GMR Infrastructure Limited

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November 14, 2019

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

Dear Sir/ Madam,

Sub: Submission of Un-audited Financial Results (Standalone & Consolidated) for the quarter and half year ended September 30, 2019

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

The Board of Directors of the Company at their meeting held on November 14, 2019 has approved the Un-audited financial results (Standalone and Consolidated) for the quarter and half year ended September 30, 2019.

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

1. The Un-audited financial results (Standalone and Consolidated), Cash Flow Statement, Statement of Asset and Liabilities accompanied with the limited review report issued by the Statutory Auditor; and
2. Press release on Un-audited financial results.

The meeting of Board of Directors was concluded at 10.30 P.M.

Please take the same on the record.

Thanking you,

for GMR Infrastructure Limited

T. Venkat Ramana
Company Secretary &
Compliance Officer

Encl: As above

Registered Office:
Plot No. 301, G Block
7th Floor, Naman Centre
Bandra Kurla Complex (Opp. Dena Bank)
Bandra (East), Mumbai - 400 051

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company 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 30 September 2019, and the consolidated year to date results for the period 01 April 2019 to 30 September 2019, 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. Attention is drawn to the fact that the cash flow figures for the corresponding six-month period ended 30 September 2018 have been approved by the Company's Board of Directors, but have not been subjected to audit or review.

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 as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. 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.

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4 a) As detailed in note 3 to the Statement, the Group has acquired the Class A Compulsory Convertible Preference Shares ('CCPS') of GMR Airport Limited ('GAL'), a subsidiary of the Group, for an additional consideration of Rs. 3,560.00 crore 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 crore paid to Private Equity Investors has been considered as recoverable and recognised as Other financial assets, based on proposed sale of such equity shares to the proposed investors, as detailed in note 2 to the Statement. The transaction towards sale of such equity shares is subject to regulatory approvals and lenders' consent, and such approvals are currently at an advance stage of completion as at 30 September 2019. In our opinion, the accounting treatment is not in accordance with the relevant accounting standards since the aforesaid transaction for the payment of additional consideration is a transaction with the equity shareholders of the Group. Had the management not accounted for the aforesaid proposed sale transaction, 'Other equity' would have been lower by Rs. 3,560.00 crore, and 'Other financial assets' would have been lower by Rs. 3,560.00 crore with a consequential impact on segment assets of the Airport sector as at 30 September 2019.

b) As stated in note 5(d) to the accompanying Statement for the quarter and period ended 30 September 2019, the Group has an investment amounting to Rs. 2,697.18 crore (net of provisions of Rs. 1,242.72 crore) and loan amounting to Rs. 119.55 crore in GMR Energy Limited ('GEL'), a joint venture company. GEL has further invested in GMR Vemagiri Power Generation Limited ('GVPGL'), a subsidiary of GEL. The Group has also invested in GMR Rajahmundry Energy Limited ('GREL'), an associate company.

As mentioned in aforesaid note, GEL's barge mounted power plant, GVPGL and GREL have ceased operations due to continued unavailability of adequate supply of natural gas and other factors mentioned in the said note, and have been incurring significant losses, including cash losses with consequential erosion of their respective net worth. Further, GREL has entered into a resolution plan with its lenders to restructure its debt obligations during the year ended 31 March 2019. The Holding Company has given certain corporate guarantees for the loans outstanding in GREL amounting to Rs. 2,067.17 crore.

The carrying value of the investment of the Group in GEL, to the extent of amount invested in its own barge mounted power plant and 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 around availability of natural gas, future tariff of power generated and the outcome of the sale of the barge mounted power plant. 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. Accordingly, owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the non-current investment, and any further provisions, if any, required to be made for the said obligations, and the consequential impact on the accompanying Statement.

The opinion expressed by the predecessor auditors, in their audit report dated 29 May 2019, for the year ended 31 March 2019, and the conclusions expressed by the predecessor auditors, in their review reports dated 14 November 2018 and 14 August 2019, for the quarter and year-to-date period ended 30 September 2018 and quarter ended 30 June 2019, respectively, were also qualified with respect to the above matters.

The above matter pertaining to GVPGL has been reported as a qualification in the review report dated 1 November 2019, issued by another firm of chartered accountants, on the standalone financial results of GVPGL, and the matters described above for GREL have been covered as an emphasis of matter in the review report dated 23 October 2019, issued by another firm of chartered accountants, on the standalone financial results of GREL. Further, considering the erosion of net worth and net liability position of GREL, the auditors of GREL have also given a separate section on material uncertainty related to going concern in the aforesaid review report.

c) As detailed in note 4 to the accompanying Statement, the tax authorities of Maldives have disputed certain transactions not considered by GMR Male International Airport Private Limited ('GMIAL'), a step-down subsidiary of the Company, in the computation of business profit taxes and withholding tax, and have issued notice of tax assessments together with the applicable fines and penalties. In the absence of comprehensive analysis on the above tax exposures, we are unable to determine whether any adjustments to provision for tax with consequential impact on reserves and surplus, may be necessary as on 30 September 2019.

The above matter has also been reported as a qualification in the review report dated 27 August 2019, issued by an independent firm of Chartered Accountants on the financial results for the quarter and six month ended 30 June 2019 of GMIAL, a subsidiary of the company.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and upon consideration of the review reports of other auditors referred to in paragraph 8 below, except for the effects/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 recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and as per the presentation requirements of the SEBI Circular(s) 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.

6. We draw attention to:

a) Note 14(a) and 14(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.

The above matter has also been reported as emphasis of matters in the review report dated 22 October 2019 issued by us along with other joint auditor on the financial results for the quarter and six month ended 30 September 2019 of GMR Hyderabad International Airport Limited, a subsidiary of the Company.

b) Note 9 and 10 to the accompanying statement which relates to the ongoing arbitrations with National Highways Authority of India (NHAI) for compensation of losses being incurred by GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') and GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL'), step-down subsidiaries of the Company, since the commencement of commercial operations. Pending outcome of the aforementioned arbitration proceedings, GHVEPL has not paid to NHAI an amount of Rs. 533.24 crore towards additional concession fee along with interest thereon.

Further, based on management's internal assessment of compensation inflows, external legal opinions and valuation performed by independent experts, the management is of the view that the recoverable amounts of the carriageways of GACEPL and GHVEPL is assessed to be in excess of the respective carrying values amounting Rs. 380.09 crore and Rs. 2,019.18 crore as at 30 September 2019. Currently useful life of 25 years has been considered in arriving at the carrying value and amortisation of carriageways of GHVEPL, on the basis of management's plan to develop the six-lane project within the stipulated time period ending in April 2024 subject to arbitration outcome. However, the useful life will have to be considered at 15 years if the arbitration award is not favourable and 6 lane has not been constructed by April 2024. Accordingly, no adjustments to the consolidated financial results are considered necessary.

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The above matters have also been reported as emphasis of matters in their review reports dated 17 October 2019 and 17 October 2019 issued by other firms of chartered accountants on the standalone financial results of the GACEPL and GHVEPL, respectively, for the quarter and period ended 30 September 2019. 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.

c) Note 7 relating to certain claims and counter claims filed by GMR Power Corporation Limited ('GPCL'), a step-down subsidiary of the Holding Company, 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 expert advice, 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.

The above matter is also reported as an emphasis of matter in the review report dated 22 October 2019 issued by another firm of chartered accountants on the standalone results of GPCL for the quarter and six months ended 30 September 2019.

d) Note 5(a), which is in addition to the matters described in paragraph 4(b) above, regarding the investment made by the Group in GEL amounting to Rs. 2,697.18 crore as at 30 September 2019. The recoverability of such investment is further dependent upon various claims, counter claims and other receivables recoverable from customers by GMR Warora Energy Limited ('GWEL') and GMR Kamalanga Energy Limited ('GKEL'), subsidiaries of GEL, which are pending settlement / realization as on 30 September 2019 considered in the valuation assessments.

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

Further, as described in note 5(f) there is the cessation of construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand which was being constructed by GMR Badrinath Hydro Power Generation Limited ('GBHPL'), another subsidiary of GEL. The Hon'ble Supreme Court of India, while hearing a civil appeal for another hydro power company, directed that no further construction work shall be undertaken until further orders.

The management of the Company, based on its internal assessment, legal expert advice, certain interim favourable regulatory orders and valuation assessment 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 30 September 2019.

The above matters are also reported as emphasis of matters in the review reports dated 25 October 2019, and 23 October 2019 issued by other firm of chartered accountants on the standalone results of GWEL and GBHPL, respectively and review report dated 18 October 2019 on the standalone results of GKEL issued by us, for the quarter and six months ended 30 September 2019.

Our conclusion is not modified in respect of the above matters.

7. We have jointly reviewed with another auditor, the interim financial results and other financial information of 2 subsidiaries included in the Statement, whose financial information reflects (before adjustments for consolidation) total assets of Rs. 23,142.23 crore as at 30 September 2019, and total revenues (including other income) of Rs. 1,427.75 crore and Rs. 2,915.67 crore, total net profit after tax of Rs. 189.11 crore and Rs. 384.68 crore, and total comprehensive income of Rs. 198.76 crore and Rs. 625.70 crore, for the quarter and year-to-date period ended on 30 September 2019, respectively, and cash inflows of Rs. 94.00 crore for the six-month period ended 30 September 2019, 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 auditors, to the extent of work performed by them.

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8 We did not review the interim financial results of 72 subsidiaries and 1 joint operation included in the Statement (including 3 subsidiaries consolidated for the quarter and six-month period ended 30 June 2019, with a quarter lag, and 1 joint operation consolidated for the period ended 30 June 2019, with a quarter lag), whose financial information reflect (before adjustments for consolidation) total assets of Rs. 33,904.38 crore as at 30 September 2019, and total revenues of Rs. 992.81 crore and Rs. 1,901.96 crore, total net loss after tax of Rs. 235.15 crore and Rs. 786.88 crore, total comprehensive loss of Rs. 250.76 crore and Rs. 809.00 crore, for the quarter and year-to-date period ended on 30 September 2019, respectively, and cash inflows of Rs. 8.43 crore for the period ended 30 September 2019, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 220.15 crore and Rs. 220.64 crore and total comprehensive loss of Rs. 130.22 crore and Rs. 131.89 crore, for the quarter and year-to-date period ended on 30 September 2019, respectively, as considered in the Statement, in respect of 6 associates and 43 joint ventures (including 24 joint ventures consolidated for the quarter and six-month period ended 30 June 2019, 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/ 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 operations, associates and joint ventures, 3 subsidiaries, 1 joint operation and 28 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 amounts and disclosures included in respect 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.

