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February 12, 2021

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001	National Stock Exchange of India Limited Exchange Plaza Plot no. C/1, G Block Bandra-Kurla Complex Bandra (E) Mumbai - 400 051

Dear Sir/ Madam,

Sub: Intimation under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 – Outcome of Board Meeting – February 12, 2021

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the Board of Directors of the Company at its meeting held on February 12, 2021 (concluded at 04.30 p.m.) approved the Un-audited Financial Results (Standalone and Consolidated) for the quarter / nine months ended December 31, 2020.

In this connection, please find attached Un-audited Financial Results (Standalone and Consolidated) along with the Limited Review Report for the quarter / nine months ended December 31, 2020.

This is for your information and record.

Thanking you

Yours faithfully

for GMR Infrastructure Limited

GMR INFRASTRUCTURE LIMITED

T. Venkat Ramana
Company Secretary &
Compliance Officer

Encl: As above

Walker Chandiok & Co LLP
21st Floor, DLF Square
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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of GMR Infrastructure Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of GMR Infrastructure Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of GMR Infrastructure Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures (refer Annexure 1 for the list of subsidiaries, associates and joint ventures included in the Statement) for the quarter ended 31 December 2020, and the consolidated year to date results for the period 01 April 2020 to 31 December 2020, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. As stated in note 4(a) to the accompanying Statement, the Group has an investment amounting to Rs. 1,686.05 crore in GMR Energy Limited ('GEL'), a joint venture company and outstanding loan amounting to Rs. 429.96 crore (including accrued interest), recoverable (net of impairment) from GEL and its

CHANDIOK & CO LLP * WALKER * CHARTERED ACCOUNTANTS * subsidiaries and joint ventures as at 31 December 2020. Further, the Holding Company has an investment in GMR Generation Assets Limited ('GGAL'), a subsidiary of the Holding Company. GEL has further invested in GMR Vemagiri Power Generation Limited ('GVPGL'), and GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL'), both subsidiaries of GEL and in GMR Kamalanga Energy Limited ('GKEL'), joint venture of GEL. GGAL has further invested in GMR Rajahmundry Energy Limited ('GREL'), an associate company of GGAL.

As mentioned in note 4(e), GVPGL and GREL have ceased operations due to continued unavailability of adequate supply of natural gas and other factors mentioned in the said note, and have been incurring significant losses, including cash losses with consequential erosion of their respective net worth. Further, GREL had entered into a resolution plan with its lenders to restructure its debt obligations during the year ended 31 March 2019. The Holding Company has given certain corporate guarantees for the loans including Cumulative Redeemable Preference Shares ('CRPS') outstanding in GREL amounting to Rs. 2,060.13 crores.

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

As mentioned in note 4(d), the management has accounted the investment in GKEL based on the valuation performed by an external expert using the discounted future cash flows method which is significantly dependent on the achievement of certain assumptions considered in aforementioned valuation such as settlement of disputes with customers and timely realization of receivables, expansion and optimal utilization of existing capacity, rescheduling/refinancing of existing loans at lower rates amongst other key assumptions and the uncertainty and the final outcome of the litigations with the capital creditors as regards claims against GKEL.

Further, as mentioned in note 4(f), GBHPL has stopped the construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand, since 7 May 2014 on the directions of the Hon'ble Supreme Court of India ('the Supreme Court'). The carrying value of the investments in GBHPL is significantly dependent on obtaining requisite approvals from Supreme court, environmental clearances, availability of funding support for development and construction of the aforesaid power plant and achievement of the other key assumptions made in the valuation assessment done by an external expert.

Accordingly, owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the loans, non-current investment, and further provisions, if any, required to be made for the said obligations, and the consequential impact on the Statement for the quarter and nine month period ended 31 December 2020.

The opinion expressed by us on the consolidated financial statements for the year ended 31 March 2020 vide our report dated 30 July 2020 and the conclusion expressed by us for the quarter and year to date ended 30 September 2020 vide our review report dated 10 November 2020 was also qualified in respect of the above matters and the conclusion expressed by us for the quarter and year to date ended 31 December 2019 vide our review report dated 13 February 2020 was also qualified with respect to the matters pertaining to GVPGL, GREL and GKEL.

The above matter pertaining to investment in GVGPL has been reported as a qualification in the review report dated 27 January 2021 issued by another firm of chartered accountants on the standalone financial results of GVGPL. The matters described above for GREL and GBHPL have been covered as an emphasis of matter in the review report dated 21 January 2021 and 19 January 2021 issued by

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another firm of chartered accountants on the standalone financial results of GREL and GBHPL respectively. Further, considering the erosion of net worth and net liability position of GKEL, GVPGL and GREL, we, in the capacity of auditors of GKEL and the respective auditors of GVPGL and GREL have also given a separate section on material uncertainty related to going concern in the review reports on the respective standalone financial results of aforesaid companies for the quarter and period ended 31 December 2020.

5. As detailed in note 14(a) and 14(b) to the accompanying Statement, Delhi International Airport Limited ('DIAL'), a subsidiary of the Holding Company, has not recognized lease income amounting to Rs. 179.11 crores and Rs. 442.46 crores arising from rental agreements entered with certain commercial property developers for the quarter and period ended 31 December 2020 respectively, which constitutes a departure from the requirements of the relevant Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('Act') resulting in an understatement of other income by Rs. 179.11 crores and Rs. 442.46 crores, MAF payable to AAI by Rs. 82.37 crores and Rs. 203.49 crores and profit before tax by Rs. 96.74 crores and Rs. 238.97 crores, respectively for the quarter and period ended 31 December 2020, with a corresponding impact on the accompanying Statement as described in note 14(a) and 14(b).

   Further, as detailed in note 14(b) to the accompanying Statement, DIAL has recognized lease income amounting to Rs. 46.93 crores from commercial property developers relating to the period ended 30 September 2020 in the current quarter instead of restating the previous quarter in accordance with relevant Indian Accounting Standards prescribed under section 133 of the Act. Accordingly, the restatement in the previous quarter ended 30 September 2020 with respect to the aforesaid transaction would have resulted in the increase of 'Profit before tax' by Rs. 25.35 crores, 'other operating income' by Rs. 46.93 crores and consequential impact on expenses.

   The conclusion expressed by us for the quarter and year to date ended 30 September 2020 vide our report dated 10 November 2020 was also qualified in respect of the above matter.

   The above matter has also been reported as a qualification in the review report dated 27 January 2021 issued by us along with other joint auditor on the standalone financial results for the quarter and period ended 31 December 2020 of DIAL.

6. As detailed in note 2 to the accompanying Statement, the Group had acquired the Class A Compulsory Convertible Preference Shares ('CCPS') of GMR Airport Limited ('GAL'), a subsidiary of the Holding Company, for an additional consideration of Rs. 3,560.00 crores from Private Equity Investors as per the settlement agreement entered during the year ended 31 March 2019. The said CCPS were converted into equity shares of an equivalent amount as per the investor agreements. The aforesaid additional settlement consideration of Rs. 3,560.00 crores paid to Private Equity Investors had been considered as recoverable and recognised as Other financial assets at the end of the previous period ended 31 December 2019, based on proposed sale of such equity shares to the proposed investors, as detailed in note 2 to the accompanying Statement. The sale of such equity shares had been completed in the quarter ended 31 March 2020 and consequently the management had recorded the aforesaid transaction in the quarter ended 31 March 2020 instead of restating the balances as at 31 March 2019 in accordance with the requirements of relevant accounting standards. Had the management accounted for the aforesaid transaction in the correct period, the segment assets of the Airport sector and the total assets would have been lower by Rs. 3,560.00 crore as at 31 December 2019.

   The opinion expressed by us on the consolidated financial statements for the year ended 31 March 2020 vide our report dated 30 July 2020 and the conclusion expressed by us for the quarter and period ended 31 December 2019 and 30 September 2020 vide our reports dated 13 February 2020 and 10 November 2020, respectively was also qualified in respect of this matter.

7. As detailed in note 11 to the accompanying Statement, with respect to the matters relating to refund claim of service tax and cess thereon which are disputed and are pending adjudication at various levels

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with respect to Delhi Duty Free Services Private Limited ('DDFS'), a joint venture of the Group for an aggregate claim of Rs. 194.91 crores for the period April 2010 to December 2016. As stated in the note, based on the legal advice, management of DDFS is confident of receiving the aforesaid refunds and has recognized the same as income and along with a corresponding recoverable during the current period ended 31 December 2020. In view of the inherent uncertainty in predicting the final outcome of the above litigation involving the refunds, which is sub-judice, we are unable to comment on appropriateness of recognition of such refunds as income during the current period.

The conclusion expressed by us for the quarter and year to date ended 30 September 2020 vide our report dated 10 November 2020 was also qualified in respect of this matter.

The above matter has also been reported as a qualification in the review report dated 25 January 2021 issued by other firm of chartered accountants on the standalone financial results of DDFS for the quarter and period ended 31 December 2020.

8. As detailed in note 10 to the accompanying Statement, the Holding Company, along with Kakinada SEZ Limited ('KSL'), GMR SEZ and Port Holdings Limited ('GSPHL'), Kakinada Gateway Port Limited ('KGPL') has entered into a securities sale and purchase agreement with Aurobindo Reality and Infrastructure Private Limited, ('Aurobindo') for the sale of entire 51% stake in KSL held by GSPHL (Securities sale and purchase agreement hereinafter referred as 'SSPA') and accordingly the assets and liabilities pertaining to KSL and KGPL amounting Rs. 2,938.48 crores and Rs. 780.43 crores respectively are classified as disposal group. The consideration as specified in aforesaid SSPA includes contingent consideration of Rs. 1,010.00 crores based on certain agreed upon milestones as detailed in the aforementioned note, the achievement of which is significantly dependent on future development in Kakinada SEZ. The fair value of consideration (net of repayment of external borrowings) for the aforementioned assets (net of liabilities) amount to Rs. 1,974.97 crores and the resulting impact on the carrying value of net assets has not been recognized in the accompanying Statement, which is in our opinion, not in accordance with the requirements of Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'.

   The conclusion expressed by us for the quarter and year to date ended 30 September 2020 vide our report dated 10 November 2020 was also qualified in respect of this matter.

   The above matter has also been reported as a qualification in the review report dated 18 January 2021 issued by other firm of chartered accountants on the standalone financial results of GSPHL for the quarter and period ended 31 December 2020.

9. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 12 below, except for the effects/possible effects of the matters described in previous section, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

10. We draw attention to:

    a. Note 18 of the accompanying Statement, which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the consolidated financial results of the Group as at the reporting date. Our conclusion is not modified in respect of this matter.

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b. Note 4(b) and 4(c) to the accompanying Statement which is in addition to the matters described in paragraph 4 above, regarding the investment made by the Group in GEL amounting to Rs. 1,686.05 crores as at 31 December 2020. The recoverability of such investment is further dependent upon various claims, counter claims and other receivables from customers of GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, which are pending settlement / realization as on 31 December 2020, and certain other key assumptions as considered in the valuation performed by an external expert, including capacity utilization of plant in future years and renewal of Power Purchase Agreement with one of its customers which has expired in June 2020.

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

The management of the Holding Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment of the Group in GEL, taking into account the matters described above in relation to the investments made by GEL in its aforementioned subsidiaries, is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying Statement for the quarter and period ended 31 December 2020. Our conclusion is not modified in respect of this matter.

The above matters with respect to GWEL are also reported as emphasis of matter in the review report dated 19 January 2021 issued by other firm of chartered accountants on the standalone financial results of GWEL for the quarter and period ended 31 December 2020. Further, a separate section on material uncertainty of going concern has also been reported in the review report issued by another firm of chartered accountants on the standalone financial results of GWEL and in the review report issued by us on the standalone financial results GEL vide our report dated 2 February 2021, for the quarter and period ended 31 December 2020.

c. Note 7 to the accompanying Statement relating to certain claims and counter claims filed by GMR Power Corporation Limited ('GPCL'), (an erstwhile step down subsidiary of the Holding Company, now merged with GMR Generation Assets Limited ('GGAL'), a subsidiary of the Holding Company vide National Company Law Tribunal ('NCLT') order dated 13 March 2020, and Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) which are pending before the Tamil Nadu Electricity Regulatory Commission as directed by the Honorable Supreme Court of India. Based on its internal assessment and legal opinion, pending final outcome of the litigation, the management is of the view that no adjustments are required to be made to the accompanying Statement for the aforesaid matter. Our conclusion is not modified in respect of this matter.

The above matter is also reported as an emphasis of matter in the review report dated 20 January 2021 issued by another firm of chartered accountants on the standalone financial results of GGAL for the quarter and period ended 31 December 2020. Further, considering the erosion of net worth and net liability position of GGAL, the auditor has also given a separate section on the material uncertainty relating to going concern in their review report.

d. Note 8 and 9 to the accompanying Statement which relates to the ongoing arbitrations with National Highways Authority of India (NHAI) for compensation of losses being incurred by GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') and GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL'), step-down subsidiaries of the Holding Company, since the commencement of commercial operations. Pending outcome of the aforementioned arbitration proceedings, GHVEPL has not paid to NHAI an amount of Rs. 741.11 crore as at 31 December 2020 towards additional concession fee along with interest thereon. Further, GACEPL's claim for compensation of losses has been rejected by majority decision by the Arbitration Tribunal and the management has filed an appeal with the Hon'ble High Court of Delhi which has admitted the application for claim for compensation of losses and dismissed the application for stay on payment of negative grant. GACEPL has further filed a special leave petition before Hon'ble Supreme Court of India for seeking an interim relief on payment of negative grant. Pending disposal of such petition, GACEPL has not provided for interest on the negative grant amounting to Rs. 63.36 crores in the accompanying Statement.

