

10th February, 2022



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: Un-audited Financial Results along with limited review reports of the Statutory Auditors.

Ref: 1) BSE Scrip Code: 532708, NSE Scrip Code: GVKPIL.
2) Regulation 33 & 52 of the SEBI (LODR) Regulations, 2015.
3) Our letter of intimation dated 20th January, 2022

Further to our letter of intimation cited above, this is to inform you that the Board of Directors of our Company at its meeting held on today the 10th February, 2022 had considered and approved the un-audited financial results of the company for the following periods of the financial year **2021-22** along with the respective limited review reports of the Statutory Auditors;

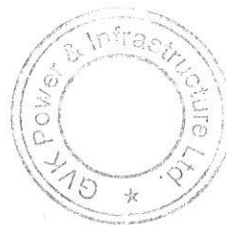
- a) Quarter ended 30th June, 2021;
- b) Quarter and half year ended 30th September, 2021; and
- c) Quarter and nine months ended 31st December, 2021.

The Board Meeting commenced at 11:30 a.m. and concluded at 2:00 p.m.

This is for your information and record.

Yours faithfully,
For GVK Power & Infrastructure Limited

P V Rama Seshu
Vice President & Company Secretary



Encl: Each of the above results and Limited Review Reports (LRR) of auditors.

GVK Power & Infrastructure Limited
CIN: L74999TG2005PLC059013

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 quarter and half year ended September 30, 2021

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended (Unaudited)			Half year ended (Unaudited)		Year ended (Audited)
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
1	Income						
	Revenue from operations	-	-	316	-	631	2,066
2	Other income (Refer note 6)	7,047	730	1,624	7,777	2,123	3,237
3	Total revenue	7,047	730	1,940	7,777	2,754	5,303
4	Expenses						
	Employee benefit expenses	19	23	32	42	66	128
	Other expenses	2,109	70	172	2,179	290	605
	Impairment of non-current investments	-	669	-	669	25,100	25,126
	Depreciation	3	3	6	6	11	19
	Finance costs	-	-	(136)	-	-	2
	Total Expenses	2,131	765	74	2,896	25,467	25,880
5	Profit/(loss) from ordinary activities but before	4,916	(35)	1,866	4,881	(22,713)	(20,577)
6	Exceptional items	-	-	-	-	-	-
7	Profit/(loss) from ordinary activities (5-6)	4,916	(35)	1,866	4,881	(22,713)	(20,577)
8	Tax Expenses	-	-	-	-	64	47
9	Profit/(loss) from ordinary activities after tax (7-8)	4,916	(35)	1,866	4,881	(22,777)	(20,624)
10	Other comprehensive income (net of tax)	-	-	-	-	-	-
11	Total comprehensive income (after tax) (9+10)	4,916	(35)	1,866	4,881	(22,777)	(20,624)
12	Paid-up equity share capital	15,792	15,792	15,792	15,792	15,792	15,792
13	Earnings per share (EPS)						
	a) Basic (in Rs.)	0.31	(0.00)	0.12	0.31	(1.44)	(1.31)
	b) Diluted (in Rs.)	0.31	(0.00)	0.12	0.31	(1.44)	(1.31)

GVK Power & Infrastructure Limited

P V Prasanna Reddy
P V Prasanna Reddy
Whole-time Director



Place: Hyderabad
Date : February 10, 2022



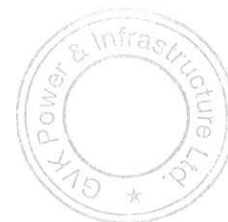
GVK Power & Infrastructure Limited
Standalone Statement of assets and liabilities

(All amounts are in Indian Rupees Lakhs except for share data or otherwise stated)

	As at September 30, 2021	As at March 31, 2021
Assets		
Non-current assets		
Property, plant and equipment	61	56
Investments	86,102	86,532
Financial assets		
Investments	7,136	-
Non Current tax assets (net)	1,111	1,111
Other non-current assets	13	13
	<u>94,423</u>	<u>87,712</u>
Current assets		
Financial assets		
Investments	12,572	2,119
Trade receivables	41	2,050
Cash and cash equivalents	1,929	57
Loans	8,759	19,803
Other financial assets	137,473	18
Other current assets	167	31
	<u>160,941</u>	<u>24,078</u>
Assets clasified as held for Sale	-	43,473
Total	<u>255,364</u>	<u>155,263</u>
Equity and Liabilities		
Equity		
Equity share capital	15,792	15,792
Other equity	70,153	65,272
	<u>85,945</u>	<u>81,064</u>
Liabilities		
Non-current liabilities		
Financial liabilities		
Unearned financial guarantee liability	2,695	1,663
	<u>2,695</u>	<u>1,663</u>
Current liabilities		
Financial liabilities		
Borrowings	70,504	70,518
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	1,727	201
Other financial liabilities	94,080	1,717
Provisions	3	7
Other current liabilities	410	93
	<u>166,724</u>	<u>72,536</u>
Total liabilities	<u>169,419</u>	<u>74,199</u>
Total	<u>255,364</u>	<u>155,263</u>