9 The Statement includes the interim financial results of 21 subsidiaries (including 16 subsidiaries consolidated for the quarter and six-month period ended 30 June 2019, with a quarter lag), which have not been reviewed/ audited by their auditors, whose interim financial results reflect (before adjustments for consolidation) total assets of Rs. 3,799.16 crore as at 30 September 2019, and total revenues of Rs. 38.64 crore and Rs. 46.81 crore, net loss after tax of Rs. 11.15 crore and Rs. 67.69 crore, and total comprehensive income of Rs. 5.22 crore and loss of Rs. 5.35 crore for the quarter and six-month period ended 30 September 2019 respectively, and cash inflows of Rs. 121.85 crore for the period ended 30 September 2019, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. 3.40 crore and Rs. 6.69 crore, and total comprehensive income of Rs. 3.37 crore and Rs. 6.78 crore, for the quarter and six-month period ended on 30 September 2019 respectively, in respect of 1 associate and 10 joint ventures (including 6 joint ventures consolidated for the quarter and six-month period ended 30 June 2019, with a quarter lag), based on their 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, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), read with SEBI Circulars, in so far as it relates to the aforesaid subsidiaries, associates, 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

10. The review of unaudited consolidated quarterly financial results for the period ended 30 June 2019, unaudited consolidated quarterly and year-to-date financial results for the period ended 30 September 2018, and audit of consolidated financial results for the quarter and year ended 31 March 2019, included in the Statement, was carried out and reported by the predecessor auditors, who have expressed modified conclusion vide their review report dated 14 August 2019, modified conclusion vide their review report dated 14 November 2018, and modified opinion vide their audit report dated 29 May 2019, respectively, whose reports have been furnished to us, and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

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

Neeraj Sharma
Partner
Membership No. 502103

UDIN 19502103AAAACM9653

Place: New Delhi
Date: 14 November 2019

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 Power Corporation Limited (GPCL)	Subsidiary
4	GMR Coastal Energy Private Limited (GCEPL)	Subsidiary
5	GMR Londa Hydropower Private Limited (GLHPPL)	Subsidiary
6	GMR Kakinada Energy Private Limited (GKEPL)	Subsidiary
7	SJK Powergen Limited (SJK)	Subsidiary
8	GMR Genco Assets Limited (GGEAL)	Subsidiary
9	GMR Generation Assets Limited (GGAL)	Subsidiary
10	GMR Power Infra Limited (GPIL)	Subsidiary
11	GMR Highways Limited (GMRHL)	Subsidiary
12	GMR Tambaram Tindivanam Expressways Limited (GTTEPL)	Subsidiary
13	GMR Tuni Anakapalli Expressways Limited (GTAEPL)	Subsidiary
14	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	Subsidiary
15	GMR Pochanpalli Expressways Limited (GPEL)	Subsidiary
16	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	Subsidiary
17	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	Subsidiary
18	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL) (merged with GMRHL as per the order dated 23 July 2019 with effect from 31 March 2018)	Subsidiary
19	GMR Hyderabad International Airport Limited (GHIAL)	Subsidiary
20	Gateways for India Airports Private Limited (GFIAL)	Subsidiary
21	GMR Hyderabad Air cargo and Logistic Private Limited (Hyderabad Menzies Air Cargo Private Limited (HMACPL)) (merged with GMR Air Cargo and Aerospace Engineering Limited as per the order dated 26 July 2019 with effect from 1 April 2018)	Subsidiary
22	Hyderabad Airport Security Services Limited (HASSL) (liquidated with effect from 13 September 2019)	Subsidiary
23	GMR Aerostructure Services Limited (GASL)	Subsidiary
24	GMR Hyderabad Aerotropolis Limited (GHAL)	Subsidiary
25	GMR Hyderabad Aviation SEZ Limited (GHASL)	Subsidiary
26	GMR Air Cargo and Aerospace Engineering Limited (GACAEL) (formerly GMR Aerospace Engineering Limited (GAEL))	Subsidiary
27	GMR Aero Technic Limited (GATL)	Subsidiary
28	GMR Airport Developers Limited (GADL)	Subsidiary
29	GMR Hospitality and Retail Limited (GHRL)	Subsidiary
30	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)	Subsidiary
31	Delhi International Airport Limited (DIAL)	Subsidiary
32	Delhi Aerotropolis Private Limited (DAPL)	Subsidiary
33	Delhi Airport Parking Services Private Limited (DAPSL)	Subsidiary
34	GMR Airports Limited (GAL)	Subsidiary
35	GMR Aviation Private Limited (GAPL)	Subsidiary
36	GMR Krishnagiri SIR Limited (GKSIR)	Subsidiary

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S.No.	Name of the entity	Relation
37	Advika Properties Private Limited (APPL)	Subsidiary
38	Aklima Properties Private Limited (AKPPL)	Subsidiary
39	Amartya Properties Private Limited (AMPPL)	Subsidiary
40	Baruni Properties Private Limited (BPPL)	Subsidiary
41	Bougainvillea Properties Private Limited (BOPPL)	Subsidiary
42	Camelia Properties Private Limited (CPPL)	Subsidiary
43	Deepesh Properties Private Limited (DPPL)	Subsidiary
44	Eila Properties Private Limited (EPPL)	Subsidiary
45	Gerbera Properties Private Limited (GPL)	Subsidiary
46	Lakshmi Priya Properties Private Limited (LPPPL)	Subsidiary
47	Honeysuckle Properties Private Limited (HPPL)	Subsidiary
48	Idika Properties Private Limited (IPPL)	Subsidiary
49	Krishnapriya Properties Private Limited (KPPL)	Subsidiary
50	Larkspur Properties Private Limited (LAPPL)	Subsidiary
51	Nadira Properties Private Limited (NPPL)	Subsidiary
52	Padmapriya Properties Private Limited (PAPPL)	Subsidiary
53	Prakalpa Properties Private Limited (PPPL)	Subsidiary
54	Purnachandra Properties Private Limited (PUPPL)	Subsidiary
55	Shreyadita Properties Private Limited (SPPL)	Subsidiary
56	Pranesh Properties Private Limited (PRPPL)	Subsidiary
57	Sreepa Properties Private Limited (SRPPL)	Subsidiary
58	Radhapriya Properties Private Limited (RPPL)	Subsidiary
59	Asteria Real Estates Private Limited (AREPL)	Subsidiary
60	Lantana Properies Private Limited (LPPL)	Subsidiary
61	Namitha Real Estates Private Limited (NREPL)	Subsidiary
62	Honey Flower Estates Private Limited (HFEPL)	Subsidiary
63	GMR SEZ and Port Holdings Limited (GSPHL)	Subsidiary
64	East Godavari Power Distribution Company Private Limited (EGPDCPL) (liquidated with effect from 26 July 2019)	Subsidiary
65	Suzone Properties Private Limited (SUPPL)	Subsidiary
66	GMR Utilities Private Limited (GUPL)	Subsidiary
67	Lilliam Properties Private Limited (LPPL)	Subsidiary
68	GMR Corporate Affairs Private Limited (GCAPL)	Subsidiary
69	Dhruvi Securities Private Limited (DSPL)	Subsidiary
70	Kakinada SEZ Limited (KSL)	Subsidiary
71	GMR Business Process and Services Private Limited (GBPSPL)	Subsidiary
72	Raxa Security Services Limited (RSSL)	Subsidiary
73	Kakinada Gateway Port Limted (KGPL)	Subsidiary
74	GMR Infra Services Limited (GISL) (formerly GMR SEZ Infra Services Limited (GSISL))	Subsidiary
75	GMR Goa International Airport Limited (GIAL)	Subsidiary
76	GMR Infra Developers Limited (GIDL)	Subsidiary
77	GMR Energy (Cyprus) Limited (GECL)	Subsidiary
78	GMR Energy (Netherlands) B.V. (GENBV)	Subsidiary
79	GMR Logistics Park Private Limited (GLPPL)	Subsidiary

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S.No.	Name of the entity	Relation
80	GMR Energy Projects (Mauritius) Limited (GEPML)	Subsidiary
81	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Subsidiary
82	GMR Coal Resources Pte Limited (GCRPL)	Subsidiary
83	GADL International Limited (GADLIL)	Subsidiary
84	GADL (Mauritius) Limited (GADLML)	Subsidiary
85	GMR Male International Airport Private Limited (GMIAL)	Subsidiary
86	GMR Airports (Mauritius) Limited (GAML)	Subsidiary
87	GMR Infrastructure (Mauritius) Limited (GIML)	Subsidiary
88	GMR Infrastructure (Cyprus) Limited (GICL)	Subsidiary
89	GMR Infrastructure Overseas Limited (GIOL)	Subsidiary
90	GMR Infrastructure (UK) Limited (GIUL)	Subsidiary
91	GMR Infrastructure (Global) Limited (GIGL)	Subsidiary
92	GMR Energy (Global) Limited (GEGL)	Subsidiary
93	Indo Tausch Trading DMCC (ITTD)	Subsidiary
94	GMR Infrastructure (Overseas) Limited (GI(O)L)	Subsidiary
95	GMR Airports International B.V (GIABV)	Subsidiary
96	GMR Airports (Singapore) Pte. Ltd. (GASPL) (incorporated on 24 July 2019)	Subsidiary
97	GMR Macau Duty Free & Retail Limited (GMR Macau) (incorporated on 15 July 19)	Subsidiary
98	GMR Nagpur International Airport Limited (NIAL) (incorporated on 22 August 2019)	Subsidiary
99	GMR Power & Urban Infra Limited (GPUIL) (incorporated on 17 May 2019)	Subsidiary
100	Megawide GISPL Construction Joint Venture (MGCJV)	Subsidiary
101	GMR Energy Limited (GEL)	Joint venture
102	GMR Energy (Mauritius) Limited (GEML)	Joint venture
103	GMR Lion Energy Limited (GLEL)	Joint venture
104	Karnali Transmission Company Private Limited (KTCPL)	Joint venture
105	Marsyangdi Transmission Company Private Limited (MTCPL) (sold on 26 May 2019)	Joint venture
106	GMR Kamalanga Energy Limited (GKEL)	Joint venture
107	GMR Vemagiri Power Generation Limited (GVPGL)	Joint venture
108	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	Joint venture
109	GMR Consulting Services Limited (GCSPL)	Joint venture
110	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	Joint venture
111	GMR Warora Energy Limited (GWEL)	Joint venture
112	GMR Bundelkhand Energy Private Limited (GBEPL)	Joint venture
113	GMR Rajam Solar Power Private Limited (GRSPPL)	Joint venture
114	GMR Maharashtra Energy Limited (GMAEL)	Joint venture
115	GMR Gujarat Solar Power Limited (GGSPPL)	Joint venture
116	GMR Indo-Nepal Energy Links Limited (GINELL)	Joint venture
117	GMR Indo-Nepal Power Corridors Limited (GINPCL)	Joint venture
118	Tenaga Operations & Maintenance Private Limited (GTOM)	Joint venture
119	Rampia Coal Mine and Energy Private Limited (RCMEPL)	Joint venture
120	GMR Upper Karnali Hydropower Limited (GUKPL)	Joint venture
121	Delhi Duty Free Services Private Limited (DDFS)	Joint venture
122	Laqshya Hyderabad Airport Media Private Limited (Laqshya)	Joint venture