Further, based on management's internal assessment of compensation inflows, external legal opinions and valuation performed by independent experts, the management is of the view that the recoverable amounts of the carriageways of GACEPL and GHVEPL is assessed to be in excess of the respective carrying values amounting Rs. 338.76 crore and Rs. 1,943.24 crores as at 31 December 2020. Currently, useful life of 25 years has been considered in arriving at the carrying value and amortisation of carriageways of GHVEPL, on the basis of management's plan to develop the six-lane project within the contractually stipulated timelines ending in April 2024. This useful life is subject to the outcome of the dispute between the Company and NHAI in relation to the restriction of concession period by NHAI to 15 years and withdrawal of six laning of the highway project, in which case the useful life will need to be revised. The management has obtained a legal opinion and is of the view that the original contractual term of 25 years is likely to be enforced and accordingly, no adjustments to the consolidated financial results are considered necessary. Our conclusion is not modified in respect of this matter.

The above matters have also been reported as an emphasis of matters in the review reports dated 22 January 2021 and 22 January 2021 issued by other firms of chartered accountants on the standalone financial results of the GACEPL and GHVEPL, respectively, for the quarter and period ended 31 December 2020. Further, considering the erosion of net worth and net liability position of these entities, such auditors have also given a separate section on the material uncertainty relating to going concern in their respective review reports.

e. Note 16(a) and 16(b) to the accompanying Statement, which describes the uncertainty relating to the outcome of litigation pertaining to the costs related to procurement of security equipment, construction of residential quarters for Central Industrial Security Force deployed at the Rajiv Gandhi International Airport, Hyderabad and other costs which have been adjusted from the PSF (SC) Fund upto 31 March 2018, pending final decision from the Hon'ble High Court of Telangana and the consequential instructions from the Ministry of Civil Aviation. Our conclusion is not modified in respect of this matter.

   The above matter has also been reported as an emphasis of matter in the review report dated 10 February 2021 issued by us along with other joint auditor on the standalone financial results for the quarter and period ended 31 December 2020 of GMR Hyderabad International Airport Limited, a subsidiary of the Holding Company.

f. Note 3 to the accompanying Statement, which describes the uncertainty related to the outcome of a tax assessment from Maldives Inland Revenue Authority ('MIRA') on business profit tax. As per the statement issued by MIRA dated 11 August 2020, GMR Male International Airport Private Limited ('GMIAL') has to settle business profit tax amounted to USD 0.72 crore and fines on business profit tax amounted to USD 0.62 crore. As per the letter dated 22 January 2020 issued by the Ministry of Finance Male, Republic of Maldives, "the amount of tax assessed by the MIRA relating to the final arbitration award is only USD 0.59 crore and this amount should be paid by whom the payment was settled to GMIAL in the event of any tax payable by GMIAL". Further the letter also confirms that GMIAL is not liable to pay for the taxes assessed by MIRA on the arbitration sum and the Government of Maldives have initiated communication with MIRA to settle the taxes and fines payable on the arbitration award. Accordingly, the ultimate outcome of the business tax assessment sent by the MIRA cannot be determined and hence, the effect on the financial results is uncertain. Accordingly, the Group has not made any provision in these consolidated financial results. Our conclusion is not modified in respect of this matter.

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The above matter has also been reported as an emphasis of matter in the review report dated 10 November 2020 issued by other firm of chartered accountants on the standalone financial results of GMIAL for the quarter and period ended 30 September 2020.

11. We have jointly reviewed with another auditor, the interim financial results and other financial information of 2 subsidiaries included in the Statement, whose financial results reflects (before adjustments for consolidation) total revenues (including other income) of Rs. 702.14 crore and Rs. 1,726.67 crore, total net loss after tax of Rs. 222.33 crore and Rs. 886.97 crore, and total comprehensive loss of Rs. 185.54 crore and Rs. 694.34 crore, for the quarter and period ended 31 December 2020, respectively, as considered in the Statement. For the purpose of our conclusion on the consolidated financial results, we have relied upon the work of such other auditor, to the extent of work performed by them.

12. We did not review the interim financial results of 70 subsidiaries and 1 joint operation included in the Statement (including 10 subsidiaries consolidated for the quarter and period ended 30 September 2020, with a quarter lag, and 1 joint operation consolidated for the quarter and period ended 30 September 2020, with a quarter lag), whose financial information reflect (before adjustments for consolidation) total revenues of Rs. 1,220.10 crore and Rs. 4,472.39 crore, total net loss after tax of Rs. 144.23 crore and Rs. 274.15 crore, total comprehensive loss of Rs. 45.75 crore and Rs. 441.94 crore, for the quarter and year to date period ended on 31 December 2020, respectively, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 57.46 crore and net profit after tax of Rs. 49.07 crores and total comprehensive loss of Rs. 81.69 crore and total comprehensive income of Rs. 26.59 crore, for the quarter and year to date period ended on 31 December 2020, as considered in the Statement, in respect of 3 associates and 41 joint ventures (including 24 joint ventures consolidated for the quarter and year to date period ended 30 September 2020, with a quarter lag), whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries/ joint operation/associates/ joint ventures is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

    Further, of these subsidiaries, joint operation, associates and joint ventures, 10 subsidiaries, 1 joint operation and 26 joint ventures, are located outside India, whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries, joint operation and joint ventures from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances and affairs of these subsidiaries, joint operation and joint ventures is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

    Our conclusion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

13. The Statement includes the interim financial results of 16 subsidiaries (including 9 subsidiaries consolidated for the quarter and period ended 30 September 2020, with a quarter lag), which have not been reviewed/ audited by their auditors, whose interim financial results reflect (before adjustments for consolidation) total revenues of Rs. 0.16 crore and Rs. 0.19 crore, net loss after tax of Rs. 6.60 crore and Rs. 18.43 crore, and total comprehensive loss of Rs. 3.30 crore and Rs. 24.89 crore for the quarter and year to date period ended 31 December 2020, respectively, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 2.59 crore and Rs 3.70 crore, and total comprehensive loss of Rs. 2.59 crore and Rs. 3.70 crore, for the quarter and year to date period ended on 31 December 2020, respectively, in respect of 1 associates and 11 joint ventures (including 7 joint ventures consolidated for the quarter and year to date period ended 30 September 2020, with a

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

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

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Anamitra Das
Partner
Membership No. 062191
UDIN: 21062191AAAACE5889

Place: New Delhi
Date: 12 February 2021

Annexure 1

List of entities included in the Statement

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

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S.No.	Name of the entity	Relation
43	Nadira Properties Private Limited (NPPL)	Subsidiary
44	Padmapriya Properties Private Limited (PAPPL)	Subsidiary
45	Prakalpa Properties Private Limited (PPPL)	Subsidiary
46	Purnachandra Properties Private Limited (PUPPL)	Subsidiary
47	Shreyadita Properties Private Limited (SPPL)	Subsidiary
48	Pranesh Properties Private Limited (PRPPL)	Subsidiary
49	Sreepa Properties Private Limited (SRPPL)	Subsidiary
50	Radhapriya Properties Private Limited (RPPL)	Subsidiary
51	Asteria Real Estates Private Limited (AREPL)	Subsidiary
52	Lantana Properies Private Limited (LPPL)	Subsidiary
53	Namitha Real Estates Private Limited (NREPL)	Subsidiary
54	Honey Flower Estates Private Limited (HFEPL)	Subsidiary
55	GMR SEZ and Port Holdings Limited (GSPHL)	Subsidiary
56	Suzone Properties Private Limited (SUPPL)	Subsidiary
57	GMR Utilities Private Limited (GUPL) (liquidated on 9 October 2020)	Subsidiary
58	Lilliam Properties Private Limited (LPPL)	Subsidiary
59	GMR Corporate Affairs Private Limited (GCAPL)	Subsidiary
60	Dhruvi Securities Private Limited (DSPL)	Subsidiary
61	Kakinada SEZ Limited (KSL)	Subsidiary
62	GMR Business Process and Services Private Limited (GBPSPL)	Subsidiary
63	Raxa Security Services Limited (RSSL)	Subsidiary
64	Kakinada Gateway Port Limted (KGPL)	Subsidiary
65	GMR Goa International Airport Limited (GIAL)	Subsidiary
66	GMR Infra Developers Limited (GIDL)	Subsidiary
67	GMR Energy (Cyprus) Limited (GECL)	Subsidiary
68	GMR Energy (Netherlands) B.V. (GENBV)	Subsidiary
69	GMR Energy Projects (Mauritius) Limited (GEPML)	Subsidiary
70	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Subsidiary
71	GMR Coal Resources Pte Limited (GCRPL)	Subsidiary
72	GADL International Limited (GADLIL)	Subsidiary
73	GADL (Mauritius) Limited (GADLML) (liquidated on 25 December 2020)	Subsidiary
74	GMR Male International Airport Private Limited (GMIAL)	Subsidiary
75	GMR Airports (Mauritius) Limited (GAML)	Subsidiary
76	GMR Infrastructure (Mauritius) Limited (GIML)	Subsidiary
77	GMR Infrastructure (Cyprus) Limited (GICL)	Subsidiary
78	GMR Infrastructure Overseas Limited (GIOL)	Subsidiary
79	GMR Infrastructure (UK) Limited (GIUL)	Subsidiary
80	GMR Infrastructure (Global) Limited (GIGL)	Subsidiary
81	GMR Energy (Global) Limited (GEGL)	Subsidiary
82	Indo Tausch Trading DMCC (ITTD)	Subsidiary
83	GMR Infrastructure (Overseas) Limited (GI(O)L)	Subsidiary
84	GMR Airports International B.V (GIABV)	Subsidiary
85	GMR Airports (Singapore) Pte. Ltd. (GASPL)	Subsidiary
86	GMR Nagpur International Airport Limited (NIAL)	Subsidiary
87	GMR Power & Urban Infra Limited (GPUIL)	Subsidiary
88	GMR Kannur Duty Free Services Limited (GKDFRL)	Subsidiary
89	GMR Mining & Energy Private Limited (GMEL)	Subsidiary

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S.No.	Name of the entity	Relation
90	GMR Airports Greece Single Member SA (GAGSMA) (from 13 January 2020)	Subsidiary
91	GMR Vishakhapatnam International Airport Limited (GVIAL) (from 19 May 2020)	Subsidiary
92	GMR Hyderabad Airport Assets Limited (GHAAL) (from 25 November 2020)	Subsidiary
93	Megawide GISPL Construction Joint Venture (MGCJV)	Joint Operation
94	GMR Energy Limited (GEL)	Joint venture
95	GMR Energy (Mauritius) Limited (GEML)	Joint venture
96	GMR Lion Energy Limited (GLEL)	Joint venture
97	Karnali Transmission Company Private Limited (KTCPL)	Joint venture
98	GMR Kamalanga Energy Limited (GKEL)	Joint venture
99	GMR Vemagiri Power Generation Limited (GVPGL)	Joint venture
100	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	Joint venture
101	GMR Consulting Services Limited (GCSPL)	Joint venture
102	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	Joint venture
103	GMR Warora Energy Limited (GWEL)	Joint venture
104	GMR Bundelkhand Energy Private Limited (GBEPL)	Joint venture
105	GMR Rajam Solar Power Private Limited (GRSPPL)	Joint venture
106	GMR Maharashtra Energy Limited (GMAEL)	Joint venture
107	GMR Gujarat Solar Power Limited (GGSPPL)	Joint venture
108	GMR Indo-Nepal Energy Links Limited (GINELL)	Joint venture
109	GMR Indo-Nepal Power Corridors Limited (GINPCL)	Joint venture
110	GMR Tenaga Operations & Maintenance Private Limited (GTOM)	Joint venture
111	Rampia Coal Mine and Energy Private Limited (RCMEPL)	Joint venture
112	GMR Upper Karnali Hydropower Limited (GUKPL)	Joint venture
113	Delhi Duty Free Services Private Limited (DDFS)	Joint venture
114	Laqshya Hyderabad Airport Media Private Limited (Laqshya)	Joint venture
115	Delhi Aviation Services Private Limited (DASPL)	Joint venture
116	Delhi Aviation Fuel Facility Private Limited (DAFF)	Joint venture
117	GMR Megawide Cebu Airport Corporation (GMCAC)	Joint venture
118	SSP Mactan Cebu Corporation (SMCC)	Joint venture
119	Mactan Travel Retail Group Corp. (MTRGC)	Joint venture
120	Limak GMR Construction JV (CJV)	Joint venture
121	Megawide GMR Construction Joint Venture, Inc (MGCJV, Inc)	Joint venture
122	PT Golden Energy Mines Tbk (PTGEMS)	Joint venture
123	PT Dwikarya Sejati Utma (PTDSU)	Joint venture
124	PT Duta Sarana Internusa (PTDSI)	Joint venture
125	PT Barasentosa Lestari (PTBSL)	Joint venture
126	PT Unsoco (PT)	Joint venture
127	PT Roundhill Capital Indonesia (RCI)	Joint venture
128	PT Borneo Indobara (BIB)	Joint venture
129	PT Kuansing Inti Makmur (KIM)	Joint venture
130	PT Karya Cemerlang Persada (KCP)	Joint venture
131	PT Bungo Bara Utama (BBU)	Joint venture
132	PT Bara Harmonis Batang Asam (BHBA)	Joint venture
133	PT Berkat Nusantara Permai (BNP)	Joint venture
134	PT Tanjung Belit Bara Utama (TBBU)	Joint venture
135	PT Trisula Kencana Sakti (TKS)	Joint venture
136	PT Era Mitra Selaras (EMS)	Joint venture