	Half year ended September 30, 2021	Half year ended September 30, 2020
1 CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax	4,881	(22,713)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation expenses	6	11
Impairment of non-current investments and receivables	669	25,100
Gain on sale of current investments (net)	(150)	(54)
Profit on Sale of Investments	(4,576)	-
Gain on fair valuation of equity share	(2,336)	-
Unwinding interest income on financial guarantees and debt instruments	-	(361)
Notional commission on guarantee given to subsidiaries	-	(441)
Reversal of previous year expenses	-	(1,222)
Liabilities/ Provisions no longer required, written back	(685)	-
Interest income on income tax and service tax refund	-	(18)
Operating profit before working capital changes	(2,191)	302
Movement in working capital:		
Decrease/(Increase) in trade receivables	2,009	(651)
Decrease in other current/non current assets	(262)	217
Increase/(Decrease) in trade payables, current liabilities and provisions	1,839	173
Cash generated from operations	1,395	41
Taxes (paid)/refund	-	180
Net cash generated from operating activities	(A) 1,395	221
2 CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / proceeds from sale of current investments (net)	(10,303)	(808)
Investments in subsidiaries/ associates/related party including share application money	(239)	(7)
Loans (given)/refunds to/from subsidiaries/related party	11,044	37
Purchase of property, plant and equipment	(11)	-
Interest received	-	18
Net Cash (used in)/ generated from investing activities	(B) 491	(760)
3 CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	-	(898)
Proceeds from short term borrowings (net)	(14)	2,015
Interest paid	-	(463)
Net Cash generated from/(used in) financing activities	(C) (14)	654
Net increase/ (decrease) in Cash and Cash Equivalents	(A+B+C) 1,872	115
Cash and Cash Equivalents at the beginning of the year	57	28
Cash and Cash Equivalents at the end of the year	1,929	143
Components of cash and cash equivalents		
Balance with banks:		
Current accounts	1,929	143
Total cash and cash equivalents	1,929	143



