

24th August, 2021



Bombay Stock Exchange Limited
PJ Towers, Dalal Street,
Mumbai - 400 001.

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Ex Bandra East,
Mumbai – 400 051.

Dear Sir,

Sub : Audited Financial results for the year ended 31st March,2020

**Ref : 1) BSE Scrip Code:532708, NSE Scrip Code: GVKPIL.
2) Regulation 33 & 52 of the SEBI (LODR) Regulations, 2015.**

The Board of Directors of our Company at its meeting held on today i.e. 24-08-2021 had considered and approved the following business:

- a) Audited Financial Statements of the company (Standalone and Consolidated) for the year ended 31st March, 2020 along with Auditor's report thereon.
- b) Statement on Impact of Audit Qualifications for standalone and consolidated financials as per Regulation 33/52 of SEBI (LODR) (Amendment) Regulations, 2016.
- c) Statement of Assets & Liabilities as at 31st March, 2020 in the format specified under SEBI (LODR) Regulations, 2015.

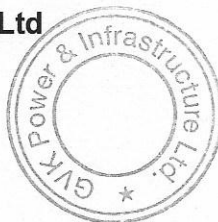
The Board Meeting commenced at 4:30 p.m and concluded at 7:15p.m

Please acknowledge receipt of the above.

Thanks & regards,

For GVK Power & Infrastructure Ltd

P V Rama Seshu
AVP & Company Secretary



GVK Power & Infrastructure Limited
CIN: L74999AP2005PLC059013
Registered office: Paigah House, 156-159, Sardar Patel Road, Secunderabad-500 003 (Telangana)
Phone No: 040-2790 2663/64, Fax: 040-2790 2665
Website: www.gvk.com; Email: sanjeevkumar.singh@gvk.com
Statement of Standalone Financial Results for the year ended March 31, 2020

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended (Unaudited)			Year ended (Audited)	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1	Income					
	Revenue from operations	316	314	1,378	2,320	2,321
2	Other income	2,141	1,360	2,070	7,867	7,710
3	Total revenue	2,457	1,674	3,448	10,187	10,031
4	Expenses					
	Employee benefit expenses	38	45	180	233	211
	Other expenses	1,344	279	245	1,898	741
	Impairment of non-current investments	87,800	-	4,403	87,800	4,403
	Fair value loss on Investments	-	-	-	1,000	50
	Depreciation	5	6	3	21	12
	Finance costs	134	131	224	1,320	1,248
	Total Expenses	89,321	461	5,055	92,272	6,665
5	Profit/(loss) from ordinary activities but before	(86,864)	1,213	(1,607)	(82,085)	3,366
6	Exceptional items	-	-	-	-	-
7	Profit/(loss) from ordinary activities (5-6)	(86,864)	1,213	(1,607)	(82,085)	3,366
8	Tax Expenses	716	-	(8,545)	730	(8,028)
9	Profit/(loss) from ordinary activities after tax (7-8)	(87,580)	1,213	6,938	(82,615)	11,394
10	Other comprehensive income (net of tax)	-	-	20	-	20
11	Total comprehensive Income (after tax) (9+10)	(87,580)	1,213	6,958	(82,615)	11,414
12	Paid-up equity share capital	15,792	15,792	15,792	15,792	15,792
13	Earnings per share (EPS)					
	a) Basic (in Rs.)	(5.55)	0.08	0.44	(5.24)	0.72
	b) Diluted (in Rs.)	(5.55)	0.08	0.44	(5.24)	0.72

Place: Hyderabad
Date : August 24, 2021



GVK Power & Infrastructure Limited
P V Prasanna Reddy
P V Prasanna Reddy
Whole-time Director



GVK Power & Infrastructure Limited
Standalone Statement of assets and liabilities
(All amounts are in Indian Rupees Lakhs except for share data or otherwise stated)

	As at March 31, 2020	As at March 31, 2019
Assets		
Non-current assets		
Property, plant and equipment	72	92
Investments	148,120	158,127
Financial assets		
Investments	5,175	76,710
Loans	-	5
Other financial assets	-	933
Non Current tax assets (net)	2,009	3,830
Other non-current assets	13	13
	<u>155,389</u>	<u>239,710</u>
Current assets		
Financial assets		
Investments	507	1,567
Trade receivables	803	355
Cash and cash equivalents	28	49
Loans	408	322
Other financial assets	239	2,248
Other current assets	44	37
	<u>2,029</u>	<u>4,878</u>
Total	<u>157,418</u>	<u>244,288</u>
Equity and Liabilities		
Equity		
Equity share capital	15,792	15,792
Other equity	85,896	168,711
	<u>101,688</u>	<u>184,503</u>
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings		
Unearned financial guarantee liability	1,961	5,221
	<u>1,961</u>	<u>5,221</u>
Current liabilities		
Financial liabilities		
Borrowings	47,276	47,142
Trade payables		
• Total outstanding dues of micro enterprises and small enterprises and small enterprises	-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises	186	208
Other financial liabilities	6,269	7,079
Provisions	8	8
Current tax liabilities	-	-
Other current liabilities	30	127
	<u>53,769</u>	<u>54,564</u>
Total liabilities	<u>55,730</u>	<u>59,785</u>
Total	<u>157,418</u>	<u>244,288</u>



GVK Power & Infrastructure Limited
Standalone Cash flow statement
 (All amounts are in Indian Rupees Lakhs except for share data or otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
1 CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax	(82,085)	3,366
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation expense	21	12
Impairment of non-current investments and receivables	87,800	4,403
Gain on sale of current investments (net)	(52)	(153)
Interest expense	1,320	1,248
Fair value loss on investments in preference shares	1,000	50
Provision for bad and doubtful debt	1,098	-
Unrealised foreign exchange (gain)/loss	-	276
Unwinding interest (income on financial guarantees and debt instruments)	(2,904)	(5,162)
Fair value commission income on guarantees given to subsidiaries	(2,074)	(482)
Interest income on income tax and service tax refund	(287)	(36)
Operating profit before working capital changes	3,837	3,522
Movement in working capital:		
Decrease/(Increase) in trade receivables	(448)	(225)
Decrease in other current/non current assets	1,837	(1,612)
Increase/(Decrease) in trade payables, current liabilities and provisions	256	112
Cash generated from operations	5,482	1,797
Taxes (paid)/refund	1,091	-
Net cash generated from operating activities (A)	6,573	1,797
2 CASH FLOW FROM INVESTING ACTIVITIES		
Net Purchase/ Sale of current investments	1,112	233
Investments in subsidiaries/ associates/related party including share application money	(4,354)	(137)
Loans (given)/refunds to/from subsidiaries/related party	(81)	5,834
Purchase of property, plant and equipment	(1)	(69)
Interest received	287	36
Net Cash (used in)/ generated from investing activities (B)	(3,097)	5,897
3 CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(3,000)	(6,696)
Proceeds from short term borrowings (net)	134	3,450
Interest paid	(691)	(4,455)
Net Cash generated from/(used in) financing activities (C)	(3,557)	(7,701)
Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)	(21)	(7)
Cash and Cash Equivalents at the beginning of the year	49	56
Cash and Cash Equivalents at the end of the year	28	49
Components of cash and cash equivalents		
Balance with banks:	28	49
Current accounts	-	-
Total cash and cash equivalents	28	49



GVK Power & Infrastructure Limited
Notes to standalone financial results:

- 1 GVK Power & Infrastructure Limited ("The Company") has adopted Indian Accounting Standards (Ind AS) prescribed under section 133 Companies Act, 2013, read with relevant rules issued thereunder.
- 2 The Company carries its businesses in business segments viz., Power, Roads, Airports and others through various subsidiaries, associates and jointly controlled entities, being special purpose vehicles exclusively formed to build and operate various infrastructure projects.
- 3 The above standalone financial results have been reviewed by the audit committee on August 24, 2021 and have been approved by board of directors at their meeting held on August 24, 2021.
- 4 The figure of last quarter of the standalone financial results for the current year and previous year are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 and the unaudited published year-to-date figures up to December 31, 2019 and December 31, 2018.
- 5 The company has an investment in GVK Coal Developers (Singapore) Pte. Limited (GVK Coal) which is assessed as an associate to the Company. The Company exercises significant influence on GVK Coal as per Ind AS 28.

The Company has made investments and has receivables aggregating to Rs. 78,634 lakhs (March 31, 2019: Rs. 75,655 lakhs) and provided guarantees and commitments for loans amounting Rs. 851,216 lakhs (March 31, 2019: Rs. 783,297 lakhs) taken by GVK Coal as at March 31, 2020 part of which is collateralized by the pledge of 37% shares of GVK Airport Holdings Limited a wholly owned subsidiary of the Company, and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,345 lakhs) as at March 31, 2020, an entity whose current liabilities exceeds current assets by USD 2,199 million (Rs. 1,657,939 lakhs) as at March 31, 2020 and has incurred cash losses of USD 140 million (Rs. 105,349 lakhs) for the year ended March 31, 2020, and based on the unaudited financial statements is witnessing material uncertainties. The prices of the coal have fallen since GVK Coal had acquired a stake in the coal mines. GVK Coal has not been able to achieve financial closure resulting in delays in commencement of mine development activity when compared to scheduled date, delays in entering into definitive agreements for port and rail development and agreement for sale of coal and also necessary environmental and regulatory clearances. There are also uncertainties arising from Covid. Further, certain lenders of GVK Coal have classified the loan as non-performing and the lenders had an option to curtail the rights of the company on various assets either on October 2015 or every year thereafter.

The lenders have since filed a claim in the High Court of Justice Business and Property Courts of England and Wales Commercial Courts on November 09, 2020 and have sought to recover the amounts advanced to GVK Coal. Under the interim solution undertaking by the lenders dated March 23, 2017, the lenders cannot enforce such obligation until March 29, 2022. The respective arguments of the lenders and the Company were filed with the court and an order has been pronounced which entails start of the trial on June 13, 2022.

The Company is hopeful of achieving one time settlement with the lenders in view of its arrangement with Adani Airport Holdings Limited (AAHL) which is adequately incentivised to find solution with the lenders to get unencumbered ownership over the shares of GVK Airport Holdings Limited pledged with the lenders. The extent of the liability that may arise in respect of guarantees and commitments and the manner of such settlement is presently not ascertainable and accordingly no provision has been made in this regard in relation to any liability.

Considering that the Company does not have a certainty over the cash flows and timing of such cash flows, an impairment assessment has been carried out for the carrying value of investment and other receivables. Based on such assessment, the management has made a provision for impairment against the recoverability of investments and receivables of Rs. 78,634 lakhs.



GVK Power & Infrastructure Limited
Notes to standalone financial results:

- 6 Certain subsidiaries and jointly controlled entity (group companies) of GVK Energy Limited ('GVKEL'), a jointly controlled entity are facing uncertainties as detailed below:

a) There has been uncertainty regarding supplies/availability of gas to power plants of GVK Industries Limited (GVKIL), subsidiary company, and GVK Gautami Power Limited (GVKGPL), jointly controlled entity. These group companies have made losses of Rs. 39,310 lakhs (March 31, 2019: Rs. 42,484 lakhs). The lenders have classified the loan balances of these group companies as non-performing assets. GVKEL is confident that the Government of India will take necessary steps/initiatives to improve the situation of natural gas. However in the interim these group companies are working with the lenders for a one time settlement proposal wherein the loans would be settled at the value of the plant to be realised on its sale to APDISCOM. Further, Management, based on its rights under power purchase agreement to recover capacity charges and in view of installing alternate fuel equipment and on the basis of aforesaid discussions, believes that these group companies continue to be in operation in foreseeable future despite continued losses or will be able to amicably settle the loan liability as part of one time settlement proposal. GVKEL has given corporate guarantee for the loan taken by GVKGPL. GVKEL based on the valuation performed for these entities, has made a provision for diminution for full value of investments to the extent of Rs. 64,295 lakhs in its standalone financial statements.

b) Uncertainty is faced by coal plant with carrying value of non-current assets of Rs. 367,634 lakhs (March 31, 2019: Rs. 396,638 lakhs) of GVK Power (Goindwal Sahib) Limited ('GVKPGSL'), subsidiary company, towards supply of fuel consequent to de-allocation of coal mine. Management has filed a petition with Punjab State Electricity Regulatory Commission (PSERC) for re-negotiation of terms of power purchase agreement such as rate revision, approval for using imported coal, approval for completed capital cost, etc. claiming force majeure and change in law as envisaged under Power Purchase Agreement. Pending determination of final tariff, PSERC in its interim order has allowed the subsidiary company to run the plant on imported fuel for up to two and half years and advised GVKPGSL should make arrangements for coal on a long term basis. In the interim Punjab State Power Corporation Limited ('PSPCL') has made certain deductions aggregating to Rs. 15,267 lakhs while approving the revenue claimed by GVKPGSL pursuant to the aforesaid interim order. GVKPGSL has also filed petitions with PSERC for the aforesaid deductions made by PSPCL. In February' 2018, GVKPGSL obtained long term coal linkage through Scheme for Harnessing and Allocating Koyala Transparently in India (SHAKTI scheme) for a significant part of its capacity. Further in March' 2018, PSERC has approved provisional fixed charges of Rs 2.20 per unit till the final capital cost is determined.

GVKPGSL was unable to run the plant at optimal capacity during financial year 2016017 and 2017-18 primarily on account of low availability of fuel and hence defaulted on repayment of dues to lenders. Consequently the lenders have classified the loan balances of GVKPGSL as non-performing assets. GVKPGSL is currently working with lenders towards the resolution plan as required by the RBI notification dated February 12, 2018 on resolution of stressed assets. If a resolution plan is not implemented as per the timelines specified in the aforesaid notification, lenders shall file insolvency application, singly or jointly, under the Insolvency and Bankruptcy Code 2016 within 15 days from the expiry of the said timeline. Consequently, the lenders have referred the company to NCLT for appropriate resolution. However, the case is yet to be admitted. GVKEL has given corporate guarantee for the loans taken by GVKPGSL.

Management based on internal assessment/legal advice believes that the aforementioned petitions will be decided in its favor and hence cancellation of coal mines will not impact the operations of the power project and it is also confident of further improvement in plant performance and entering in an appropriate resolution plan and also implementing the same within the specified timelines. Further based on the valuation performed, GVK Energy has made a provision for diminution of investments to the extent of Rs. 18,310 lakhs in its standalone financial statements.



GVK Power & Infrastructure Limited
Notes to standalone financial results:

c) The Hon'ble Supreme Court of India has deallocated coal mine allocated to GVK Coal (Tokisud) Private Limited ('GVKCTPL'), subsidiary company, and Nominated Authority had offered compensation of Rs. 11,129 lakhs as against carrying value of assets of Rs. 31,113 lakhs as at March 31, 2017. GVKCTPL had appealed against the said order in the Hon'ble High Court of Delhi. The aforesaid court vide its order dated March 09, 2017, directed GVKCTPL to submit its claim to the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015 and subsequently GVKCTPL submitted its claim for the balance compensation claim of Rs. 19,882 lakhs to the aforesaid authority. GVK Energy has written off its investment in GVKCTPL amounting to Rs. 10,986 lakhs which is considered as an exceptional item in the Statement of Profit and Loss of GVK Energy Limited. GVK Energy as also given corporate guarantee for the loan taken by GVKCTPL. Management believes that GVKCTPL will be appropriately reimbursed for cancelled coal mines and accordingly no provision is required towards corporate guarantee given by GVKEL.

d) Trade receivable of GVKIL, include accruals towards reimbursement of fixed charges for the financial year 1997-1998 to 2000-2001, on increased capital cost worked out as per ratios set out in the PPA aggregating to Rs. 4,512 lakhs (March 31, 2019: Rs. 3,597 lakhs) by GVKIL, disincentive recoverable aggregating to Rs. 2,878 lakhs (March 31, 2019: Rs. 2,409 lakhs), minimum alternate tax under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2000-2001 up to the financial year 2011-2012, aggregating to Rs. 2,031 lakhs (March 31, 2019: Rs. 3,118 lakhs) and other receivables of Rs. 76 lakhs (March 31, 2019: Rs. 60 lakhs) which are being refuted by AP Transco/subject to approvals.