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S.No.	Name of the entity	Relation
137	PT Wahana Rimba (WRL)	Joint venture
138	PT Berkat Satria Abadi (BSA)	Joint venture
139	GEMS Trading Resources Pte Limited (GEMSCR)	Joint venture
140	PT Kuansing Inti Sejahtera (KIS)	Joint venture
141	PT Bungo Bara Makmur (BBM)	Joint venture
142	PT GEMS Energy Indonesia (PTGEI)	Joint venture
143	PT Karya Mining Solution (KMS) (formerly PT Bumi Anugerah Semesta (BAS))	Joint venture
144	GIL SIL JV	Joint venture
145	GMR Logistics Park Private Limited (GLPPL) (wef 16 April 2020)	Joint venture
146	Heraklion Crete International Airport S.A. (Crete)	Joint venture
147	Globemerchants, Inc (from 3 August 2020)	Joint venture
148	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)	Associate
149	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	Associate
150	TIM Delhi Airport Advertising Private Limited (TIM)	Associate
151	GMR Rajahmundry Energy Limited (GREL)	Associate
152	Digi Yatra Private Limited (DYPL)	Associate

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GMR Infrastructure Limited
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PART I

Statement of consolidated financial results for the quarter and nine months ended December 31, 2020

(in Rs. crore)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A. Continuing operations						
1. Income						
a) Revenue from operations						
i) Sales/ income from operations	1,359.10	1,199.30	1,990.76	3,564.83	5,567.34	7,515.24
ii) Other operating income (refer note 21)	121.93	94.46	205.73	344.02	639.45	1,040.30
b) Other income						
i) Foreign exchange fluctuations gain (net)	-	-	6.20	-	32.95	131.47
ii) Other income - others	192.50	154.32	94.96	435.36	428.08	535.12
Total Income	1,673.53	1,448.08	2,297.65	4,344.21	6,667.82	9,222.13
2. Expenses						
a) Revenue share paid/ payable to concessionaire grantors	281.71	222.61	523.16	681.79	1,501.50	2,037.19
b) Cost of materials consumed	181.89	117.53	82.01	433.65	270.19	434.85
c) Purchase of traded goods	206.86	291.83	228.40	781.75	525.08	830.45
d) Decrease/(increase) in stock in trade	9.64	2.20	(2.19)	11.81	(9.80)	(15.63)
e) Sub-contracting expenses	98.77	64.62	53.35	219.09	194.15	297.36
f) Employee benefit expenses	181.21	185.04	202.20	564.03	594.76	831.21
g) Finance costs	786.80	840.52	858.37	2,408.35	2,497.65	3,545.07
h) Depreciation and amortisation expenses	233.02	275.82	259.69	771.97	766.90	1,064.25
i) Other expenses	324.00	257.99	377.19	886.78	1,156.87	1,511.55
j) Foreign exchange fluctuations loss (net)	84.52	12.37	-	95.05	-	-
Total expenses	2,388.42	2,270.53	2,582.18	6,854.27	7,497.30	10,536.30
3. Loss before share of (loss) / profit of associates and joint ventures, exceptional items and tax expenses from continuing operations (1) - (2)	**(714.89)**	**(822.45)**	**(284.53)**	**(2,510.06)**	**(829.48)**	**(1,314.17)**
4. Share of (loss)/profit of associates and joint ventures	(139.95)	32.68	24.15	(119.48)	(156.35)	(288.33)
5. Loss before exceptional items and tax from continuing operations (3) + (4)	**(854.84)**	**(789.77)**	**(260.38)**	**(2,629.54)**	**(985.83)**	**(1,602.50)**
6. Exceptional items (refer note 19)	(295.09)	-	-	(295.09)	-	(680.91)
7. Loss before tax expenses from continuing operations (5) + (6)	**(1,149.93)**	**(789.77)**	**(260.38)**	**(2,924.63)**	**(985.83)**	**(2,283.41)**
8. Tax (credit) / expenses on continuing operations (net)	(30.82)	(40.45)	18.80	(222.35)	85.49	(84.92)
9. Loss after tax from continuing operations (7) - (8)	**(1,119.11)**	**(749.32)**	**(279.18)**	**(2,702.28)**	**(1,071.32)**	**(2,198.49)**

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(in Rs. crore)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
B. Discontinued operations						
10. Loss before tax expenses from discontinued operations	**(1.40)**	**(0.71)**	**(1.56)**	**(2.13)**	**(4.04)**	**(3.70)**
11. Tax expenses on discontinued operations (net)	-	-	-	-	-	-
12. Loss after tax from discontinued operations (10) - (11)	**(1.40)**	**(0.71)**	**(1.56)**	**(2.13)**	**(4.04)**	**(3.70)**
13. Loss after tax for the respective periods (9) + (12)	**(1,120.51)**	**(750.03)**	**(280.74)**	**(2,704.41)**	**(1,075.36)**	**(2,202.19)**
14. Other comprehensive income (net of tax)						
Items that will be reclassified to profit or loss	77.12	116.02	29.92	356.61	195.34	29.72
Items that will not be reclassified to profit or loss	(0.11)	0.12	(1.52)	0.43	(6.09)	(5.57)
Total other comprehensive income, net of tax for the respective periods	**77.01**	**116.14**	**28.40**	**357.04**	**189.25**	**24.15**
15. Total comprehensive income attributable to (13) + (14)	**(1,043.50)**	**(633.89)**	**(252.34)**	**(2,347.37)**	**(886.11)**	**(2,178.04)**
a) Owners of the Company	(845.72)	(472.91)	(338.41)	(1,778.12)	(1,233.18)	(2,461.10)
b) Non controlling interest	(197.78)	(160.98)	86.07	(569.25)	347.07	283.06
16. Paid-up equity share capital (Face value - Re. 1 per share)	**603.59**	**603.59**	**603.59**	**603.59**	**603.59**	**603.59**
17. Total equity (excluding equity share capital)						**(387.70)**
18. Earnings per share - basic and diluted - (Rs.) (not annualised)						
a) Basic and diluted earning per share	(1.48)	(0.87)	(0.61)	(3.33)	(2.21)	(4.03)
b) Basic and diluted earning per share from continuing operations	(1.48)	(0.87)	(0.61)	(3.33)	(2.20)	(4.02)
c) Basic and diluted earning per share from discontinued operations	-	-	-	-	(0.01)	(0.01)

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GMR INFRASTRUCTURE LIMITED

GMR Infrastructure Limited

Consolidated statement of segment revenue, results, assets and liabilities

(in Rs. Crore)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment revenue						
a) Airports	816.19	628.38	1,636.14	1,938.95	4,608.37	6,190.87
b) Power	215.80	310.06	207.20	826.45	491.12	801.40
c) Roads	137.24	139.69	137.58	363.30	430.04	585.20
d) EPC	277.12	171.19	194.91	671.77	598.05	860.66
e) Others	86.85	159.17	100.79	339.44	319.23	441.70
	1,533.20	1,408.49	2,276.62	4,139.91	6,446.81	8,879.83
Less: inter segment	(52.17)	(114.73)	(80.13)	(231.06)	(240.02)	(324.29)
Segment revenue from operations	**1,481.03**	**1,293.76**	**2,196.49**	**3,908.85**	**6,206.79**	**8,555.54**
2. Segment results						
a) Airports	(455.17)	(418.82)	188.74	(1,518.47)	593.26	695.89
b) Power	(123.79)	(31.33)	(29.15)	(146.44)	(311.53)	(486.76)
c) Roads	31.55	33.12	55.99	100.67	198.03	229.12
d) EPC	20.20	30.00	33.39	76.98	89.40	166.31
e) Others	37.28	52.24	(26.35)	87.92	(67.27)	(70.51)
Total segment results	(489.93)	(334.79)	222.62	(1,399.34)	501.89	534.05
Less: Finance costs (net)	(364.91)	(454.98)	(483.00)	(1,230.20)	(1,487.72)	(2,136.55)
Loss before exceptional items and tax from continuing operations	**(854.84)**	**(789.77)**	**(260.38)**	**(2,629.54)**	**(985.83)**	**(1,602.50)**
Less : exceptional items (refer note 19)	(295.09)	-	-	(295.09)	-	(680.91)
Loss before tax expenses from continuing operations	**(1,149.93)**	**(789.77)**	**(260.38)**	**(2,924.63)**	**(985.83)**	**(2,283.41)**
Tax (credit)/ expenses on continuing operations (net)	(30.82)	(40.45)	18.80	(222.35)	85.49	(84.92)
Loss after tax from continuing operations	**(1,119.11)**	**(749.32)**	**(279.18)**	**(2,702.28)**	**(1,071.32)**	**(2,198.49)**
Loss before tax expenses from discontinued operations	(1.40)	(0.71)	(1.56)	(2.13)	(4.04)	(3.70)
Tax expenses on discontinued operations (net)	-	-	-	-	-	-
Loss after tax from discontinued operations	**(1.40)**	**(0.71)**	**(1.56)**	**(2.13)**	**(4.04)**	**(3.70)**
Loss after tax for the respective periods	**(1,120.51)**	**(750.03)**	**(280.74)**	**(2,704.41)**	**(1,075.36)**	**(2,202.19)**
3. Segment assets						
a) Airports	26,971.73	27,159.26	28,039.55	26,971.73	28,039.55	27,683.46
b) Power	6,237.17	6,725.42	7,322.47	6,237.17	7,322.47	6,583.76
c) Roads	3,594.31	3,647.16	3,634.12	3,594.31	3,634.12	3,586.77
d) EPC	1,294.89	1,333.60	1,268.62	1,294.89	1,268.62	1,338.08
e) Others	1,712.54	2,465.49	4,361.16	1,712.54	4,361.16	4,712.53
f) Unallocated	3,047.00	2,930.48	2,058.30	3,047.00	2,058.30	2,560.47
g) Assets classified as held for sale	3,331.95	3,075.32	3.29	3,331.95	3.29	61.73
Total assets	**46,189.59**	**47,336.73**	**46,687.51**	**46,189.59**	**46,687.51**	**46,526.80**
4. Segment liabilities						
a) Airports	23,522.67	23,169.76	22,143.85	23,522.67	22,143.85	24,189.03
b) Power	2,699.18	2,733.91	2,525.30	2,699.18	2,525.30	2,563.23
c) Roads	1,203.13	1,159.16	1,029.63	1,203.13	1,029.63	1,042.27
d) EPC	624.70	671.66	1,005.48	624.70	1,005.48	691.94
e) Others	201.23	317.69	214.20	201.23	214.20	335.74
f) Unallocated	14,897.74	15,230.35	19,433.69	14,897.74	19,433.69	17,417.20
g) Liabilities directly associated with the assets classified as held for sale	802.80	794.20	30.65	802.80	30.65	71.50
Total liabilities	**43,951.45**	**44,076.73**	**46,382.80**	**43,951.45**	**46,382.80**	**46,310.91**

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GMR INFRASTRUCTURE LIMITED

GMR Infrastructure Limited

Notes to the unaudited consolidated financial results for the quarter and nine months ended December 31, 2020

1. **Consolidation and Segment Reporting**

a. GMR Infrastructure Limited ('the Company' or 'GIL') carries on its business through various subsidiaries, joint ventures, jointly controlled operations and associates (hereinafter referred to as 'the Group'), being special purpose vehicles exclusively formed to build and operate various infrastructure projects.

b. The segment reporting of the Group has been prepared in accordance with Ind AS-108 on 'Operating Segments' prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder.

The business segments of the Group comprise of the following:

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

c. Investors can view the results of the Company on the Company's website www.gmrgroup.in or on the websites of BSE (www.bseindia.com) or NSE (www.nse-india.com).

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

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

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

The Company together with GAL had executed a settlement agreement dated August 13, 2018 with Investors to amicably settle all outstanding disputes pertaining to the matters which were the subject of the aforesaid arbitration. As per the settlement agreement, the Company through its wholly owned subsidiary, GISL, had purchased 2,714,795 CCPS A of GAL for an additional consideration of Rs. 3,560.00 crore from the Investors and balance 932,275 CCPS A have been

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converted into equity shares representing 5.86% shareholding of GAL in the hands of the Investors with a put option given by the Group to acquire the same at fair value.
However pursuant to the definitive agreement dated July 4, 2019 with TRIL Urban Transport Private Limited, a subsidiary of Tata Sons, Solis Capital (Singapore) Pte. Limited and Valkyrie Investment Pte. Limited, the management had considered the aforesaid additional obligation of Rs. 3,560.00 crore as recoverable and had recognized the same as a financial asset in it consolidated financial statements for the year ended March 31, 2019. This agreement was cancelled during the year ended March 31, 2020.

During the year ended March 31, 2020, pursuant to the transaction with Aeroports DE Paris S. A (ADP) for sale of 49% stake in GAL by GIL and its subsidiaries companies' appropriate adjustments have been made to reflect the above transaction and the financial asset of Rs. 3,560.00 crore has also been adjusted with other equity as a consequence of the receipt of the above consideration.

3. GMR Male International Airport Private Limited ('GMIAL'), a subsidiary of the Company entered into an agreement on June 28, 2010 with Maldives Airports Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT'), Republic of Maldives, for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport ('MIA') for a period of 25 years ("the Concession Agreement"). On November 27, 2012, MACL and MoFT issued notices to GMIAL stating that the Concession Agreement was void ab initio and that neither MoFT nor MACL had authority under the laws of Maldives to enter into the agreement and MACL took over the possession and control of the MIA and GMIAL vacated the airport effective December 8, 2012. The matter was under arbitration. During the year ended March 31, 2017, the arbitration tribunal delivered its final award in favour of GMIAL.