S. No.	Particulars	Quarter ended (Unaudited)			Half year ended (Unaudited)		Year ended (Audited)
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
1	Income						
	Revenue from operations	9,036	7,073	8,259	16,109	12,661	31,033
2	Other income	335	248	1,396	583	1,558	2,216
3	Total Income	9,371	7,321	9,656	16,692	14,219	33,249
4	Expenses						
	(a) Employee benefit expenses	208	218	218	426	488	922
	(b) Finance costs	4,047	4,285	7,961	8,332	16,082	30,527
	(c) Depreciation and amortisation	1,515	1,185	1,147	2,700	1,767	5,215
	(d) Impairment of non-current investments	-	-	-	-	-	-
	(e) Fair value loss on investment	-	-	-	-	-	-
	(f) Other expenses	12,454	1,780	1,173	14,234	7,630	21,663
	Total expenses	18,224	7,468	10,499	25,692	25,967	58,327
5	Profit/ (Loss) from ordinary activities but before exceptional items (3-4)	(8,853)	(147)	(844)	(9,000)	(11,748)	(25,078)
6	Exceptional items	-	-	-	-	-	-
7	Profit/ (Loss) from ordinary activities (5-6)	(8,853)	(147)	(844)	(9,000)	(11,748)	(25,078)
8	Add: Share of profit/ (loss) from associates/ jointly controlled entities	-	-	-	-	-	-
9	Loss before tax for the period from Continuing operations (7+8)	(8,853)	(147)	(844)	(9,000)	(11,748)	(25,078)
10	Tax expense	1,747	1,188	1,576	2,935	2,090	3,872
11	Loss for the period from Continuing operations (9-10)	(10,600)	(1,335)	(2,420)	(11,935)	(13,838)	(28,950)
12	Profit/ (Loss) before Tax for the period from discontinued operations (Refer note 6)	250,101	(10,251)	(31,960)	239,850	(66,159)	(84,517)
13	Tax expense of discontinued operations	-	(4,094)	(7,074)	(4,094)	(14,857)	(19,766)
14	Profit/ (Loss) for the period from discontinued operations (12-13)	250,101	(6,157)	(24,886)	243,944	(51,302)	(64,751)
15	Profit/ (Loss) for the Period (11+14)	239,501	(7,492)	(27,306)	232,009	(65,140)	(93,701)
	Other comprehensive (expense)/income -Continuing operations	18	-	(13)	18	633	109
	Other comprehensive (expense)/income -discontinued operations	-	-	1	-	3	108
16	Total other comprehensive (expense)/income	18	-	(12)	18	636	217
17	Total comprehensive income for the period (15+16)	239,519	(7,492)	(27,318)	232,027	(64,504)	(93,484)
18	Profit/ (Loss) for the period attributable to:						
	- Owners of the Company						
	Profit/(Loss) for the period from Continuing operations	(10,600)	(1,334)	(2,420)	(11,934)	(13,554)	(28,666)
	Profit/(Loss) for the period from discontinued operations	250,101	(867)	(16,617)	249,234	(34,462)	(47,761)
	- Non controlling interests						
	Profit/(Loss) for the period from Continuing operations	-	(1)	-	(1)	(284)	(284)
	Profit/(Loss) for the period from discontinued operations	-	(5,290)	(8,269)	(5,290)	(16,840)	(16,990)
19	Other comprehensive income for the period attributable to:	239,501	(7,492)	(27,306)	232,009	(65,140)	(93,701)
	- Owners of the Company						
	Profit/(Loss) for the period from Continuing operations	18	-	(17)	18	629	109
	Profit/(Loss) for the period from discontinued operations	-	-	(1)	-	1	55
	- Non controlling interests						
	Profit/(Loss) for the period from Continuing operations	-	-	4	-	4	-
	Profit/(Loss) for the period from discontinued operations	-	-	2	-	2	53
20	Total comprehensive income for the period attributable to:	18	-	(12)	18	636	217
	- Owners of the Company						
	Profit/(Loss) for the period from Continuing operations	(10,582)	(1,334)	(2,437)	(11,916)	(12,925)	(28,557)
	Profit/(Loss) for the period from discontinued operations	250,101	(867)	(16,618)	249,234	(34,461)	(47,706)
	- Non controlling interests						
	Profit/(Loss) for the period from Continuing operations	-	(1)	4	(1)	(280)	(284)
	Profit/(Loss) for the period from discontinued operations	-	(5,290)	(8,267)	(5,290)	(16,838)	(16,937)
21	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792	15,792
	Basic and Diluted earnings per share in Rs						
	- Continuing operations	(0.67)	(0.08)	(0.15)	(0.76)	(0.86)	(1.82)
	- Discontinuing operations	15.84	(0.05)	(1.05)	15.78	(2.18)	(3.02)
	- Total operations	15.17	(0.14)	(1.21)	15.03	(3.04)	(4.84)

GVK Power & Infrastructure Limited

P V Prasanna Reddy
P V Prasanna Reddy
Whole Time Director



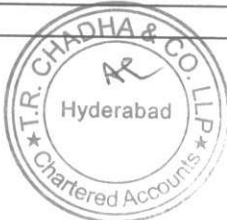
Place: Hyderabad
Date: February 10, 2022



GVK Power and Infrastructure Limited
Audited Consolidated statement of Assets and Liabilities

(Rs In Lakhs)

S.No.	Particular	As at September 30, 2021 (Unaudited)	As at March 31, 2021 (Audited)
	Assets		
I)	Non-current assets		
	Property, plant and equipment	174	177
	Capital work in progress	57,067	57,067
	Investment Property	11,655	11,655
	Goodwill	15,142	15,142
	Intangible assets	9,053	11,725
	Financial assets		
	Investments	7,136	
	Other non-current financial assets	100,983	100,983
	Deferred tax assets (net)	3,356	3,227
	Tax assets (Net)	3,764	3,764
	Other non-current assets	38,835	38,888
	Total	247,165	242,628
II)	Current Assets		
	Inventories	70	80
	Financial assets		
	Investments	30,707	2,125
	Trade receivables	219	186
	Cash and cash equivalents	2,882	6,952
	Balances with banks other than cash and cash equivalents	5,609	5,501
	Loans	5,094	35,278
	Other financial assets	138,704	9,718
	Current tax assets	5,316	7,913
	Other current assets	6,279	6,687
	Total	194,880	74,440
III)	Assets clasified as held for Sale	-	1,681,035
	Grand Total	442,045	1,998,103
	Equity and Liabilities		
I)	Equity		
	Equity share capital	15,792	15,792
	Other equity	(124,464)	(361,782)
	Equity attributable to owners of the Group	(108,672)	(345,990)
II)	Non-controlling interest	125,965	239,136
	Total Equity	17,293	(106,854)
III)	Non-current liabilities		
	Financial Liabilities		
	Borrowings	7,599	10,208
	Other financial liabilities	7,023	3,855
	Provisions	63	56
	Total	14,685	14,119
IV)	Current liabilities		
	Financial liabilities		
	Borrowings	327,941	339,922
	Trade payables - Total outstanding dues of:		
	- micro and small enterprises	-	6
	- other than micro and small enterprises	3,883	4,318
	Other financial liabilities	67,574	62,867
	Provisions	3,512	5,172
	Current tax liabilities (net)	1,623	1,170
	Other current liabilities	5,534	3,485
	Total	410,067	416,940
V)	Liabilities clasified as held for Sale	-	1,673,898
	Grand Total	442,045	1,998,103



