Project	GPCL (Chennai)	GEL (Kakinada)	GVPGL (Vemagiri)	GG SPL (Gujarat Solar, Patan)	EMCO (Warora)	GKEL-Phase I (Kamalanga)	Kutch* (Gujarat)	Tirupur * (Tamil Nadu)
<b>Capacity</b>	200 MW	220 MW	388 MW	25 MW	600 MW	1,050 MW	2.1 MW	1.25 MW
<b>GMR Stake</b>	51%	100%	100%	100%	100%	82%	100%	100%
<b>Fuel Type</b>	LSHS <sup>1</sup>	Natural Gas	Natural Gas	Solar	Coal	Coal	Wind	Wind
<b>Project cost</b>	Rs 8,250 mn (\$ 138 mn)	Rs 6,030 mn (\$ 101 mn)	Rs 11,530 mn (\$ 192 mn)	Rs 3,660 mn (\$ 61 mn)	Rs 39,480 mn (\$ 658 mn)	Rs 65,190 mn (\$ 1,086 mn)	Rs 122 mn (\$ 2 mn)	Rs 66 mn (\$ 1 mn)
<b>Commencement of Generation</b>	February-1999	July 2010 (Post Conversation)	April-2009	December-2011	Unit I of 300MW: Mar 2013 Unit II of 300MW: Sep 2013	Unit I 350MW: Apr 2013 Unit II 350MW: Nov 2013 Unit III 350MW: Mar 2014	July-2011	December-2011
<b>Power Off-take</b>	<ul style="list-style-type: none"> <li>100% Regulated Tariff</li> <li>PPA Extended for 1 year till FY15</li> </ul>	<ul style="list-style-type: none"> <li>100% Merchant Tariff</li> </ul>	<ul style="list-style-type: none"> <li>100% Regulated Tariff</li> <li>23 yrs PPA</li> </ul>	<ul style="list-style-type: none"> <li>PPA with GUVNL<sup>2</sup> @ Rs.15/kWh for 12 years and @ Rs. 5/kWh for remaining period</li> </ul>	<ul style="list-style-type: none"> <li>200 MW to MSEDCL (Maharashtra) - Case 1 bid</li> <li>200 MW to Dadra and Nagar Haveli - Case1 Bid</li> <li>150 MW to TNEB – Case1 Bid</li> </ul>	<ul style="list-style-type: none"> <li>300 MW to HPGPL (Haryana) - Case 1 bid</li> <li>260 MW to BSEB (Bihar) - Case 1 bid</li> <li>25% of the generation to Orissa GRIDCO – Regulated</li> </ul>	<ul style="list-style-type: none"> <li>Sale to GUVNL under REC scheme of GERC</li> </ul>	<ul style="list-style-type: none"> <li>PPA with TANGEDCO<sup>3</sup></li> </ul>
<b>Additional Information</b>		<ul style="list-style-type: none"> <li>Relocated the Barge to Kakinada in Apr 2010</li> <li>Converted into Gas-fired Plant</li> <li>Gas allocation received from KG Basin</li> </ul>	<ul style="list-style-type: none"> <li>Gas allocation received from KG Basin</li> </ul>		<ul style="list-style-type: none"> <li>Firm Linkage of coal from Coal India</li> </ul>	<ul style="list-style-type: none"> <li>Firm linkage for 500 MW &amp; tapering linkage for 550 MW of coal from Coal India</li> </ul>		

1: Low Sulphur Heavy Stock; 2. GUVNL: Gujarat Urja Vikas Nigam Limited; 3: TANGEDCO: Tamilnadu Generation and Distribution Corporation Ltd.

\*Under GMR Renewable Energy

# Exchange Rates : 1USD = INR 60.00

# 2,968 MW of Power Projects under Construction



Project	GREL (Rajahmundry, Andhra Pradesh)	GCEL (Raipur, Chhattisgarh)	GKEL-Phase II Unit IV (Kamalanga, Odissa)	GBHHPL (Bajoli Holi, Himachal Pradesh)	BHPGPL (Badrinath, Himachal Pradesh)
<b>Capacity</b>	768 MW	1,370 MW	350 MW	180 MW	300 MW
<b>GMR Stake</b>	100%	100%	82%	100%	100%
<b>Fuel Type</b>	Natural gas	Coal	Coal	Hydro	Hydro
<b>Project completion %</b>	-	89%	-	1%	-
<b>Expected CoD</b>	Based on Gas availability	Unit I & Unit II: FY 2015	FY 2017	FY 2017	FY2018
<b>Power Off-take arrangement</b>	-	<ul style="list-style-type: none"> <li>35% of the generation to CSPTRADCO (Chhattisgarh)- Regulated</li> </ul>	<ul style="list-style-type: none"> <li>25% of the generation to Orissa GRIDCO - Regulated</li> </ul>	-	-
<b>Additional information</b>	<ul style="list-style-type: none"> <li>High on the gas allocation list from KG Basin</li> </ul>	-	-	<ul style="list-style-type: none"> <li>Concession period of 40 years from CoD</li> <li>Rs. 820 mn premium paid to the Govt</li> <li>Royalty power for: Year 1-12: 12%; Year 13-30: 18%; Year &gt; 30: 30%</li> </ul>	<ul style="list-style-type: none"> <li>45 years from Implementation Agreement</li> <li>13% free power to State</li> </ul>
<b>Milestone Achieved</b>	-	<ul style="list-style-type: none"> <li>Land Acquired</li> <li>MOEF Clearance Obtained</li> <li>Water Allocated</li> </ul>	-	<ul style="list-style-type: none"> <li>Achieved Financial Closure</li> <li>DPR approved by CEA</li> <li>Environmental Clearance obtained; Stage I - Forest Clearance obtained; Stage II – Clearance obtained</li> <li>CDM: PDD under preparation</li> </ul>	<ul style="list-style-type: none"> <li>DPR approved by CEA</li> <li>Environmental &amp; Forest Clearance obtained</li> <li>Land acquisition in process</li> <li>CDM: Under validation</li> </ul>