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

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

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

   GMIAL has obtained the statement of dues from MIRA on August 11, 2020 and as per the statements of dues as at August 11, 2020, GMIAL is required to settle business profit tax amounting to USD 0.72 crore and fines on business profit tax amounting to USD 0.62 crore and GMIAL is required to settle withholding tax amounting USD 0.29 crore and fines on withholding tax amounted to USD 0.33 crore (withdrawing the interim tax liability claim of USD 0.72 crore).

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

4. (a) The Group has investments of Rs. 1,686.05 crore and loan (including accrued interest) (net of impairment) amounting to Rs. 429.96 crore in GMR Energy Limited ('GEL') (including its subsidiaries and joint ventures), a joint venture of the Group and in GMR Rajahmundry Limited ('GREL'), an associate of GMR Generation Assets Limited ("GGAL"), subsidiary of the Group, as at December 31, 2020. GEL has certain underlying subsidiaries / joint ventures which are engaged in energy sector. GREL, GEL and some of its underlying subsidiaries / joint ventures, as further detailed in notes 4(b), 4(c), 4(d), 4(e) and 4(f) below have substantially eroded net worth. Based on the valuation assessment by an external expert during the year ended March 31, 2020 and the sensitivity analysis carried out for some of the aforesaid assumptions, the value so determined after discounting the projected cash flows using discount rate ranging from 10.79% to 19.92% across various entities, the management had accounted for an impairment loss of Rs. 680.91 crore in the value of Group's investment in GEL and its subsidiaries/ joint ventures which had been disclosed as an exceptional item in the consolidated financial statements of the Group for the year ended March 31, 2020. The management is of the view that post such diminution, the carrying value of the Group's investment in GEL and provision created against future liabilities for GREL is appropriate.

   (b) GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL has accumulated losses of Rs. 689.79 crore as at December 31, 2020 which has resulted in substantial erosion of GWEL's net worth. GWEL had claimed compensation for coal cost pass through and various "change in law" events from its customers under the Power Purchase Agreements ('PPA') and have filed petitions with the regulatory authorities for settlement of such claims in favour of GWEL. GWEL has trade receivables, other receivables and unbilled revenue (including claims) of Rs. 688.78 crore which are substantially pending receipt. Based on certain favorable interim regulatory orders, the management is confident of realization of the outstanding receivables.

   Further, GWEL received notices from one of its customer disputing payment of capacity charges of Rs. 132.01 crore for the period March 23, 2020 to June 30, 2020 as the customer had not availed power during the said period sighting force majeure on account of COVID 19 pandemic. GWEL responded and clarified that the said situation is not covered under force majeure clause in view of the clarification by the Ministry of Power stating that Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. The customer is of the view that the aforesaid clarification by the Ministry of Power cannot override the terms of the PPA and continue to dispute the payment thereof. Accordingly, during the period ended December 31, 2020, GWEL filed petition with Central Electricity Regulatory Commission ('CERC') for settlement of the dispute. The management based on its internal assessment and petition filed with CERC, is of the view that the aforesaid capacity charges are fully recoverable. Further, in view of the ongoing COVID-19 pandemic and expiry of the PPA with

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one of the customer availing 200 MW of power in June 2020 and a consequent cancellation of the fuel supply agreement, there could be impact on the future business operations, financial position and future cash flows of GWEL. Further during the quarter ended December 31, 2020, GWEL basis the requisite approval of the lenders, has invoked resolution process as per Resolution Framework for COVD-19 related stress prescribed by RBI on December 30, 2020. Inter creditors Agreement would be executed within 30 days from the invocation along with 180 days timeline for resolution plan implementation.

The management of GWEL expects that the plant will generate sufficient profits in the future years and will be able to recover the receivables and based on business plans and valuation assessment by an external expert during the year ended March 31, 2020, the management of the Group is of the view that the carrying value of the net assets in GWEL by GEL as at December 31, 2020 is appropriate.

(c) GWEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') on March 17, 2010 for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, GWEL has raised claim of Rs. 610.29 crore towards reimbursement of transmission charges from March 17, 2014 till November 30, 2020. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and the matter is pending conclusion.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of Rs. 610.29 crore relating to the period from March 17, 2014 to November 30, 2020 (including Rs. 74.53 crore for the eight months period ended November 30, 2020) in the financial results of GWEL.

(d) GMR Kamalanga Energy Limited ('GKEL'), a joint venture of GEL, is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has accumulated losses of Rs. 1,612.15 crore as at December 31, 2020, which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. Further, GKEL has trade receivables, other receivables and unbilled revenue (including claims) of Rs. 1,481.09 crore as at December 31, 2020, for coal cost pass through and various "change in law" events from its customers under the PPAs and have filed petitions with the regulatory authorities for settlement of such claims in favour of GKEL. The payment from the customers against the claims is substantially pending receipt. Based on certain favorable interim regulatory orders with regard to its petition

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for 'Tariff Determination' and 'Tariff Revision' with its customers, the management is confident of a favorable outcome towards the outstanding receivables of GKEL.

GKEL in view of the Supreme Court Order in Energy Watchdog vs CERC and others and CERC order in its own case for Haryana Discoms had sought legal opinion from the legal counsel on certainty of the claims with Bihar Discom. Considering opinion received from legal counsels that GKEL has good tenable case with virtual certainty with respect to coal cost pass through and favourable Order from APTEL dated December 21, 2018 and CERC judgment in GKEL's own case for Haryana Discom where the computation methodology of coal cost pass through was decided, the management was virtually certain on receipt of the GKEL's claim of revenue on coal cost pass through and was of the opinion that no contingency was involved in this regard. GKEL has now received a favourable order on September 16, 2019 whereby the CERC has allowed the coal cost pass through to be charged to the Bihar Discom, based on a certain methodology. However, GKEL has filed a review petition with Hon'ble Appellate Tribunal for Electricity dated November 14, 2019 against this methodology on the grounds that the methodology stated in this order, even though favourable, is contradictory to the methodology stated in the earlier order of CERC in GKEL's case with Haryana Discom. Accordingly, GKEL continued to recognize the income on Coal Cost Pass Through claims of Rs. 3.50 crore for the quarter and Rs. 10.08 crore for the nine months period ended December 31, 2020.

GKEL has accounted for transportation cost of fly ash as change in law event as the same was agreed in principle by CERC vide Order 131/MP/2016 dated February 21, 2018 and recognized revenue amounting to Rs. 15.75 crore for Haryana, Bihar and GRIDCO PPAs for the quarter ended December 31, 2020 and Rs. 30.53 crore for the nine months period ended December 31, 2020 post complying with the conditions mandated in this regard. GKEL has filed petition with CERC for determination of compensation of transportation charges of fly ash as per Order 131/MP/2016 and is awaiting final order.

Further, as detailed below there are continuing litigation with SEPCO Electric Power Construction Corporation (SEPCO) ('Capital Creditors') which are pending settlement. Further during the year, GKEL has won the bid for supply of balance 150 MW to Haryana Discom. GKEL has signed fuel supply agreement with Coal India Limited for supply of coal from its Mahanadi Coal Field Mines for 0.36 crore ton which is within a distance of 15 KM from the plant site. In addition to above, GKEL has won the bid (Shakti-III) for supply of 0.04 crore ton of coal for balance 150 MW.

Further, during the year ended March 31, 2020, as part of the strategic initiatives being undertaken by the management to ensure liquidity and timely payment of its obligations, the management of the Company, entered into share purchase agreement with JSW Energy Limited for sale of its equity stake in GKEL. However, during the previous quarter ended September 30, 2020, the said transaction has been called off due to uncertainties on account of COVID – 19 pandemic.

Further, GKEL had entered agreement with SEPCO in 2008 for the construction and operation of coal fired thermal power plant. There were certain disputes between the parties in relation to the delays in construction and various technical issues relating to the construction and operation of the plant. SEPCO served a notice of dispute to GKEL in March 2015 and initiated arbitration proceedings. The Arbitral Tribunal has issued an opinion (the Award) on September 7, 2020 against GKEL. Since there were computation/ clerical / typographical errors in the Award, both parties (GKEL and SEPCO) immediately applied for correction of the award under Section 33

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of the Arbitration & Conciliation Act 1996 (as amended). The Arbitral Tribunal considered the applications of both the parties and has pronounced the corrected award on November 17, 2020. GKEL already accounted for the aforementioned liability in excess of the amount as per the award pertaining to the retention money, unpaid invoices and the Bank Guarantee revoked. GKEL has obtained a legal opinion which details the possible grounds of appeal and concluded that GKEL has a good arguable case under Section 34 of the Arbitration and Conciliation Act, 1998 to challenge the award and have it set aside.

In view of these matters, business plans (including expansion and optimal utilization of existing capacity, rescheduling/ refinancing of existing loans at lower rates), valuation assessment by an external expert during the year ended March 31, 2020, the management is of the view that the carrying value of the investments in GKEL held by GEL as at December 31, 2020 is appropriate.

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

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

During the year ended March 31,2019, considering that GREL continued to incur losses in absence of commercial operations, the consortium of lenders has decided to implement a revised resolution plan which has been approved by all the lenders and accordingly the lenders have restructured the debt. The Group has provided guarantees to the lenders against the servicing of sustainable debts having principal amounting to Rs. 1,119.54 crore and all interests there on, including any other obligation arising out of it and discharge of the put option in regard to Cumulative Redeemable Preference Shares ('CRPS') (unsustainable debt) amounting to Rs 940.59 crore, if any exercised by the CRPS lenders, as per the terms of the revised resolution plan.

(ii) During the year ended March 31, 2018, pursuant to the appeal filed by Andhra Pradesh Discoms ('APDISCOMs'), the Hon'ble Supreme Court held that RLNG is not natural gas and accordingly GVPGL cannot be entitled for capacity charges based on availability declaration for generation of power on the basis of RLNG. GVPGL had also filed petition

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claiming losses of Rs. 447.00 crore pertaining to capacity charges pertaining to period 2006 to 2008 before Andhra Pradesh Electricity Regulatory Commission ('APERC'). Over the years, the case was heard for deciding the jurisdiction to adjudicate the proceedings. During the year ended March 31, 2019, the Hon'ble High Court of Andhra Pradesh passed its Judgment and held that the Central Electricity Regulatory Commission ('CERC') has the jurisdiction to adjudicate the aforesaid claims of GVPGL. Further, during the year ended March 31, 2020, the Andhra Pradesh DISCOMs (APDISCOMs') appealed against, the aforesaid judgement before the Hon'ble Supreme Court. The Supreme Court vide its order dated February 4, 2020 dismissed the aforesaid petition of the DISCOMs and held that CERC will have jurisdiction to adjudicate the disputes in the present case and directed CERC to dispose off the petition filed before it within six months. The matter is pending to be heard before the CERC as at December 31, 2020

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

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

(iii) During the year ended March 31, 2020, GEL entered into a Sale and Purchase Agreement with a prospective buyer for a consideration of USD 1.55 crore for sale of the Barge Mounted Power Plant ('Barge Plant') on as is where is basis, out of which USD 0.30 crore has been received till March 31, 2020. The transaction was expected to be completed by May 31, 2020. However, the dismantling work is on hold due to COVID - 19. However, the management is confident of completing the transfer of Barge Plant by March 31, 2021. Since the estimate of realizable value amounting Rs. 112.01 crore done by the management as at December 31, 2020 is consistent with the consideration for the Barge Plant as per the agreement, no further impairment charge is required.

(iv) Further, the management of the Group is evaluating various approaches / alternatives to deal with the situation and is confident that Government of India ('GoI') would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. The management of the Group carried out a valuation assessment of GREL and GVPGL during the year ended March 31, 2020 which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff, tying up of PPA, realization of claims for losses incurred in earlier periods and current period from the customer and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The business plan of GREL considered for valuation assessment has been approved by the consortium of lenders at the time of execution of the resolution plan. The management of the Group will monitor these aspects closely and take actions as are considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations as they arise and GEL will be able to dispose off the Barge Power Plant as per the aforementioned Sale and Purchase agreement. Based on

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the aforementioned reasons, claims for capacity charges and business plans, the management is of the view that the carrying value of net assets of GVPGL by GEL as at December 31, 2020 is appropriate. The Group has provided for its investment in full in GREL and the management is confident that no further obligation would arise for the guarantees provided to the lenders against the servicing of sustainable and unsustainable debts.

(f) GMR Badrinath Hydro Power Generation Private Limited ('GBHPL'), a subsidiary of GEL is in the process of setting up 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India ('the Court'), while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. During the year ended March 31, 2018, the validity of Environmental Clearance ('EC') granted to GBHPL by the MoEF ceased to exist. Pursuant to an application made by GBHPL, the MoEF vide its letter dated April 17, 2018, proposed to extend the EC granted to GBHPL for a period of 3 years, subject to the final outcome of the matter pending before the Court. Based on its internal assessment and a legal opinion, the management of the Group is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert during the year ended March 31, 2020, the management of the Group is of the view that the carrying value of net assets of GBHPL by GEL as at December 31, 2020 is appropriate.