GVK Power and Infrastructure Limited

Consolidated statement of cash flow

(All amounts in INR lakhs, except share data and where otherwise stated)

		Half year ended September 30, 2021	Half year ended September 30, 2020
A. Cash Flow From Operating Activities			
Loss before tax for the period from Continuing operations		(9,000)	(11,748)
Adjustments for:			
Depreciation and amortisation (net)		2,700	1,767
Interest expenses		8,148	16,017
Interest income		(122)	(174)
Liabilities written back/ Reversal of previous year expenses		(74)	(1,223)
Gain on sale of current investments (net)		(284)	(111)
Provision for doubtful debts		-	963
Advances written off & Bad debts		(8,527)	4,420
Loss on exchange fluctuation (net)/ Other non cash expenses		15	-
Provision for Periodic overlay		1,496	-
Operating Profit before Working Capital Changes		(5,648)	9,910
Change in operating assets and liabilities:			
Decrease/(Increase) in trade receivables		1,989	(704)
Decrease/(Increase) in Inventories		10	2
Decrease/(Increase) in Financial Assets loans, others, other current and noncurrent assets		17,276	25,381
(Decrease)/Increase in Provisions		(1,650)	(4,442)
Increase in Trade payables, other financial liabilities and current liabilities		(244)	(8,294)
Cash Generated from Operations		11,733	21,853
Taxes (paid)/refund (net)		(20)	180
Net Cash flow from Operating Activities	(A)	11,713	22,033
B. Cash Flow From/(Used In) Investing Activities			
Investments in subsidiaries/ associates/related party including share application money			
Loans (given)/refunds to/from subsidiaries/related party			
Purchase of fixed assets		(24)	-
(Purchase) / proceeds from sale of current investments (net)		(28,298)	(808)
Loans (given) to / taken from related parties and others (net)		30,258	-
(Investment)/ Realization of bank deposits (having original maturity of more than 3 months)		(108)	-
Interest received		119	18
Net Cash flow from/(used in) Investing Activities	(B)	1,947	(790)
C. Cash Flow Used In Financing Activities			
Proceeds from short term borrowings (net)			
Proceeds from Long term Borrowings		-	2,125
Repayment of long term borrowings		(17,437)	(20,056)
Repayment/ Proceeds from short term borrowings (net)		1,085	(108)
Interest paid		(1,378)	(3,107)
Net Cash flow used in Financing Activities	(C)	(17,730)	(21,146)
Net increase/(decrease) in Cash and Cash Equivalents	(A+B+C)	(4,070)	97
Cash and Cash Equivalents at the beginning of the year		6,952	789
Cash and Cash Equivalents at the end of the year		2,882	886
Components of cash and cash equivalents as per Cash Flow Statement			
Balance with banks:			
Current accounts		2,874	861
Cash		8	25
Total		2,882	886