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S.No.	Name of the entity	Relation
123	Delhi Aviation Services Private Limited (DASPL)	Joint venture
124	Delhi Aviation Fuel Facility Private Limited (DAFF)	Joint venture
125	WAISL Limited (formerly Wipro Airport IT Services Limited) (sold on 26 June 2019)	Joint venture
126	GMR Megawide Cebu Airport Corporation (GMCAC)	Joint venture
127	SSP Mactan Cebu Corporation (SMCC)	Joint venture
128	Mactan Travel Retail Group Corp. (MTRGC)	Joint venture
129	Limak GMR Construction JV (CJV)	Joint venture
130	Megawide GMR Construction Joint Venture Inc. (MGCJV Inc.)	Joint venture
131	PT Golden Energy Mines Tbk (PTGEMS)	Joint venture
132	PT Dwikarya Sejati Utma (PTDSU)	Joint venture
133	PT Duta Sarana Internusa (PTDSI)	Joint venture
134	PT Barasentosa Lestari (PTBSL)	Joint venture
135	PT Unsoco (PT)	Joint venture
136	PT Roundhill Capital Indonesia (RCI)	Joint venture
137	PT Borneo Indobara (BIB)	Joint venture
138	PT Kuansing Inti Makmur (KIM)	Joint venture
139	PT Karya Cemerlang Persada (KCP)	Joint venture
140	PT Bungo Bara Utama (BBU)	Joint venture
141	PT Bara Harmonis Batang Asam (BHBA)	Joint venture
142	PT Berkat Nusantara Permai (BNP)	Joint venture
143	PT Tanjung Belit Bara Utama (TBBU)	Joint venture
144	PT Trisula Kencana Sakti (TKS)	Joint venture
145	PT Era Mitra Selaras (EMS)	Joint venture
146	PT Wahana Rimba (WRL)	Joint venture
147	PT Berkat Satria Abadi (BSA)	Joint venture
148	GEMS Trading Resources Pte Limited (GEMSCR)	Joint venture
149	PT Kuansing Inti Sejahtera (KIS)	Joint venture
150	PT Bungo Bara Makmur (BBM)	Joint venture
151	PT GEMS Energy Indonesia (PTGEI)	Joint venture
152	PT Karya Mining Solution (KMS) (formerly PT Bumi Anugerah Semesta (BAS))	Joint venture
153	Heraklion Crete International Airport S.A. (Crete)	Joint venture
154	GIL SIL JV	Joint venture
155	GMR Mining & Energy Private Limited (GMEL)	Associate
156	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)	Associate
157	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	Associate
158	TIM Delhi Airport Advertising Private Limited (TIM)	Associate
159	GMR Chhattisgarh Energy Limited (GCEL) (sold on 29 June 2019)	Associate
160	GMR Rajahmundry Energy Limited (GREL)	Associate
161	Digi Yatra Private Limited (DYPL)	Associate

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR Infrastructure Limited
Corporate Identity Number (CIN): L45203MH1996PLC281138
Registered Office: Naman Centre, 7th Floor,
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PART I

Statement of unaudited consolidated financial results for the quarter and six months ended September 30, 2019

(in Rs. crore)

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A. Continuing operations						
1. Income						
a) Revenue from operations						
i) Sales/ income from operations	1,790.33	1,786.25	1,810.48	3,576.58	3,458.52	7,102.03
ii) Other operating income (refer note 10)	227.84	205.88	93.76	433.72	192.93	462.85
b) Other income						
i) Foreign exchange fluctuations gain (net)	26.75		3.71	26.75		
ii) Other income - others	119.34	213.78	117.77	333.12	246.72	719.84
Total Income	2,164.26	2,205.91	2,025.72	4,370.17	3,898.17	8,284.72
2. Expenses						
a) Revenue share paid/ payable to concessionaire grantors	491.13	487.21	435.07	978.34	860.19	1,764.75
b) Cost of materials consumed	68.16	120.02	83.27	188.18	176.92	458.02
c) Purchase of traded goods	176.04	120.64	176.54	296.68	244.46	606.08
d) (Increase)/ decrease in stock in trade	(5.92)	(1.69)	(5.79)	(7.61)	(0.58)	1.82
e) Sub-contracting expenses	64.29	76.51	133.55	140.80	243.53	406.51
f) Employee benefit expenses	197.62	194.94	194.88	392.56	384.53	759.88
g) Finance costs	827.01	812.27	676.36	1,639.28	1,179.10	2,684.13
h) Depreciation and amortisation expenses	246.69	260.52	245.90	507.21	489.06	983.96
i) Other expenses	383.96	395.72	352.71	779.68	691.32	1,717.50
j) Foreign exchange fluctuations loss (net)					77.67	155.69
Total expenses	2,448.98	2,466.14	2,292.49	4,915.12	4,346.20	9,538.36
3. Loss before share of loss of associates and joint ventures, exceptional items and tax expenses from continuing operations (1) - (2)	(284.72)	(260.23)	(266.77)	(544.95)	(448.03)	(1,253.64)
4. Share of loss of associates and joint ventures	(162.00)	(18.50)	(101.33)	(180.50)	(209.68)	(87.89)
5. Loss before exceptional items and tax from continuing operations (3) + (4)	(446.72)	(278.73)	(368.10)	(725.45)	(657.71)	(1,341.53)
6. Exceptional items						
Loss on impairment of investments in associates / joint ventures (refer note 5(a) and 8)						(2,212.30)
7. Loss before tax expenses from continuing operations (5) + (6)	(446.72)	(278.73)	(368.10)	(725.45)	(657.71)	(3,553.83)
8. Tax expenses / (credit) on continuing operations (net)	10.57	56.12	(33.74)	66.69	(85.72)	(87.42)
9. Loss after tax from continuing operations (7) - (8)	(457.29)	(334.85)	(334.36)	(792.14)	(571.99)	(3,466.41)

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(in Rs. crore)

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
B. Discontinued operations						
10. (Loss)/ profit before tax expenses from discontinued operations	**(1.21)**	**(1.27)**	**117.78**	**(2.48)**	**126.61**	**117.84**
11. Tax expenses on discontinued operations (net)			2.28		8.62	7.72
12. Loss after tax from discontinued operations (10) - (11)	**(1.21)**	**(1.27)**	**115.50**	**(2.48)**	**117.99**	**110.12**
13. Loss after tax for the respective periods (9) + (12)	**(458.50)**	**(336.12)**	**(218.86)**	**(794.62)**	**(454.00)**	**(3,356.29)**
14. Other comprehensive income						
(A) (i) Items that will be reclassified to profit or loss	(24.34)	263.41	(38.05)	239.07	(24.68)	190.71
(ii) Income tax relating to items that will be reclassified to profit or loss	(6.73)	(66.92)	41.09	(73.65)	72.53	(14.73)
(B) (i) Items that will not be reclassified to profit or loss	(3.33)	(1.96)	(2.21)	(5.29)	(1.15)	(2.70)
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.43	0.29	0.48	0.72	0.36	0.35
15. Total other comprehensive income, net of tax for the respective periods	**(33.97)**	**194.82**	**1.31**	**160.85**	**47.06**	**173.63**
16. Total comprehensive income attributable to (13) + (15)	(492.47)	(141.30)	(217.55)	(633.77)	(406.94)	(3,182.66)
a) Owners of the Company	(574.83)	(319.94)	(255.79)	(894.77)	(487.00)	(3,420.29)
b) Non controlling interest	82.36	178.64	38.24	261.00	80.06	237.63
17. Paid-up equity share capital (Face value - Re 1 per share)	**603.59**	**603.59**	**603.59**	**603.59**	**603.59**	**603.59**
18. Earnings per share - basic and diluted - (Rs.) (not annualised)						
a) Basic and diluted earning per share	**(0.90)**	**(0.70)**	**(0.43)**	**(1.60)**	**(0.89)**	**(5.95)**
b) Basic and diluted earning per share from continuing operations	**(0.89)**	**(0.70)**	**(0.63)**	**(1.59)**	**(1.09)**	**(6.14)**
c) Basic and diluted earning per share from discontinued operations	**(0.01)**	-	**0.20**	**(0.01)**	**0.20**	**0.19**

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GMR Infrastructure Limited

Consolidated statement of segment revenue, results, assets and liabilities

(in Rs. Crore)

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment revenue						
a) Airports	1,494.71	1,441.60	1,315.52	2,936.31	2,562.29	5,278.01
b) Power	167.59	116.33	178.17	283.92	251.09	617.23
c) Roads	141.44	151.02	134.70	292.46	279.21	570.50
d) EPC	156.02	247.12	231.81	403.14	461.48	907.73
e) Others	173.50	157.28	143.09	330.78	285.67	600.66
	2,133.26	**2,113.35**	**2,003.29**	**4,246.61**	**3,839.74**	**7,974.13**
Less: inter segment	(115.09)	(121.22)	(99.05)	(236.31)	(188.29)	(409.25)
Segment revenue from operations	**2,018.17**	**1,992.13**	**1,904.24**	**4,010.30**	**3,651.45**	**7,564.88**
2. Segment results						
a) Airports	470.03	457.67	394.18	927.70	670.73	1,306.48
b) Power	(221.95)	(60.43)	(177.95)	(282.38)	(362.11)	(392.79)
c) Roads	60.83	81.21	41.18	142.04	94.21	292.17
d) EPC	30.60	25.34	12.40	55.94	29.21	(36.45)
e) Others	(23.53)	(46.15)	(6.91)	(69.68)	(21.90)	(198.17)
Total segment results	**315.98**	**457.64**	**262.90**	**773.62**	**408.14**	**971.24**
Less: Finance costs (net)	(762.70)	(736.37)	(631.00)	(1,499.07)	(1,065.85)	(2,312.77)
Loss before tax from continuing operations	**(446.72)**	**(278.73)**	**(368.10)**	**(725.45)**	**(657.71)**	**(1,341.53)**
Less : exceptional items						
a) Loss on impairment of investments in associates / joint ventures (refer note 5(a) and 8)	-					(2,212.30)
Loss before tax	(446.72)	(278.73)	(368.10)	(725.45)	(657.71)	(3,553.83)
Tax expenses / (credit) on continuing operations (net)	10.57	56.12	(33.74)	66.69	(85.72)	(87.42)
Loss after tax from continuing operations	(457.29)	(334.85)	(334.36)	(792.14)	(571.99)	(3,466.41)
(Loss)/profit before tax expenses from discontinued operations	(1.21)	(1.27)	117.78	(2.48)	126.61	117.84
Tax expenses on discontinued operations (net)			2.28		8.62	7.72
(Loss)/ profit after tax from discontinued operations	(1.21)	(1.27)	115.50	(2.48)	117.99	110.12
Loss after tax for the respective periods	(458.50)	(336.12)	(218.86)	(794.62)	(454.00)	(3,356.29)
3. Segment assets						
a) Airports	27,011.93	26,611.55	17,133.29	27,011.93	17,133.29	21,311.84
b) Power	7,405.64	7,647.67	8,797.73	7,405.64	8,797.73	7,747.41
c) Roads	3,775.10	3,743.12	3,985.63	3,775.10	3,985.63	3,856.26
d) EPC	1,276.49	1,293.73	1,363.90	1,276.49	1,363.90	1,261.87
e) Others	4,722.80	4,675.79	6,122.67	4,722.80	6,122.67	4,461.18
f) Unallocated	2,729.51	2,176.46	1,966.86	2,729.51	1,966.86	1,736.53
g) Assets classified as held for disposal	3.16	3.13	28.53	3.16	28.53	28.91
Total assets	**46,924.63**	**46,151.45**	**39,398.61**	**46,924.63**	**39,398.61**	**40,404.00**
4. Segment liabilities						
a) Airports	5,774.62	5,670.87	3,808.45	5,774.62	3,808.45	5,213.29
b) Power	2,603.10	2,595.50	2,247.09	2,603.10	2,247.09	2,864.97
c) Roads	1,025.89	938.57	856.25	1,025.89	856.25	909.70
d) EPC	804.61	808.55	766.11	804.61	766.11	819.47
e) Others	366.09	401.69	344.73	366.09	344.73	379.02
f) Unallocated	35,747.53	34,597.75	26,330.14	35,747.53	26,330.14	28,915.58
g) Liabilities directly associated with the assets classified as held for disposal	30.02	30.00	112.41	30.02	112.41	60.08
Total liabilities	**46,351.86**	**45,042.93**	**34,465.18**	**46,351.86**	**34,465.18**	**39,162.11**

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GMR Infrastructure Limited
Consolidated statement of assets and liabilities

(in Rs. crore)