The company based on the above assessments including revised favorable tariff order in another subsidiary company i.e. Alaknanda Hydro Power Project Private Limited believes that it is appropriate to recognize investments and loans and advances given to GVK Energy Limited aggregating to Rs. 99,336 lakhs (net of provision for impairment) in financial statements at carrying value and no further provision for diminution of such investments except to the extent of Rs. 9,300 lakhs (March 31, 2019: Rs. 4,400 lakhs) is necessary and also no provision is required for corporate guarantees given by the company amounting to Rs. 4,500 lakhs as at March 31, 2020.

- 7 The company has made an investment in GVK Transportation Private Limited (GVKTPL) amounting to Rs. 4,951 lakhs and given a loan amounting to Rs. 33 lakhs as at March 31, 2020. GVKTPL has further made investments into four subsidiaries which are facing uncertainties detailed as follows:

1. GVK Deoli kota Expressway Private Limited (GVK DKEPL):

On June 25, 2019, GVK DKEPL has issued a termination notice on account of material breach and defaults on the part of National Highway Authority of India (NHAI) during the course of construction like providing Right of Way (ROW), shifting of utilities, obtaining approvals & clearances, alternate route & prevention of complete user fee collection etc., which has resulted in significant delays in construction of expressway. On September 12, 2019, NHAI has issued a termination notice for non-fulfillment of the obligation as stated in the Concession Agreement by Concessionaire. After this termination notice toll plaza is deemed to have been transferred to NHAI and from September 16, 2019 onwards NHAI started collecting the toll on the project highway. The matter is under arbitration.

2. GVK Jaipur Expressway Private Limited (GVKJEPL)

Toll collections were suspended by NHAI due to the Lock down announced by the Ministry of Road Transport & Highways (MoRTH) vide its order H-25016/01/2018-Toll dated March 25, 2020 on account of COVID 19. The suspension of Toll continued till April 20, 2020. Toll collections have been effected in the month of March for 6 days and hence registered a reduced turnover. Toll was suspended till April 20, 2020 and collection resumed thereafter. However, due to the impact of the lockdown and reduced traffic due to covid the daily Toll collection continued to be much less than the average daily collection prior to the lockdown. GVKJEPL now has the concession to operate and collect the toll till March 16, 2023.

3. GVK Shivpuri Dewas Expressway Private Limited (GVKSDEPL)

GVKSDEPL has filed an arbitration claim petition before an arbitral tribunal against NHAI, for the settlement of certain disputes that had arisen under a concession agreement dated January 12, 2012 ("Concession Agreement") entered between GVKSDEPL and NHAI. The matter is under final arguments by parties. GVKSDEPL has completed its oral arguments and NHAI is to commence its oral arguments. Thereafter GVKSDEPL will be presenting its rejoinder. The matter is still pending before the Arbitral Tribunal and the next date will to be notified by the Arbitral Tribunal.



GVK Power & Infrastructure Limited
Notes to standalone financial results:

4. GVK Bagodara vasad Expressway Private Limited (GVK BVEPL)

GVK Bagodara Vasad Expressway Private Limited (GVK BVEPL) has entered into a concessionaire agreement with Gujarat State Road Development Corporation (GSRDC) for construction of road in the state of Gujarat on build, operate and transfer basis (BOT). During the course of construction, there has been significant delays in fulfilling the obligations from GSRDC like providing Land required for construction, right for way, shifting of utilities etc., which has resulted in significant delays in construction also. On March 27, 2018, GSRDC has issued a termination and arbitration notice as per which GSRDC has terminated the concession agreement and also has claimed an amount of Rs. 108,419 Lakhs. In response to which notice BVEPL has written to GSRDC denying the claims from GSRDC and terminated the agreement. GVK BVEPL has approached The International Centre for Alternative Dispute Resolution (ICADR) for appointment of Arbitration Tribunal (AT). Arbitration Tribunal is constituted and the dispute is being addressed. Initially GVK BVEPL intend to bring into substitution process, inspite of best efforts of GVK BVEPL, substitution process could not be completed. Meanwhile GSRDC awarded project to two different contractors hence there is no going concern and financials prepared accordingly. GSRDC is not yet concluded its arguments and due to Covid 19 the dates fixed for hearing the matter has been cancelled and tribunal has not yet fixed new schedule.

Considering that the Company does not have a certainty over the cash flows and timing of such cash flows in the underlying projects of GVKTPL, the Company has carried out an impairment assessment of its carrying value of investment and other receivables on a value in use basis. Based on such assessment management has made an impairment provision amounting to Rs. 4,951 lakhs (which includes investments of Rs. 3,770 lakhs and deemed investment of Rs. 1,181 lakhs). Such assessment remains sensitive to a range of assumptions including outcome of arbitrations, impact of COVID on continuing contracts, forecasted growth and pre tax discount rates etc.

- 8 The Company has given a corporate guarantee in relation to loan taken by GVK Ratle Hydro Electric Project Private Limited (GVKRHEPPL) towards setting up of a hydro power project in Jammu & Kashmir in agreement with JKPDD. There has been a significant delay in construction of the project due to various reasons such as land acquisition, execution of land leases, issues in relation to working condition, disturbances and law and order problems, issues under the Indus Water treaty etc. GVKRHEPPL had agreed for an amicable settlement and requested for termination of concession agreement, but JKPDD rejected such settlement stating that the delays tantamount to event of default from GVKRHEPPL. GVKRHEPPL had initiated an arbitration process in which it has been granted an award of Rs. 29,048 lakhs against a claim of Rs. 513,648 lakhs and not being satisfied with the claim, GVKRHEPPL has now approached the court on December 08, 2020 for Rs. 513,648 lakhs. The Company continues to believe that it is appropriate to recognise the assets at their carrying value.

The corporate guarantee given by the Company amounting to Rs. 26,472 lakhs is earmarked against the loan given by the lender for specified advances. Since substantial portion of these advances were recovered and remitted to the lender by GVKRHEPPL, management does not expect the corporate guarantee to be invoked. Management has also obtained legal opinion in this regard. Hence, no provision is considered necessary for the corporate guarantee given by the Company.

- 9 The Company and its subsidiary GVK Airport Developers Limited (GVK ADL) entered into a binding agreement comprising a co-operation agreement and other related agreements with Adani Airport Holdings Limited (AAHL) on August 31, 2020 and subsequent dates. This includes acquisition of the debt by AAHL from various lenders of GVKADL with a view to release pledge on certain shares of GVKAIL and with an ability for AAHL to convert the acquired debt from the lenders of GVKADL to equity so as to acquire equity interest in MIAL and also acquiring Company's equity and other instruments in GVKADL and also possible acquisition/ settlement of debt of GVK Coal Developers (Singapore) Pte Ltd (with a view to release pledge on remaining shares of GVKAIL). Based on the agreements reached, the Company's investment in GVK ADL is considered fully recoverable. AAHL has since acquired the debt from GVKADL and has converted the same to equity acquiring controlling interest in GVKADL on July 13, 2021. GVKADL, BAIDL, GVKAIL, MIAL and NMIAL are no longer subsidiaries of the Company from that date.



GVK Power & Infrastructure Limited
Notes to standalone financial results:

The broad contours of the co-operation and related agreements is detailed below:

(i) Acquisition of debt and related accrued interest with carrying value in the financial statements of GVKADL of Rs. 255,107 lakhs by AAHL.

(ii) AAHL acquiring certain securities of Sutara Roads and Infrastructure Limited, a subsidiary of the Company and another Company of the promoter group to be used exclusively for financial support of any of its affiliates and affiliates of GVKPIL post the date of co-operation agreement.

(iii) Acquiring equity of Rs. 30,000 lakhs and other instruments of Rs. 1,000,000 lakhs held by GVKPIL and its subsidiary in GVKADL by AAHL to be settled by transfer of securities held by AAHL referred to in (ii) above.

(iv) GVKPIL and AAHL have also agreed on certain steps to be taken in respect of lenders of GVK Coal. (Refer note 5)

The full financial effect of the above cannot be estimated as certain aspects of the transaction including settlement with GVK Coal lenders are yet to be concluded.

- 10 In June 2020, Central Bureau of Investigation (CBI) has registered an First Information Report (FIR) against MIAL, its holding Company GVK Airport Holdings Limited (GVKAHL) (both step down subsidiaries of the Company), the chairman and Vice chairman of the Company and has initiated investigation on various matters alleging misuse of funds of MIAL including for the benefit of other GVK group and related parties.

The Enforcement Directorate (ED) has also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. The investigation of the CBI and ED are currently in progress and the ED has filed a complaint in April 2021 on the same matters against the above mentioned parties and some of the subsidiaries, joint ventures and step down subsidiaries of the Company their Directors and officers, and the concerned parties are cooperating with the investigating agencies. Various companies that are part of GVK group and its associates have received notices under Section 206(5) and Section 207 of the Companies Act, 2013 during the year financial year 2018-19 to which the Companies have provided responses and further notices have also been received in December 2020 that have been responded to.

The Audit Committee of the Company, based on the legal advice received by the Audit committee of MIAL, have decided not to proceed with any independent investigation on the matters mentioned in the FIR or the complaint filed by ED. Considering the status of the proceedings, the implication, if any, that may arise would be considered in the financial statements on conclusion of the aforesaid investigation.

- 11 As per the requirements of Section 96(1) of the Companies Act, 2013 the Company was required to hold its Annual General Meeting (AGM) and the Board of Directors were to lay in the Company's AGM the Balance Sheet and the Profit and Loss for the year ended March 31, 2020 by December 31, 2020. However the Company could not do so, and will be applying to the National Company Law Tribunal/ Regional Director for compounding under the relevant sections of the Companies Act.

As per the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to file its audited financial results for the year ended March 31, 2020 by June 30, 2020 and for the subsequent quarters by the relevant applicable dates with National Stock Exchange of India Limited and Bombay Stock Exchange. However the Company could not do so, and will be applying to the stock exchanges for compounding under the relevant Regulations.

As per the requirements of Section 44AB of the Income Tax Act, 1961 the Company was required to file its tax audit report in forms 3CA-3CD with the income tax authorities for the year ended March 31, 2020 by December 30, 2020. However the Company could not do so, and will be filing the same subsequently.



- 12 As at March 31, 2020, the Company had accumulated losses and the Company has incurred losses during the year and in the preceding years. The Company has delayed payment of loans and interest and certain loan accounts have been classified as non-performing by banks. The Company has provided guarantees and commitments and/or has undertaken to provide financial assistance on behalf of various entities and as further detailed in notes 5 and 6 above, uncertainties are being faced by various projects such as delays in development of coal mines in an overseas project where the Company has provided guarantees and commitments for the borrowings, losses incurred by gas based plants in the absence of gas and litigations on rights to claim capacity charge, re-negotiation of terms of PPA of coal based plant and litigations on determination of tariff of hydro power project. These factors may indicate significant doubt on going concern. Notwithstanding the above, the financial statements of the Company have been prepared on going concern basis as management believes that the Company would be able to ultimately meet its commitments, reduce debt by stake sale and the entities on whose behalf guarantees/ commitments have been extended would be able to meet their obligations or reach appropriate resolution. Further, the Management believes that aforesaid entities would settle litigations; obtain approvals of regulators as necessary, will reach an optimal solution with non-controlling shareholders and lenders; obtain requisite gas/coal allocation etc. as required despite current macro-economic environment challenges.
- 13 Operations of subsidiary companies engaged in airports and transport business have been severely impacted due to the Covid-19 pandemic. The Government of India declared a nation wide lockdown with effect from March 24, 2020. As a result, airport and toll operations were stopped between March 24, 2020 till end of May 2020. Revenues of the subsidiary companies were materially impacted by the shut down of air and toll traffic during this period. During the same period, the subsidiary companies continued to incur committed expenditure with respect to employees, airport & toll related maintenance expenditure. This has significantly impacted the profitability of the subsidiary companies.

The subsidiary companies have taken several actions to mitigate the impact of Covid 19 on the business of the company. The subsidiaries have taken steps to reduce costs such as decreased salaries to employees during the pandemic period, putting on hold discretionary expenses, deferring certain capital expenditures, availing moratorium offered by the banks for repayment of debts. MIAL has approached the regulators for relief, submitting restructuring plans for existing loans, seeking additional term loans etc. The ability of the subsidiaries depends on the successful outcome of these plans.

Due care has been exercised by management to determine recoverability of carrying value of investments while preparing the Company's financial statements as of and for the year ended March 31, 2020. This considers the existing binding agreement for sale of stake under the cooperation and other agreements.

14 Assets held for sale

GVK Airport Holdings Limited (GVKAHL) is a step down wholly owned subsidiary of the Company and holding company of Mumbai International Airport Limited (MIAL) with a shareholding of 50.5%. Management has been looking for certain divestment options in the airport vertical. During the course of divestment process the management had obtained bids for diluting the shareholding in Airport Vertical and started discussions with one of the parties. During the previous year, GVKPIL group management has obtained approval from the shareholders for raising funds by divesting its share in GVKAHL. The management was able to sign a term sheet with a potential investor during April 2019.

The company was still under discussion on the terms and conditions of the transaction as at March 31, 2020 and had not reached a definitive stage about the terms and conditions that would entail the Firm Purchase Contract. Also, shares of the Airport vertical are pledged with various lenders and management is yet to receive approval from lenders with whom the shares are pledged. As a part of the divestment process, management has noted that there are certain other significant approvals from Ministry of Civil Aviation, Airport Authority of India and other approvals as necessary are to be received. The management did not have a reliable estimate on the time period in which the Firm Purchase Contract can be signed off.



GVK Power & Infrastructure Limited
Notes to standalone financial results:

Based on the above factors, management has evaluated the criteria as per Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, and is of the view that the Airport vertical should not be considered as "Held for sale" asset at this stage as at March 31, 2020. Subsequent to the year end on August 31, 2020 the parent Company and GVK ADL (the holding Company of GVK AHL) have entered into an agreement with Adani Airport Holdings Limited and terminated the term sheet referred above.

- 15 The Ministry of Corporate Affairs (MCA) on March 30, 2019, notified Ind AS 116 "Leases" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 01, 2019. The Company has applied modified retrospective approach in adopting the new standard. The adoption of the new standard did not have any impact on the standalone financial results.
- 16 Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, wherever considered necessary.

Place: Hyderabad

Date : August 24, 2021



GVK Power & Infrastructure Limited

P V Prasanna Reddy

P V Prasanna Reddy
Whole-Time Director



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

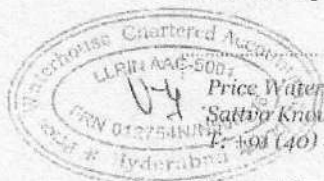
To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Audit of Standalone Financial Results

Qualified Opinion

1. We have audited the statement of standalone financial results of GVK Power & Infrastructure Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2020, the standalone statement of assets and liabilities, the standalone cash flow statement as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') which has been initialled by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
 - i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - ii. except for the indeterminate effects of the matters referred to in Basis for Qualified Opinion paragraph below, the annual audited standalone financial results for the year ended March 31, 2020 as set out in the statement give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2020, the standalone statement of assets and liabilities and the standalone cash flow statement as at and for the year ended on that date.