GVK Power & Infrastructure Limited

Notes for standalone & consolidated financial results

- 1 GVK Power & Infrastructure Limited ("The Company") has followed Indian Accounting Standards (Ind AS) prescribed under Section 133 of Companies Act, 2013, read with relevant rules issued thereunder.
- 2 The Company carries its businesses in various segments viz., Power, Roads, Airports (Discontinuing operations) 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, its subsidiaries, share of profits / (losses) of associates and jointly controlled entities, except for airport vertical for which it is shown separately as discontinuing operations (collectively "the Group").
- 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 standalone & consolidated financial results have been reviewed by the audit committee on February 10, 2022 and have been approved by board of directors at their meeting held on February 10, 2022.
- 5 As at September 30, 2021, the Group had accumulated losses and the Group has incurred losses during the current and preceding periods/ years. The Groups current liabilities are in excess of current assets. The group has delayed payment of loans and interest and various loan accounts have been classified as non-performing by banks/ lenders. 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 7, 8, 10(a) and 10(b) (referring to notes on GVK Coal Developers (Singapore) Pte Limited, GVK Energy Limited, GVK Bagodara Vasad Expressway 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, arbitration on delay of commencement of road projects, termination of projects etc. These factors together with the impact of Covid 19 may indicate significant doubt on going concern ability 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.
- 6 The Company and its subsidiary GVK Airport Developers Limited (GVK ADL) has 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 Airport Holdings Limited (GVKAHL) 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 Mumbai International Airport Limited (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 GVKAHL). AAHL has since acquired the debt of GVKADL from lenders and has converted the same to equity acquiring controlling interest in GVKADL on July 13, 2021. GVKPIL has also sold its majority holding in GVKADL to AAHL and the amount has been shown as recoverable from them. Consequently GVKADL, Bangalore Airport & Infrastructure Developers Limited (BAIDL), GVKAHL, MIAL and Navi Mumbai International Airport Limited (NMIAL) are no longer subsidiaries of the Company from July 13, 2021. The company has recognised a profit of Rs.4,576 Lakh in the standalone financials on account of transfer of Equity shares and a gain of Rs 2,336 Lakhs on account of fair value of balance of the investment held in GVKADL. In the consolidated financials a profit from the discontinued operations of Rs.250,101 lakhs has been recognised for the quarter ended September 30, 2021.

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 & Infra 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. 100,000 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.

- 7 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 provided for impairment of Rs 79,048 Lakhs for full value of its investment and receivable. The impairment of its investment and receivable aggregating to Nil during the period ended September 30, 2021 (March 31, 2021: Rs 414 Lakhs) in the absence of any certainty of realization either by use or from the settlement that may be reached. The Group has also given guarantees and commitments for loans amounting Rs. 840,545 lakhs (March 31, 2021: Rs. 827,149 lakhs) taken by GVK Coal as at September 30, 2021 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 also undertaken to provide financial assistance of USD 3.11 million (Rs. 2,308 lakhs) as at September 30, 2021, an entity whose current liabilities exceeds current assets by USD 2,459 million (Rs. 1,828,727 lakhs) as at June 30, 2021 and the entity has also incurred net losses of USD 48 Million (Rs.35,479 Lakh) for the year ended June 30, 2021 (June 30, 2020: USD 317 Million (Rs.235,288 Lakh)) based on the audited financial statements of GVK Coal 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, all the 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 Developers 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.



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

a) Trade receivable of GVK Industries Limited (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, 2021: Rs. 4,512 lakhs) by GVKIL, disincentive recoverable aggregating to Rs. 2,878 lakhs (March 31, 2021: Rs. 2,878 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, 2021: Rs. 2,031 lakhs) and other receivables of Rs. 75 lakhs (March 31, 2021: Rs. 75 lakhs). In GVK Gautami Power Limited (GVKGPL), the minimum alternate tax under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2009-2010 to 2010-2011, aggregating to Rs. 1,500 lakhs (March 31, 2021: Rs. 1,500 lakhs) is accounted, which are being refuted by AP Transco/subject to approvals.

There has been uncertainty regarding supplies/availability of gas to power plants of GVK Industries Limited (GVKIL), subsidiary company of GVKEL, and GVK Gautami Power Limited (GVKGPL), jointly controlled entity of GVKEL. These group companies have made losses of Rs. 25,384 lakhs during the current period (March 31, 2021: Rs. 46,511 lakhs). The lenders have classified the loan balances of these group companies as non-performing assets. One of the lenders in the consortium of GVKIL has filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company and hearing on petition is pending.

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 realized 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 during the FY ended March 31, 2020.

GVKEL accordingly believes that no provision for impairment/diminution is required towards carrying value of assets aggregating to Rs. 54,052 Lakhs & Rs.87,704 Lakhs of GVKIL & GVKGPL respectively and also no provision towards corporate guarantee given by GVKEL to GVKGPL is necessary

b) The Hon'ble Supreme Court of India had deallocated dedicated coal mine allotted to GVK Power (Goindwal Sahib) Limited (GVKPGSL). GVK Coal (Tokisud) Private Limited (GVKCTPL), a subsidiary of GVKEL and mine operator for coal mine allotted to GVKPGSL, was offered of a compensation by the Nominated Authority 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. Subsequently GVKCTPL submitted its claim for the balance amount of Rs. 19,882 Lakhs to the aforesaid authority. Nominated authority further approved Rs 13,827 Lakhs against the claim recently and GVKCTPL has appealed against the same for the differential amount.