	Particulars	As at September 30, 2019 (Unaudited)	As at March 31, 2019 (Audited)
A	**Assets**		
1	**Non-current assets**		
	Property, plant and equipment	9,252.72	9,614.42
	Right of use asset	112.01	
	Capital work-in-progress	2,305.64	857.03
	Investment property under construction	3,318.03	3,139.79
	Goodwill on consolidation	458.56	458.56
	Other intangible assets	2,823.88	2,867.05
	Intangible assets under development	3.33	1.25
	Financial assets		
	Investment in joint ventures and associates	7,473.80	7,659.94
	Other investments	105.27	105.13
	Trade receivables	100.69	109.22
	Loans	372.89	276.83
	Other financial assets	2,254.59	2,038.01
	Non-current tax assets (net)	243.85	293.99
	Deferred tax assets (net)	458.41	593.06
	Other non-current assets	1,885.73	1,791.31
		31,169.40	**29,805.59**
2	**Current assets**		
	Inventories	137.19	112.57
	Financial assets		
	Investments	2,335.98	2,350.34
	Trade receivables	1,412.89	1,447.37
	Cash and cash equivalents	1,155.62	918.66
	Bank balances other than cash and cash equivalents	4,330.61	710.99
	Loans	440.24	109.78
	Other financial assets	5,193.40	4,685.27
	Other current assets	746.14	234.52
		15,752.07	**10,569.50**
3	**Assets classified as held for disposal**	3.16	28.91
	Total assets (1+2+3)	**46,924.63**	**40,404.00**
B	**Equity and liabilities**		
4	**Equity**		
	Equity share capital	603.59	603.59
	Other equity	(2,332.39)	(1,423.65)
	Equity attributable to equity holders of the parent	(1,728.80)	(820.06)
	Non-controlling interests	2,301.57	2,061.95
	Total equity	**572.77**	**1,241.89**
	Liabilities		
5	**Non-current liabilities**		
	Financial liabilities		
	Borrowings	28,262.26	21,663.81
	Lease liabilities	105.11	
	Other financial liabilities	680.17	722.19
	Provisions	132.30	123.33
	Deferred tax liabilities (net)	250.61	328.52
	Other non current liabilities	2,095.09	2,079.46
		31,525.54	**24,917.31**
6	**Current liabilities**		
	Financial liabilities		
	Borrowings	2,995.05	2,298.59
	Trade payables	2,358.78	1,959.86
	Lease liabilities	9.81	
	Other financial liabilities	7,101.55	7,488.93
	Provisions	832.92	1,059.96
	Other current liabilities	1,425.65	1,312.57
	Liabilities for current tax (net)	72.54	64.81
		14,796.30	14,184.72
	Liabilities directly associated with assets classified as held for disposal	30.02	60.08
		14,826.32	**14,244.80**
	Total equity and liabilities (4+5+6)	**46,924.63**	**40,404.00**

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GMR INFRASTRUCTURE LIMITED
Corporate Identity Number (CIN): L45203MH1996PLC281138
Consolidated statement of cash flows for the six months period ended September 30, 2019

Particulars	September 30, 2019 (Rs. in crore) (Unaudited)	September 30, 2018 (Rs. in crore) (Unaudited)
CASH FLOW FROM OPERATING ACTIVITIES		
Loss from continuing operations before tax expenses	(725.45)	(657.71)
(Loss)/ profit from discontinued operations before tax expenses	(2.48)	126.61
Loss before tax expenses	**(727.93)**	**(531.10)**
Adjustments to reconcile profit before tax to net cash flows		
Depreciation of property, plant and equipment, investment property and amortization of intangible assets	507.21	490.62
Adjustments to the carrying value of investments/ gain on fair value of investment	(33.46)	(105.45)
Provisions no longer required, written back	(82.98)	(1.23)
Profit on sale / dilution of subsidiaries / joint ventures / associates		(124.64)
Unrealised exchange (gains) / losses	(22.95)	74.17
Property, plant and equipment written off / (profit) on sale of property, plant and equipment (net)	1.51	(13.33)
Provision / write off of doubtful advances and trade receivables	2.92	7.97
Finance costs	1,639.28	1,185.75
Finance income	(170.53)	(137.23)
Share of loss of associates and joint ventures (net)	180.50	209.68
Operating profit before working capital changes	**1,293.57**	**1,055.21**
Movements in working capital :		
Increase/ (decrease) in trade payables and financial/other liabilities and provisions	320.85	(64.86)
(Decrease)/ increase in non-current/current financial and other assets	(940.66)	84.20
Cash generated from operations	**673.76**	**1,074.55**
Direct taxes paid (net)	(22.18)	(115.23)
Net cash flow from operating activities (A)	**651.58**	**959.32**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment property, intangible assets and cost incurred towards such assets under construction / development (net)	(1,804.52)	(730.60)
Proceeds from sale of stake in subsidiaries		466.91
Loans (given to) / repaid by others	(414.09)	171.93
Sale/(purchase) of investments (net)	124.35	(27.82)
Purchase consideration paid on acquisition of joint ventures / associates/ subsidiaries	(32.70)	(10.69)
Movement in investments in bank deposits (net) (having original maturity of more than three months)	(3,364.69)	(198.90)
Dividend received from associates and joint ventures	83.00	156.89
Finance income received	28.81	118.22
Net cash used in investing activities (B)	**(5,379.86)**	**(54.06)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	8,000.56	2,479.04
Repayment of borrowings	(1,823.24)	(978.87)
Finance costs paid	(1,203.09)	(971.75)
Dividend paid (including dividend distribution taxes)	(3.70)	(60.82)
Net cash flow from financing activities (C)	**4,970.53**	**467.60**
Net increase in cash and cash equivalents (A + B + C)	242.25	1,372.86
Cash and cash equivalents as at beginning of the period	913.01	1,649.58
Effect of cash and cash equivalents on account of stake disposal of entities during the period		(5.43)
Effect of exchange difference on cash and cash equivalents held in foreign currency	0.84	6.60
Cash and cash equivalents as at the end of the period	**1,156.10**	**3,023.61**

	September 30, 2019 (Rs. in crore)	September 30, 2018 (Rs. in crore)
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Balances with banks:		
- On current accounts	509.00	2,037.52
Deposits with original maturity of less than three months	609.58	982.60
Cheques / drafts on hand	24.76	4.92
Cash on hand	12.28	12.61
Cash at bank and short term deposits attributable to entities held for sale	0.49	0.48
Less: Bank overdraft	(0.01)	(14.52)
Total cash and cash equivalents as at the end of the period	**1,156.10**	**3,023.61**

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1. **Consolidation and Segment Reporting**

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

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

The business segments of the Group comprise of the following:

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

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

2. Pursuant to the binding term sheet entered by the Group during the year ended March 31, 2019, the Group has executed a definitive agreement on July 04, 2019 with TRIL Urban Transport Private Limited ("Tata"), a subsidiary of Tata Sons, Solis Capital (Singapore) Pte Limited ("Solis") and Valkyrie Investment Pte. Limited ("Valkyrie") (together referred as the "Investors") whereby the investors will acquire equity stake in GMR Airport Limited's ("GAL") assets on a fully diluted basis for a consideration of Rs 8,000 crore through issuance of equity shares of GAL of Rs 1,000 crore and purchase of GAL's equity shares held by the Group of Rs 7,000 crore. The said transaction is subject to regulatory approvals which are currently at an advanced stage of completion/ progress and the management is confident of obtaining the same in a short period of time.

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

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

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

The Company together with GAL has 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 has purchased 2,714,795 CCPS A of GAL for an additional consideration of Rs. 3,560.00 crore from the Investors and balance 932,275 CCPS A have been converted into equity shares representing 5.86% shareholding of GAL in the hands of the Investors with a put option given by the Group to acquire the same at fair value.

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However pursuant to the definitive agreement with investors as detailed in Note 2 the management has considered the aforesaid additional obligation of Rs. 3,560.00 crore as recoverable from the investors and have recognized the same as a financial asset in it consolidated financial results.

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

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

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

   Accordingly, no adjustments have been made to the accompanying consolidated financial results of the Group for the quarter and six months ended September 30, 2019.

5. (a) The Group has investments of Rs. 2,697.18 crore in GMR Energy Limited ('GEL'), a joint venture of the Company as at September 30, 2019. GEL has certain underlying subsidiaries / joint ventures which are engaged in energy sector. GEL and some of its underlying subsidiaries / joint ventures, as further detailed in notes 5(b), 5(c), 5(d), 5(e) and 5(f) below has substantially eroded net worth. Based on the valuation assessment by an external expert during the year ended March 31, 2019 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 11.30% to 18.00% across various entities, the management had accounted for an impairment loss of Rs 1,242.72 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, 2019. The management is of the view that post such diminution, the carrying value of the Group's investment in GEL is appropriate.

   (b) GMR Warora Energy Limited ('GWEL') 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. 684.71 crore as at September 30, 2019 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 651.26 crore which are substantially pending receipt. Based on certain favorable interim regulatory orders, the management is confident of realization of the outstanding receivables. Though the net worth of GWEL is substantially eroded, GWEL has made pretax profits during the year ended March 31, 2019 and six months ended September 30, 2019, 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

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by an external expert during the year ended March 31, 2019, the management of the Group is of the view that the carrying value of the net assets in GWEL by GEL as at September 30, 2019 is appropriate.

(c) GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL 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, as at September 30, 2019, GWEL has raised claim of Rs. 468.74 crore (Group's share is Rs. 326.14 crore) towards reimbursement of transmission charges from March 17, 2014 till September 30, 2019. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and also applied for stay proceedings for the above order of APTEL, which was rejected by the Hon'ble Supreme Court of India.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of Rs. 468.74 crore (Group's share is Rs. 326.14 crore) relating to the period from March 17, 2014 to September 30, 2019 (including Rs. 54.65 crore (Group's share is Rs. 38.02 crore) for the six months ended September 30, 2019) in the consolidated financial results of the Group.

(d) GMR Kamalanga Energy Limited ('GKEL') 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. 1,851.80 crore as at September 30, 2019, 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. 1,036.97 crore as at September 30, 2019, 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 and CERC order in its own case for Haryana Discoms had sought legal opinion from the legal counsel on certainty of the claims with Bihar Discoms. Considering opinion received from legal counsels that GKEL has good tenable case with virtual certainty with respect to coal cost pass through and favourable Order from APTEL dated 21 December 2018 and CERC judgment in GKEL's own case for Haryana Discoms where the computation methodology of coal cost pass through was decided, the management was virtually certain on receipt of the GKEL's claim of revenue on coal cost pass through and was of the opinion that no contingency was involved in this regard. GKEL has now received a favorable order on 16 September 2019 whereby the CERC has allowed the coal cost pass through to be charged to the Bihar Discom, based on a certain methodology. However, GKEL in is the process to file a review petition 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

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recognize the income on Coal Cost Pass Through claims of Rs. 14.01 crores for the six months period ended 30 September 2019.

(e) In view of lower supplies / availability of natural gas to the power generating companies in India, GMR Rajahmundry Energy Limited ('GREL'), GMR Vemagiri Power Generation Limited ('GVPGL') 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. 1,126.58 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 2009 before Andhra Pradesh Electricity Regulatory Commission ('APERC'). Over the years, the case was heard for deciding the jurisdiction to adjudicate the proceedings. During the year ended March 31, 2019, the Hon'ble High Court of Andhra Pradesh passed its Judgment and held that the Central Electricity Regulatory Commission ('CERC') has the jurisdiction to adjudicate the present dispute. The matter is pending to be heard before the CERC.

(iii) Presently, the management of the Company is actively identifying the customers for the barge mounted power plant held by GEL. During the quarter / six months ended September 30, 2019, the management has provided an impairment of Rs. 76.50 crore (Group share Rs. 53.23 crore) based on the estimated realizable value of the barge mounted power plant.