Basis for Qualified Opinion

3. We draw your attention to:
 - (a) Note 5 to the standalone financial results regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the Company has investments and receivables aggregating to Rs. 78,634 lakhs to whom the company has provided guarantees and commitments for loans aggregating to Rs. 851,216 lakhs taken by the aforesaid associate company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,345 lakhs) as at March 31, 2020 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project and concluding an appropriate solution with various stakeholders including lenders etc. In this regard, while the company has made a provision for impairment in respect of the entire aforesaid investment and receivables aggregating to Rs. 78,634 lakhs, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments, in respect of which collateral security by way of pledge of 37% shares of GVK Airport Holdings Limited a step down wholly owned subsidiary of the Company has been provided in favour of the lenders and the resultant impact on these financial results.
 - (b) Note 6 to the standalone financial results regarding GVK Energy Limited (a joint venture) and its subsidiaries and Joint venture, in which the Company has investment and loans aggregating to Rs. 99,336 lakhs and financial guarantees issued by the Company to the joint venture amounting to Rs. 4,500 lakhs. With respect to GVK Energy Limited, there are multiple significant uncertainties including (a) non -availability of fuel (coal/gas), (b) application outstanding for increase in tariff/capital cost approval and (c) compensation in relation to deallocated coal mine etc. Due to the aforesaid uncertainties we were unable to ascertain the recoverability of these amounts and the consequential implications arising therefrom and whether any adjustments are necessary in respect of these transactions, investments and provisions if any required in these standalone financial results of the Company.



Price Waterhouse Chartered Accountants LLP, Unit - 2B, 8th Floor, Octave Block, Block E1, Parcel - 4, Salarpuria
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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Standalone Financial Results

- (c) Note 10 to the standalone financial results regarding investigation by various agencies, on various alleged irregularities relating to conflict of interest, misuse of funds and other matters, pending completion of which and non-provision of certain related information sought from the company including complete copy of the Enforcement Directorate complaint, we are unable to comment on the effect thereof on these standalone financial results including prior year comparatives considering the allegations over GVK group.
- (d) Note 11 to the standalone financial results regarding (a) non holding of the Annual General Meeting (AGM), in respect of financial year ended March 31, 2020 within the time limit specified under Section 96(1) of the Act, consequent non laying of the financial statements in the AGM as prescribed under Section 129(2) and Section 137 of the Act, (b) non filing of the audited financial results for the financial year ended March 31, 2020 and subsequent quarters, with the Bombay Stock Exchange and National Stock Exchange of India Limited within the time limit as specified under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015 and (c) non-compliance with section 44AB of the Income-tax Act, 1961 for non-filing of tax audit reports in form 3CA-3CD with Income Tax Authorities, within the stipulated time period, for the year ended March 31, 2020. We are unable to comment on the impact of these non-compliances on the standalone financial results.
4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

5. We draw attention to note 12 to the standalone financial results, which states that the Company has significant accumulated losses as at year ended March 31, 2020 and has defaulted in repayment of loan and interest payments. Further, material uncertainties are faced by various projects, in which the Company has made investments, provided guarantees/commitments and/or has undertaken to provide financial assistance. These events or conditions, along with other matters as set forth in the aforementioned note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Emphasis of Matter

6. We draw your attention to Note 9 to the standalone financial results regarding proposed sale by the Company of its interest in Mumbai International Airport Limited by sale of securities held by the Company in GVK Airport Developers Limited (GVK ADL) under a binding co-operation agreement dated August 31, 2020 and other related transaction documents, basis which no adjustment was considered necessary to be made to the carrying value of Company's investment in GVK ADL. Our opinion is not modified in respect of this matter.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Standalone Financial Results

Board of Directors' Responsibilities for the Standalone Financial Results

7. These Standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company and the standalone statement of assets and liabilities and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the Directors of the Company, as aforesaid.
8. In preparing the standalone financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

10. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 14 below)



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Standalone Financial Results

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

13. The Financial Results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
14. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filing with the stock exchanges on which the Company's shares are listed. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2020 on which we issued an modified audit opinion vide our report dated August 24, 2021.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500018
Chartered Accountants



N.K. Varadarajan
Partner

Membership Number: 90196

UDIN: 21090196AAAABW1349

Place: Hyderabad

Date: August 24, 2021

ANNEXURE I

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results - (Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended				
March 31, 2020				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
Rs In Lac				
I.	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Audited figures after adjusting for qualifications)
	1.	Turnover / Total income	10,187	10,187
	2.	Total Expenditure	92,272	92,272
	3.	Net Profit/(Loss)	(82,815)	(82,815)
	4.	Earnings Per Share	(5.24)	(5.24)
	5.	Total Assets	157,418	157,418
	6.	Total Liabilities	55,730	55,730
	7.	Net Worth	101,688	101,688
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

Audit Qualification (each audit qualification separately):

Details of Audit Qualification:

- II.** 1. Note 5 to the standalone financial results regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the Company has investments and receivables aggregating to Rs. 78,634 lakhs to whom the company has provided guarantees and commitments for loans aggregating to Rs. 851,216 lakhs taken by the aforesaid associate company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,345 lakhs) as at March 31, 2020 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project and concluding an appropriate solution with various stakeholders including lenders etc. In this regard, while the company has made a provision for impairment in respect of the entire aforesaid investment and receivables aggregating to Rs. 78,634 lakhs, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments, in respect of which collateral security by way of pledge of 37% shares of GVK Airport Holdings Limited a step down wholly owned subsidiary of the Company has been provided in favour of the lenders and the resultant impact on these financial results.



Type of Audit Qualification: Qualified Opinion

Frequency of qualification: Qualified since quarter ended September 2019

For Audit Qualification(s) where the impact is not quantified by the auditor:

- (i) **Management's estimation on the impact of audit qualification:** Not Applicable
(ii) **If management is unable to estimate the impact, reasons for the same:**

The company has already made a provision of the entire investment and receivables amounting to Rs. 78,634 lakhs. It is also engaged in a settlement negotiation with the lenders, and it is hopeful of an amicable settlement. Any further provision cannot be estimated due to significant uncertainties including fluctuating coal prices, timely achieving financial closure for the project, and concluding an appropriate solution with various stakeholders by GVK Coal and of settlement with lenders which is typical to such negotiations.

2. Note 6 to the standalone financial results regarding GVK Energy Limited (a joint venture) and its subsidiaries and Joint venture, in which the Company has investment and loans aggregating to Rs. 99,336 lakhs and financial guarantees issued by the Company to the joint venture amounting to Rs. 4,500 lakhs. With respect to GVK Energy Limited, there are multiple significant uncertainties including (a) non-availability of fuel (coal/gas), (b) application outstanding for increase in tariff/capital cost approval and (c) compensation in relation to deallocated coal mine etc. Due to the aforesaid uncertainties we were unable to ascertain the recoverability of these amounts and the consequential implications arising therefrom and whether any adjustments are necessary in respect of these transactions, investments and provisions if any required in these standalone financial results of the Company.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: Repetitive

For Audit Qualification(s) where the impact is not quantified by the auditor:

- (i) **Management's estimation on the impact of audit qualification:** Not Applicable
(ii) **If management is unable to estimate the impact, reasons for the same:**

Management is in the process of negotiating the terms with lenders for restructuring of loan accounts, one-time settlements, and is also negotiating with the regulatory authorities for approval of additional capital costs. Management is confident that it will be able to settle the matters amicably and will be able to achieve final tariff approvals with retrospective effect and will be ultimately able to achieve profitable operations. Pending resolution of the above uncertainties currently the impact of the same is unascertainable.

3. Note 10 to the standalone financial results regarding investigation by various agencies, on various alleged irregularities relating to conflict of interest, misuse of funds and other matters, pending completion of which and non-provision of certain related information sought from the company including complete copy of the Enforcement Directorate complaint, we are unable to comment on the effect thereof on these standalone financial results including prior year comparatives considering the allegations over GVK group.



Type of Audit Qualification: Qualified Opinion

Frequency of qualification: First time

For Audit Qualification(s) where the impact is not quantified by the auditor:

- (i) **Management's estimation on the impact of audit qualification:** Not Applicable
- (ii) **If management is unable to estimate the impact, reasons for the same:**

Investigations by various agencies are under process and the ultimate outcome is subject to Judicial scrutiny and hence the impact of the same is not ascertainable.

4. Note 11 to the standalone financial results regarding (a) non holding of the Annual General Meeting (AGM), in respect of financial year ended March 31, 2020 within the time limit specified under Section 96(1) of the Act, consequent non laying of the financial statements in the AGM as prescribed under Section 129(2) and Section 137 of the Act, (b) non filing of the audited financial results for the financial year ended March 31, 2020 and subsequent quarters, with the Bombay Stock Exchange and National Stock Exchange of India Limited within the time limit as specified under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015 and (c) non-compliance with section 44AB of the Income-tax Act, 1961 for non-filing of tax audit reports in form 3CA-3CD with Income Tax Authorities, within the stipulated time period, for the year ended March 31, 2020. We are unable to comment on the impact of these non-compliances on the standalone financial results.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: First time

For Audit Qualification(s) where the impact is not quantified by the auditor:

Management's estimation on the impact of audit qualification: Not Applicable
If management is unable to estimate the impact, reasons for the same:

- a. Non holding of the Annual General Meeting (AGM)
- b. Non filing of the audited financial statements with Exchanges
- c. Non-compliance with section 44AB of the Income-tax Act, 1961.

Company will take appropriate steps to comply with all statutory compliances post the finalization of accounts. It will also apply for condonation of delay.

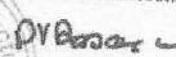


III.	For GVK POWER & INFRASTRUCTURE LIMITED	
	<p style="text-align: center;"><i>P.V. Prasanna L</i></p> <p>P. V .PRASANNA REDDY Whole Time Director</p> 	 <p>Balasubramanian.S Audit Committee Chairman</p>
	<p>FOR PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP</p> <p><i>Varadarajan.</i></p> <p>N. K. VARADARAJAN PARTNER Membership Number: 90196</p>	 <p>A. ISSAC GEORGE Whole Time Director & CFO</p> 
	<p>Place: Hyderabad Date: August 24, 2021</p>	

GVK Power & Infrastructure Limited
 CIN: L74999AP2005PLC059013
 Registered office: Palgah House, 136-139, Sardar Patel Road, Secunderabad-500 003 (Telangana)
 Phone No: 040-2790 2663/4; Fax: 040-2790 2665
 Website: www.gvk.com; Email: sanjeev.kumar.singh@gvk.com
 Statement of Consolidated Financial Results for the year ended March 31, 2020

S. No.	Particulars	(Rs. in Lakhs)				
		Quarter ended (Unaudited)			Year ended (Audited)	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1	Revenue from operations	73,314	112,906	103,002	384,687	409,817
2	Other income	21	2,709	5,744	14,391	26,493
3	Total Income	73,335	115,615	108,746	399,078	436,310
4	Expenses					
	(a) Employee benefit expenses					21,059
	(b) Annual fee to Airport Authority of India	5,760	6,318	5,478	23,298	143,770
	(c) Finance costs	25,252	40,521	35,646	135,563	151,302
	(d) Depreciation and amortisation	35,335	35,309	38,687	146,422	79,158
	(e) Impairment of non-current investments	19,727	19,826	21,814	80,250	77,535
	(f) Fair value loss on investment	77,535	-	-	77,535	50
	(g) Other expenses	-	-	50	1,000	50
	Total expenses	23,170	19,112	22,936	81,737	74,271
5	Profit/(Loss) from ordinary activities but before exceptional items (3-4)	186,799	121,086	121,611	547,805	469,610
6	Exceptional items	(113,464)	(5,471)	(15,865)	(148,727)	(33,300)
7	Profit/(Loss) from ordinary activities (5-6)	(113,464)	(5,471)	(15,865)	(148,727)	(33,300)
8	Add: Share of profit/(loss) from associates/ jointly controlled entities Share of profit from jointly controlled entities	76	828	371	1,973	2,551
9	Loss before tax (7+8)	76	828	371	1,973	2,551
10	Tax expense	(113,388)	(4,643)	(15,494)	(146,754)	(30,749)
11	Loss for the year/ period	2,393	4,959	(11,562)	7,718	(307)
12	Other comprehensive income	(115,781)	(9,602)	(3,932)	(154,472)	(30,442)
	A Items that will not be reclassified subsequently to profit or loss					
	(a) Remeasurements of the defined benefit plans	74	(11)	66	(26)	(13)
	(b) Share of OCI from Associates and jointly controlled entities	7	-	-	7	-
	(c) Income tax relating to items that will not be reclassified to profit or loss	6	-	4	6	4
	B Items that may be reclassified to profit or loss					
	(a) Exchange differences in translating the financial statements of foreign operations	(66)	-	(232)	(66)	(232)
	Total other comprehensive (expense)/Income	21	(11)	(162)	(79)	(241)
12	Total comprehensive income for the year/ period	(115,760)	(9,613)	(4,094)	(154,551)	(30,683)
13	Profit/(Loss) for the year attributable to:					
	- Owners of the Company	(109,209)	(12,006)	(4,309)	(1,49,343)	(36,349)
	- Non controlling interests	(6,572)	2,404	377	(5,129)	5,907
		(115,781)	(9,602)	(3,932)	(154,472)	(30,442)
14	Other comprehensive income for the year/period attributable to:					
	- Owners of the Company	21	(11)	(170)	(79)	(238)
	- Non controlling interests	-	-	8	-	(3)
		21	(11)	(162)	(79)	(241)
15	Total comprehensive income for the year/period attributable to:					
	- Owners of the Company	(109,188)	(12,017)	(4,479)	(1,49,422)	(36,587)
	- Non controlling interests	(6,572)	2,404	385	(5,129)	5,914
		(115,760)	(9,613)	(4,094)	(154,551)	(30,683)
16	Paid-up equity share capital (Face value of share: Re 1/- each)					
	Earnings per share (EPS)	15,792	15,792	15,792	15,792	15,792
	Basic (in Rs.)	(6.92)	(0.76)	(0.27)	(9.46)	(2.30)
	Diluted (in Rs.)	(6.92)	(0.76)	(0.27)	(9.46)	(2.30)

Place: Hyderabad
 Date: August 24, 2021

GVK Power & Infrastructure Limited

 P.V. Prasanna Reddy
 Whole-time Director



GVK Power and Infrastructure Limited
 Consolidated Statement of Assets and Liabilities
 (All amounts in INR lakhs, except share data and where otherwise stated)

Particular	As at	
	March 31, 2020	March 31, 2019
Assets		
Non-current assets		
Property, plant and equipment		
Capital work in progress	1,002,518	1,043,215
Expenditure incurred during construction period, pending allocation (Net)	354,745	255,297
Investment Property	39,147	23,232
Goodwill	11,655	11,655
Intangible assets	112,237	112,237
Right of use asset	113,691	274,637
Lease equalisation asset (Net of provision)	737	-
Intangible assets under development	1,766	-
Investments including in joint ventures and associates (accounted under equity method)	-	2,083
Financial assets	13,700	84,293
Loans		
Trade receivables	-	5
Other non-current financial assets	-	50
Deferred tax assets (net)	4,356	8,008
Tax assets (Net)	7,951	9,644
Other non-current assets	23,830	40,765
Total	52,511	63,632
	1,738,844	1,928,753
Current Assets		
Inventories		
Contract assets	920	943
Financial assets	3,962	7,296
Investments		
Trade receivables	2,230	4,981
Cash and cash equivalents	40,260	41,668
Balances with banks other than cash and cash equivalents	19,404	30,496
Loans	12,383	26,331
Other financial assets	28,963	29,200
Current tax assets	171,303	75,448
Other current assets	4,410	4,388
Total	28,712	32,982
	312,547	253,733
Total Assets	2,051,391	2,182,486