GVK Energy has written off its investment in GVKCTPL amounting to Rs. 10,986 lakhs during the year ended March, 2018. 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 to GVKCTPL.

c) Uncertainty is being faced by coal based Thermal Power plant with carrying value of assets aggregating to Rs. 369,752 lakhs (March 31, 2021: Rs. 380,291 lakhs) of GVK Power (Goindwal Sahib) Limited ('GVKPGSL'), subsidiary company of GVKEL, due to uncertainty in supply of fuel consequent to the Hon'ble Supreme Court of India had deallocated dedicated coal mine allotted to GVKPGSL. Management had filed petition with Punjab State Electricity Regulatory Commission (PSERC) for re-negotiation of terms of power purchase agreement claiming force majeure and change in law as envisaged under Power Purchase Agreement. It had also applied for the approval of completed capital cost and determination of final tariff for the Project.

The subsidiary company GVKPGSL was allotted 1.7 million tons of coal from M/s Central Coal Fields Limited (CCL) under Scheme for Harnessing Scheme for Harnessing and Allocating Koyala Transparently in India (SHAkti). It entered into an agreement with CCL on 16th February, 2018. PSERC had approved the capital cost of Rs 3,05,837 Lakhs on January 17, 2020 against the claim of Rs 4,49,106 Lakhs. PSERC has also not allowed complete pass through of cost on account of fuel. Aggrieved with the above order, the company has preferred an appeal against the said order before Appellate Tribunal for Electricity (APTEL).

The GVKPGSL has defaulted on repayment of dues to lenders. One of the lenders in the consortium of GVKPGSL has filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company and hearing on petition is still pending.

Further based on the valuation performed, GVK Energy has made a provision for diminution of investments to the extent of Rs 108,210 Lakhs & Rs. 18,310 lakhs during the year ended March 31, 2021 & March 31, 2020 respectively in its standalone financial statements towards investments in GVKPGSL.

Management is actively looking to implement the resolution plan with the lenders. Accordingly, management believes that no provision is required to be made to the assets carrying value of Rs. 369,752 Lakhs.

d) The parent company (GVKPIL) has assessed and based on the valuation carried out, provided an amount of Rs 25,100 Lakhs for year ended March 31, 2021 (Rs 4,900 Lakhs during the year March, 2020) in its standalone financial statement towards its investments in GVKEL. No provision is considered necessary in standalone books of accounts of GVKPIL towards the remaining carrying value of Rs 73,923 Lakhs of its investments in GVKEL based on the valuation carried out and other relevant factors and loans of Rs 117 Lakhs.

e) The Group has already accounted the share of its losses in previous years related to GVK Energy Limited (Jointly Controlled Entity) to the extent of its investments and hence there is no further provisioning required of the losses in Group Accounts during the year.

f) The Group also has receivables of loan of Rs. 5,084 lakhs (March 31, 2021: Rs. 35,274 lakhs) from GVKEL and the parent company has also given corporate guarantee of Rs 3,100 Lakhs (March, 2021 Rs. 3,100 Lakhs) to GVKEL. The management believes that no provision for diminution for such loans and no provision for corporate guarantees given by the parent Company is required considering the overall evaluation of the Jointly Controlled Entity.

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

As at September 30, 2021, the GVKEL Group had accumulated losses and the GVKEL Group has incurred losses during the previous year and the current year. The GVKEL Group's current liabilities are in excess of current assets. The GVKEL Group has delayed payment of loans and interest and certain loan accounts of the GVKEL 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, as detailed in Note 8 (a) and 8 (b) above, uncertainties are being faced by various projects in the GVKEL 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 GVKEL Group have been prepared on going concern basis as, management believes that the GVKEL 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.



10 The company has wholly own subsidiary company viz. GVK Transportation Pvt. Ltd. (GVKTPL). GVKTPL has made investment into four subsidiaries out of which two subsidiaries are facing uncertainties, detailed as below:

a) GVK Bagodara Vasad Expressway Private Limited (GVK BVEPL)

GVK Bagodara Vasad Expressway Private Limited (GVK BVEPL) step subsidiary of the Company has spent an amount of Rs 67,374 lakhs till September 30, 2021 (March 31, 2021: Rs 67,374 lakhs), comprising Rs 58,904 lakhs towards project expenditure and Rs. 8,470 lakhs net towards advances to contractor (Which is the written off during the quarter ended September 30, 2021) on various works under this Concessionaire Agreement. During the course of construction, there has been significant delays in fulfilling the obligations from GSRDC like providing Land required for construction, right of 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.