(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, 2019 which includes certain assumptions

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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 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. Based on the aforementioned reasons and business plans, the management is of the view that the carrying value of the investment of Rs. 695.00 crore of GEL barge mounted power plant and GVPGL as at September 30, 2019 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, 2019, the management of the Group is of the view that the carrying value of net assets of GBHPL by GEL as at September 30, 2019 is appropriate.

6. a) During the year ended March 31, 2018, the Group had entered in to a Memorandum of Understanding (MOU) with PT Golden Energy Mines ('PTGEMS') for the sale of entire stake in PT Dwikarya Sejati Utama ('PTDSU') for a consideration of USD 6.56 crore towards purchase of share and mandatory convertible bonds issued by PTDSU, subject to fulfillment of various conditions as specified in the said agreement. The transaction was completed on August 31, 2018. Pursuant to the aforesaid transaction, PTDSU ceased to be subsidiary of the Company. Pursuant to the aforesaid transfer of equity shares and mandatorily convertible bonds, the Group has recognized profit of Rs 124.64 crore which has been disclosed under discontinued operations in the consolidated financial results of the Group for the year ended March 31, 2019.

   b) The Group has investments of Rs 3,430.86 crore in PTGEMS, a joint venture of the Group as at September 30, 2019. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The cost of investments made by the Group is significantly higher than the book value of assets of PTGEMS and includes certain future benefits including Coal Supply Agreement ('CSA') of GMR Coal Resources Pte. Ltd. (GCRPL) with PTGEMS whereby the Group is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount other than profit from mining operations. The Group has not significantly commenced the offtake of the coal under the CSA. 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, 2019, the management of the Group believes that the carrying value of aforesaid investments in PTGEMS as at September 30, 2019 is appropriate.

7. GMR Power Corporation Limited ('GPCL'), a subsidiary of the Company, approached Tamil Nadu Electricity Regulatory Commission ('TNERC') to resolve the claims / counterclaims arising out of the PPA and Land Lease Agreement ('LLA') in respect of the dues recoverable from Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO') 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 same is yet to be listed for hearing.

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

   In accordance with the above, the amount received towards the above mentioned claims is being disclosed as advance from the customer in the books of account. Further, GPCL has been legally advised that pending adjudication of petition, the entire matter is now sub-judice and has not attained the finality.

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

8. During the year ended March 31, 2017, under a Framework for Revitalizing Distressed Assets in the Economy by RBI, the lenders of GMR Chhattisgarh Energy Limited ('GCEL') have implemented the Strategic Debt Restructuring ('SDR') Scheme pursuant to which borrowings of GCEL aggregating to Rs. 2,992.22 crore (including interest accrued thereon of Rs. 654.73 crore) got converted into equity shares. Consequent to the SDR as stated above, GCEL ceased to be a subsidiary of the Group and has been considered as an associate as per the requirement of Ind AS -28.

   The Consortium of lenders were in the process of identifying investors for GCEL so as to revive the operational and financial position of GCEL as at March 31, 2019. During the quarter ended June 30, 2019, the consortium of lenders of GCEL had accepted Adani Power Limited ("APL") as the final bidder.

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As part of the above restructuring, GMR Generation Asset Limited ("GGAL"), a wholly owned subsidiary of the Company, has sold to APL its entire 47.72% stake in GCEL for Re 1. As per the said agreement, the corporate / bank guarantees to the extent of Rs 1,155.64 crore furnished by GMR group companies i.e. GEL and GPCL shall be released in due course as per the terms and conditions as stated in the agreement and if any liabilities arise on account of invocation of guarantees from the closing date as defined in the said agreement will be reimbursed by APL. Further, APL has also agreed to pay the dues payable by GCEL to GMR group companies to the extent of Rs. 93.32 crore and payable to Doosan Power Systems India Private Limited ('DPS') / EPC contractor to the extent of Rs. 138.11 crore.

The management of the Group is of the view that the no consequential liability would arise on account of aforesaid matters in view of the binding agreement that has been entered into with APL and the shares has been transferred to APL on July 26, 2019.

9. GMR Ambala Chandigarh Expressways Private Limited ('GACEPL'), a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of Rs. 438.29 crore as at September 30, 2019. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant, till further orders. Based on an internal assessment and a legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and considering expected future traffic flow, the management of the Group believes that the carrying value of carriage ways in GACEPL of Rs. 380.09 crore as at September 30, 2019 is appropriate.

10. GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of Rs. 1,056.28 crore as at September 30, 2019. 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 has decided to proceed with arbitration and accordingly Arbitral Tribunal was constituted and claims were filed. Further, the project was initially developed from existing 2 lanes to 4 lanes and will be further developed to 6 laning subsequently (before 14th anniversary of the appointed date). If 6 laning is not carried out (if so required by NHAI/desired by the GHVEPL), concession period will be restricted to 15 years as against 25 years which can significantly impact the recoverable value of carriage ways.

GHVEPL has recognised a provision of additional concession fees (premium) of Rs. 533.24 crore including interest till September 30, 2019 based on NHAI's directions, failure to which, it will terminate the concession agreement. GHVEPL has approached the Tribunal to restrain NHAI from seeking any such recovery / demand / claim and / or taking any coercive action including termination of concession agreement, till the completion of present arbitration proceedings. The Tribunal has heard both the parties and is yet to pronounce the order.

The management of the Group is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons. Accordingly, based on the aforesaid legal opinion, expected future traffic flow over a concession period of 25 years based on valuation assessment by an external expert and expected compensation claim inflows, the management of the Group believes that the carrying value of carriage ways of Rs. 2,019.18 crore of GHVEPL as at September 30, 2019, is appropriate.

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11. The Group through GMR Infrastructure Mauritius Limited ('GIML') has an investment in GMR Infrastructure (Cyprus) Limited ('GICL'), a subsidiary of GIML. GICL has fixed deposits of Rs. 124.24 crore (USD 1.80 crore) with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. During the period ended June 30, 2019, the bank has released USD 0.2 crore and the management of the Group is of the view that despite such economic difficulties, the amount held as fixed deposit with Eurobank is good for recovery, though withdrawal of the amount from the Republic of Cyprus would be subject to restriction as may be imposed by the Central Bank of Cyprus.

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 the Airport Operator in a fiduciary capacity.

    DIAL (Delhi International Airport Limited) had incurred Rs. 297.25 crores towards capital expenditure (excluding related maintenance expense and interest thereon) till September 30, 2019 (March 31, 2019: Rs. 297.25 crores) out of PSF (SC) escrow account as per Standard Operating Procedure (SOPs), guidelines and clarification issued by MoCA from time to time on the subject of utilization of PSF (SC) funds.

    In the opinion of the management of the DIAL, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble High court of Delhi. The Hon'ble High Court of Delhi, vide its order dated March 14, 2014, stayed recovery of amount already utilized by the DIAL from PSF (SC) Escrow Account till date. The matter is now listed for hearing on December 03, 2019.

    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 the Company towards capital expenditure and interest thereon amounting to Rs. 295.58 crores and Rs. 368.19 crores respectively, subject to the order of the Hon'ble High court of Delhi.

    Based on the internal assessments and pending final outcome of the aforesaid writ petition, no adjustments have been made to the accompanying consolidated financial results of the Group for the quarter and six months ended September 30, 2019. Further, as directed by the Hon'ble High Court of Delhi and pending further orders, DIAL has charged Rs. 98.93 crores from April 1, 2014 till September 30, 2019 (March 31, 2019: Rs. 96.39 crores) towards the expenditure incurred on repair and maintenance of security equipment to the consolidated statement of profit and loss which includes Rs. 2.54 crores during the six months ended September 30, 2019 (September 30, 2018: Rs. 12.30 crores).

    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, the Company has remitted Rs. 119.66 crores to PSF (SC) account against the transfer of screening assets to the Company from PSF (SC) with an undertaking to MoCA by the Company 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. (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 control period from April 1, 2011 to March 31, 2016. GHIAL filed an appeal, challenging the disallowance of pre-control period losses, foreign exchange loss on External Commercial borrowings and other issues for determination of its tariff with the Airport Economic Regulatory Authority Appellate Tribunal ('AERAAT') against the aforesaid order. Due to non-constitution of AERAAT Bench, GHIAL had filed a writ petition with the Hon'ble High court at Hyderabad which is yet to be heard. GHIAL filed an application with AERA for determination of Aeronautical tariff in respect of second control period from April 1, 2016 to March 31, 2021 including true up for shortfall of receipt vis a vis entitlement for the first control period.

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On December 19, 2017, AERA also issued a Consultation paper inviting comments from all stakeholders in connection with determination of tariff of the Hyderabad airport for the second control period. However, as the aforesaid consultation paper does not address the existing issues arising out of the tariff order for the first control period, GHIAL filed a writ petition against the aforesaid consultation paper before the Hon'ble High court at Hyderabad on February 6, 2018. Pending disposal of the existing matters of the Tariff Order for the first control period, the Hon'ble High court issued a stay 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 dated March 25, 2019 has allowed to continue the Aeronautical tariff as prevailed on March 31, 2019 for a period of 6 months w.e.f April 01, 2019 or till determination of tariff for the aforesaid period whichever is earlier.

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

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

Further, Ministry of Finance vide the notification dated May 26, 2017, directed the merger of Appellate Tribunal under the Airports Economic Regulatory Authority Act, 2008 ("AERA Act") i.e. AERAAT into Telecom Disputes Settlement and Appellate of Tribunal ('TDSAT').

The Hon'ble Supreme Court of India, on SLP filed by Air India, vide its judgement dated July 03, 2017, vacated the order of Hon'ble High Court of Delhi and directed TDSAT to dispose of the appeals of DIAL in the next two months.

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

DIAL's appeal no. 10/2012 with respect to first control period has been concluded along with the appeal by certain airlines. TDSAT vide its order dated April 23, 2018 has passed the order, which provides clarity on the issues which were pending for last six years and has laid down the principles to be followed by AERA in determination of tariff of the third control period starting from April 1, 2019. DIAL expects the uplift impact of the TDSAT order to be factored in the tariff determination by AERA for the next period i.e., 2019-2024. DIAL's appeal against the second control period shall be heard in due course. Further, DIAL has filed an appeal in the Hon'ble Supreme Court of India on July 21, 2018 for few matters in respect of TDSAT order dated April 23, 2018 and same was listed on September 4, 2018 wherein Hon'ble Supreme Court of India has issued notices in the matter. The appeal before Hon'ble Supreme Court shall be further taken up in due course of time.

During the year ended March 31, 2019, AERA has issued tariff order with respect to Base Airport Charges for the second control period, which the airport operator is entitled to receive as minimum charges in accordance with Schedule 6 of State Support Agreement (SSA) read with Schedule 8 of the SSA. The order on the Base Airport Charges was issued on November 19, 2018 (except the order for X-ray baggage charges), and made applicable from December 1, 2018. The order for X- ray baggage charges has been issued on January 10, 2019 and is effective from February 1, 2019.

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DIAL has filed tariff proposal for the third control period starting April 1, 2019 to March 31, 2024 with the regulator on November 27, 2018. Further, as the second control period completed on March 31, 2019, DIAL requested the AERA to extend the current tariff till the tariff for third control period is determined. Accordingly, AERA vide order no 48/2018-19 dated March 25, 2019 extended the prevailing tariff for DIAL till September 30,2019 which is further extended by AERA order no 09/2019-20 to March 31, 2020 or determination of tariff for third control period, whichever is earlier.

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 September 30, 2019, 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.

14. (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 Crores 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 September 30, 2019 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 reverse all the expenditure incurred from PSF (SC).

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 six months ended September 30, 2019.