GVK Power and Infrastructure Limited
Consolidated Statement of Assets and Liabilities
 (All amounts in INR lakhs, except share data and where otherwise stated)

Particular	As at March 31, 2020	As at March 31, 2019
Equity and Liabilities		
Equity		
Equity share capital	15,792	15,792
Other equity	(285,519)	(136,097)
Equity attributable to owners of the Group	(269,727)	(120,305)
Non-controlling interest	256,357	244,849
Total Equity	(13,370)	124,544
Non-current liabilities		
Contract liabilities	773	894
Financial liabilities		
Borrowings	771,341	944,230
Lease liabilities	316	-
Other financial liabilities	190,653	270,229
Provisions	1,453	1,576
Deferred tax liability (net)	13,790	12,438
Other non-current liabilities	282,201	212,596
Total	1,260,527	1,441,963
Current liabilities		
Contract liabilities	2,237	1,230
Financial liabilities		
Borrowings	145,632	191,288
Lease liabilities	443	-
Trade payables - Total outstanding dues of:		
- micro and small enterprises	707	317
- other than micro and small enterprises	17,319	20,167
Other financial liabilities	565,651	347,874
Provisions	19,263	3,017
Current tax liabilities (net)	2,679	12,008
Other current liabilities	50,303	40,878
Total	804,234	615,979
Total Equity and Liabilities	2,051,391	2,182,486



GVK Power and Infrastructure Limited
Consolidated cash flow statement
 (All amounts in INR lakhs, except share data and where otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(loss) before tax and after other comprehensive items	(146,839)	(30,994)
Adjustments for:		
Depreciation and amortisation (net)	80,250	79,158
Loss on sale of fixed assets (net)	235	(124)
Interest expense	148,422	151,302
Interest income	(5,245)	(16,579)
Notional income not subject to annual fees	(4,933)	(8,200)
Liabilities written back	(2,074)	(56)
Income from investment/ fair value of investment	(108)	(357)
Straight-lined impact as per IND AS 116	(1,766)	-
Annual fee payable in future	683	-
Impairment of non-current investments	77,535	-
Provision for doubtful debts	1,726	-
Bad debts	8,508	35
Share of profit/loss and OCI from associate/joint venture	(1,973)	(2,531)
Fair value loss on investments in preference shares	1,000	50
Operating Profit before Working Capital Changes	155,421	171,684
Change in operating assets and liabilities:		
(Decrease)/Increase in Provisions	16,123	874
Increase in Trade payables, other financial liabilities and current liabilities	(39,448)	(76,760)
Decrease/(Increase) in Financial Assets loans, other current and non-current assets	26,519	33,605
Decrease/(Increase) in trade receivables	(268)	124
Decrease/(Increase) in Inventories	23	72
Decrease / (Increase) in Contract Assets	3,334	-
Cash Generated from Operations	161,704	129,599
Income taxes paid (net of refunds)	2,911	(4,716)
Net Cash flow from Operating Activities (A)	164,615	124,883
CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of fixed assets (including capital work in progress and capital advances)	(57,563)	(131,144)
Proceeds from sale of fixed assets	53	351
(Purchase) / proceeds from sale of current investments (net)	2,859	(2,331)
Purchase of non-current investments	(6,969)	(1,570)
Loans (given) to / taken from related parties and others (net)	242	13,936
(Investment)/ Realization of bank deposits (having original maturity of more than 3 months)	13,948	21,977
Advance for investment	(2,300)	-
Interest received	5,583	20,532
Net Cash flow from/(used in) Investing Activities (B)	(43,147)	(78,249)
CASH FLOW USED IN FINANCING ACTIVITIES		
Proceeds from Minority interest	16,637	82,865
Proceeds from Development fees	44,432	50,906
Proceeds from Long term Borrowings	131,500	50,105
Repayment of long term borrowings	(160,376)	(92,240)
Proceeds from short term borrowings (net)	(45,656)	(24,867)
Interest paid	(119,097)	(171,936)
Net Cash flow used in Financing Activities (C)	(132,560)	(105,177)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(11,092)	(58,543)
Cash and Cash Equivalents at the beginning of the year	30,496	89,039
Cash and Cash Equivalents at the end of the year	19,404	30,496
Components of cash and cash equivalents as per Cash Flow Statement		
Balance with banks:		
Current accounts	9,578	4,038
Deposit accounts	9,766	26,205
Cash on hand	39	205
Cheques on hand	21	48
Total	19,404	30,496



GVK Power & Infrastructure Limited
Notes to the consolidated financial results:

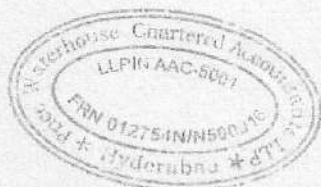
- 1 GVK Power & Infrastructure Limited ("The Company") has adopted Indian Accounting Standards (Ind AS) prescribed under section 133 Companies Act, 2013, read with relevant rules issued thereunder.
- 2 The Company carries its businesses in business segments viz., Power, Roads, Airports and others through various subsidiaries, associates and jointly controlled entities, being special purpose vehicles exclusively formed to build and operate various infrastructure projects. The consolidated results published above present the full revenues and expenses of the Company and its subsidiaries (the Group), its share of profits/(losses) of associates and jointly controlled entities.
- 3 The above published consolidated results have been prepared in accordance with principles and procedures as set out in the IND-AS 110 on "Consolidated financial statements" and IND - AS 28 on "Investment in associate and joint venture" notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 4 The above consolidated financial results have been reviewed by the audit committee on August 24, 2021 and have been approved by board of directors at their meeting held on August 24, 2021.
- 5 The figure of last quarter of the consolidated financial results for the current year and previous year are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 and the unaudited published year-to-date figures up to December 31, 2019 and December 31, 2018.
- 6 The Group has an investment in GVK Coal Developers (Singapore) Pte. Limited (GVK Coal) which is assessed as an associate to the parent Company. The parent Company exercises significant influence on GVK Coal as per Ind AS 28.

The Group has made investments and has receivables aggregating to Rs. 79,037 lakhs (March 31, 2019: Rs. 75,655 lakhs) and provided guarantees and commitments for loans amounting Rs. 851,216 lakhs (March 31, 2019: Rs. 783,297 lakhs) taken by GVK Coal as at March 31, 2020 part of which is collateralized by the pledge of 37% shares of GVK Airport Holdings Limited a wholly owned subsidiary of the parent Company, and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,345 lakhs) as at March 31, 2020, an entity whose current liabilities exceeds current assets by USD 2,199 million (Rs. 1,657,939 lakhs) as at March 31, 2020 and has incurred cash losses of USD 140 million (Rs. 105,349 lakhs) for the year ended March 31, 2020, and based on the unaudited financial statements is witnessing material uncertainties. The prices of the coal have fallen since GVK Coal had acquired a stake in the coal mines. GVK Coal has not been able to achieve financial closure resulting in delays in commencement of mine development activity when compared to scheduled date, delays in entering into definitive agreements for port and rail development and agreement for sale of coal and also necessary environmental and regulatory clearances. There are also uncertainties arising from COVID. Further, certain lenders of GVK Coal have classified the loan as non-performing and the lenders had an option to curtail the rights of the parent company on various assets either on October 2015 or every year thereafter.

The lenders have since filed a claim in the High Court of Justice Business and Property Courts of England and Wales Commercial Courts on November 09, 2020 and have sought to recover the amounts advanced to GVK Coal. Under the interim solution undertaken by the lenders dated March 23, 2017, the lenders cannot enforce such obligation until March 29, 2022. The respective arguments of the lenders and the parent Company were filed with the court and an order has been pronounced which entails start of the trial on June 13, 2022.

The parent Company is hopeful of achieving one time settlement with the lenders in view of its arrangement with Adani Airport Holdings Limited (AAHL) which is adequately incentivised to final solution with the lenders to get unencumbered ownership over the shares of GVK Airport Holdings Limited (GVKAHL) pledged with the lenders. The extent of the liability that may arise in respect of guarantees and commitments and the manner of such settlement is presently not ascertainable and accordingly no provision has been made in this regard in relation to any liability.

Considering that the Group does not have a certainty over the cash flows and timing of such cash flows, an impairment assessment has been carried out for the carrying value of investment and other receivables. Based on such assessment, the management has made a provision for impairment against the recoverability of investments and receivables of Rs. 78,634 lakhs.



GVK Power & Infrastructure Limited
Notes to the consolidated financial results:

7. Certain subsidiaries and jointly controlled entity (group companies) of GVK Energy Limited ('GVKEL'), a jointly controlled entity of GVK Group are facing uncertainties as detailed below:

a) There has been uncertainty regarding supplies/availability of gas to power plants of GVK Industries Limited (GVKIL), subsidiary company, and GVK Gautami Power Limited (GVKGPL), jointly controlled entity. These group companies have made losses of Rs. 39,310 lakhs (March 31, 2019: Rs. 42,484 lakhs). The lenders have classified the loan balances of these group companies as non-performing assets. GVKEL is confident that the Government of India will take necessary steps/initiatives to improve the situation of natural gas. However in the interim these group companies are working with the lenders for a one time settlement proposal wherein the loans would be settled at the value of the plant to be realised on its sale to APDISCOM. Further, Management, based on its rights under power purchase agreement to recover capacity charges and in view of installing alternate fuel equipment and on the basis of aforesaid discussions, believes that these group companies continue to be in operation in foreseeable future despite continued losses or will be able to amicably settle the loan liability as part of one time settlement proposal. GVKEL has given corporate guarantee for the loan taken by GVKGPL. GVKEL based on the valuation performed for these entities, has made a provision for diminution for full value of investments to the extent of Rs. 64,295 lakhs in its standalone financial statements.

b) Uncertainty is faced by coal plant with carrying value of non-current assets of Rs. 367,634 lakhs (March 31, 2019: Rs. 396,638 lakhs) of GVK Power (Goidwal Sahib) Limited ('GVKPGSL'), subsidiary company, towards supply of fuel consequent to de-allocation of coal mine. Management has filed a petition with Punjab State Electricity Regulatory Commission (PSERC) for re-negotiation of terms of power purchase agreement such as rate revision, approval for using imported coal, approval for completed capital cost, etc. claiming force majeure and change in law as envisaged under Power Purchase Agreement. Pending determination of final tariff, PSERC in its interim order has allowed the subsidiary company to run the plant on imported fuel for up to two and half years and advised GVKPGSL should make arrangements for coal on a long term basis. In the interim Punjab State Power Corporation Limited ('PSPCL') has made certain deductions aggregating to Rs. 15,267 lakhs while approving the revenue claimed by GVKPGSL pursuant to the aforesaid interim order. GVKPGSL has also filed petitions with PSERC for the aforesaid deductions made by PSPCL. In February 2018, GVKPGSL obtained long term coal linkage through Scheme for Harnessing and Allocating Koyala Transparently in India (SHAKTI scheme) for a significant part of its capacity. Further in March 2018, PSERC has approved provisional fixed charges of Rs 2.20 per unit till the final capital cost is determined.

GVKPGSL was unable to run the plant at optimal capacity during financial year 2016-17 and 2017-18 primarily on account of low availability of fuel and hence defaulted on repayment of dues to lenders. Consequently the lenders have classified the loan balances of GVKPGSL as non-performing assets. GVKPGSL is currently working with lenders towards the resolution plan as required by the RBI notification dated February 12, 2018 on resolution of stressed assets. If a resolution plan is not implemented as per the timelines specified in the aforesaid notification, lenders shall file insolvency application, singly or jointly, under the Insolvency and Bankruptcy Code 2016 within 15 days from the expiry of the said timeline. Consequently, the lenders have referred the company to NCLT for appropriate resolution. However, the case is yet to be admitted. GVKEL has given corporate guarantee for the loans taken by GVKPGSL.

Management based on internal assessment/legal advice believes that the aforementioned petitions will be decided in its favor and hence cancellation of coal mines will not impact the operations of the power project and it is also confident of further improvement in plant performance and entering in an appropriate resolution plan and also implementing the same within the specified timelines. Further based on the valuation performed, GVK Energy has made a provision for diminution of investments to the extent of Rs. 18,310 lakhs in its standalone financial statements.

c) The Hon'ble Supreme Court of India has deallocated coal mine allocated to GVK Coal (Tolasud) Private Limited ('GVKCTPL'), subsidiary company, and Nominated Authority had offered compensation of Rs. 11,129 lakhs as against carrying value of assets of Rs. 31,113 lakhs as at March 31, 2017. GVKCTPL had appealed against the said order in the Hon'ble High Court of Delhi. The aforesaid court vide its order dated March 09, 2017, directed GVKCTPL to submit its claim to the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015 and subsequently GVKCTPL submitted its claim for the balance compensation claim of Rs. 19,882 lakhs to the aforesaid authority. GVK Energy has written off its investment in GVKCTPL amounting to Rs. 10,986 lakhs which is considered as an exceptional item in the Statement of Profit and Loss of GVK Energy Limited. GVK Energy has also given corporate guarantee for the loan taken by GVKCTPL. Management believes that GVKCTPL will be appropriately reimbursed for cancelled coal mines and accordingly no provision is required towards corporate guarantee given by GVKEL.



GVK Power & Infrastructure Limited
Notes to the consolidated financial results:

d) Trade receivable of GVKIL, include accruals towards reimbursement of fixed charges for the financial year 1997-1998 to 2000-2001, on increased capital cost worked out as per ratios set out in the PPA aggregating to Rs. 4,512 lakhs (March 31, 2019: Rs. 3,597 lakhs) by GVKIL, disincentive recoverable aggregating to Rs. 2,878 lakhs (March 31, 2019: Rs. 2,409 lakhs), minimum alternate tax under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2000-2001 up to the financial year 2011-2012, aggregating to Rs. 2,031 lakhs (March 31, 2019: Rs. 3,118 lakhs) and other receivables of Rs. 76 lakhs (March 31, 2019: Rs. 60 lakhs) which are being refuted by AP Transco/subject to approvals.

The group has receivables of loan of Rs. 28,600 lakhs (March 31, 2019: Rs. 26,286 lakhs) and the management believes that no further provision for diminution for such loans is necessary and also no provision is required for corporate guarantees given by the parent Company amounting to Rs. 4,500 lakhs as at March 31, 2020.