## PT Barasentosa Lestari (Indonesia)

- Acquired PT Barasentosa Lestari in Sep 08 having coal mine in South Sumatra Province
- **700 mn tons coal resources in ~25,000 hectares**
  - Out of which **Coal reserves of 104 mn tons** identified in 5,500 Hectares
- Coal production
  - Gradual increase in production expected from 1 mtpa to 5 mtpa over 3 years
- Plan to export coal
  - Less than 10kms by road to barge loading facility
  - 300kms by barge to trans-shipment point

## PT GEMs (Indonesia)

- Acquired 30% stake in in PT Golden Energy Mines Tbk (“GEMS”), a Sinar Mas Group company in Indonesia
- GMR has effective management and board participation
- **Coal reserves: 860 mn tons**
- **Coal resources: 1.9 bn tons**
- GMR would get coal for a period of 25 years with annual quantity gradually increasing from 1 mtpa in the 1st year to 10 mtpa in the 7th year

Project	MTSCL (Maru,Rajasthan)	ATSCL (Aravali,Rajasthan)
<b>GMR Stake</b>	100%	100%
<b>Length</b>	265 kms	85 kms
<b>Project Completion %</b>	99%	95%
<b>Expected CoD</b>	Partially Operational/ FY2015	FY2015
<b>Configuration</b>	<ul style="list-style-type: none"> <li>▪ Two 400 KV S/C and one 220 KV D/C transmission lines</li> <li>▪ 1 sub-station</li> </ul>	<ul style="list-style-type: none"> <li>▪ One 400 KV S/C transmission lines</li> <li>▪ 1 sub-station</li> </ul>
<b>Milestones Achieved</b>	<ul style="list-style-type: none"> <li>▪ Possession of land (61 acres) completed</li> <li>▪ Transmission Service Agreement completed</li> <li>▪ Received Transmission License</li> </ul>	<ul style="list-style-type: none"> <li>▪ Possession of land (46 acres) completed</li> <li>▪ Transmission Service Agreement completed</li> </ul>