(b) As per the advice from the Ministry of Home Affairs and the Standard Operating Procedures ('SOP') issued by MoCA on March 6, 2002, GHIAL, through its wholly owned subsidiary, Hyderabad Airport Security Services Limited ('HASSL') constructed residential quarters for Central Industrial Security Forces ('CISF') deployed at the Hyderabad airport. After completion of such construction, the total construction cost including the cost of land and related finance cost amounting to Rs. 113.73 crore was debited to the PSF (SC) Fund with intimation to MoCA. The Comptroller and Auditor General of India ('CAG'), during their audits of PSF (SC) Fund, observed that, GHIAL had not obtained prior approval from MoCA for incurring such cost from the PSF (SC) Fund as required by the guidelines dated January 8, 2010 and April 16, 2010 issued by MoCA. However, management of the Group is of the opinion that these guidelines were issued subsequent to the construction of the said residential quarters and approached MoCA for approval to debit such costs to the PSF (SC) Fund account and also, made an application for increase in PSF (SC) tariff to recover these dues and to meet the shortfall in discharging other liabilities from PSF (SC) Fund.

In earlier years, MoCA responded that, it is not in a position to consider the request for enhancement in the PSF (SC) tariff. As a result, GHIAL requested MoCA to advice the AERA for considering the cost of land/ construction and other related costs with regard to the aforesaid residential quarters in determination of Aeronautical Tariff for the Hyderabad airport. Pending final instruction from MoCA, cost of residential quarters continued to be accounted in the PSF (SC) Fund and no adjustments have been made to the accompanying consolidated financial results of the Group for the quarter and six months ended September 30, 2019.

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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.

15. The Group has incurred losses primarily on account of losses in the energy and highway sector as detailed in notes 5, 9 and 10 above with a consequent erosion of its net worth, delay in debt and interest servicing and lower credit ratings for some of its borrowings. Management is taking various initiatives including monetisation 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 couple of years from 2016 onwards. Further as detailed in note 2, the management has signed a definitive agreement with certain investors to divest equity stake in GAL on a fully diluted basis for a consideration of Rs 8,000 crore. The divestment is subject to obtaining the requisite approvals as stated in the aforesaid note and once successfully completed will enable the Group to meet its financial obligations and its cash flow requirements. Accordingly, the financial results continue to be prepared on a going concern basis which contemplates realization of current assets and settlement of current liabilities in an orderly manner.

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

17. The accompanying consolidated financial results of the Group for the quarter/six months ended September 30, 2019 have been reviewed by the Audit Committee in their meeting held on November 13, 2019 and approved by the Board of Directors in their meeting held on November 14, 2019.

18. 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.

19. 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

G M Rao
Chairman

New Delhi
November 14, 2019

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WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of GMR Infrastructure Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of GMR Infrastructure Limited ('the Company') for the quarter ended 30 September 2019 and the year to date results for the period 1 April 2019 to 30 September 2019, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Attention is drawn to the fact that the cash flow figures for the corresponding six month period ended 30 September 2018 have been approved by the Company's Board of Directors, but have not been subjected to audit or review.

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 as per the presentation requirements of SEBI Circulars CIR/CFD/FAC/62/2016 dated 5 July 2016, and CIR/IMD/DF1/69/2016 dated 10 August 2016 (hereinafter referred to as 'the SEBI Circulars'), and other accounting principles generally accepted in India. 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 4(a) to the accompanying Statement for the quarter and period ended 30 September 2019, the Company has an investment amounting to Rs. 3,046.21 crore and loan amounting to Rs. 119.55 crore in GMR Energy Limited ('GEL'), a joint venture company. Further, the Company has a investment in GMR Generation Assets Limited ('GGAL'), a subsidiary of the Company, which has been entirely provided for by the Company. GEL has further invested in GMR Vemagiri Power Generation Limited ('GVPGL'), a subsidiary of GEL and GGAL has further invested in GMR Rajahmundry Energy Limited ('GREL'), an associate company of GGAL.

   As mentioned in aforesaid note, GEL's barge mounted power plant, 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 outstanding in GREL amounting to Rs. 2,067.17 crore.

   The carrying value of the investment of the Company in GEL, to the extent of amount invested in its own barge mounted power plant and 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 around availability of natural gas, future tariff of power generated and the outcome of the sale of the barge mounted power plant. 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. Accordingly, owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the non-current investment, and any further provisions, if any, required to be made for the said obligations, and the consequential impact on the accompanying Statement.

   The opinion expressed by the predecessor auditors in their auditor report dated 29 May 2019 for the year ended 31 March 2019, and the conclusions expressed by the predecessor auditors in their review reports dated 14 November 2018 and 14 August 2019 for the quarter and year- to-date ended 30 September 2018 and quarter ended 30 June 2019, respectively, were also qualified with respect to the above matters.

5. Based on our review conducted as above, except for the possible effects of the matter 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 as per the presentation requirements of the SEBI Circulars, 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.

6. In addition to the matters described in paragraph 4 above, we draw attention to Note 4(a) in relation to the investment made by the Company in GEL amounting to Rs. 3,046.21 crore as at 30 September 2019. The recoverability of such investment is further dependent upon various claims, counter claims and other receivables recoverable from customers by GMR Warora Energy Limited ('GWEL') and GMR Kamalanga Energy Limited ('GKEL'), subsidiaries of GEL, which are pending settlement / realization as on 30 September 2019,considered in the valuation assessments.

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

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Further, there is the cessation of construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand which was being constructed by GMR Badrinath Hydro Power Generation Limited ('GBHPL'), another subsidiary of GEL. The Hon'ble Supreme Court of India, while hearing a civil appeal for another hydro power company, directed that no further construction work shall be undertaken until further orders.

The management of the Company, based on its internal assessment, legal expert advice, certain interim favourable regulatory orders and valuation assessment, 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 period ended 30 September 2019.

Our conclusion is not modified in respect of the above matter.

7. The review of unaudited standalone quarterly financial results for the period ended 30 June 2019, unaudited standalone quarterly and year-to-date financial results for the period ended 30 September 2018, and audit of standalone financial results for the quarter and year ended 31 March 2019, included in the Statement, was carried out and reported by the predecessor auditors, who have expressed modified conclusion vide their review report dated 14 August 2019, modified conclusion vide their review report dated 14 November 2018, and modified opinion vide their audit report dated 29 May 2019, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

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

Neeraj Sharma
Partner
Membership No. 502103

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

UDIN: 19502103AAAACL7055

Place: Gurugram
Date: 14 November 2019

GMR Infrastructure Limited
Corporate Identity Number (CIN): L45203MH1996PLC281138
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Statement of unaudited standalone Ind AS financial results for the quarter ended September 30, 2019

(in Rs. crore)

S.No.	Particulars	Quarter ended			Period ended		Year ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		Unaudited	Unaudited	Unaudited (refer note 15)	Unaudited	Unaudited (refer note 15)	Audited
1	Revenue						
	(a) Revenue from operations						
	i) Sales/income from operations	149.38	236.90	165.34	386.28	364.25	763.04
	ii) Other operating income (refer note 14)	78.55	75.44	90.03	153.99	177.77	338.00
	(b) Other income	0.40	2.83	24.14	3.23	38.82	47.86
	Total Revenue	228.33	315.17	279.51	543.50	580.84	1,148.90
2	Expenses						
	(a) Cost of materials consumed	58.36	118.59	80.44	176.95	170.57	448.17
	(b) Subcontracting expenses	37.91	62.11	48.41	100.02	106.74	224.55
	(c) Employee benefit expenses	10.48	11.01	11.67	21.49	23.10	47.29
	(d) Finance costs	273.74	223.60	208.19	497.34	408.70	845.65
	(e) Depreciation and amortisation expenses	6.01	6.00	6.35	12.01	11.78	24.49
	(f) Other expenses	27.62	23.47	31.35	51.09	63.36	125.18
	Total expenses	414.12	444.78	386.11	858.90	784.25	1,715.33
3	Loss before exceptional items and tax	(185.79)	(129.61)	(106.60)	(315.40)	(203.41)	(566.43)
4	Exceptional items Provision for impairment in value of investments at amortised cost, loans/advances (refer note 11)	(44.49)	(89.13)	-	(133.62)		(475.96)
5	Loss before tax (3 ± 4)	(230.28)	(218.74)	(106.60)	(449.02)	(203.41)	(1,042.39)
6	Tax expenses	(3.32)	(3.69)	0.02	(7.01)	0.04	(8.08)
7	Loss for the period/ year (5 ± 6)	(226.96)	(215.05)	(106.62)	(442.01)	(203.45)	(1,034.31)
8	Other comprehensive expenses (net of tax)						
	(i) Items that will not be reclassified to profit or loss						
	-Re-measurement gains on defined benefit plans	-	-	0.01	-	0.33	0.21
	-Net loss on fair valuation through other comprehensive Income ('FVOCI') of equity securities	(125.34)	(162.99)	-	(288.33)	-	(4,315.81)
	-Net loss on fair valuation through other comprehensive Income ('FVOCI') of equity securities (Restated- refer note 15)	-	-	(2,851.57)	-	(2,851.57)	-
	Total other comprehensive loss for the period	(125.34)	(162.99)	(2,851.53)	(288.33)	(2,851.24)	(4,315.60)
9	Total comprehensive income for the period/year (Comprising Loss and Other comprehensive expenses (net of tax) for the period/year) (7 ± 8)	(352.30)	(378.04)	(2,958.15)	(730.34)	(3,054.69)	(5,349.91)
10	Paid-up equity share capital (Face value - Rs. 1 per share)	603.59	603.59	603.59	603.59	603.59	603.59
11	Other equity						11,097.56
	Earnings per share (EPS) (of Rs. 1 each) (not annualised)						
	(a) Basic and Diluted EPS before exceptional items	(0.30)	(0.21)	(0.18)	(0.51)	(0.34)	(0.93)
	(b) Basic and Diluted EPS after exceptional items	(0.38)	(0.36)	(0.18)	(0.73)	(0.34)	(1.72)

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Statement of Unaudited Standalone assets and liabilities as at September 30, 2019			
			(in Rs. crore)
	Particulars	As at September 30, 2019 (Unaudited)	As at March 31, 2019 (Audited)
A	**ASSETS**		
1	**Non-current assets**		
	Property, plant and equipment	146.20	156.84
	Intangible assets	2.01	1.92
	Financial assets		
	Investments	11,423.72	12,238.91
	Loans	1,255.08	1,599.55
	Trade receivables	100.99	88.64
	Other financial assets	95.23	95.73
	Deferred tax assets (net)	97.23	97.23
	Non-current tax assets (net)	56.92	48.61
	Other non-current assets	40.43	27.67
		13,217.81	**14,355.10**
2	**Current assets**		
	Inventories	58.09	45.08
	Financial assets		
	Investments	-	0.01
	Loans	1,370.90	350.14
	Trade receivables	355.50	394.73
	Cash and cash equivalents	64.98	18.00
	Bank balances other than cash and cash equivalents	0.19	6.57
	Other financial assets	1,091.02	1,006.68
	Other current assets	25.42	33.51
		2,966.10	**1,854.72**
3	**Assets classified as held for disposal**	**6,753.12**	**6,180.12**
	Total assets (1+2+3)	**22,937.03**	**22,389.94**
B	**EQUITY AND LIABILITIES**		
1	**Equity**		
	Equity share capital	603.59	603.59
	Other equity	10,349.05	11,097.56
	Total equity	**10,952.64**	**11,701.15**
	Liabilities		
2	**Non-current liabilities**		
	Financial liabilities		
	Borrowings	4,732.51	5,293.93
	Other financial liabilities	89.92	89.75
	Provisions	1.13	1.13
	Deferred tax liabilities (net)	482.26	489.28
	Other non-current liabilities	555.00	563.85
		5,860.82	**6,437.94**
3	**Current liabilities**		
	Financial liabilities		
	Borrowings	2,469.06	943.55
	Trade payables		
	a) total outstanding dues of micro enterprises and small enterprises	14.21	13.94
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	536.43	483.28
	Other financial liabilities	2,879.17	2,517.41
	Other current liabilities	205.75	250.15
	Provisions	13.77	12.11
	Liabilities for current tax (net)	5.18	5.18
		6,123.57	**4,225.62**
4	**Libilities directly associated with the assets classified as held for disposal**	-	**25.23**
	Total equity and liabilities (1+2+3+4)	**22,937.03**	**22,389.94**