- 8 a) GVK Bagodara Vasad Expressway Private Limited (GVK BVEPL) step subsidiary of the Company has spent an amount of Rs 67,374 lakhs till March 31, 2020, Rs 58,904 lakhs towards project expenditure and Rs. 8,470 lakhs net towards advance to contractor. (March 31, 2019: Rs 69,455 lakhs, Rs. 58,904 lakhs towards project expenditure and Rs. 10,551 lakhs towards advance to contractor and tangible assets) on various works under this Concessionaire Agreement. During the course of construction, there has been significant delays in fulfilling the obligations from Gujarat State Road Development Corporation (GSRDC) like providing Land required for construction, right for way, shifting of utilities etc., which has resulted in significant delays in construction also. On March 27, 2018, GSRDC has issued a termination and arbitration notice as per which GSRDC has terminated the concession agreement and also has claimed an amount of Rs. 108,419 Lakhs. In response to which notice GVK BVEPL has written to GSRDC denying the claims from GSRDC and terminated the agreement. GVK BVEPL has also stated that the delay is due to the default from GSRDC. Also, GVK BVEPL has notified GSRDC that dispute settlement process will be as per the Concession Agreement. Based on its internal assessment/legal advice GVK BVEPL is confident that it will be able to recover the amounts spent on the project till date and is also confident that claims made by GSRDC will be struck down and accordingly management believes that it is appropriate to recognize total assets aggregating to Rs. 67,374 lakhs (March 31, 2019 Rs. 69,455 lakhs) at carrying value in the financial statements and no provision for diminution is necessary.

GVK BVEPL has approached The International Centre for Alternative Dispute Resolution (ICADR) for appointment of Arbitration Tribunal (AT). Arbitration Tribunal is constituted and the dispute is being addressed. GSRDC has filed a claim of Rs 108,419 lakhs and GVK BVEPL has filed its statement of Defence and a counter claim of Rs. 348,079 lakhs disputing the very process of termination and are also taking other necessary legal remedies in this regard. Initially GVK BVEPL intend to bring into substitution process, inspite of best efforts of GVK BVEPL, substitution process could not be completed. Meanwhile GSRDC awarded project to two different contractors hence there is no going concern and financials prepared accordingly.

GVK BVEPL is closely working with the lenders by explaining to them the intricacies of the project and outlining support required to give effect to the process of arbitration. In the hearing concluded recently on January 26, 2020, the complainant majorly concluded the argument and dates are fixed for argument of respondent. Thereafter time for filing the rejoinders was provided in the hearings fixed from April 20, 2020 to May 01, 2020.

b) GSRDC is not yet concluded its arguments and due to Covid 19 the dates fixed for hearing the matter has been cancelled. The Tribunal has fixed the new schedule and as per the new schedule, GVK BVEPL has concluded its arguments on March 27, 2021 and GSRDC commenced its rejoinder submissions on April 09, 2021 and continued on August 12, 2021. GSRDC will conclude rejoinder submissions in the coming days. Thereafter, GVK BVEPL shall submit final reply argument on September 01, 2021.



GVK Power & Infrastructure Limited
Notes to the consolidated financial results:

- 9 (a) GVK Rattle Hydro Electric Project Private Limited (GVKRHEPPL), step subsidiary of GVK Power and Infrastructure Limited has entered into a concession agreement with J&K Power Development Department (JKPDD) for construction and operation of a hydro power plant on Build, Own, Operate and Transfer model. GVKRHEPPL has spent/ paid advances an amount of Rs. 107,298 lakhs (March 31, 2019: Rs. 113,761 lakhs) on this project for various works. There has been a significant delay in the construction of the project due to the impediments like land acquisition and execution of land leases, issues in relation to working conditions, disturbances and law and order problems, issues under the Indus Water Treaty, issues in relation to Water charges, status of Mega Power Project and taxes such as entry tax, sales and other local taxes etc., GVKRHEPPL has offered for an amicable settlement and requested for the termination of concession agreement, but JKPDD rejected such settlement stating that the delays tantamount to event of default from GVKRHEPPL. Subsequent to this GVKRHEPPL has initiated the arbitration process and the process is in advance stages. In the arbitration GVKRHEPPL has made a claim of Rs: 513,648 lakhs and JKPDD has made a counter claim of Rs: 518,963 lakhs. Even though there are uncertainties, management is confident based on its internal assessment/ legal advice that it will be able to recover the amount spent on the project till date and is also confident that claim made by JKPDD will be withdrawn and accordingly management believes that it is appropriate to recognise assets aggregating to Rs. 107,298 lakhs (March 31, 2019: Rs. 113,761 lakhs) at carrying value in the financial statements and no provision for diminution is necessary.

(b) On July 11, 2020 subsequently to signing balance sheet, Arbitral Tribunal awarded Claim of Rs. 29,048 lakhs against a claim of Rs. 513,648 lakhs and not being satisfied with the claim, GVKRHEPPL has now approached the court on December 08, 2020 for Rs. 513,648 lakhs. The Company continues to believe that it is appropriate to recognise the assets at their carrying value.

- 10 On June 25, 2019, GVK Deoli Kota Expressway Private Limited (GVK DKEPL) has issued a termination notice under Article 37.2.2 of the Concession Agreement for termination on account of material breach and defaults on the part of National Highway Authority of India (NHAI) during the course of construction like providing Right of Way (ROW), shifting of utilities, obtaining approvals & clearances, alternate route & prevention of complete user fee collection etc., which has resulted in significant delays in construction of expressway. Further, GVK DKEPL has claimed a termination payment of Rs. 160,153 lakhs from NHAI as per the terms of the Concession Agreement. In response to the above notice GVK DKEPL has received letter from NHAI dated July 03, 2019 denying the claim of GVK DKEPL stating that the termination notice issued under clause 37.2.2 is invalid as defaults alleged by GVK DKEPL are false and NHAI has not committed any material default in complying with the provisions of the Concession Agreement.

On September 12, 2019, NHAI has issued a termination notice as per clause 37.2.1 of the Concession Agreement for non-fulfillment of the obligation as stated in the Concession Agreement by Concessionaire. NHAI by virtue of this notice, is deemed to have taken possession and control of the project highway alongwith all the equipment on or at site. After this termination notice toll plaza is deemed to have been transferred to NHAI and from September 16, 2019 onwards NHAI started collecting the toll on the project highway.

- GVK DKEPL based on its internal assessment/ legal advice is confident that it will be able to recover the amounts spent on the project till date amounting to Rs. 107,375 lakhs and GVK DKEPL has filed its statement of Defence and a counter claim of Rs. 160,153 lakhs including costs for change of scope, loss of revenue. GVK DKEPL is also taking other necessary legal remedies in this regard.



GVK Power & Infrastructure Limited
Notes to the consolidated financial results:

The Concession Agreement being the sole agreement executed by GVK DKEPL, termination of the same has resulted into liquidation basis of accounting for GVK DKEPL which has been adopted in preparation of financial statements of GVK DKEPL. This basis of preparation differs from the going concern basis adopted during the previous year ended March 31, 2019. Under the liquidation basis of accounting, all assets and liabilities are measured at their net realisable value. As toll collection right has been taken over by NHAI from GVK DKEPL, GVK DKEPL has impaired toll and premium assets against premium liability (not due) and claim receivable from NHAI. GVK DKEPL has currently recognised total amount receivable of Rs. 88,163 lakhs as the total cost of the project, including NHAI premium net of future premium payable to NHAI, as receivables from NHAI on prudence basis. The matter is under arbitration. The termination payment has been claimed. The tribunal in its meeting on January 31, 2020 has given time to submit GVK DKEPL's claim by March 16, 2020 and NHAI to file Statement of Defence by April 15, 2020. Time is given upto April 30, 2020 for filing counter claims. Next hearing is fixed on May 04, 2020. However due to Covid 19 all the meetings have been cancelled and a fresh date for filing GVK DKEPL's statement of claim is given and the same was filed on July 31, 2020 with a claim of Rs. 60,129 lakhs. In the meantime, NHAI has released the termination payment partly. NHAI filed its statement of defence and counter claim of Rs. 52,459 lakhs on November 12, 2020. GVK DKEPL filed its rejoinder to counter claim of NHAI on February 08, 2021. Meanwhile GVK DKEPL has also filed an interim application on March 08, 2021 for total termination payment of Rs. 181,884 lakhs. NHAI filed its reply to the interim application and matter is fixed for hearing of interim application on August 31, 2021.

- 11 As at March 31, 2020, the Group had accumulated losses and the Group has incurred losses during the preceding years. The group has delayed payment of loans and interest and certain loan accounts have been classified as non-performing by banks. The Group has provided guarantees and commitments and/or has undertaken to provide financial assistance on behalf of various entities and as further detailed in notes 6, 7, 8, 9 and 10 (referring to notes on GVK Coal Developers (Singapore) Pte Limited, GVK Energy Limited, GVK Bagodara Vasad Expressway Private Limited, GVK Rade Hydro Electric Project Private Limited and GVK Deoli Kota Expressway Private Limited) uncertainties are being faced by various projects such as delays in development of coal mines in an overseas project where the parent Company has provided guarantees and commitments for the borrowings, losses incurred by gas based plants in the absence of gas and litigations on rights to claim capacity charge, re-negotiation of terms of PPA of coal based plant and litigations on determination of tariff of hydro power project, arbitration on delay of commencement of road project and hydro based plant. These factors together with the impact of Covid 19 may indicate significant doubt on going concern of the group. Notwithstanding the above, the financial statements of the Group have been prepared on going concern basis as management believes that the Group would be able to ultimately meet its commitments, reduce debt by stake sale and the entities on whose behalf guarantees/commitments have been extended would be able to meet their obligations. Further, the Management is confident that aforesaid entities would win litigations; obtain approvals of regulators; will reach an optimal solution with non-controlling shareholders and lenders; obtain requisite gas/coal allocation etc. as required despite current macro-economic environment challenges.

12 Note on going concern as included in the consolidated financial statements of GVKEL

As at March 31, 2020, the Group had accumulated losses and the Group has incurred losses during the previous year and the current year. The Group's current liabilities are in excess of current assets. The Group has delayed payment of loans and interest and certain loan accounts of the Group have been classified as non-performing by the lenders. GVK Power & Infrastructure Limited has provided corporate guarantee for the loans taken by GVKEL and has given sponsor undertaking for the loans taken by GVKPGSL. Further, uncertainties are being faced by various projects in the Group such as losses incurred by power plants, re-negotiation of terms of power purchase agreement of coal based plant, approval of resolution plan, one time settlement proposal, litigations with respect to tariff, etc. Notwithstanding the above, the financial statements of the Group have been prepared on going concern basis as management believes that the Group would be able to establish profitable operations and meet its commitments. Further, management is confident that aforesaid entities would win litigations, obtain approval of regulators, obtain requisite fuel allocation etc. as required and would establish profitable operations.



13 Impact of Covid 19 pandemic on the Group

The spread of COVID-19 has severely impacted airport & toll road operations around the globe including India. There has been a significant decline in the revenue from aeronautical and non-aeronautical sources on account of disruption to regular business operations due to lock-downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The group has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property plant and equipment, receivables and other assets. In developing the assumptions relating to the possible future uncertainties because of this pandemic, the group, as at the date of approval of these consolidated financial, and economic forecasts based on internal and external sources of information, to assess the carrying value and recoverability of property plant and equipment, receivables and other assets as at the balance sheet date and the necessary adjustments have been considered in the consolidated financial statements.

Airport operations

The aviation industry has been severely impacted by COVID-19 and the Airport operations of MIAL have been disrupted due to the nation-wide lockdown beginning March 24, 2020 and subsequent restrictions on domestic and international flight operations. Later, the Government of India and the Government of Maharashtra have partially permitted commencement of scheduled domestic flights w.e.f. May 25, 2020 with various measures in place to ensure passenger safety. However, the pandemic has had a significant impact on the revenue and profits of MIAL subsequent to the year ended March 31, 2020, thereby resulting in a severe stress to meet its financial obligations falling due in the next twelve months.

Due to outbreak of Covid-19 pandemic, MIAL invoked the force majeure provisions of OMDA and requested Airport Authority of India (AAI) for relief from payment of Annual Fee ('AF'). AAI partially granted a moratorium for 3 months from April- June 2020 for payment of AF, with a condition that MIAL has to pay AF for April to June 2020 by July 15, 2020 and payment of AF from July 2020 month onwards regularly. Against this demand of AAI, MIAL filed a petition before Hon'ble High Court of Delhi ('DHC') for interim relief under Section 9 of the Arbitration and Conciliation Act, 1996 and to restrain AAI from withdrawing funds from Escrow account towards payment of AF. DHC, after hearing the petition, issued an interim order dated July 15, 2020 to maintain a status quo on funds in the Escrow account till issue of its final order. Due to this, MIAL was unable to access funds from Escrow account and discharge its liabilities till pronouncement of the judgment.

The DHC has vide its final order dated 27th November, 2020 allowed the petition of MIAL post which MIAL is able to access and utilise the funds for its requirements pertaining to running and operating of the CSMI Airport and other obligations linked thereto under the OMDA. Further MIAL is required to retain in the Escrow Proceeds Account @ 38.7% of actual payments received from activities connected with OMDA and functioning of CSMI Airport but AAI is restrained from transferring / withdrawing the said amount @38.7% retained in the Proceeds Account. These directions are applicable prospectively from the date of pronouncement of the order and will remain in force until varied / modified by subsequent orders either from the higher courts or arbitration tribunal.

Under these stressed liquidity circumstances, considering the requirements of additional funds to achieve the financial closure of Navi Mumbai International Airport project, the group has entered into an agreement with Adani Airport Holdings Limited ('AAHL') a wholly owned subsidiary of Adani Enterprises Limited for takeover of the debt of GVK Airport Developers Limited from its lenders and convert the same into equity and thereby acquire entire equity stake of the group held in MIAL. AAHL has also entered into agreements with Bid Services Division (Mauritius) Limited and ASCA Global Limited, MIAL's other shareholders to directly acquire entire shareholding of 23.50% in MIAL for which "The Competition Commission of India" has granted approval on September 23, 2020. Approvals from lenders, Airport Authority of India and other regulatory agencies have since been received. Further, AAHL also intends to infuse funds into MIAL to provide liquidity and also to achieve financial closure of Navi Mumbai International Airport project to enable the subsidiary to commence construction.

MIAL had availed moratorium of six months for interest and principal repayment on its Project Term Loan (PTL), Airport Development Fees Loan ('ADF Loan') and Real Estate Security Deposit (RESID) loans as per RBI notifications aimed towards relief to borrowers due to Covid-19. As at March 31, 2020, the outstanding amounts of PTL, ADF and RESID loans were Rs. 702,319 lakhs, out of which Rs. 65,470 lakhs along with interest of Rs. 6,118 lakhs. Outstanding loans and interest payable in twelve months from the balance sheet date is as per the existing repayment schedule of Rs. 65,470 lakhs and Rs. 43,891 lakhs respectively.



GVK Power & Infrastructure Limited
Notes to the consolidated financial results:

MIAL also submitted a restructuring plan for the existing loans to the lenders vide letters dated September 29 and September 30, 2020 and has also sought additional term loans to enable MIAL to meet its operational and capex requirements. Therefore, interest payment and principal repayment obligations due in twelve months from the balance sheet date are subject to changes and would be as per the Resolution Plan finally approved by the lenders. The restructuring plan is to be effective from the change of shareholding date in MIAL. Further, MIAL has also requested its lenders to revoke the red flag account status including the forensic audit of MIAL and should not undertake any consequential actions.

The aviation industry has severely impacted due to the outbreak of Covid-19 resulting in a significant reduction in Passenger and Air Traffic Movements (ATMs) and thereby, affecting the footfalls for the concessionaire at the airport. Pursuant to this, MIAL has during the year ended March 31 2020, granted waiver of Monthly Minimum Guarantee (MMG) for the month of March 2020. Further considering, the force majeure provisions invoked by the concessionaires, MIAL has revised the revenue model to variable lease payments for concessionaires till December 2020 and expects to continue until there is an improvement in ATMS and passenger footfalls.