5. GMR Generation Assets Limited ('GGAL' or 'the Transferee Company'), a subsidiary of the company had applied for confirmation / approval of scheme of merger / amalgamation and capital reduction ('the Scheme') with its wholly owned subsidiaries GMR GENCO Assets Limited, GMR Kakinada Energy Private Limited and GMR Coastal Energy Private Limited and partly owned subsidiaries SJK Powergen Limited and GMR Power Corporation Limited (collectively referred to as the 'Transferor Companies'). The appointed date of merger / amalgamation is March 31, 2019. The scheme was filed with the Hon'ble Regional Director, Mumbai (RD). Necessary approvals from shareholders and creditors (vide NOCs) were obtained and submitted with the office of RD. The RD filed its report dated February 20, 2020 with National Company Law Tribunal, Special Bench, Mumbai ('NCLT') and NCLT passed the order approving the scheme on March 13, 2020. Pursuant to the Scheme, financial statements of GGAL have been prepared on merged basis with effect from March 31, 2019 in accordance with the accounting treatment prescribed in the Scheme. Further, as per the Scheme, GGAL's issued, subscribed and paid-up equity share capital has been reduced from Rs. 6,323.25 crore (comprising of 6,323,250,226 equity shares of Rs. 10 each) to Rs. 723.25 crore (comprising of 723,250,226 equity shares of Rs.10 each) by way of cancelling and extinguishing 5,600,000,000 fully paid up equity shares of Rs. 10 each. The shareholders whose share capital has been reduced have been paid a total sum of Rs. 60.00 crore in the proportion of their shareholding in the GGAL as the consideration.

6. The Group has investments of Rs. 3,734.48 crore in PTGEMS, a joint venture of the Group as at December 31, 2020. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The cost of investments made by the Group is significantly higher

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

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

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

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

In accordance with the above, the amount received towards the above mentioned claims is being disclosed as advance from the customer in the books of account. Further, GPCL has been

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legally advised that pending adjudication of petition, the entire matter is now sub-judice and has not attained the finality.

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

8. GMR Ambala Chandigarh Expressways Private Limited ('GACEPL'), a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of Rs. 518.44 crore as at December 31, 2020. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads.

   GACEPL had invoked arbitration proceedings against National Highways Authority of India (NHAI), State of Haryana (SoH) and State of Punjab (SoPb) as per the terms of the Concession Agreement dated November 16, 2005 and State Support Agreement dated February 21, 2006 and March 8, 2006 due to continued losses suffered by GACEPL on account of diversion of traffic to parallel roads developed by SoH and SoPb. GACEPL has raised its contention that NHAI, SoH & SoPb has breached the provisions of Concession Agreement and State Support Agreements by building parallel highways resulting in loss of traffic to the GACEPL's toll road. GACEPL had filed a net claim of Rs. 1,003.55 crore including interest, calculated up to March 31, 2019 before the Tribunal.

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

   GACEPL aggrieved by rejection of all claims by majority members had preferred an appeal, in both Punjab and Haryana matters, under Section 34 and Section 9 of the Arbitration Act before Hon'ble Delhi High Court requesting to stay the Majority Award and grant stay on payment of Negative Grant. The Hon'ble Delhi High Court has admitted the application under Section 34 with direction to all parties to file the document before the next date of hearing i.e., February 12, 2021 whereas the application under Section 9 has been dismissed on the ground that the losing party in an Arbitration proceedings cannot seek relief under Section 9 of Arbitration Act. Subsequently, the Division Bench of Hon'ble Delhi High Court also dismissed the aforementioned application under Section 9 on the similar grounds. In the meanwhile, the NHAI had issued letters to the Escrow Banker for releasing the amount of Negative Grant including interest and the escrow banker has released an amount of Rs. 6.01 crore on October 9, 2020 to NHAI towards Negative Grant.

   On October 30, 2020, GACEPL aggrieved by the dismissal of application under section 9 by Division Bench, filed a Special leave petition ('SLP') before Hon'ble Supreme court of India for the stay on recovery of Negative grant. In this regard, GACEPL has obtained legal opinion from the legal counsel handling matters, wherein the legal counsel has opined that GACEPL

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has a fair chance of getting stay on payment of Negative grant, considering the Hon'ble Supreme Court in similar matters have granted interim relief to the Petitioners. Based on the advice of legal counsels, the Management of the group is of the opinion that the matter has not attained the finality and GACEPL has good chances of getting stay on the majority award and expects to win the case in Delhi High Court and to receive the claims in due course. The Management of the Group is confident that it will be able to get interim relief from Supreme court of India on payment of negative grant in the SLP filed and hence GACEPL has not accounted for interest estimated to the extent Rs. 63.36 crore on non-payment of Negative grant.

Based on an internal assessment and afore mentioned legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and considering expected future traffic flow. The valuation expert based on the assumptions that it would be receiving the compensation in the future, had determined value in use of GACEPL assets as at March 31, 2020 (i.e. valuation date) which is higher than the carrying value of assets. The management is confident of receipt of claims for loss due to diversion of traffic/compensation in the appellate proceedings and accordingly is of the opinion that carrying value of Carriageway in GACEPL of Rs. 338.76 crore as at December 31, 2020 is appropriate.

9. GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of Rs. 1,308.10 crore as at December 31, 2020. The management believes that these losses are primarily due to loss of revenue arising as a result of drop in commercial traffic on account of bifurcation of State of Andhra Pradesh and ban imposed on sand mining in the region. The management of the Group based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to a claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim for the loss of revenue till the year ended March 31, 2017 with National Highways Authority of India ('NHAI'). The claim of GHVEPL was rejected by NHAI and accordingly during the year ended March 31, 2018, GHVEPL had decided to proceed with arbitration and accordingly Arbitral Tribunal was constituted and claims were filed. The project was initially developed from existing 2 lanes to 4 lanes to be further developed to 6 laning subsequently (before 14th anniversary of the appointed date). If 6 laning is not carried out (if so required by NHAI/desired by GHVEPL), concession period will be restricted to 15 years as against 25 years. GHVEPL has been amortising intangible assets over the concession period of 25 years.

   GHVEPL has recognised a provision of additional concession fees (premium) of Rs. 741.11 crore including interest till December 31, 2020 (March 31, 2020: Rs. 620.31 crore), which is unpaid pending finality of litigation proceedings as detailed below.

   The Arbitral Tribunal vide its order dated March 31, 2020, had pronounced the award unanimously, upholding GHVEPL's contention that bifurcation of state of Andhra Pradesh and ban on sand mining in the region constitutes Change in Law event and GHVEPL is entitled for compensation for the loss of revenue arising as a result of drop in commercial vehicles. Majority of the Tribunal members have directed NHAI to constitute a committee for determining the claim amount based on data/ records available with GHVEPL and NHAI. The minority member in the Tribunal however was of the opinion that Tribunal should have constituted the Committee instead of directing NHAI, which is against the principal of natural justice. GHVEPL, aggrieved by the findings, has filed applications under Section 9 and 34 of the Arbitration Act, 1996, before Delhi High Court challenging the award on the limited ground of (i) constitution of the

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committee by NHAI for quantification of compensation and (ii) for interim measures by restraining NHAI from constituting the Committee, demanding premium and taking coercive / precipitate measures under the Concession Agreement. Vide order dated August 4, 2020, the Delhi High Court upheld the decision of the Arbitral Tribunal that there was a change in law due to ban on sand mining and State bifurcation. The Court has also held that GHVEPL is entitled for compensation due to Change in Law and the application of the NHAI was dismissed. For quantification of claim of GHVEPL, the committee to be appointed by the NHAI has been struck down and in its place the Court has appointed a retired judge of Supreme Court as sole arbitrator to quantify the claims in nine months. Further, the Court has also granted stay for recovery of outstanding premium till next date of hearing i.e. March 15, 2021.

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

On May 8, 2020 GHVEPL has received a notice from NHAI / Regulator stating that it is satisfied that six-laning is not required for the project highway and four laning is sufficient for operating the project highway restricting the concession period to 15 years pursuant to Clause 3.2.2 of the Concession Agreement dated October 9, 2009. GHVEPL has filed a response with NHAI on May 26, 2020, June 16, 2020, August 31, 2020 and October 19, 2020 seeking the material on record on the basis of which the NHAI has decided that six-laning is not required, since in terms of GHVEPL's assessment, six-laning shall be required considering the current traffic flow on the project highway. NHAI, however vide its letter dated June 24, 2020 and October 15, 2020 has stated that the contention of GHVEPL is unmerited and due reasons have been conveyed, even though no substantial information is provided on the basis of which such decision is taken. In this regard, GHVEPL has obtained a legal opinion from its Counsel handling NHAI matter in Honorable Delhi High Court which has opined that with the majority findings of the Arbitral Award in favour of GHVEPL, issuance of Notice dated May 8, 2020 and letter dated June 24, 2020 / October 15, 2020 by NHAI / Regulator is in bad light and arbitrary. Legal Counsel opined that NHAI being aware of the financial implications of the Notice dated May 8, 2020 trying to somehow avoid quantifying and making any payment of the claim to GHVEPL under Change in Law. The Counsel further opined that, NHAI after having failed in its series of coercive steps including the notices for recovery of alleged Premium, suspension notice and notices in relation to non-compliance of O & M requirements has, on May 8, 2020, issued the Notice under Article 3.2.2 of the Concession Agreement and that too in the middle of extensive arguments in the aforesaid petitions before the Hon'ble Delhi High Court, only to make GHVEPL to somehow give up its claims and avoid determination of claims. GHVEPL on October 30, 2020 has issued Notice of Dispute under Article 44.2 read with Clause 44.1.2 of the Concession Agreement to NHAI for amicable settlement as a first step in dispute resolution, which has been declined by NHAI on December 4, 2020. Legal counsel has further opined that the notice can be challenged in the court of law as a writ petition or as a separate Arbitration under Clause 44 of the Concession Agreement which management is intending to pursue and litigate pending quantification of claims as per the Arbitral Award received as referred above.

Further GHVEPL has also internally assessed the average daily traffic for financial year 2024-25, the scheduled six-laning period which indicates that average daily traffic at designated Toll Plaza will exceed the Design Capacity that would require six-laning as per Clause 29.2.3 of the Concession Agreement. In terms of the internal assessment by GHVEPL where in the traffic flows were estimated to increase to the levels which mandates six-laning during the concession period and based on the opinion from the legal Counsel, the management is of the view that the

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withdrawal of the Six Laning of the project highway without any reasoning is not a tenable action by NHAI / Regulator and the same would be contested in the Court of law subsequent to the awaited decision from Delhi High Court. Accordingly, concession life of 25 years with six laning has been considered for the purposes of the amortisation of Intangibles in spite of the communication / notice by NHAI / Regulator restricting the period to 15 years with four-laning. The valuation expert based on the assumptions that it would be receiving the compensation in the future, had determined value in use of GHVEPL assets as at March 31, 2020 (i.e. valuation date) which is higher than the carrying value of assets.

The management of the Group is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons. Accordingly, based on the aforesaid legal opinion, expected future traffic flow over a concession period of 25 years, valuation assessment by an external expert based on expected compensation claim inflows, the management of the Group believes that the carrying value of carriage ways of Rs. 1,943.24 crore of GHVEPL as at December 31, 2020, is appropriate.

10. The Group has signed definitive share sale and purchase agreement ('SSPA') on September 24, 2020 for the sale of equity owned by its wholly owned subsidiary GMR SEZ & Port Holdings Limited ("GSPHL") of its entire 51% stake in Kakinada SEZ Limited ("KSEZ") to Aurobindo Realty and Infrastructure Private Limited ("ARIPL"). As part of the proposed transfer of stake of KSEZ ("Proposed Sale"), the entire equity stake of Kakinada Gateway Port Limited ("KGPL") held by KSEZ would also be transferred to ARIPL. In accordance with the Proposed Sale, total consideration for the sale of equity stake as well as the inter corporate deposits given to KSEZ by the Company and its subsidiaries is Rs. 2,610.00 crore. Out of the total consideration, Rs. 1,600.00 crore would be received on the closing date and balance Rs. 1,010.00 crore would be received in next 2 to 3 years which is contingent upon achievement of certain agreed milestones primarily related to the sale of 2,500 acres of the land parcels at specified prices during the financial years ended March 31, 2021 and March 31, 2022.

    Accordingly, the Group has classified the assets and liabilities pertaining to KSEZ and KGPL as assets held for sale.

    The said transaction is subject to conditions precedent as specified in SSPA including various regulatory approvals, Central government approval and state government approval and are currently pending as at December 31, 2020. Pending completion of the conditions precedent the Group has not given the impact of fair value of consideration on the carrying value of the net assets held for sale in the consolidated financial results for the quarter and nine months period ended December 31, 2020

    The Group expects in next 2-3 years there will be significant development in the Kakinada SEZ which includes the development of Bulk Drug Park, Commercial Sea port, establishment of various port based industries, manufacturing industries, development of new International Airport in Bhogapuram. Based on assessment of the achievement of the aforementioned milestones by an independent property consultancy agency, management of the Group is confident of achieving the aforementioned milestones and is of the view that the carrying value of the net assets in KSEZ as at December 31, 2020 is appropriate.

11. Delhi Duty Free Services Private Limited ('DDFS'), a Joint Venture Company had filed three refund applications dated January 31, 2018 under section 11(B) of Central Excise Act, 1944 seeking refund of Rs. 40.62 crore being the service tax and cess paid on license fees, marketing

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fees, airport services charges and utility charges during the period October 2016 to June 2017 for services rendered to DDFS at the duty-free shops at T-3, IGI Airport, Delhi. Such refund claims were filed in pursuance of the decision of the CESTAT Mumbai in Commissioner of Service Tax VII, Mumbai vs. Flemingo Duty Free Private Limited 2018 (8) GSTL 181 (Tri. Mumbai) (Flemingo) wherein it was held that service tax on license fee was not payable since services were provided outside taxable territory.