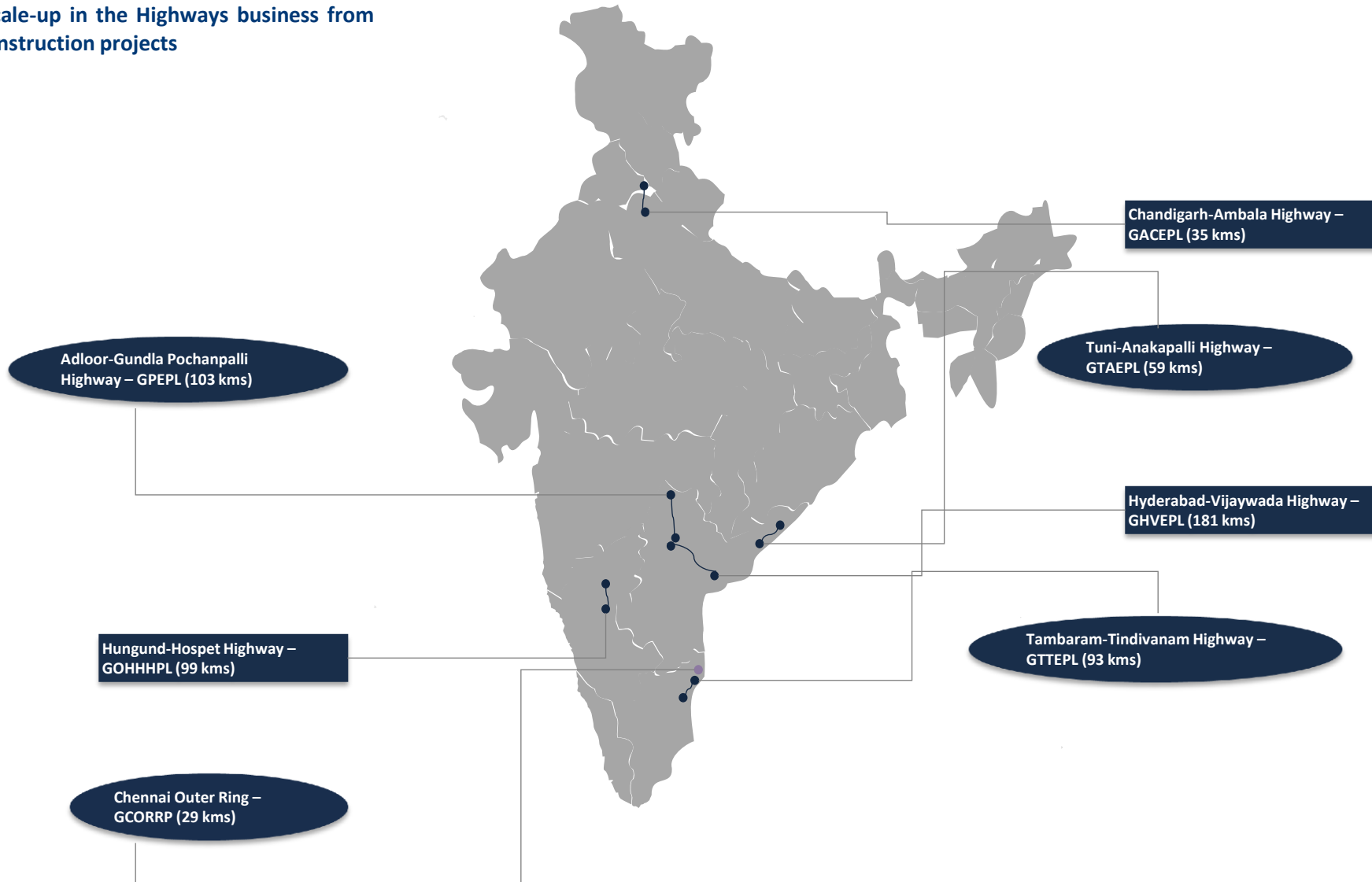


## Highways Sector

# Highways Assets

599 kms in Operation  
284 kms Annuity based and 315 kms Toll based

Significant scale-up in the Highways business from the under-construction projects



## Legends:

- Operational Assets
- Annuity based
- Toll based

# Highways Projects (599 kms)



Project	GTAEPL Tuni – Anakapalli	GTTEPL Tambaram – Tindivanam	GPEPL Pochanpalli	GCORRPL Chennai Outer Ring Road	GACEPL Ambala – Chandigarh	GHVEPL Hyderabad – Vijaywada	GOHHHPL Hungund – Hospet
<b>GMR Stake</b>	100%	100%	100%	90%	100%	90%	51%
<b>Road Length</b>	59 kms	93 kms	103 kms	29 kms	35 kms	181 kms	99 kms
<b>Road Length (Lane kms)</b>	236 kms	372 kms	412 kms	116 kms	140 kms	724 kms	396 kms
<b>Project Cost</b>	Rs. 2,950 mn (\$ 49 mn)	Rs. 3,620 mn (\$ 60 mn)	Rs. 7,043 mn (\$ 117 mn)	Rs. 12,060 mn (\$ 201 mn)	Rs. 4,993 mn (\$ 83 mn)	Rs. 22,686 mn (\$ 378 mn)	Rs. 16,509 mn (\$ 275 mn)
<b>Scope of Work</b>	<ul style="list-style-type: none"> <li>2 to 4 laning of existing stretch on NH45</li> <li>DCDFOM<sup>1</sup> of the existing road</li> </ul>	<ul style="list-style-type: none"> <li>2 to 4 laning of existing Adloor – Gundla stretch of NH7</li> <li>Maintenance and strengthening of the existing road</li> </ul>	<ul style="list-style-type: none"> <li>2 to 4 laning of stretch on NH7</li> <li>Maintenance and strengthening of the existing road</li> </ul>	<ul style="list-style-type: none"> <li>DCDFOM of the six lane and two service lanes from the Vandalur to Nemilicheri section in the state of Tamilnadu</li> </ul>	<ul style="list-style-type: none"> <li>2 to 4 laning of stretch on NH21 &amp; NH22</li> <li>Maintenance and strengthening of the existing road</li> </ul>	<ul style="list-style-type: none"> <li>Designing, engineering, financing, procuring, constructing, operating and maintaining of existing 2 lane to the four/six lane of the stretch on NH9</li> </ul>	<ul style="list-style-type: none"> <li>DCDFOM<sup>1</sup> of existing 2 lane to 4 lane of the stretch on NH 13 Presently, 2 out of 3 toll plazas are operational</li> </ul>
<b>CoD</b>	Dec-04	Oct-04	Mar-09	Jun-13	Nov-08	Dec-12	Nov-12/ Toll 3 – May-14
<b>Concession Period</b>	17.5 years from May 2002	17.5 years from May 2002	20 years from September 2006	20 years from June 2010	20 years from May 2006	25 years from April 2010	19 years from September 2010

1 Designing, Constructing, Developing, Financing, Operating and Maintaining

# Exchange Rate : 1USD = INR 60.00



Thank You

For further information, please visit

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