Due to ongoing restrictions on air travel, currently it is not possible for MIAL to determine timelines by which the pre-covid levels of Passenger and Air Traffic Movements shall be achieved. Therefore, MIAL expects variable lease payments model/ fixed revenue model (MMG) without escalation to continue further. In view of this and considering the invocation of the force majeure clause in the concession agreement by the concessionaire and consequent termination of a few contracts, the Company has recognised provision against Lease Equalisation Asset except for the contracts which are expected to continue in a normal course of business.

The carrying amount of lease asset is re-measured on modification due to a change in the lease term or a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments, change in escalation rate). The group has classified security deposits as current pertaining to the terminated contracts of concessionaires as same would be repayable in next year.

MIAL's ability to continue as a going concern would depend on the successful outcome of the aforesaid management plans. Based on the above actions and ongoing discussions, management is confident of meeting its financial obligations and continuing business operations in foreseeable future. The directors are satisfied that there are reasonable grounds to believe that based on the ongoing efforts of the management, MIAL will be able to continue to meet its debt and other obligations as and when they fall due and thereby, it is appropriate for the financial statements to be prepared on a going concern basis.

14 Note as included in the consolidated financial statements of GVK Energy has been reproduced below

The World Health Organisation announced a global health emergency because of a new strain of coronavirus (Covid 19) and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21 day lockdown across the country to contain the spread of the virus, which was further extended till May 03, 2020. This pandemic and government response a creating disruption in global supply chain and adversely impacting most of industries which has resulted in global slowdown. The management has made an assessment of the impact of Covid 19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that no there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements. The impact of the global health pandemic may be different from that estimated as at the date of provision of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

The impact of COVID-19 on the group's financial statements may differ from that estimated as at the date of approval of these financial statements and the group will continue to closely monitor these aspects and take actions as are appropriate based on future economic conditions.

- 15 Trade receivables as at March 31, 2020 included an amount of inter-company receivable of Rs. 1,615 lakhs (eliminated on consolidation) which is outstanding for a period of more than three years and is not in compliance with the Master Direction 16/2015-16 dated January 01, 2016 of the Reserve Bank of India. GVKADI has filed application with Authorised Dealer category Bank for obtaining approval from RBI for write off of these receivables. Management believes, penalties if any arise on account of such non-compliance will not be material.**



GVK Power & Infrastructure Limited
Notes to the consolidated financial results:

- 16 The parent Company and its subsidiary GVK Airport Developers Limited (GVK ADL) entered into a binding agreement comprising a co-operation agreement and other related agreements with Adani Airport Holdings Limited (AAHL) on August 31, 2020 and subsequent dates. This includes acquisition of the debt by AAHL from various lenders of GVKADL with a view to release pledge on certain shares of GVK AHL and with an ability for AAHL to convert the acquired debt from the lenders of GVKADL to equity so as to acquire equity interest in MIAL and also acquiring parent Company's equity and other instruments in GVKADL and also possible acquisition/ settlement of debt of GVK Coal Developers (Singapore) Pte Ltd (with a view to release pledge on remaining shares of GVK AHL). AAHL has since acquired the debt from GVKADL and has converted the same to equity acquiring controlling interest in GVKADL on July 13, 2021. GVKADL, BAIDL, GVK AHL, MIAL and NMIAL are no longer subsidiaries of the Company from that date. The Company considers Goodwill arising on acquisition of MIAL and the assets of GVKADL along with its subsidiaries as fully recoverable. The arrangement will entail substantially derecognising the whole of the assets and liabilities of the Airports segment of the Group.

The broad contours of the co-operation and related agreements is detailed below:

- (i) Acquisition of debt and related accrued interest with carrying value in these statements of Rs. 255,107 lakhs by AAHL.
- (ii) AAHL acquiring certain securities of Sutara, a subsidiary of the Company and another Company of the promoter group to be used exclusively for financial support of any of its affiliates and affiliates of GVKPIL post the date of the co-operation agreement.
- (iii) Acquiring equity of Rs. 30,000 lakhs and other instruments of Rs. 1,000,000 lakhs held by GVKPIL and its subsidiary in GVKADL by AAHL to be settled by transfer of securities held by AAHL referred to in (ii) above.
- (iv) GVKPIL and AAHL have also agreed on certain steps to be taken in respect of lenders of GVK Coal.

The full financial effect of the above cannot be estimated as certain aspects of the transaction including settlement with GVK Coal lenders are yet to be concluded.

- 17 (a) In June 2020, Central Bureau of Investigation (CBI) has registered an First Information Report (FIR) against MIAL, its holding Company GVK Airport Holdings Limited (GVK AHL) (both step down subsidiaries of the Company), the chairman and Vice chairman of the Company and has initiated investigation on various matters alleging misuse of funds of MIAL including for the benefit of other GVK group and related parties.

The Enforcement Directorate (ED) has also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. The investigation of the CBI and ED are currently in progress and the ED has filed a complaint in April 2021 on the same matters against the above mentioned parties and some of the subsidiaries, joint ventures and step down subsidiaries of the Company their Directors and officers, and the concerned parties are cooperating with the investigating agencies. Various companies that are part of GVK group and its associates have received notices under Section 206(5) and Section 207 of the Companies Act, 2013 during the year financial year 2018-19 to which the Companies have provided responses and further notices have also been received in December 2020 that have been responded to.

The Audit Committee of the holding Company, based on the legal advice received by the Audit committee of MIAL, have decided not to proceed with any independent investigation on the matters mentioned in the FIR or the complaint filed by ED. Considering the status of the proceedings, the implication, if any, that may arise would be considered in the financial statements on conclusion of the aforesaid investigation.



GVK Power & Infrastructure Limited
Notes to the consolidated financial results:

(b) Note as included in the consolidated financial statements of MIAL

On June 27, 2020, Central Bureau of Investigation (CBI) has registered an First Information Report (FIR) against MIAL, its holding Company GVK Airport Holdings Limited (GVKAHL), Managing Director of MIAL and the chairman of the GVK group, who is also a whole time director of MIAL (together called as promoter directors) and has initiated investigation against MIAL in respect o various matters alleging irregularities arising due to potential conflict of interest by the Managing Director and GVK group of companies in respect of few contracts with its vendors/ customers and misuse of funds of MIAL.

The Enforcement Directorate (ED) has also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. The investigation of the CBI and ED are currently in progress and MIAL is cooperating with the investigating agencies. MIAL had also received a notice of inspection from Ministry of Corporate Affairs (MCA) under Section 206(5) of the Companies Act, 2013 in October 2019, requiring MIAL to furnish books of accounts and records and management has responded to the enquiries/ notices. MIAL has received further letter as per Section 206(5)/207 of Companies Act, 2013 on December 24, 2020 which have been responded to.

Based on the legal advice received by the Audit committee of MIAL and considering two premier agencies CBI and ED are already investigating the matter, the Audit committee has decided not to proceed with any independent forensic investigation on the matters mentioned in the FIR. Considering the status of the proceedings, the implication, if any, arising from the aforesaid investigations would be known only after the matters are concluded and accordingly, adjustments if any, that may arise would be made to the financial statements on conclusion of the aforesaid investigation.

(c) Note as included in the standalone financial statements of GVKAHL

On June 27, 2020, Central Bureau of Investigation (CBI) has registered an First Information Report (FIR) against GVKAHL, its subsidiary Company i.e. MIAL, Managing Director of MIAL and the chairman of the GVK group, who is also a whole time director of GVKAHL (together called as promoter directors) and various other parties and has initiated investigation against the aforesaid parties in respect o various matters alleging irregularities arising due to potential conflict of interest by the Managing Director of MIAL and GVK group of companies in respect of few contracts with its vendors/ customers and misuse of funds of MIAL.

The Enforcement Directorate (ED) has also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. The investigation of the CBI and ED are currently in progress and MIAL is cooperating with the investigating agencies. GVKAHL has also also received a notice of inspection from Ministry of Corporate Affairs (MCA) under Section 206(5) of the Companies Act, 2013 in October 2020, requiring it to furnish books of accounts and records and management has responded to the enquiries/ notices. MIAL has also received a notice of inspection from MCA under Section 206(5) of Companies Act, 2013 in October 2019, requiring it to furnish books of accounts and records and management of MIAL has responded to the enquiries/ notice. has received further letter as per Section 206(5)/207 of Companies Act, 2013 on December 24, 2020.

Considering the status of the proceedings, the implication, if any, arising from the aforesaid investigations would be known only after the matters are concluded and accordingly, adjustments if any, that may arise would be made to the financial statements on conclusion of the aforesaid investigation.

- 18 (a) As per the requirements of Section 96(1) of the Companies Act, 2013 the parent Company was required to hold its Annual General Meeting (AGM) and the Board of Directors were to lay in the Company's AGM the Balance Sheet and the Profit and Loss for the year ended March 31, 2020 by December 31, 2020. However the parent Company could not do so, and will be applying to the National Company Law Tribunal/ Regional Director for compounding under the relevant sections of the Companies Act.

As per the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the parent Company was required to file its audited financial results for the year ended March 31, 2020 by June 30, 2020 and for subsequent quarters by relevant applicable dates with National Stock Exchange of India Limited and Bombay Stock Exchange. However the parent Company could not do so, and will be applying to the stock exchanges for compounding under the relevant Regulations.

As per the requirements of Section 44AB of the Income Tax Act, 1961 the parent Company was required to file its tax audit report in forms 3CA-3CD with the income tax authorities for the year ended March 31, 2020 by December 30, 2020. However the parent Company could not do so, and will be filing the same subsequently.



GVK Power & Infrastructure Limited
Notes to the consolidated financial results:

(b) Note as included in the standalone financial statements of GVK AHL

As per the requirements of Section 96(1) of the Companies Act, 2013, the Company was required to hold its Annual General Meeting (AGM) and the Board of Directors were to lay the in the Company's AGM the financial statements for the year ended March 31, 2020 by December 31, 2020. However the Company could not do so, and will be applying to the National Company Law Tribunal/ Regional Director for compounding under the relevant section of the Companies Act, 2013.

19 Assets held for sale

GVK Airport Holdings Limited (GVKAHL) is a step down wholly owned subsidiary of the Company and holding company of Mumbai International Airport Limited (MIAL) with a shareholding of 50.5%. Management has been looking for certain divestment options in the airport vertical. During the course of divestment process the management has obtained bids for diluting the shareholding in Airport Vertical and started discussions with one of the parties. During the previous year, GVKPIL group management has obtained approval from the shareholders for raising funds by divesting its share in GVK AHL. The management was able to sign a term sheet with a potential investor during April 2019 (which was subsequently terminated in August 2020 when it entered into a cooperation agreement with Adani Airport Holdings Limited (AAHL) (Refer note 16).

The company was still under discussion on the terms and conditions of the transaction as at March 31, 2020 and had not reached a definitive stage about the terms and conditions that would entail the Firm Purchase Contract. Also, shares of the Airport vertical are pledged with various lenders and management is yet to receive approval from lenders with whom the shares are pledged. As a part of the divestment process, management has noted that there are certain other significant approvals from Ministry of Civil Aviation, Airport Authority of India and other approvals as necessary are to be received. The management did not have a reliable estimate on the time period in which the Firm Purchase Contract can be signed off.

Based on the above factors, management has evaluated the criteria as per Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, and is of the view that the Airport vertical should not be considered as "Held for sale" asset at this stage as at March 31, 2020. Subsequent to the year end on August 31, 2020 the parent Company and GVK ADL (the holding company of GVK AHL) have entered into an agreement with Adani Airport Holdings Limited and terminated the term sheet referred above.

20 The Ministry of Corporate Affairs (MCA) on March 30, 2019, notified Ind AS 116 "Leases" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 01, 2019. The Group has applied modified retrospective approach in adopting the new standard. The adoption of the new standard resulted in revenue for the current year being higher by Rs. 1,766 lakhs, increase in expenses by Rs. 683 lakhs and loss for the period being lower by Rs. 4,775 lakhs from operating activities after tax in the consolidated financial results. And also the Group has recognised Right to Use asset of Rs. 737 lakhs and lease liability of Rs. 759 lakhs, recognised finance cost of Rs. 37 lakhs and depreciation of Rs. 367 lakhs for the year ended March 31, 2020.

21 Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, wherever considered necessary.

Place: Hyderabad
Date : August 24, 2021

GVK Power & Infrastructure Limited
P V Prasanna Reddy
P V Prasanna Reddy
Whole-Time Director



Annexure A

S. no	Name	Relationship	Location
1	GVK Airport Developers Limited	Subsidiary	India
2	GVK Airport Holdings Limited	Subsidiary	India
3	Mumbai International Airport Limited (MIAL)	Subsidiary	India
4	Navi Mumbai Airport Developers Private Limited	Subsidiary	India
5	GVK Airport Services Private Limited	Subsidiary	India
6	Mumbai Aviation Fuel Farm Facility Private Limited	Joint venture of MIAL	India
7	Mumbai Airport Lounge Services Private Limited	Joint venture of MIAL	India
8	Bangalore Airport & Infrastructure Developers Limited	Subsidiary	India
9	GVK Airport International Pte limited	Subsidiary	Singapore
10	PT GVK Indonesia	Subsidiary	Indonesia
11	GVK Developmental Projects Private Limited	Subsidiary	India
12	GVK Ratle Hydro Electric Project Private Limited	Subsidiary	India
13	GVK Bagodara Vasad Expressway Private Limited	Subsidiary	India
14	GVK Perambalur SEZ Private Limited	Subsidiary	India
15	GVK Transportation Private Limited	Subsidiary	India
16	GVK Jaipur Expressway Private Limited	Subsidiary	India
17	Sutara Roads & Infra Limited	Subsidiary	India
18	GVK Deoli Kota Expressway Private Limited	Subsidiary	India
19	GVK Shivpuri Dewas Expressway Private Limited	Subsidiary	India
20	GVK Energy Limited	Joint venture	India
21	GVK Industries Limited	Subsidiary of GVKEL	India
22	GVK Gautami Power Limited (GVKEL)	Joint venture of GVKEL	India
23	Alaknanda Hydro Power Company Limited	Subsidiary of GVKEL	India
24	GVK Power (Goindwal Sahib) Limited	Subsidiary of GVKEL	India
25	GVK Coal (Tolsud) Company Private Limited	Subsidiary of GVKEL	India
26	GVK Power (Khadur Sahib) Private Limited	Subsidiary of GVKEL	India
27	Seregraha Mines Limited	Associate of GVKEL	India
28	GVK Coal Developers (Singapore) Pte. Ltd	Associate	Singapore



GVK Power & Infrastructure Limited
Segment Reporting (Consolidated) for the Year ended March 31, 2020

(Rs. in lakhs)

Sr No	Particulars	Year ended	
		31.03.2020 (Audited)	31.03.2019 (Audited)
1	Segment Revenue		
	Power	-	-
	Roads	35,609	39,818
	Airports	349,070	369,999
	Others	2,328	2,321
	Total	387,007	412,138
	Less: Inter segment revenue	2,320	2,321
	Net sales / income from operations	384,687	409,817
2	Segment Result		
	Power	(131)	(153)
	Roads	20,442	21,006
	Airports	62,442	59,777
	Others	(3,165)	(1,025)
	Total	79,588	79,605
	Less:		
	Interest Expense	148,422	151,302
	Add:		
	Other unallocable income net off unallocable expenditure	(79,893)	38,397
	Total profit/ (loss) before tax	(148,727)	(33,300)
	Capital Employed		
	(Segment Assets)		
	Power	107,344	113,803
	Roads	179,750	254,876
	Airports	1,570,218	1,517,910
	Others*	13,713	15,780
	Unallocated	180,366	280,117
	Total Segment Assets	2,051,391	2,182,486
	(Segment Liabilities)		
	Power	114,057	109,752
	Roads	338,946	305,831
	Airports	1,556,759	1,513,021
	Others*	9,334	60,724
	Unallocated	45,665	68,614
	Total Segment Liabilities	2,064,761	2,057,942
	Net Capital employed	(13,370)	124,544

*Others include Investment, Oil & Gas, Manpower and SEZ companies



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

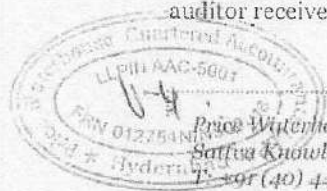
To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Audit of Consolidated Financial Results

Qualified Opinion

- 1) We have audited the consolidated financial results of GVK Power & Infrastructure Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint ventures (Refer Annexure A to the consolidated annual financial results) for the year ended March 31, 2020 and the consolidated statement of assets and liabilities and the consolidated cash flow statement as at and for the year ended on that date, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') which has been initialled by us for identification purposes.
- 2) In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, associate and joint ventures, the aforesaid consolidated financial results:
 - i. include the annual financial results of the entities referred to in Annexure A to the consolidated annual financial results;
 - ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - iii. except for the indeterminate effects of the matters referred to in Basis for Qualified Opinion paragraph below, give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Group, its associate and joint ventures for the year ended March 31, 2020 and the consolidated statement of assets and liabilities and the consolidated cash flow statement as at and for the year ended on that date.