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

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

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

After perusal of matters referred above inter alia SCN dated August 04, 2020 and also the grounds of appeals filed by the Department on August 25, 2020 referred above, the management supported by the legal advices, is of the view that DDFS has a very good chance of success on merit and is confident of receiving the refunds of service tax and cess. Accordingly, the Group's share in amount of Rs. 194.91 crore has been recognized as income during the nine months period ended December 31, 2020.

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Subsequently the Assistant commissioner issued orders dated December 7, 2020 and December 10, 2020 on respective SCN and rejected the refund of service tax of Rs 182.13 crores and Rs 12.78 crores. DDFS has filed rectification appeals against the aforesaid orders. DDFS also obtained legal opinion on these orders and is of the view that the DDFS has a good case on the merits supported by settled judicial principals and accordingly the amount of refunds recognised should continue to be shown as recoverable in the books of account.

12. MoCA issued an order no. AV 13024 /03/2011-AS (Pt. I) dated February 18, 2014 requiring the Airport Operators to reverse the expenditure incurred, since inception to till date, towards procurement and maintenance of security systems/ equipment and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by DIAL ('Delhi International Airport Limited'), the Airport Operator and a subsidiary of the Company in a fiduciary capacity.
DIAL had incurred Rs. 297.25 crore towards capital expenditure (excluding related maintenance expense and interest thereon) till December 31, 2020 (March 31, 2020: Rs. 297.25 crore) out of PSF (SC) escrow account as per Standard Operating Procedure (SOPs), guidelines and clarification issued by MoCA from time to time on the subject of utilization of PSF (SC) funds.

In the opinion of the management of DIAL, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble High court of Delhi. The Hon'ble High Court of Delhi, vide its order dated March 14, 2014, stayed recovery of amount already utilized by the DIAL from PSF (SC) Escrow Account till date. The matter is now listed for hearing on March 19, 2021 for arguments.

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

Based on internal assessments and pending final outcome of the aforesaid writ petition, no adjustments have been made to the accompanying consolidated financial results of the Group for the quarter ended December 31, 2020 and nine months period ended December 31, 2020. Further, as directed by the Hon'ble High Court of Delhi and pending further orders, DIAL has charged Rs.108.38 crore from April 1, 2014 till December 31, 2020 (March 31, 2020: Rs. 102.81 crore) towards the expenditure incurred on repair and maintenance of security equipment to the statement of profit and loss which includes Rs. 5.57 crore during the nine months period ended December 31, 2020.

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

13. On June 15, 2020, Delhi Cantonment Board ('DCB') has passed the order on DIAL, contradicting its own previous demand and acted in contravention of Cantonment Act, 2006 and the HC order dated December 2, 2019 has sought to retrospectively enhance the rate of property tax leviable on the DIAL on the pretext of purported errors in calculation, determining the property tax payable by the DIAL for the assessment period i.e. 2016-17, 2017-18, 2018-19 to be Rs 2,589.11

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crore after making due adjustments of amounts already deposited. DIAL has thus challenged the assessment and demand by way of writ petition before Hon'ble Delhi High Court and sought stay against the assessment and demand. DIAL filed a Writ Petition on July 20, 2020 before the High Court of Delhi challenging the assessment order dated June 15, 2020. The writ petition was heard on various dates in which Honourable Delhi High Court directed DCB not to take any coercive action against the Company till next hearing. The matter is now listed for hearing on March 3, 2021.

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

At the initial planning phase of the project, DIAL was required to procure the Concept Master Plan ("CMP") approval from governmental authorities, including the Airport Authority of India ("AAI") within 180 days from the Effective Date or with in a further additional time period of 90 days. Post the expiry of 270 days from the Effective Date, only the Developers can extend such period. The Developers have provided such extension initially up to June 30, 2020 as of March 31, 2020 and thereafter, it has been further extended up to March 31, 2021. On the Effective Date as specified in the Development agreements DIAL has received the initial first tranche payment towards RSD amount from the Developers. At the time of the execution of the Development agreements, the management of DIAL was of the opinion that the procurement of the CMP was highly probable based on discussions with the authorities. Since the Developers provided the necessary extensions and there was no uncertainty on receipt of CMP approval from governmental authorities, DIAL in accordance with recognition and measurement principles of Ind AS 116 "Leases" recognized the lease payments on a straight line basis over the period of the lease and accrued the annual fee payable to AAI for the year ended March 31, 2020.

Due to global impact of COVID-19, aviation industry has been badly impacted and there is huge negative impact on DIAL's cash inflow from operations as compared to previous years. Further, there has been significant delay at governmental authorities end in granting the first stage approval for the CMP, which has also accordingly resulted in non-receipt of ALR, ADC and the second tranche of RSD till date. The accrual of any ALR now (without actual receipt of ALR in absence of CMP approval) would have an immediate impact on cash outflows payable including towards annual fee to AAI which would worsen the cash flow position. Considering these facts emerging from April 2020 onwards DIAL management has decided not to accrue ALR effective from April 1, 2020 till receipt of CMP approval from governmental authorities. Accordingly, other operating income amounting to Rs. 120.32 crore and Rs. 359.95 crore for the quarter and nine months period ended December 31, 2020 respectively has not been accrued by DIAL.

(b) As per term of agreements entered with various Commercial Property Developers (''Developers''), the Annual License Fees ("ALF") are payable in advance within 15 days from the beginning of financial year by the developers. However, due to global impact of COVID-19, aviation industry has been badly impacted and there is huge negative impact on DIAL's and developers cash flow, hence developers are unable to pay ALF in advance. Accordingly, DIAL has relaxed the agreement condition by deferring the collection of ALF from annual in advance to monthly till the time situation improves. However, developers are still unable to pay ALF in full and there is delay in timing of its collection Accordingly, the further accrual of any ALF now (without actual receipt of ALF) would have an immediate impact on cash outflows payable

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including towards annual fee to AAI which would worsen the DIAL's cash flow position. Considering these facts, DIAL management has decided not to accrue ALR effective from July 01, 2020 till the business situation normalizes. Accordingly, other operating income amounting to Rs. 58.79 crore and Rs 82.51 crores for the quarter and nine months ended December 31, 2020 has not been accrued by the DIAL.

Further based on recovery, DIAL has recognized lease income amounting to Rs 46.93 crores from commercial property developers relating to the period ended September 30, 2020 and the related expenses in current quarter instead of restating previous quarter in accordance with relevant accounting standards prescribed under section 133 of the Companies Act 2013.

The above matters in (a) and (b) relating to non-recognition of other operating income had a corresponding impact leading to an understatement of Other equity by Rs. 238.97 crores, Trade payables (MAF to AAI) by Rs. 203.49 crores, Other current financial assets by Rs. 273.10 crores, Trade receivables by Rs. 23.40 crores, Other non-current assets by Rs. 145.96 crores as at December 31, 2020.

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

In relation to determination of tariff for the Second Control Period, commencing from April 1, 2016 to March 31, 2021, AERA had issued a consultation paper on December 19, 2017. However, as the aforesaid consultation paper does not address the issues arising out of the first control period, including true up for shortfall of receipt vis-a-vis entitlement for the First Control Period, GHIAL had filed a writ petition with the Hon'ble High Court at Hyderabad on February 6, 2018 and obtained a stay order from the High Court vide order dated February 7, 2018 in respect of further proceedings in determination of tariff order for the second control period. Pending determination of Aeronautical Tariff, AERA vide its order no. 48 dated March 25, 2019 has allowed GHIAL to continue to charge the aeronautical tariff as prevailed on March 31, 2016 till September 30, 2019 or till determination of tariff for the aforesaid period whichever is later. In view of the above, GHIAL has applied aeronautical tariff as prevailed on March 31, 2016 during the year ended March 31, 2020.

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

In July 2020, GHIAL has filed an application with the AERA for determination of Aeronautical tariff for the third control period commencing from April 1, 2021 to March 31, 2026.

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

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

Further, DIAL has filed tariff proposal for the third control period starting April 1, 2019 to March 31, 2024 with the regulator on November 27, 2018. AERA has time to time extended the prevailing tariff. AERA has issued tariff order for third control period on December 30, 2020 allowing DIAL to continue with BAC+10% tariff for the balance period of third control period plus compensatory tariff in lieu of Fuel Throughput Charges.

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

16. (a) The Ministry of Civil Aviation (MoCA) had issued orders dated February 18, 2014 requiring the Airport Operators to reverse the expenditure incurred, together with the interest, since inception till date, towards procurement and maintenance of security systems/equipment and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by the Airport Operator in a fiduciary capacity. GHIAL had incurred Rs.142.00 crore towards capital expenditure (including the cost of land, construction cost and related finance cost as mentioned in note (b) below, excluding related maintenance expense, other costs and interest thereon till March 31, 2018, which is currently not ascertainable out of PSF (SC) escrow account as per SOPs, guidelines and clarification issued by the MoCA from time to time on the subject of utilization of PSF (SC) funds.

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

    Based on the internal assessments and pending final outcome of the aforesaid writ petition, no adjustments have been made to the accompanying consolidated financial results of the Group for the quarter and period ended December 31, 2020.

    (b) As per the advice from the Ministry of Home Affairs and the Standard Operating Procedures ('SOP') issued by MoCA on March 6, 2002, GHIAL, through its wholly owned subsidiary,

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Hyderabad Airport Security Services Limited ('HASSL') constructed residential quarters for Central Industrial Security Forces ('CISF') deployed at the Hyderabad airport. After completion of such construction, the total construction cost including the cost of land and related finance cost amounting to Rs. 113.73 crore was debited to the PSF (SC) Fund with intimation to MoCA. The Comptroller and Auditor General of India ('CAG'), during their audits of PSF (SC) Fund, observed that, GHIAL had not obtained prior approval from MoCA for incurring such cost from the PSF (SC) Fund as required by the guidelines dated January 8, 2010 and April 16, 2010 issued by MoCA. However, management of the Group is of the opinion that these guidelines were issued subsequent to the construction of the said residential quarters and approached MoCA for approval to debit such costs to the PSF (SC) Fund account.

In earlier years, MoCA responded that, it is not in a position to consider the request for enhancement in the PSF (SC) tariff. As a result, GHIAL requested MoCA to advice the AERA for considering the cost of land/ construction and other related costs with regard to the aforesaid residential quarters in determination of Aeronautical Tariff for the Hyderabad airport. Pending final instruction from MoCA, cost of residential quarters continued to be accounted in the PSF (SC) Fund and no adjustments have been made to the accompanying consolidated financial results of the Group for the quarter and period ended December 31, 2020.

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

17. The Group has incurred losses primarily on account of losses in the energy and highway sector as detailed in notes 4, 8, and 9 above with a consequent erosion of its net worth, delay in debt and interest servicing and lower credit ratings for some of its borrowings. Management is taking various initiatives including monetization of assets, sale of stake in certain assets, raising finances from financial institutions and strategic investors, refinancing of existing debt and other strategic initiatives to address the repayment of borrowings and debt. Pursuant to such initiatives the Group had divested its stake in certain assets in the highway sector and 30% stake in selected portfolio in energy assets over the last few years from 2016 onwards. Further the management has signed a share subscription and share purchase agreement with ADP and divest equity stake of 49% (for an equity consideration of Rs. 9,813.00 crore) in GAL on a fully diluted basis. The amount was received in two tranches, the first tranche of Rs. 5,248.00 crore was closed as of February 26, 2020 and the same has been primarily used to repay debt obligations the and the second tranche of Rs 4,565.00 crore was closed on July 7, 2020. The money received in second tranche is primarily used in servicing the debt which will help deleverage GMR Group further and result in improved cash flows and profitability and net worth of the group will improve significantly.

Further, the Group has received certain favorable orders on various ongoing matters in energy, highway and DFCC which involve significant value of claims. Management is optimistic of such

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favorable orders and believes that such claims will further improve it's cash flows and profitability. The details of such claims have been enumerated below: -

i) GCORR has received award of Rs. 341.00 crore plus interest against Government of Tamil Nadu ('GOTN') which is challenged by GOTN in Madras High Court.

ii) GHVEPL has received award for arbitration for compensation for Change in Law on account of bifurcation of state of Andhra Pradesh and change in policies as detailed in note 10. While Change in Law is upheld, amount of compensation is to be calculated by a Sole Arbitrator. GHVEPL has raised a claim of Rs 1,676.00 crore plus interest upto March 31, 2020. However, NHAI has challenged the Award before Divisional Bench of Delhi High Court after single Judge of Delhi High Court upheld the award in favor of GHVEPL.

iii) In case of DFCC, there are various claims under various heads which has been either agreed by DFCCIL or Group has got the award through Dispute Adjudication Board (DAB). Total amount of claim is approximately Rs. 321.00 crore which will be received progressively based on the work to be carried out.

iv) Group have also raised a claim of Rs. 378.00 crore on DFCCIL under Change in Law on account of Mining Ban in the state of UP. Though DAB has given award in Group's favor but DFCCIL has not accepted and arbitration is invoked which is under process.

v) Certain other claims in Energy sector as detailed in Note 4(b), 4(c), 4(d), 4(e) and 8.

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

19. Exceptional items for the quarter and period ended December 31, 2020 comprise of the write off of other receivable and loss on sale of investment properties.

20. The accompanying consolidated financial results of the Group for the quarter and nine months period ended December 31, 2020 have been reviewed by the Audit Committee in their meeting on February 11, 2021 and approved by Board of Directors in their meeting held on February 12, 2021.

21. Other operating income includes interest income on financial assets of annuity companies in roads sector, dividend income, income from management and other services, commercial property development, profit on sale of current investments and interest income for companies which undertake investment activities and other operating income for other companies.