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 Defense and a counter claim of Rs.91,325 lakhs as termination payment due to GSRDC default (apart from various other claims towards Loss of Profit, Interest Payment on Debts etc.) disputing the very process of termination and are also taking other necessary legal remedies in this regard. Initially GVK BVEPL intended to bring into substitution process, however inspite of best efforts of GVK BVEPL, substitution process could not be completed. Meanwhile GSRDC awarded project to two different contractors. Hence GVK BVEPL is no more going concern and the financials are 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. Tribunal heard arguments of both sides in respect of Application dated 23-09-2021 for production of additional documents, the hearing was concluded and orders in the said application are reserved.

All the loan accounts become non-performing assets as on the date of the balance sheet and company received recalled notices from the banks and financial institutions and hence borrowing from the banks and financial intuitions are treated as other current financial liabilities.

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. 58,565 lakhs (As appearing in the consolidated financial statement); comprising Rs.58,562 lakh as Other Non-Current financial assets and Rs.3 lakh as Property Plant & Equipment on September 30,2021 (March 31, 2021 Rs. 67,026 lakhs) at carrying value in the financial statements and no provision for diminution is necessary.

b) GVK Deolikota Expressway Private Limited (GVK DKEPL)

On June 25, 2019, 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. 169,650 lakhs (apart from various other claims towards future loss, Loss of Toll Revenue, Loss suffered on account of additional overheads etc.) 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 along with 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.

The matter is under Arbitration and the company has filed claim documents with Tribunal and NHAI has filed statement of defence and next hearing is fixed on February 12, 2022.

Meanwhile, the NHAI has paid a Gross total of Rs 49,767 Lakhs (Net Rs 24,977 Lakhs after deduction of Income Tax TDS Rs 1,303 Lakhs, GST TDS Rs 995 Lakhs, Premium Rs 16,917 Lakhs, Interest on Premium Rs 5,141 Lakhs, TCS Rs 338 Lakhs and Interest on TCS Rs 97 Lakhs) till November 30, 2021 towards our Termination payment claim. The company has thereafter filed an interim application U/s 17 of the Arbitration and Conciliation Act, 1996 for full amount of termination payment as calculated by NHAI. Meanwhile the company has also filed Rejoinder and partly arguments were heard on on various dated and orders in the said application are reserved.

GVK DKEPL has defaulted in repayment of principal amount and payment of interest on such term loans taken from consortium of banks & financial intuitions. As a result, the lenders have classified the term loan as non-performing asset and have recalled the entire facilities extended to the company. As result of that, the term loans have become repayable on demand, Company has not received borrowing statements and confirmation of borrowing balances from lenders.

The Concession Agreement being the sole agreement executed by the Company, termination of the same has now resulted into liquidation basis of accounting which has been adopted in preparation of these financial statements of GVK DEPL. 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 the Company, Company has impaired toll and premium assets against premium liability (not due) and claim receivable from NHAI.

GVK DKEPL based on its internal assessment/ legal advice is confident that it will be able to recover the balance amount spent on the project till date including its various claims and accordingly the management believes that it is appropriate to recognise total assets aggregating to Rs.45,467 lakh; comprising Rs.45,094 lakh as Other Non-Current assets, Rs.9 lakh as Property Plant & Equipment and Rs 364 Lakh as the Current Assets on September 30,2021 (Rs.51,777 lakh as on March 31,2021) at carrying value in the financial statements.

11 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. 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 at present has the concession to operate and collect the toll till March 16, 2023. However, NHAI vide its Policy circular No. 8.3.33/2020 dated 26th May, 20 had provided relief measures to BOT (Toll) Concessionaires from the impact of COVID-19, wherein extension of concession period was granted, based on certain criteria, for a minimum of three months and a maximum of six months period from the end of the concession period. Accordingly, GVKJEPL has applied for extension of concession period and is confident of getting the extension and considered the impairment of goodwill accordingly.



12 GVK Ratle Hydro Electric Project Private Limited (GVK Ratle), 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. GVK Ratle has spent/ paid advances having outstanding of an amount of Rs. 101,498 lakhs (March 31, 2021: Rs. 101,552 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., GVK Ratle 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 GVK Ratle. Subsequent to this, GVK Ratle has initiated the arbitration process and the same is in advance stages. In the arbitration proceedings, GVK Ratle has made a total claim of Rs: 513,648 lakhs and JKPDD has made a counter claim of Rs: 518,963 lakhs.

The Tribunal vide its order dated 11th July, 2020 and rectification order dated 7th September 2020 has given an award of Rs.29,048 Lakhs in favour of GVK Ratle. The GVK Ratle has filed an appeal on 8th December, 2020 against the said award.