Basis for Qualified Opinion

- 3) We draw your attention to:
 - i. Note 6 to the consolidated financial results regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the Group has investments and has receivables aggregating to Rs. 79,037 lakhs and to whom the holding company has provided guarantees and commitments for loans aggregating to Rs. 851,216 lakhs taken by the aforesaid associate Company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,345 lakhs) as at March 31, 2020 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project and concluding an appropriate solution with various stakeholders including lenders etc. In this regard, while the company has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs. 78,634 lakhs, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments, collateral security by way of pledge of 37% shares of GVK Airport Holdings Limited a step down wholly owned subsidiary of the Company in favour of the lenders and the resultant impact on these consolidated financial results.
 - ii. the following qualification to the audit opinion on the consolidated financial statements of GVK Energy Limited, a joint venture of the Holding Company issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated June 23, 2020, as updated for subsequent clarification received which was included in the Memorandum of work performed of the independent auditor received vide e- mail dated March 25, 2021 is reproduced by us as under:



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754NNS00016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Consolidated Financial Results

- (i) "As discussed more fully in note * to the accompanying financial statements, the Hon'ble Supreme court of India has deallocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company. As directed by Hon'ble High Court of Delhi, the aforesaid subsidiary has submitted its claim for an amount Rs. 19,882 lakhs with the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015. The Company has given corporate guarantee for the loan taken by the subsidiary. Pending approval of the claim by the adjudicating authority, we are unable to comment on the recoverability of assets with carrying value of Rs. 19,882 lakhs together with consequential impact, if any, arising out of the same in these accompanying consolidated Ind AS financial statements."

Note * is included as Note 7(C) to the consolidated financial results.

- (ii) "As discussed more fully in note # to the accompanying financial statements, regarding the uncertainties faced by the coal-based power plants of a subsidiary company towards the resolution plan with lenders and determination of final tariff. Pending resolution of these uncertainties/approvals, we are unable to comment upon the recoverability of assets with carrying value of Rs. 360,412 lakhs together with consequential impact, if any, arising out of the same in these accompanying consolidated Ind AS financial statements."

Note # is included as Note 7(b) to the consolidated financial results. Also, this matter has subsequently been updated basis communication dated March 25, 2021 in the Memorandum of Work performed for the year ended March 31, 2020, received from the auditor of GVK Energy Limited in relation to Coal based power plant, as reproduced below for reference:

"In respect of GVK Industries Limited and GVK Gautami Power Limited, the company has completely written off the investment value due to continued uncertainties faced by the gas based power plants towards supply/availability of gas, recovery of capacity charged and approval of the onetime settlement proposal with lenders.

The consolidated financial statements of GVK Energy Limited consists of Property, Plant and Equipment of GVK Industries Limited of Rs. 47,403 Lakhs and non-current assets of GVK Gautami Power Limited to the extent of Rs. 98,885 Lakhs (%).

The consolidated financial statements of GVK Energy Limited also consists of Property, Plant and Equipment and other intangible assets of Rs. 360,412 Lakhs of GVK Power (Goindwal Sahib) Limited, a Coal based power plant.

The group auditor may accordingly consider the above facts for reporting on the recoverability of these assets in the report."

Note % is included as Note 7(a) to the consolidated financial results.

In light of the above, we are unable to comment on the extent of eventual recoverability of the investment in and loans to GVK Energy Limited aggregating to Rs. 28,600 lakhs as disclosed under "loans" after recording Groups share of losses and the provisions, if any, required for the corporate guarantee given to the joint venture amounting to Rs. 4,500 lakhs. The impact of this matter on the consolidated financial results is presently not ascertainable.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Consolidated Financial Results

- iii. The following qualification to the audit opinion on the standalone financial statements of GVK Bagodara Vasad Expressway Private Limited, a step-down subsidiary of the holding company issued by an independent firm of Chartered Accountants vide its report dated June 25, 2020, reproduced by us as under:

"The project of the Company was terminated by GSRDC by referring the defaults of the Concessionaire. Consequent to the termination of the project, Company has accounted, cost incurred on the project Rs. 58,904 lakhs as amount receivable from the GSRDC as management has represented that the project of the Company was terminated due to the reasons attributable to the GSRDC. Company has disputed the termination notice and invoked arbitration in terms of the provisions of concession agreement. The matter is sub-judice before Hon'ble Arbitral Tribunal. We are unable to comment upon its recoverability in the absence of availability of related convincing audit evidence as to its recoverability.

Non provision of advance to EPC contractor (GVK Projects and Technical Services Limited) amounting to Rs. 8,470 lakhs as doubtful of recovery. This has resulted in under-statement of loss of the year by Rs. 8,470 lakhs and overstatement of advances by the same amount (refer note # to the financial statements).

Balances of borrowings (including interest accrued thereon) from lender amounting to Rs. 69,681 lakhs as at March 31, 2020 as per books of accounts are unconfirmed. In absence of such confirmations, we are unable to comment on the appropriateness of carrying amount of borrowing (along with interest accrued thereon) as presented in the Balance Sheet."

Note # has been reproduced as note 8(a) to the consolidated financial results.

- iv. (a) Note 17 (a) to the consolidated financial results regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds etc, pending completion of which and non-provision of certain related information sought from the holding company including complete copy of the Enforcement Directorate complaint, we are unable to comment on the effect thereof on the consolidated financial results including prior year comparatives considering allegations over GVK Group.
- (b) We draw your attention to the following qualification in the audit report on the consolidated financial statements of Mumbai International Airport Limited, a step down subsidiary of the Holding Company issued jointly by two independent firm of Chartered Accountants vide their report dated December 31, 2020 reproduced by us as under:

"As more fully described in note * of the Consolidated Ind AS financial statements, pending completion of the investigation by various authorities on the Holding Company, we are unable to comment on the effect thereof on these accompanying consolidated financial statements including prior period comparatives."

Note * is considered appropriately as Note 17(b) to the consolidated financial results.

- (c) We draw your attention to the following qualification in the audit report on the standalone financial statements of GVK Airport Holdings Limited, a step down wholly owned subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated March 31, 2021 reproduced by us as under:



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Consolidated Financial Results

"We draw attention to note * of the standalone Ind AS financial statements, which describes pending completion of the investigation by various authorities on the Company and Mumbai International Airport Limited (its subsidiary company), we are unable to comment on the effect thereof on these accompanying standalone Ind AS financial statements including prior period comparatives

Note * is considered appropriately as note 17(c) to the consolidated financial results.

- v. (a) Note 18(a) to the consolidated financial statements regarding (a) non holding of the Annual General Meeting (AGM), in respect of financial year ended March 31, 2020 within the time limit specified under Section 96(1) of the Act, consequent non laying of the financial statements in the AGM as prescribed under Section 129(2) and Section 137 of the Act, (b) non filing of the audited financial statements for the financial year ended March 31, 2020 and subsequent quarters, with the Bombay Stock Exchange and National Stock Exchange of India Limited within the time limit as specified under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015 and (c) non-compliance with section 44AB of the Income-tax Act, 1961 for non-filing of tax audit reports in form 3CA-3CD with Income Tax Authorities, within the stipulated time period, for the year ended March 31, 2020. We are unable to comment on the impact of these non-compliances on the consolidated financial results.
- (b) Note 18(b) to the consolidated financial statements regarding non holding of the Annual General Meeting (AGM) by GVK Airport Developers Limited (GVKADL), a subsidiary, in respect of financial year ended March 31, 2020 within the time limit specified under Section 96(1) of the Act and consequent non laying of the financial statements by GVKADL in the AGM as prescribed under Section 129(2) and Section 137 of the Act. The consequential impact of the aforesaid non-compliance on the consolidated financial statements is presently not ascertainable.
- 4) We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Group, its associate and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

- 5) (a) We draw attention to note 11 in the consolidated financial results, which indicates that the Group incurred losses of Rs. 154,551 lakhs and has significant accumulated losses as at year ended March 31, 2020, has defaulted in repayment of loan and interest payments and material uncertainties, including those arising due to COVID19, are faced by various projects being executed by the Group, its associate and joint ventures, provided guarantees/ commitments and / or has undertaken to provide financial assistance. These events or conditions, along with other matters as set forth in aforesaid note, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Consolidated Financial Results

- (b) We draw your attention to the following Material Uncertainty Related to Going Concern paragraph included in the audit report of the consolidated financial statements of Mumbai International Airport Limited, a step down subsidiary of the Holding Company issued jointly by two independent firm of Chartered Accountants vide their report dated December 31, 2020 reproduced by us as under:

"We draw attention to Note * to the consolidated Ind AS financial statements which describes the effect of Covid 19 pandemic on the Group's operations. As at March 31, 2020, the Group's current liabilities exceed current assets by Rs. 139,399 lakhs. These conditions along with other matters set forth in Note * indicate the existence of a material uncertainty that may cast significant doubt on the Holding Company's ability to meet its debt obligations and the ability of the subsidiary, Navi Mumbai International Airport Limited to meet its financial and operational obligations under its concession agreement and thereby continue as a going concern. Management is confident that in light of the proposed change in the ownership structure of the Holding Company as per the terms of the binding arrangements entered into between GVK Airport Developers Limited (GVKADL) and Adani Airport Holdings Limited (AAHL), the restructuring proposal submitted by the proposed new management to the lenders of the Holding Company and the plans of the new management to provide financial and operational support to the subsidiary, the going concern assessment is appropriate for the preparation of the financial statements. Our opinion is not qualified in respect of this matter.

The above matter to the extent relating to the impact of the pandemic on the subsidiary's financial statements has also been reported as an emphasis of matter in the audit report dated July 01, 2020 issued by the other firm of Chartered Accountants on the standalone financial statements of the subsidiary for the year ended March 31, 2020."

Note * is included as Note 13 to the consolidated financial results.

- (c) We draw your attention to the following Material Uncertainty Related to Going Concern paragraph included in the audit report of the standalone financial statements of GVK Airport Holdings Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated March 31, 2021 reproduced by us as under:

"We draw attention to Note * to the standalone Ind AS financial statements which describes the effect of Covid 19 pandemic on the operations of Mumbai International Airport Limited (MIAL), the subsidiary of the company and Navi Mumbai International Airport Limited (NMIAL), the subsidiary of MIAL. These conditions alongwith other matters set forth in Note * indicate the existence of a material uncertainty that may cast significant doubt on the ability of MIAL to meet its debt obligations and the ability of NMIAL to meet its financial and operational obligations under its concession agreement and thereby continue as a going concern and resulting impact on the going concern status of the Company. The management is confident that in light of the recent change in the ownership structure of MIAL and the proposed changes in the ownership structure as per the terms of the binding arrangements entered into between the Company, Adani Airport Holdings Limited (AAHL) and certain other group companies of the Company and AAHL, the restructuring proposal submitted by the proposed new management to the lenders of MIAL and the plans of the new management to provide financial and operational support to NMIAL, the going concern assessment is appropriate for the preparation of the financial statements.



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Consolidated Financial Results

- ii. "We draw attention to Note # in the financial statements. The company had taken term loans from consortium of banks & a financial institution. Company borrowings continues to be classified as non-performing assets by the lenders due to defaults in payment of related dues. Lenders have recalled the entire facilities extended to the company in the earlier financial year. Our audit opinion is not modified in respect of this matter."

Note # as described above is reproduced as note 8(a) to the consolidated financial results.

- iii. "Note XX to the Ind AS financial statements, which states that the Company has defaulted in repayment of principal amount and payment of interest on such term loans taken from consortium of banks & financial institution. As a result, the lenders have classified the term loans as Non-Performing Asset and have recalled the entire facilities extended to the Company and outstanding as on March 31, 2020. As a result of that, the term loans have become repayable on demand and as lenders have classified Company's borrowings facility as NPA, Company has not received borrowings statements and confirmation of borrowing balances from lenders and not made available to us. Our opinion is not modified in respect of this matter."

Note XX as described above is reproduced as note 10 to the consolidated financial results.

- C. We draw your attention to note 15 to the consolidated financial results, regarding foreign currency trade receivables amounting to Rs. 1,615 lakhs, which remaining outstanding for a period exceeding three years and the same is not in compliance with Master Directions 16/2015-16 dated January 01, 2016. The Company has filed an application with the Authorised Dealer/ Reserve Bank of India seeking approval for write off of these receivables.
- D. We draw attention to the following Emphasis of Matters included in the audit opinion on the Consolidated financial statements of GVK Energy Limited, a joint venture of the Holding Company issued by an independent firm of Chartered Accountants (independent auditor) vide its report dated June 23, 2020, is reproduced by us as under :
- i. "Regarding outstanding fixed charge component of the tariff on the increased capital cost for the years 1997-98 to 2000-01 aggregating to Rs. 4,512 lakhs considered recoverable from AP Transco in GVK Industries Limited, a subsidiary company and regarding outstanding minimum alternate tax amounts, claims for reimbursement, disincentives recoverable and other receivable aggregating to Rs. 2,031 lakhs, Rs. 2,878 lakhs and Rs. 76 lakhs respectively considered recoverable from AP Transco and consequential impact on taxes in GVK Industries Limited and GVK Gautami Power Limited's books, a subsidiary company and a joint venture respectively.
- ii. We draw attention to note # to the financial statements which states that the management has made an assessment of the impact of Covid 19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Our opinion is not modified in respect of the above matters."

Note # as described above has been considered in note 7(d) and 14 to the consolidated financial results.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Consolidated Financial Results

- E. We draw your attention to the following matter relating to Going Concern which has been included as an Emphasis of matter paragraph in the audit report on the standalone financial statements of GVK Bagodara Vasad Expressway Private Limited, a step down subsidiary of the holding company issued by an independent firm of Chartered Accountants vide its report dated June 25, 2020, reproduced by us as under:

"Note * which states that since the project undertaken by the Company had been terminated, "Going concern assumption" is not appropriate, hence financial statements have been drawn accordingly."

Note * as described above is reproduced as note 8 to the consolidated financial results.