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Notes to the unaudited consolidated financial results for the quarter and nine months ended December 31, 2020

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

For GMR Infrastructure Limited

GMR INFRASTRUCTURE LIMITED

GMR

Grandhi ~~Kiran~~ Kumar
Managing Director & CEO

New Delhi
February 12, 2021

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

To the Board of Directors of GMR Infrastructure Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of GMR Infrastructure Limited ('the Company') for the quarter ended 31 December 2020 and the year to date results for the period 1 April 2020 to 31 December 2020 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the Securities and Exchange Board of India ('SEBI') from time to time.

2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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4. As stated in note 3(a) to the accompanying Statement, the Company has invested in GMR Generation Assets Limited ('GGAL') and GMR Energy Projects Mauritius Limited ('GEPML'), subsidiaries of the Company, which have further invested in step down subsidiaries and joint ventures. Further, the Company has outstanding loan (including accrued interest) amounting to Rs. 57.24 crore recoverable from GGAL as at 31 December 2020. Also, the Company together with GGAL and GEPML has investments in GMR Energy Limited ('GEL'), a Joint venture of the Company, amounting to Rs. 1,686.05 crores and has outstanding loan (including accrued interest) amounting to Rs.394.97 crore recoverable from GEL as at 31 December 2020. GEL has further invested in GMR Vemagiri Power Generation Limited ('GVPGL') and GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL'), both subsidiaries of GEL and in GMR Kamalanga Energy Limited ('GKEL'), joint venture of GEL and GGAL has further invested in GMR Rajahmundry Energy Limited ('GREL'), an associate company of GGAL. The aforementioned investments are carried at their respective fair value in the Statement as per Ind AS 109 – 'Financial Instruments'.

   As mentioned in note 3(e), GVPGL and GREL have ceased operations due to continued unavailability of adequate supply of natural gas and other factors mentioned in the said note and have been incurring significant losses, including cash losses with consequential erosion of their respective net worth. Further, GREL has entered into a resolution plan with its lenders to restructure its debt obligations during the year ended 31 March 2019. The Company has given certain corporate guarantees for the loans including Cumulative Redeemable Preference Shares ('CRPS') outstanding in GREL amounting to Rs. 2,060.13 crores.

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

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

   Further, as mentioned in note 3(f), GBHPL has stopped the construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand, since 07 May 2014 on directions of Hon'ble Supreme Court of India ('the Supreme Court'). The carrying value of the investments in GBHPL is significantly dependent on obtaining requisite approvals from Supreme court, environmental clearances, availability of funding support for development and construction of the aforesaid power plant and achievement of the other key assumptions made in the valuation assessment done by an external expert.

   Accordingly, owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the aforesaid loans and investments, and further provisions, if any, required to be made for the said obligations, and the consequential impact on the accompanying Statement for the quarter and nine month period ended 31 December 2020.

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The opinion expressed by us on the standalone financial statements for the year ended 31 March 2020 vide our report 30 July 2020 and the conclusion expressed by us in our review report dated 10 November 2020 on the standalone financial results for the quarter and year to date ended 30 September 2020 was also qualified in respect of above matters and the conclusion expressed by us for the quarter and year to date ended 31 December 2019 vide our review report dated 13 February 2020 was also qualified with respect to the matters pertaining to GVPGL, GREL and GKEL.

5. As detailed in note 6 to the accompanying Statement for the quarter and nine months period ended 31 December 2020, the Company, along with Kakinada SEZ Limited ('KSL'), GMR SEZ and Port Holdings Limited ('GSPHL'), Kakinada Gateway Port Limited ('KGPL') has entered into a securities sale and purchase agreement with Aurobindo Reality and Infrastructure Private Limited, ('Aurobindo') for the sale of entire 51% stake in KSL held by GSPHL (Securities sale and purchase agreement hereinafter referred as 'SSPA') along with the settlement of inter corporate deposits given by the Company to KSL. The consideration for aforesaid intercorporate deposits outstanding as at 31 December 2020 includes contingent consideration of Rs. 1,010.00 crore based on certain agreed upon milestones as detailed in the aforementioned note, the achievement of which is significantly dependent on future development in Kakinada SEZ. Further, the investment in KSL held by the Company through GSPHL is carried at its fair value of Rs. 502.00 crore as on 31 December 2020, which has been determined without giving cognizance to the consideration of Rs 12.00 crores which has been agreed for the transfer of such equity shares to Aurobindo as specified in the aforementioned SSPA, which is not in accordance with Ind AS 113, Fair Value Measurement.

6. Based on our review conducted as above except for the possible effects of the matters described in previous sections nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. In addition to the matters described in paragraph 4 above, we draw attention to note 3(b) and 3(c) to the accompanying Statement, in relation to the investment made by the Company in GEL amounting to Rs.1,686.05 crore as at 31 December 2020. The recoverability of such investment is further dependent upon various claims, counter claims and other receivables from customers of GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, which are pending settlement / realization as on 31 December 2020, and certain other key assumptions considered in the valuation performed by an external expert, including capacity utilization of plant in future years and renewal of Power Purchase Agreement with one of its customers which has expired in June 2020.

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

   The management of the Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment of the Company in GEL, taking into account the matters described above in relation to the investments made by GEL in its aforementioned subsidiaries, is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying Statement for the quarter and nine months ended 31 December 2020. Our conclusion is not modified in respect of this matter.

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8. We draw attention to note 9 to the accompanying Statement, which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the investments carried at fair value in the standalone financial results of the Company as at 31 December 2020. Our conclusion is not modified in respect of this matter.

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

Anamitra Das
Partner
Membership No. 062191
UDIN: 21062191AAAACF1082

Place: New Delhi
Date: 12 February 2021

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GMR Infrastructure Limited
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Statement of unaudited standalone financial results for quarter and nine months ended December 31, 2020

(Rs. in crore)

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Income**						
	(a) Revenue from operations						
	i) Sales/income from operations	268.20	163.69	170.76	645.56	557.04	803.46
	ii) Other operating income (refer note 8)	94.33	120.09	90.94	299.33	244.93	351.64
	(b) Other income	2.68	1.78	1.19	5.34	4.42	7.90
	Total Income	**365.21**	**285.56**	**262.89**	**950.23**	**806.39**	**1,163.00**
2	**Expenses**						
	(a) Cost of materials consumed	154.90	87.11	87.69	364.77	264.64	360.39
	(b) Sub-contracting expenses	64.09	27.62	30.84	134.76	130.86	176.03
	(c) Employee benefit expenses	7.91	5.90	9.18	20.94	30.67	40.71
	(d) Finance costs	175.22	209.14	290.12	660.00	787.46	892.93
	(e) Depreciation and amortisation expenses	5.45	5.37	5.89	16.30	17.90	23.52
	(f) Other expenses	42.82	35.98	26.49	94.73	77.58	133.09
	Total expenses	**450.39**	**371.12**	**450.21**	**1,291.50**	**1,309.11**	**1,626.67**
3	**Loss before exceptional items and tax**	**(85.18)**	**(85.56)**	**(187.32)**	**(341.27)**	**(502.72)**	**(463.67)**
4	**Exceptional items (refer note 7)**	(343.93)	(129.91)	(35.33)	(540.70)	(168.95)	(990.47)
5	**Loss before tax (3 ± 4)**	**(429.11)**	**(215.47)**	**(222.65)**	**(881.97)**	**(671.67)**	**(1,454.14)**
6	**Tax (credit)/ expense**	**(0.66)**	**(1.30)**	**(2.92)**	**(3.86)**	**(9.93)**	**24.98**
7	**Loss for the period/ year (5 ± 6)**	**(428.45)**	**(214.17)**	**(219.73)**	**(878.11)**	**(661.74)**	**(1,479.12)**
8	**Other comprehensive income (net of tax)**						
	(A) (i) Items that will not be reclassified to profit or loss						
	-Re-measurement gains on defined benefit plans	0.37	(0.80)	-	0.69	-	0.04
	-Net (loss)/ gain on fair valuation through other comprehensive income ('FVTOCI') of equity securities	(163.47)	(49.98)	(117.29)	(2,218.92)	(405.62)	1,996.21
	Total other comprehensive income for the period/year	**(163.10)**	**(50.78)**	**(117.29)**	**(2,218.23)**	**(405.62)**	**1,996.25**
9	**Total comprehensive income for the period/year (Comprising Profit/(Loss) and Other comprehensive income (net of tax) for the period/year) (7 ± 8)**	**(591.55)**	**(264.95)**	**(337.02)**	**(3,096.34)**	**(1,067.36)**	**517.13**
10	**Paid-up equity share capital (Face value - Re. 1 per share)**	603.59	603.59	603.59	603.59	603.59	603.59
11	**Other equity (excluding equity share capital)**						11,464.15
12	**Earnings per share (EPS) (of Re. 1 each) (not annualised)**						
	(a) Basic and Diluted EPS before exceptional items	(0.14)	(0.14)	(0.31)	(0.56)	(0.82)	(0.81)
	(b) Basic and Diluted EPS after exceptional items	(0.71)	(0.35)	(0.36)	(1.45)	(1.10)	(2.45)

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Notes to the unaudited standalone financial results for the quarter and nine months ended December 31, 2020

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

2. The Company carries on its business in two business verticals viz., Engineering, Procurement and Construction ('EPC') and Others.

   The segment reporting of the Company has been prepared in accordance with Ind AS 108 'Operating Segments' prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder. The Company has presented the operating segments information on the basis of its consolidated financial results.

3. (a) The Company has invested in GMR Generation Assets Limited ("GGAL") which has further invested in step down subsidiaries and joint ventures. Further, the Company has outstanding loan (including accrued interest) amounting to Rs. 57.24 crore recoverable from GGAL as at December 31, 2020. Also, the Company together with GGAL and GMR Energy Projects Mauritius Limited has investments in GMR Energy Limited ("GEL") amounting Rs. 1,686.05 crore and has outstanding loan (including accrued interest) amounting to Rs. 394.97 crore in GEL as at December 31, 2020. GEL and GGAL have certain underlying subsidiaries/ associates/ joint ventures which are engaged in energy sector including mining operations. GEL, GGAL and some of the underlying subsidiaries/ associates/ joint ventures as further detailed in note 3(b), 3(c), 3(d), 3(e) and 3(f) below have been incurring losses resulting in substantial erosion in their net worth. Based on its internal assessment with regard to future operations and valuation assessment by an external expert during the year ended March 31, 2020, the management of the Company has fair valued its investments and for reasons as detailed in 3(b), 3(c), 3(d), 3(e) and 3(f) below, the management is of the view that the fair values of the Company's investments in GGAL and GEL are appropriate.

   (b) GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL, has accumulated losses of Rs. 689.79 crore as at December 31, 2020 which has resulted in substantial erosion of GWEL's net worth. GWEL had claimed compensation for coal cost pass through and various "change in law" events from its customers under the Power Purchase Agreements ('PPA') and have filed petitions with the regulatory authorities for settlement of such claims in favour of GWEL. GWEL has trade receivables, other receivables and unbilled revenue (including claims) of Rs. 688.78 crore which are substantially pending receipt. Based on certain favorable interim regulatory orders, the management is confident of realization of the outstanding receivables.

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

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obligation to pay fixed capacity charges as per PPA. The customer is of the view that the aforesaid clarification by the Ministry of Power cannot override the terms of the PPA and continue to dispute the payment thereof. Accordingly, during the period ended December 31, 2020, GWEL filed petition with Central Electricity Regulatory Commission ('CERC') for settlement of the dispute. The management based on its internal assessment and petition filed with CERC, is of the view that the aforesaid capacity charges are fully recoverable. Further, in view of the ongoing COVID-19 pandemic and expiry of the PPA with one of the customer availing 200 MW of power in June 2020 and a consequent cancellation of the fuel supply agreement, there could be impact on the future business operations, financial position and future cash flows of GWEL. Further during the quarter ended December 31, 2020, GWEL basis the requisite approval of the lenders, has invoked resolution process as per Resolution Framework for COVD-19 related stress prescribed by RBI on December 30, 2020. Inter creditors Agreement would be executed within 30 days from the invocation alongwith 180 days' timeline for resolution plan implementation.

The management of GWEL expects that the plant will generate sufficient profits in the future years and will be able to recover the receivables and based on business plans and valuation assessment by an external expert during the year ended March 31, 2020, the management of the GEL is of the view that the carrying value of the net assets in GWEL by GEL as at December 31, 2020 is appropriate.

(c) GWEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') on March 17, 2010 for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, GWEL has raised claim of Rs. 610.29 crore towards reimbursement of transmission charges from March 17, 2014 till November 30, 2020. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and the matter is pending conclusion.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of Rs. 610.29 crore relating to the period from March 17, 2014 to November 30, 2020 (including Rs. 74.53 crore for the eight months period ended November 30, 2020) in the financial results of GWEL.

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(d) GMR Kamalanga Energy Limited ('GKEL'), a joint venture of GEL is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has accumulated losses of Rs. 1,612.15 crore as at December 31, 2020, which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. Further, GKEL has trade receivables, other receivables and unbilled revenue (including claims) of Rs. 1,481.09 crore as at December 31, 2020, for coal cost pass through and various "change in law" events from its customers under the PPAs and have filed petitions with the regulatory authorities for settlement of such claims in favour of GKEL. The payment from the customers against the claims is substantially pending receipt. Based on certain favorable interim regulatory orders with regard to its petition for 'Tariff Determination' and 'Tariff Revision' with its customers, the management is confident of a favorable outcome towards the outstanding receivables of GKEL.