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GMR Infrastructure Limited
Corporate Identity Number (CIN): L45203MH1996PLC281138
Standalone Unaudited Statement of Cash Flows for the six month ended September 30, 2019

	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(449.01)	(203.41)
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	12.01	11.78
Provision/ write-off for impairment of investments at amortised cost, loans and doubtful advances	133.62	-
Bad debts written off/ provision for doubtful debts	-	2.66
Net foreign exchange differences (unrealised)	9.40	(35.58)
Profit on sale of current investments	(0.11)	(0.96)
Finance income	(153.88)	(175.91)
Finance costs	497.34	408.70
Operating profit before working capital changes	**49.37**	**7.28**
Working capital adjustments:		
(Increase) in inventories	(13.01)	(21.46)
(Decrease)/ (Increase) in trade receivables	26.88	(195.80)
(Increase) in other financial assets	(72.59)	(13.43)
(Increase)/ decrease in other assets	(5.22)	0.59
Increase in trade payables	53.42	67.47
Increase/ (decrease) in other financial liabilities	8.12	(5.59)
Increase in provisions	1.66	0.53
(Decrease)/ Increase in other liabilities	(53.25)	2.36
Cash generated from/ (used in) operations	**(4.62)**	**(158.05)**
Direct taxes paid (net of refunds)	(8.31)	(11.95)
Net cash (used in) operating activities	**(12.93)**	**(170.00)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including capital work in progress, capital advances and intangible	(0.88)	(29.35)
Proceeds from sale of property, plant and equipment	-	0.10
Proceeds from sale of non-current investments	17.81	14.97
Sale / (purchase) of current investments (net)	0.12	27.55
Movement in investment in bank deposit (having original maturity of more than three	5.47	51.15
Loans given to group companies	(1,514.73)	(1,101.88)
Loans/ advances repaid by group companies	697.88	982.38
Interest received	76.95	181.21
Advances towards sale consideration for assets classified as held for disposal	-	(7.21)
Net cash (used in)/from investing activities	**(717.38)**	**118.92**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	2,211.84	1,022.06
Repayment of borrowings	(1,125.34)	(747.26)
Finance costs paid	(302.99)	(302.16)
Net cash from/(used in) financing activities	**783.51**	**(27.36)**
Net increase/(decrease) in cash and cash equivalents	53.20	(78.44)
Cash and cash equivalents at the beginning of the period	11.77	75.18
Cash and cash equivalents at the end of the period	**64.97**	**(3.26)**
Total cash and cash equivalents	**64.97**	**(3.26)**

	September 30, 2019	September 30, 2018
Component of Cash and Cash equivalents		
Balances with banks:		
- On current accounts	64.91	11.06
Cash on hand	0.07	0.19
Less: Bank overdraft	(0.01)	(14.51)
	64.97	(3.26)

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Notes to the unaudited standalone Ind AS financial results for the quarter and six months ended September 30, 2019

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

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

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

3. 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 the CCPS A.

   The Company together with GAL has 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 has 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 were converted into equity shares of GAL in the hands of the Investors, which represents 5.86% shareholding of GAL. As per the definitive agreement entered by the Company as referred in note 9 below, the Company, through its subsidiary, shall provide an exit to these Investor's 5.86% shareholding in GAL.

4. (a) The Company has invested in GMR Generation Assets Limited ("GGAL") which has further invested in step down subsidiaries and Joint ventures. Further, the Company together with GGAL and GMR Energy Projects Mauritius Limited has investments in GMR Energy Limited ("GEL") amounting Rs. 3,046.21 crores. GEL and GGAL have certain underlying subsidiaries/ associates/ joint ventures which are engaged in energy sector including mining operations. GEL, GGAL and some of the underlying subsidiaries/ associates/ joint ventures as further detailed in note 4(b), 4(c), 4(d), 4(e) and 4(f) below have been incurring losses resulting in substantial erosion in their net worth. Based on its internal assessment with regard to future operations and valuation assessment by an external expert during the year ended March 31, 2019, the management of the Company has fair valued its investments and for reasons as detailed in 4(b), 4(c), 4(d), 4(e) and 4(f) below, the management is of the view that the fair value of the Company's investment in GGAL and GEL 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. 684.71 crore as at September 30, 2019 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 651.26 crore and the payment from the customers

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against the claims including interest on such claims is substantially pending receipt. Based on certain favourable interim regulatory orders, the management is confident of realization of the outstanding receivables. Though the net worth of GWEL is substantially eroded, GWEL has made pretax profits during the year ended March 31, 2019 and the six months ended September 30, 2019 and 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, 2019, the management is of the view that the carrying value of the investments in GWEL by GEL as at September 30, 2019 is appropriate.

(c) GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL 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, as at September 30, 2019, GWEL has raised claim of Rs. 468.74 crore towards reimbursement of transmission charges from March 17, 2014 till September 30, 2019. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and also applied for stay proceedings for the above order of APTEL, which was rejected by the Hon'ble Supreme Court of India.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of Rs. 468.74 crore relating to the period from March 17, 2014 to September 30, 2019 (including Rs. 54.65 crore for the six months ended September 30, 2019) in the standalone financial results of the GWEL.

(d) GMR Kamalanga Energy Limited ('GKEL'), 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. 1,851.80 crore as at September 30, 2019, 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. 1,036.97 crore as at September 30, 2019, 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 favourable interim regulatory orders with regard to its petition for 'Tariff Determination' and 'Tariff Revision' with its customers, the management is confident of a favourable outcome towards the outstanding receivables of GKEL. In view of these matters, business plans, valuation assessment by an external expert during the year ended March 31, 2019, the management is of the view that the carrying value of the investments in GKEL by GEL as at September 30, 2019 is appropriate.

GKEL in view of the Supreme Court Order 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 the CERC judgment by Haryana Discoms. Considering opinion received from legal counsels that GKEL has good tenable case with virtual certainly with respect to Coal Cost Pass Through and favourable Order from APTEL dated 21 December 2018 and CERC judgment in GKEL's own case for Haryana Discoms where the computation methodology of Coal Cost Pass Through was decided, the management was virtually certain on receipt of the GKEL's claim of revenue on Coal Cost Pass Through and was of the opinion that no

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contingency was involved in this regard. GKEL has now received a favorable order on 16 September 2019 whereby the CERC has allowed the coal cost pass through to be charged to the Bihar Discom, based on a certain methodology. However, GKEL in is the process to file a review petition 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. 14.01 crores for the six months period ended September 30, 2019.

(e) In view of lower supplies / availability of natural gas to the power generating companies in India, GMR Rajahmundry Energy Limited ('GREL'), GMR Vemagiri Power Generation Limited ('GVPGL') 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 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 as stated above, GREL ceased to be a subsidiary of the Company and has been considered as associate as per the requirement of Ind AS -28.

During the year ended March 31, 2019, considering that GREL continued to incur losses in absence of commercial operations, the consortium of lenders have 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 comprising of principal amounting to Rs. 1,126.58 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 2009 before Andhra Pradesh Electricity Regulatory Commission ('APERC'). Over the years, the case was heard for deciding the jurisdiction to adjudicate the proceedings. During the year ended March 31, 2019, the Hon'ble High Court of Andhra Pradesh passed its Judgment and held that the Central Electricity Regulatory Commission CERC has the jurisdiction to adjudicate the present dispute. The matter is pending to be heard before the CERC.

(iii) Presently, the management of the Company is actively identifying the customers for the barge mounted plant held by GEL. During the quarter/six months ended September 30, 2019 the management has provided an impairment of Rs. 76.50 crore based on estimated realizable value of the barge mounted plant.

(iv) Further, the management 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 had also carried out a valuation assessment of GREL and GVPGL during the year ended March 31, 2019 which included certain assumptions relating to availability and pricing of domestic and imported gas, future tariff, tying up of Power Purchase Agreements ("PPA"), realization of claims for losses incurred in earlier periods 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 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. Based on the aforementioned reasons and business plans, the management is of the view that the carrying value of the investment of Rs. 695.00 crore in GEL and in GVPGL held by GEL as at September30, 2019 is appropriate. Further, 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 debt.

(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 ('MoEF1') 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, 2019, the management of the Company is of the view that the carrying value of the investments in GBHPL by GEL as at September 30, 2019 is appropriate.

5. The Company through its subsidiary GMR Coal Resources Pte. Limited ('GCRPL') has investments of Rs. 3,592.80 crore in PTGEMS, a joint venture as at September 30, 2019. 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. The Company along with its subsidiaries has not significantly commenced the offtake of the coal under the CSA. 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, 2019, the management believes that the carrying value of aforesaid investments in PTGEMS as at September 30, 2019 is appropriate.

6. During the year ended March 31, 2017, under a Framework for Revitalizing Distressed Assets in the Economy by RBI, the lenders of GCEL have implemented the Strategic Debt Restructuring ('SDR') Scheme pursuant to which borrowings of GCEL aggregating to Rs. 2,992.22 crore (including interest accrued thereon of Rs. 654.73 crore) got converted into equity shares. Consequent to the SDR as stated above, GCEL ceased to be a subsidiary of the company and had been considered as an associate as per the requirement of Ind AS -28.

The Consortium of lenders were in the process of identifying investors for GCEL so as to revive the operational and financial position of GCEL as at March, 2019. During the quarter ended June 30, 2019, the consortium of lenders of GCEL had accepted Adani Power Limited ("APL") as the final bidder.

As part of the above restructuring, GMR Generation Asset Limited ("GGAL"), has sold to APL its entire 47.72% stake in GCEL for Re 1. As per the said agreement, the corporate / bank guarantees to the extent of Rs. 1,155.64 crore furnished by GMR group companies i.e. GEL and GPCL shall be released in due course

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as per the terms and conditions as stated in the agreement and if any liabilities arises on account of invocation of guarantees from the closing date as defined in the said agreement will be reimbursed by APL. Further, APL has also agreed to pay the dues payable by GCEL to GMR group companies to the extent of Rs. 93.32 crore and payable to Doosan Power Systems India Private Limited ('DPS')/ EPC contractor to the extent of Rs. 138.11 crore.

The management of the Group is of the view that the no consequential liability would arise on account of aforesaid matters as a binding agreement has been entered into with APL and the shares has been transferred to APL on July 26, 2019.

7. (a) As detailed in note 7(b) and 7(c), the diminution in value in GMR Highways Limited has primarily arisen on account of the diminution in the value of investments / advances in GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') and GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') as detailed below.

   (b) GACEPL has been incurring losses since the commencement of its commercial operations and has accumulated losses of Rs. 438.29 crore as at September 30, 2019. The management believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant till further orders. Based on an internal assessment and a legal opinion, the management of the Company is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and considering expected future traffic flow, the management of GACEPL believes that the carrying value of investments in GACEPL as at September 30, 2019, is appropriate.