- F. We draw your attention to the following matter relating to Going Concern which has been included as an Emphasis of matter paragraph in the audit report on the standalone financial statements of GVK Deoli Kota Expressway Private Limited, a step down subsidiary of the holding company issued by an independent firm of Chartered Accountants vide its report dated June 25, 2020, reproduced by us as under:

"We draw your attention to Note @ to the statement, which explains the reason for preparation of these financial statements on realisation basis assuming the company is no longer a going concern. The company has recorded receivable from NHAI of Rs. 88,163 lakhs after setting off toll assets and other related future liabilities, which is subject to decision and process of arbitration between Company and NHAI."

Note @ as described above is reproduced as note 10 to the consolidated financial results.

Our opinion is not modified in respect of above matters.

Board of Directors' Responsibilities for the Consolidated Financial Results

- 7) These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Group including its associate and joint ventures and the consolidated statement of assets and liabilities and the consolidated statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Consolidated Financial Results

- 8) In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of the Group and its associate and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its associate and joint ventures or to cease operations, or has no realistic alternative but to do so.
- 9) The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associate and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

- 10) Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.
- 11) As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 18 below)
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Consolidated Financial Results

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associate and joint ventures to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
- 12) We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- 13) We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- 14) We did not audit the financial statements of 16 subsidiaries included in the consolidated financial results, whose financial statements total assets of Rs. 2,602,944 lakhs and net assets of Rs. 581,382 lakhs as at March 31, 2020, total revenues of Rs. 389,608 lakhs, total net (loss) after tax of Rs. (42,109) lakhs, and total comprehensive income/ loss of Rs. (42,129) lakhs for the for the year ended March 31, 2020, and cash out flows (net) of Rs. 12,505 lakhs for the year ended March 31, 2020, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net profit/loss after tax of Rs. 1,973 lakhs and total comprehensive income/ loss of Rs. 1,980 lakhs for the year ended March 31, 2020 respectively, as considered in the consolidated financial results, in respect of 10 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 13 above.
- 15) The consolidated financial results includes the Group's share of net (loss) after tax of Rs. Nil and total comprehensive income of Rs. Nil for the year ended March 31, 2020, as considered in the consolidated financial results, in respect of 1 associate, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

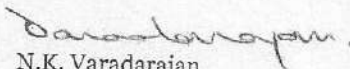


Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors of GVK Power & Infrastructure Limited
Report on the Consolidated Financial Results

- 16) Our opinion on the consolidated Financial Results is not modified in respect of the matter as described in para 14 & 15 above with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Board of Directors.
- 17) The Financial Results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
- 18) The consolidated annual financial results dealt with by this report have been prepared for the express purpose of filing with the stock exchanges on which the Company's shares are listed. These results are based on and should be read with the audited consolidated financial statements of the group, its associate and joint ventures, for the year ended March 31, 2020 on which we have issued an modified audit opinion vide our report dated August 24, 2021.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500018
Chartered Accountants



N.K. Varadarajan
Partner

Membership Number: 90196

UDIN: 21090196AAAABT3201
Place: Hyderabad
Date: August 24, 2021

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
Rs In Lac				
I.	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Audited figures after adjusting for qualifications)
	1.	Turnover / Total income	399,078	399,078
	2.	Total Expenditure	547,805	556,275
	3.	Net Profit/(Loss)	(154,551)	(163,021)
	4.	Earnings Per Share	(9.46)	(10.32)
	5.	Total Assets	2,051,391	2,042,921
	6.	Total Liabilities	2,064,761	2,064,761
	7.	Net Worth	(13,370)	(21,840)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

	<p>Audit Qualification (each audit qualification separately):</p> <p>Details of Audit Qualification:</p> <p>1. Note 6 to the consolidated financial results regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the Group has investments and has receivables aggregating to Rs. 79,037 lakhs and to whom the holding company has provided guarantees and commitments for loans aggregating to Rs. 851,216 lakhs taken by the aforesaid associate Company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,345 lakhs) as at March 31, 2020 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project and concluding an appropriate solution with various stakeholders including lenders etc. In this regard, while the company has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs. 78,634 lakhs, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments, collateral security by way of pledge of 37% shares of GVK Airport Holdings Limited a step down wholly owned subsidiary of the Company in favour of the lenders and the resultant impact on these consolidated financial results.</p> <p>Type of Audit Qualification: Qualified Opinion</p>
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Frequency of qualification: Qualified since quarter ended September 2019.

For Audit Qualification(s) where the impact is not quantified by the auditor:

- (i) **Management's estimation on the impact of audit qualification:** Not Applicable
(ii) **If management is unable to estimate the impact, reasons for the same:**

The company has already made a provision of the entire investment and receivables amounting to Rs. 78,634 lakhs. It is also engaged in a settlement negotiation with the lenders, and it is hope full of an amicable settlement. Any further provision cannot be estimated due to significant uncertainties including fluctuating coal prices, timely achieving financial closure for the project, and concluding an appropriate solution with various stakeholders by GVK Coal and of settlement with lenders which is typical to such negotiations.

2. The following qualification to the audit opinion on the consolidated financial statements of GVK Energy Limited, a joint venture of the Holding Company issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated June 23, 2020, as updated for subsequent clarification received which was included in the Memorandum of work performed of the independent auditor received vide e- mail dated March 25, 2021 is reproduced by us as under:

a. As discussed more fully in note * to the accompanying financial statements, the Hon'ble Supreme court of India has deallocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company. As directed by Hon'ble High Court of Delhi, the aforesaid subsidiary has submitted its claim for an amount Rs. 19,882 lakhs with the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015. The Company has given corporate guarantee for the loan taken by the subsidiary. Pending approval of the claim by the adjudicating authority, we are unable to comment on the recoverability of assets with carrying value of Rs. 19,882 lakhs together with consequential impact, if any, arising out of the same in these accompanying consolidated Ind AS financial statements.

Note * is included as Note 7(C) to the consolidated financial results.

b. As discussed more fully in note # to the accompanying financial statements, regarding the uncertainties faced by the coal-based power plants of a subsidiary company towards the resolution plan with lenders and determination of final tariff. Pending resolution of these uncertainties/approvals, we are unable to comment upon the recoverability of assets with carrying value of Rs. 360,412 lakhs together with consequential impact, if any, arising out of the same in these accompanying consolidated Ind AS financial statements.

Note # is included as Note 7(b) to the consolidated financial results. Also, this matter has subsequently been updated basis communication dated March 25, 2021 in the Memorandum of Work performed for the year ended March 31, 2020, received from the auditor of GVK Energy Limited in relation to Coal based power plant, as reproduced below for reference:

"In respect of GVK Industries Limited and GVK Gautami Power Limited, the company



has completely written off the investment value due to continued uncertainties faced by the gas based power plants towards supply/availability of gas, recovery of capacity charged and approval of the onetime settlement proposal with lenders.

The consolidated financial statements of GVK Energy Limited consists of Property, Plant and Equipment of GVK Industries Limited of Rs. 47,403 Lakhs and non-current assets of GVK Gautami Power Limited to the extent of Rs. 98,885 Lakhs (%).

The consolidated financial statements of GVK Energy Limited also consists of Property, Plant and Equipment and other intangible assets of Rs. 360,412 Lakhs of GVK Power (Goindwal Sahib) Limited, a Coal based power plant.

The group auditor may accordingly consider the above facts for reporting on the recoverability of these assets in the report."

Note % is included as Note 7(a) to the consolidated financial results.

In light of the above, we are unable to comment on the extent of eventual recoverability of the investment in and loans to GVK Energy Limited aggregating to Rs. 28,600 lakhs as disclosed under "loans" after recording Groups share of losses and the provisions, if any, required for the corporate guarantee given to the joint venture amounting to Rs. 4,500 lakhs. The impact of this matter on the consolidated financial results is presently not ascertainable.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: Repetitive

For Audit Qualification(s) where the impact is not quantified by the auditor:

- (i) **Management's estimation on the impact of audit qualification:** Not Applicable
(ii) **If management is unable to estimate the impact, reasons for the same:**

- a. The Hon'ble Supreme Court of India had deallocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company. As directed by Hon'ble High Court of Delhi, GVK Coal (Tokisud) Private Limited has submitted its claim for an amount Rs. 19,882 lakhs with the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015. Hence, the impact of the same is unascertainable.
- b. The Coal Based Power project (step down subsidiary) has challenged the Tariff passed by the Punjab State Electricity Regulatory Commission (PSERC) before the Appellate Tribunal. It has also submitted resolution plan to the lenders. Pending adjudication of Tariff order by the Tribunal and acceptance of the Resolution plan, it is difficult to estimate the impact.
-
3. The following qualification to the audit opinion on the standalone financial statements of GVK Bagodara Vasad Expressway Private Limited, a step-down subsidiary of the holding company issued by an independent firm of Chartered Accountants vide its report dated June 25, 2020, reproduced by us as under:
- a. "The project of the Company was terminated by GSRDC by referring the defaults of the Concessionaire. Consequent to the termination of the project, Company has



accounted, cost incurred on the project Rs. 58,904 lakhs as amount receivable from the GSRDC as management has represented that the project of the Company was terminated due to the reasons attributable to the GSRDC. Company has disputed the termination notice and invoked arbitration in terms of the provisions of concession agreement. The matter is sub-judice before Hon'ble Arbitral Tribunal. We are unable to comment upon its recoverability in the absence of availability of related convincing audit evidence as to its recoverability.

- b. Non provision of advance to EPC contractor (GVK Projects and Technical Services Limited) amounting to Rs. 8,470 lakhs as doubtful of recovery. This has resulted in under-statement of loss of the year by Rs. 8,470 lakhs and overstatement of advances by the same amount (refer note # to the financial statements).
- c. Balances of borrowings (including interest accrued thereon) from lender amounting to Rs. 69,681 lakhs as at March 31, 2020 as per books of accounts are unconfirmed. In absence of such confirmations, we are unable to comment on the appropriateness of carrying amount of borrowing (along with interest accrued thereon) as presented in the Balance Sheet."

Note # has been reproduced as note 8(a) to the consolidated financial results.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: First

For Audit Qualification(s) where the impact is not quantified by the auditor:

- (i) **Management's estimation on the impact of audit qualification:** Not Applicable, except for Rs. 8,470 lakhs
- (ii) **If management is unable to estimate the impact, reasons for the same:**

- a. The project of the Company was terminated by GSRDC by referring the defaults of the Concessionaire. Consequent to the termination of the project, Company has accounted, cost incurred on the project Rs. 58,904 lakhs as amount receivable from the GSRDC as management has represented that the project of the Company was terminated due to the reasons attributable to the GSRDC. Company has disputed the termination notice and invoked arbitration in terms of the provisions of concession agreement. The matter is sub-judice before Hon'ble Arbitral Tribunal. Hence, the impact of the same is unascertainable.
- b. Non provision of advance to EPC contractor (GVK Projects and Technical Services Limited) amounting to Rs. 8,470 lakhs as doubtful of recovery. This has resulted in under-statement of loss of the year by Rs. 8,470 lakhs and overstatement of advances by the same amount. Management is expected to recover the amounts.
- c. The company has followed an accrual basis of accounting and has made provision for interest as per the terms of the loan agreement. The management is of the opinion non confirmation may not impact the financials.

4.

- a. Note 17 (a) to the consolidated financial results regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds etc, pending completion of which and non provision of certain related information sought from the holding company including complete copy of the Enforcement Directorate complaint, we are unable to comment on the effect thereof on the consolidated financial results including prior year comparatives considering



allegations over GVK Group.

- b. We draw your attention to the following qualification to the audit opinion of the consolidated financial statements of Mumbai International Airport Limited, a step down subsidiary of the Holding Company issued jointly by two independent firm of Chartered Accountants vide their report dated December 31, 2020 reproduced by us as under:

As more fully described in note * of the Consolidated Ind AS financial statements, pending completion of the investigation by various authorities on the Holding Company, we are unable to comment on the effect thereof on these accompanying consolidated financial statements including prior period comparatives.

Note * is considered appropriately as Note 17(b) to the consolidated financial results.

- c. We draw your attention to the following qualification to the audit opinion of the standalone financial statements of GVK Airport Holdings Limited, a step down wholly owned subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated March 31, 2021 reproduced by us as under:

We draw attention to note * of the standalone Ind AS financial statements, which describes pending completion of the investigation by various authorities on the Company and Mumbai International Airport Limited (its subsidiary company), we are unable to comment on the effect thereof on these accompanying standalone Ind AS financial statements including prior period comparatives.

Note * is considered appropriately as note 17(c) to the consolidated financial results.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: First time

For Audit Qualification(s) where the impact is not quantified by the auditor:

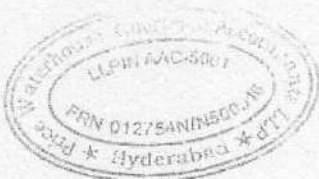
- (i) **Management's estimation on the impact of audit qualification:** Not Applicable
(ii) **If management is unable to estimate the impact, reasons for the same:**

Investigations by various agencies are under process and is subject to Judiciary scrutiny and hence the impact of the same is not ascertainable.

5.

- (i) Note 18(a) to the consolidated financial results regarding
(a) non holding of the Annual General Meeting (AGM), in respect of financial year ended March 31, 2020 within the time limit specified under Section 96(1) of the Act, consequent non laying of the financial statements in the AGM as prescribed under Section 129(2) and Section 137 of the Act,
(b) non filing of the audited financial statements for the financial year ended March 31, 2020 and subsequent quarters, with the Bombay Stock Exchange and National Stock Exchange of India Limited within the time limit as specified under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015 and
(c) non-compliance with section 44AB of the Income-tax Act, 1961 for non-filing of tax audit reports in form 3CA-3CD with Income Tax Authorities, within the stipulated time period, for the year ended March 31, 2020. We are unable to comment on the impact of these non-compliances on the consolidated financial results.

- (ii) Note 18(b) to the consolidated financial results regarding non holding of the Annual



General Meeting (AGM) by GVK Airport Developers Limited (GVKADL), a subsidiary, in respect of financial year ended March 31, 2020 within the time limit specified under Section 96(1) of the Act and consequent non laying of the financial statements by GVKADL in the AGM as prescribed under Section 129(2) and Section 137 of the Act. The consequential impact of the aforesaid non-compliance on the consolidated financial statements is presently not ascertainable.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: First time

For Audit Qualification(s) where the impact is not quantified by the auditor:


(i) **Management's estimation on the impact of audit qualification:** Not Applicable

(ii) **If management is unable to estimate the impact, reasons for the same:**

- a. Non holding of the Annual General Meeting (AGM)
- b. Non filing of the audited financial statements with Exchanges
- c. Non-compliance with section 44AB of the Income-tax Act, 1961.

Company will take appropriate steps to comply with all statutory compliances post the finalization of accounts. It will also apply for condonation of delay.



III.	For GVK POWER & INFRASTRUCTURE LIMITED	
	<p style="text-align: center;"><i>P. V. Prasanna Reddy</i></p> P. V .PRASANNA REDDY Whole Time Director	 <p style="text-align: center;"><i>Balasubramanian.S</i></p> Balasubramanian.S Audit Committee Chairman
	FOR PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP <p style="text-align: center;"><i>N. K. Varadarajan</i></p> N. K. VARADARAJAN PARTNER Membership Number: 90196	<p style="text-align: center;"><i>A. Issac George</i></p> A. ISSAC GEORGE Whole Time Director & CFO
Place: Hyderabad Date: August 24, 2021		