GKEL in view of the Supreme Court Order in Energy Watchdog vs CERC and others and CERC order in its own case for Haryana Discoms had sought legal opinion from the legal counsel on certainty of the claims with Bihar Discoms. Considering opinion received from legal counsels that GKEL has good tenable case with virtual certainty with respect to coal cost pass through and favourable Order from APTEL dated December 21, 2018 and CERC judgment in GKEL's own case for Haryana Discoms where the computation methodology of coal cost pass through was decided, the management was virtually certain on receipt of the GKEL's claim of revenue on coal cost pass through and was of the opinion that no contingency was involved in this regard. GKEL has now received a favorable order on September 16, 2019 whereby the CERC has allowed the coal cost pass through to be charged to the Bihar Discom, based on a certain methodology. However, GKEL has filed a review petition with Hon'ble Appellate Tribunal for Electricity dated November 14, 2019 against this methodology on the grounds that the methodology stated in this order, even though favorable, is contradictory to the methodology stated in the earlier order of CERC in GKEL's case with Haryana Discom. Accordingly, GKEL continued to recognize the income on Coal Cost Pass Through claims of Rs. 3.50 crore for the quarter and Rs.10.08 crore for the nine months period ended December 31, 2020.

GKEL has accounted for transportation cost of fly ash as change in law event as the same was agreed in principle by CERC vide Order 131/MP/2016 dated February 21, 2018 and recognized revenue amounting to Rs. 15.75 crores for Haryana, Bihar and GRIDCO PPAs for the quarter ended December 31, 2020 and Rs. 30.53 crore for the nine months period ended December 31, 2020 post complying with the conditions mandated in this regard. GKEL has filed petition with CERC for determination of compensation of transportation charges of fly ash as per Order 131/MP/2016 and is awaiting final order.

Further, as detailed below there are continuing litigation with SEPCO Electric Power Construction Corporation (SEPCO) ('Capital Creditors') which are pending settlement . Further, during the year, GKEL has won the bid for supply of balance 150 MW to Haryana Discom. GKEL has signed fuel supply agreement with Coal India Limited for supply of coal from its Mahanadi Coal Field Mines for 0.36 crore ton which is within a distance of 15 KM from the plant site. In addition to above, GKEL has won the bid (Shakti-III) for supply of 0.04 crore ton of coal for balance 150 MW.

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Further, during the year ended March 31, 2020, as part of the strategic initiatives being undertaken by the management to ensure liquidity and timely payment of its obligations, the management of the Company, entered into share purchase agreement with JSW Energy Limited for sale of its equity stake in GKEL. However, during the previous quarter ended September 30, 2020, the said transaction has been called off due to uncertainties on account of COVID-19 pandemic.

Further, GKEL had entered agreement with SEPCO in 2008 for the construction and operation of coal fired thermal power plant. There were certain disputes between the parties in relation to the delays in construction and various technical issues relating to the construction and operation of the plant. SEPCO served a notice of dispute to GKEL in March 2015 and initiated arbitration proceedings. The Arbitral Tribunal has issued an opinion (the Award) on 07 September 2020 against GKEL. Since there were computation/ clerical / typographical errors in the Award, both parties (GKEL and SEPCO) immediately applied for correction of the award under Section 33 of the Arbitration & Conciliation Act 1996 (as amended). The Arbitral Tribunal considered the applications of both the parties and has pronounced the corrected award on November 17, 2020. GKEL already accounted for the aforementioned liability in excess of the amount as per the award pertaining to the books, representing the retention money, unpaid invoices and the Bank Guarantee revoked. GKEL has obtained a legal opinion which details the possible grounds of appeal and concluded that GKEL has a good arguable case under Section 34 of the Arbitration and Conciliation Act, 1998 to challenge the award and have it set aside.

In view of these matters, business plans (including expansion and optimal utilization of existing capacity, rescheduling/ refinancing of existing loans at lower rates), valuation assessment by an external expert during the year ended March 31, 2020, the management is of the view that the carrying value of the investments in GKEL held by GEL as at December 31, 2020 is appropriate.

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

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

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be a subsidiary of the Company and has been considered as associate as per the requirements of Ind AS -28.

During the year ended March 31, 2019, considering that GREL continued to incur losses in absence of commercial operations, the consortium of lenders has decided to implement a revised resolution plan which has been approved by all the lenders and accordingly the lenders have restructured the debt. The Company along with its subsidiaries has provided guarantees to the lenders against the servicing of sustainable debts having principal amounting to Rs. 1,119.54 crore and all interests there on, including any other obligation arising out of it and discharge of the put option in regard to Cumulative Redeemable Preference Shares ('CRPS') (unsustainable debt) amounting to Rs. 940.59 crore, if any exercised by the CRPS lenders, as per the terms of the revised resolution plan.

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

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

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

(iii) During the year ended March 31, 2020, GEL entered into a Sale and Purchase Agreement with a prospective buyer for a consideration of USD 1.55 crore for sale of the Barge Mounted Power Plant ('Barge Plant') on as is where is basis, out of which USD 0.30 crore has been received till

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March 31, 2020. The transaction was expected to be completed by May 31, 2020. However, the dismantling work is on hold due to COVID-19. However, the management is confident of completing the transfer of Barge Plant by March 31, 2021. Since the estimate of realizable value amounting Rs. 112.01 crore done by the management as at December 31, 2020 is consistent with the consideration for the Barge Plant as per the agreement, no further impairment charge is required.

(iv) Further, the management of the Company is evaluating various approaches / alternatives to deal with the situation and is confident that Government of India ('GoI') would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. The management of the Company carried out a valuation assessment of GREL and GVPGL during the year ended March 31, 2020 which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff, tying up of PPA, realization of claims for losses incurred in earlier periods and current period from the customer and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The business plan of GREL considered for valuation assessment has been approved by the consortium of lenders at the time of execution of the resolution plan. The management of the Company will monitor these aspects closely and take actions as are considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations as they arise and GEL will be able to dispose off the Barge Power Plant as per the aforementioned Sale and Purchase agreement. Based on the aforementioned reasons, claims for capacity charges and business plans, the management is of the view that the carrying value of the investment in GVPGL by GEL as at December 31, 2020 is appropriate. The Company has provided for its investment in full in GREL and the management is confident that no further obligation would arise for the guarantees provided to the lenders against the servicing of sustainable and unsustainable debts.

(f) GMR Badrinath Hydro Power Generation Private Limited ('GBHPL') a subsidiary of GEL, is in the process of setting up 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India ('the Court'), while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. During the year ended March 31, 2018, the validity of Environmental Clearance ('EC') granted to GBHPL by the MoEF ceased to exist. Pursuant to an application made by GBHPL, the MoEF vide its letter dated April 17, 2018, proposed to extend the EC granted to GBHPL for a period of 3 years, subject to the final outcome of the matter pending before the Court. Based on its internal assessment and a legal opinion, the management of GBHPL is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert during the year ended March 31, 2020, the management of the Company is of the view that the carrying value of the investments in GBHPL by GEL as at December 31, 2020 is appropriate.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSES

GMR INFRASTRUCTURE LIMITED

Notes to the unaudited standalone financial results for the quarter and nine months ended December 31, 2020

4. The Company through its subsidiary GMR Coal Resources Pte. Limited ('GCRPL') has investments of Rs. 3,739.40 crore in PTGEMS, a joint venture as at December 31, 2020. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The cost of investments is significantly higher than the book value of assets of PTGEMS and includes certain future benefits including Coal Supply Agreement ('CSA') of GCRPL with PTGEMS whereby the Company along with its subsidiaries is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount other than profit from mining operations. Though the shares of PTGEMS are listed on the overseas exchanges, the management is of the view that the quoted prices are not reflective of the underlying value of the mines as in the past few years the shares have been very thinly traded. Based on profitable mining operations, ramp up of production volumes and other assumptions around off take at a discounted price and trading thereof considered in valuation assessment carried out by an external expert during the year ended March 31, 2020, the management of the Company believes that the carrying value of aforesaid investments in PTGEMS as at December 31, 2020 is appropriate.

5. GMR Generation Assets Limited ('GGAL' or 'the Transferee Company'), a subsidiary of the company had applied for confirmation / approval of scheme of merger / amalgamation and capital reduction ('the Scheme') with its wholly owned subsidiaries GMR GENCO Assets Limited, GMR Kakinada Energy Private Limited and GMR Coastal Energy Private Limited and partly owned subsidiaries SJK Powergen Limited and GMR Power Corporation Limited (collectively referred to as the 'Transferor Companies'). The appointed date of merger / amalgamation is March 31, 2019. The scheme was filed with the Hon'ble Regional Director, Mumbai (RD). Necessary approvals from shareholders and creditors (vide NOCs) were obtained and submitted with the office of RD. The RD filed its report dated February 20, 2020 with National Company Law Tribunal, Special Bench, Mumbai ('NCLT') and NCLT passed the order approving the scheme on March 13, 2020. Pursuant to the Scheme, financial statements of GGAL have been prepared on merged basis with effect from March 31, 2019 in accordance with the accounting treatment prescribed in the Scheme. Further, as per the Scheme, GGAL's issued, subscribed and paid-up equity share capital has been reduced from Rs. 6,323.25 crore (comprising of 6,323,250,226 equity shares of Rs. 10 each) to Rs. 723.25 crore (comprising of 723,250,226 equity shares of Rs. 10 each) by way of cancelling and extinguishing 5,600,000,000 fully paid up equity shares of Rs. 10 each. The shareholders whose share capital has been reduced have been paid a total sum of Rs. 60.00 crores in the proportion of their shareholding in the GGAL as the consideration.

6. The Company has signed definitive share sale and purchase agreement ('SSPA') on September 24, 2020 for the sale of equity owned by its wholly owned subsidiary GMR SEZ & Port Holdings Limited ("GSPHL") of its entire 51% stake in Kakinada SEZ Limited ("KSEZ") to Aurobindo Realty and Infrastructure Private Limited ("ARIPL"). As part of the proposed transfer of stake of KSEZ ("Proposed Sale"), the entire equity stake of Kakinada Gateway Port Limited ("KGPL") held by KSEZ would also be transferred to ARIPL. The equity stake held by Company through GSPHL and the inter corporate deposits (including accrued interest) given to KSL by the Company are carried at Rs. 502 crore and Rs 1,556.79 crores respectively. The equity stake in KSL held by the Company through GSPHL has been carried at a fair value of Rs. 502 crores (which includes fair valuation gain of Rs. 454 crores). Apart from the aforementioned, certain subsidiaries of the Company have also extended inter corporate deposits (including accrued interest) to KSL amounting Rs 1,036.75 crore. In accordance with the Proposed Sale, total consideration for the sale of equity stake as well as the inter corporate deposits given to KSEZ by the Company and its subsidiaries is Rs. 2,610.00 crores. Out of the total consideration, Rs.1,600.00 crores would be received on the closing date and balance

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GMR INFRASTRUCTURE LIMITED *

Rs. 1,010.00 crore would be received in next 2 to 3 years which is contingent upon achievement of certain agreed milestones primarily related to the sale of 2,500 acres of the land parcels at specified prices during the financial years ended March 31, 2021 and March 31, 2022. The said transaction is subject to conditions precedent as specified in SSPA including various regulatory approvals, Central government approval and, state government approval. Pending completion of Conditions Precedent as specified in SSPA, the Company has not given the effect of this transaction in the standalone financial results for the quarter and nine months period ended December 31, 2020.

The Company expects in next 2-3 years there will be significant development in the Kakinada SEZ which includes the development of Bulk Drug Park, Commercial Sea port, establishment of various port based industries, manufacturing industries, development of new International Airport in Bhogapuram. Based on assessment of the achievement of the aforementioned milestones by an independent property consultancy agency, management of the Company is confident of achieving the aforementioned milestones and is of the view that the carrying value of the inter corporate deposits given to KSEZ as at December 31, 2020 is appropriate.

7. During the quarter ended December 31, 2020, the Company has accounted for Provision for impairment in carrying value of investments, loans/advances carried at amortised cost amounting to Rs. 343.93 crore (September 30, 2020: Rs. 129.91 crore) for the quarter and Rs. 540.70 crore for the nine months period ended December 31, 2020 given to Group Companies, which has been disclosed as an exceptional item in the unaudited standalone financial results.

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

9. With the recent and rapid development of the COVID - 19 outbreaks, many countries have implemented travel restrictions. The company has majority of its investments in the Airport sector, Energy Sector, Highway sectors and Urban Infra sector and with respect to COVID - 19 impact on the business of these entities, management believes while the COVID - 19 may impact the businesses in the short term, it does not anticipate medium to long term risk to the business prospects. Considering the business plans of the investee companies the management does not foresee any material impact on the fair value at which the aforementioned investments are carried. Accordingly, no adjustments to the carrying value of these investments are considered necessary. Further, the management has made detailed assessment of its liquidity position for the next one year which includes raising finances from financial institutions / strategic investors and the recoverability of carrying values of its assets as at the balance sheet date, it has been concluded that there are no material adjustments required in the financial results. The impact of the COVID - 19 pandemic might be different from that estimated as at the date of approval of these financial results and the Company will closely monitor any material changes to the future economic conditions.

10. The unaudited standalone financial results of the Company for the quarter and nine months period ended December 31, 2020 have been reviewed by the Audit Committee in their meeting on February 11, 2021 and approved by the Board of Directors in their meeting on February 12, 2021.

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GMR INFRASTRUCTURE LIMITED

GMR Infrastructure Limited

Notes to the unaudited standalone financial results for the quarter and nine months ended December 31, 2020

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

For GMR Infrastructure Limited

Grandhi Kiran Kumar
Managing Director & CEO

New Delhi
February 12, 2021

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