   (c) GHVEPL has been incurring losses since the commencement of its commercial operations and has accumulated losses of Rs. 1,056.28 crore as at September 30, 2019. 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 GHVEPL 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 has decided to proceed with arbitration and accordingly Arbitral Tribunal was constituted, and claims were filed. Further, the project was initially developed from existing 2 lanes to 4 lane and will be further developed to 6 laning subsequently (before 14th anniversary of the appointed date). If 6 laning is not carried out (if so, required by NHAI/desired by the GHVEPL), concession period will be restricted to 15 years as against 25 years which can significantly impact the recoverable value of carriage ways.

   GHVEPL has recognised a provision of additional concession fees (premium) of Rs. 533.24 crore including interest till September 30, 2019 based on NHAI's directions, failure to which, it will terminate the concession agreement. GHVEPL has approached the Tribunal to restrain NHAI from seeking any such recovery / demand / claim and / or taking any coercive action including termination of concession agreement, till the completion of present arbitration proceedings. The Tribunal has heard both the parties and is yet to pronounce the order.

   The management of GHVEPL is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons. Accordingly, based on the aforesaid legal opinion, expected future traffic flow over a concession period of 25 years based on valuation assessment by an external expert and expected compensation claim inflows, the management of the Company believes that the carrying value of investments in GHVEPL as at September 30, 2019, is appropriate.

8. The Company along with its subsidiaries, associates and joint ventures have incurred losses primarily on account of losses in the energy and highway sector as detailed in note 4 and 7 above with a consequent erosion of its net worth and lower credit ratings for some of its borrowings. Management is taking various initiatives

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including monetisation of assets, sale of stake in certain assets, raising finances from financial institutions and strategic investors, refinancing of existing debt and other strategic initiatives for reduction of debt. Pursuant to such initiatives the Group had successfully divested its stake in certain assets in the highway sector, airport sector and energy sector in last few years. Pursuant to such initiatives, as detailed in note 9, the management has signed a definitive agreement with certain investors to divest equity stake in GMR Airport Limited ('GAL') on a fully diluted basis for a consideration of Rs. 8,000 crore. The divestment is subject to obtaining the requisite approvals as stated in the aforesaid note and once successfully completed will enable the Group to meet its financial obligations and its cash flow requirements. Accordingly, the financial results continue to be prepared on a going concern basis which contemplates realisation of current assets and settlement of current liabilities in an orderly manner.

9. Pursuant to the binding term sheet entered by the Group during the year ended March 31 , 2019, the Group has executed a definitive agreement on July 04, 2019 with TRIL Urban Transport Private Limited ("Tata"), a subsidiary of Tata Sons, Solis Capital (Singapore) Pte. Limited ("Solis") and Valkyrie Investment Pte. Limited ("Valkyrie") (together referred as "the Investors") whereby the Investors will acquire equity stake in GMR Airport Limited ('GAL') on a fully diluted basis for a consideration of Rs 8,000 crore through issuance of equity shares of GAL of Rs 1,000 crore and purchase of GAL's equity shares held by the Group for Rs 7,000 crore. The said transaction is subject to regulatory approvals, which are currently at an advanced stage of completion/progress and the management is confident of obtaining the same in a short period of time.

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

11. During the quarter ended September 30, 2019, the Company has accounted for provision for diminution in value of investments at amortised cost, loans/ advances amounting to Rs. 44.49 crore (June 30, 2019: Rs. 89.13 crore) given to group companies which has been disclosed as an exceptional item in the standalone Ind AS financial results.

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

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

14. 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.

15. During the year ended March 31, 2019, the Company voluntarily changed its accounting policy, as per Ind AS 8, with respect to measurement of investments in subsidiaries, associates and joint ventures at cost as per Ind AS 27 "Separate Financial Statements" to fair value through OCI (FVOCI) as per Ind AS 109 "Financial instruments".

    During the quarter ended September 30, 2018 the Company had executed a settlement agreement (refer note 3 above) to amicably settle the outstanding dues in respect of the Compulsorily Convertible Preference Shares (CCPS) issued by one of the subsidiary companies GMR Airports Limited (GAL). Consequent to the aforementioned settlement agreement, the shareholding of the Company in GAL had got diluted.

    As a consequence of above change in shareholding and change in accounting policy during the year ended March 31, 2019, investment in GAL as on September 30, 2018 need to be restated and hence reduction due

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Notes to the unaudited standalone Ind AS financial results for the quarter and six months ended September 30, 2019

to equity dilution in company for GAL shares of Rs. 2,851.57 crore net of taxes has to be recognized through OCI. Accordingly reported number of quarter and six months ended September 30, 2018 has been restated.

16. The unaudited standalone Ind AS financial results of the Company for the quarter and six months ended September 30, 2019 have been reviewed by the Audit Committee in their meeting on November 13, 2019 and approved by the Board of Directors in their meeting on November 14, 2019.

17. The statutory auditors of the Company have carried out a Limited review of the unaudited Ind AS standalone financial results for the quarter and six months ended September 30, 2019.

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

For GMR Infrastructure Limited

New Delhi
November 14, 2019

G M Rao
Chairman

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GMR Infrastructure Limited

Q2FY20 Performance and Business Highlights

Value Unlocking Process at Airport Business in Final Stage

We have received all key approvals including Competition Commission of India and Reserve Bank of India for the “Tata, GIC and SSG transaction” buying 44.44% stake in the airport platform - “GMR Airports Limited”. The last process of regulatory clearances from the Government of India are underway and are expected over the next few weeks.

Participated in Jewar Airport Bid

Delhi International Airport Limited (DIAL) submitted the financial bid for the development of Jewar Airport. DIAL has a RoFR to build a second airport within 150 km of Delhi. The financial bid is scheduled to open on November 29, 2019.

Exclusive discussions on divestment of Kamalanga Power Plant

GMR Energy Limited has entered into exclusive discussions with JSW Energy Limited for potential divestment of its entire stake in GMR Kamalanga Energy Limited (GKEL). GKEL owns and operates a 1050 MW thermal power plant in Odisha.

Successfully Completed Divestment of Chhattisgarh Power Plant

Divestment of entire stake in GMR Chhattisgarh Energy Ltd has been completed.

Performance Highlights

Airport Sector

Delhi Airport

- Traffic remained flat YoY at 17.3 Mn in Q2FY20 whereas grew by 10% QoQ indicating the negative impact of Jet Airways is behind us.
- Non-aero Revenues grew by 2% YoY to INR 523 Cr in Q2FY20 from INR 511 Cr in Q2FY19
- CPD Rentals grew by 2.6x YoY to INR 159 Cr in Q2FY20 from INR 61 Cr in Q2FY19
- PAT grew to INR 5 Cr in Q2FY20 from Net Loss of INR 24 Cr in Q2FY19
- Generated Cash Profit of INR 135 Cr in Q2FY20 vs INR 88 Cr in Q2FY19

- Delhi Airport has been awarded the prestigious National Award for Excellence in Energy Management-2019 by CII-Green Business Centre
- Delhi Airport has rolled-out a three-month trial to exhibit Biometric Enabled Seamless Travel Experience (BEST) which is based on Facial Recognition Technology and presently launched with Vistara Airline

Hyderabad Airport

- Traffic grew by 3% YoY to 5.4 Mn in Q2FY20 from 5.3 Mn in Q2FY19
- Non-aero Revenues grew by 18% YoY to INR 155 Cr in Q2FY20 from INR 131 Cr in Q2FY19
- PAT of INR 184 Cr in Q2FY20 vs INR 193 Cr in Q2FY19
- Generated Cash Profit of INR 217 Cr in Q2FY20 vs INR 231 Cr in Q2FY19
- Won 'Best Energy Efficient Unit' award for the 3rd time at CII National Awards for Excellence in Energy Management 2019 along with the award for 'National Energy Leader'

Cebu Airport

- Traffic grew by 8% YoY to 3.3 Mn in Q2FY20 from 3.1 Mn in Q2FY19
- Revenue increased by 44% YoY to INR 118 Cr in Q2FY20 from INR 82 Cr in Q2FY19
- Cash Profit at INR 51 Cr in Q2FY20 vs INR 58 Cr in Q2FY19

Energy Sector

Kamalanga Power Project

- Strike at Mahanadi Coal Field Limited has resulted in a PLF of 50.1% in Q2FY20
- Revenue at INR 436 Cr in Q2FY20 vs INR 561 Cr in Q2FY19
- Generated Cash Profit of INR 21 Cr in Q2FY20 as against INR 81 Cr in Q2FY19

Warora Power Project

- PLF improved to 67.8% in Q2FY20 from 54.6% in Q2FY19
- Revenue increased by 3.5% YoY to INR 389 Cr in Q2FY20 from INR 376 Cr in Q2FY19
- Generated Cash Profit of INR 30 Cr in Q2FY20 as against INR 26 Cr in Q2FY19

Indonesia Coal Mine (PT GEMS)

- Sales volume grew by 21% YoY to 5.8 Mn tons in Q2FY20 from 4.8 Mn tons in Q2FY19
- Revenue grew by 11% YoY to INR 1,543 Cr in Q2FY20 from INR 1,395 Cr in Q2FY19

Consolidated Financial Highlights

[INR Cr]

Particulars	Quarter ended			Year Ended	
	Q2 Sep'19	Q1 Jun'19	Q2 Sep'18	6M Sep '19	6M Sep '18
Gross Revenue	2,018	1,992	1,904	4,010	3,651
Net Revenue	1,527	1,505	1,469	3,032	2,791
EBITDA	**643**	**599**	**534**	**1,242**	**973**
PBT (Before excep. items & share of JVs)	**(285)**	**(260)**	**(267)**	**(545)**	**(448)**
Share of Profit / (loss) from JVs / associates	(162)	(19)	(101)	(181)	(210)
PBT	**(447)**	**(279)**	**(368)**	**(725)**	**(658)**
Tax Expense	11	56	(34)	67	(86)
Profit After Tax (from continuing operations)	**(457)**	**(335)**	**(334)**	**(792)**	**(572)**

About GMR Infrastructure Limited
GMR Infrastructure Limited, a leading global infrastructure conglomerate with interests in Airport, Energy, Transportation and Urban Infrastructure, is listed on Indian Stock Exchanges.

GMR Group's Airport portfolio has around 159 mn passenger capacity in operation and under development, comprising of India's busiest Indira Gandhi International Airport in New Delhi, Hyderabad's Rajiv Gandhi International Airport, Mactan Cebu International Airport in partnership with Megawide in Philippines. While greenfield projects under development includes Airport at Mopa in Goa and Airport at Heraklion, Crete, Greece in partnership with GEK Terna. The GMR-Megawide consortium has won the Clark International Airport's EPC project, the second project in Philippines. The Group recently received Letter of Intent for development and operations of Nagpur Airport on PPP basis and has emerged as highest bidder for development and operation of greenfield airport at Bhogapuram in Andhra Pradesh. It is also developing airport cities adjacent to Delhi and Hyderabad airports.

The Group's Energy business has a diversified portfolio of around 5060 MWs, of which 3060 MWs of Coal, Gas and Renewable plants are operational and around 2000 MWs of power projects are under various stages of construction and development. The group also has coal mines in Indonesia, where it has partnered with a large local player.

Transportation and Urban Infrastructure division of the Group has six operating highways project spanning over 2,000 lane km. The Group has a large EPC order book of railway track construction including Government of India's marquee Dedicated Freight Corridor project. It is also developing multi-product Special Investment Regions spread across ~2100 acres at Krishnagiri in Tamil Nadu and 10,400 acres at Kakinada in Andhra Pradesh.

GMR Group, through its Corporate Social Responsibility arm, GMR Varalakshmi Foundation carries out community based development initiatives at 27 different locations across India and abroad.
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