Further, the GVK Ratle has entered into a settlement agreement on 24th November 2021 with its Lender. Considering the settlement term with the lender and pending legal proceedings, the management believes that it is appropriate to recognize assets aggregating to Rs.101,498 Lakhs (comprising of Capital Work in Progress Rs.57,067 Lakh, Other Non Current Assets Rs.38,807 lakh, Other Current Assets Rs.5,603 lakh and Property Plant & Equipment (PPE) of Rs.21 lakh) as on September 30, 2021, (Rs.101,552 Lakhs as on March 31, 2021) at carrying value in the financial statement and no provision for diminution is necessary.

13 GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company has Investment Property having book value of Rs.11,655 Lakh (March 31, 2021 Rs.11,655 Lakh). GVK SEZ stood as a Guarantor and mortgaged its land admeasuring 2,506.25 Acres to Syndicate Bank (since merged with Canara Bank) on account of loans taken by the GVK PIL (the Parent Company). GVK PIL has since repaid the loan taken from Canara Bank and the bank has also acknowledged the same. However, inspite of the same, Canara bank has not issued a no due certificate and has not returned the original title documents. The Canara Bank has exercised the right of general lien under section 171 of Indian Contract Act, 1872 and has enforced general lien over the title deeds in the name of GVK SEZ for liabilities of GVK Coal (Singapore) PTE Ltd, an associate of GVK PIL. GVK PIL and GVK SEZ have jointly filed writ petition stating that Bank exercising of general lien under section 171 of the Indian contract Act, 1872 is wholly misconceived and illegal and contrary to the terms of Guarantee extended by the GVK SEZ. Further, Enforcement Directorate (ED) has provisionally attached the said Land property in view of investigation under Prevention of Money Laundering Act (PMLA) (Refer Note 15). However, Hon'ble High Court of Telangana has stayed the proceedings by issuing Show Cause Notice to ED.

The matter is under litigation. Pending these litigations, the Investment Property having book value of Rs.11,655 Lakh (March 2021: Rs 11,655 Lakhs) is shown as recoverable since the Management is confident of winning the cases on merits.

14 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.

15 In June 2020, Central Bureau of Investigation (CBI) has registered a First Information Report (FIR) against MIAL, its holding Company GVK Airport Holdings Limited (GVKAHL) (both are erstwhile 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 investigation of CBI is currently under progress.

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. 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.

ED has filed a complaint before the City Court and Additional Session Judge, Greater Bombay under Section 45 of Prevention of Money Laundering Act, 2002 for commission of offence of Money laundering under section 3, read with section 70, Punishable u/s 4 of the Prevention of Money Laundering Act, 2002.

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 earlier years 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 implications, if any, that may arise can't be ascertained and would be considered in the financial statements on conclusion of the aforesaid investigation.

16 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) at which the Board of Directors were to lay the Balance Sheet and the statement of Profit and Loss account for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. While the Balance Sheet and statement of Profit and Loss account for the year ended March 31, 2020 was approved at the AGM held on October 29, 2021, the parent Company, however, could not lay the Balance Sheet and the statement of Profit and Loss account for the year ended March 31, 2021, before November 30, 2021 and will be applying to the relevant authority (ies) for compounding of these non-compliance under the relevant sections of the Companies Act, 2013 and the Rules made thereunder.

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 period ended September 30, 2021 by November 15, 2021 and for subsequent quarters by relevant applicable dates with The National Stock Exchange of India Limited and The Bombay Stock Exchange Limited (Exchanges). However, the Parent Company could not do so. Further, the parent company has submitted its audited accounts for the year ended March 2020, March 2021 and the quarter ended June 30, 2020, Sept 30, 2020, December 31, 2020 and June 30, 2021 to the Exchanges with delays.

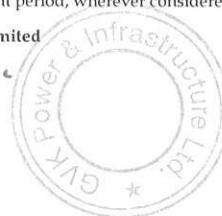
17 Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, wherever considered necessary.

Place: Hyderabad
Date : February 10, 2022

GVK Power & Infrastructure Limited

P V Prasanna Reddy

P V Prasanna Reddy
Whole-Time Director



GVK Power & Infrastructure Limited
Segment Reporting (Consolidated) for the half year ended September 30, 2021

Sr No	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2021 (Unaudited)	30.06.2021 (Unaudited)	30.09.2020 (Unaudited)	30.09.2021 (Unaudited)	30.09.2020 (Unaudited)	31.03.2021 (Audited)
1	Segment Revenue						
	Power	-	-	-	-	-	-
	Roads	9,039	7,076	8,262	16,115	12,667	31,045
	Others	3	2	319	5	636	2,075
	Total	9,042	7,078	8,581	16,120	13,303	33,120
	Less: Inter segment revenue	6	5	322	11	642	2,087
	Net sales / income from Continuing operations	9,036	7,073	8,259	16,109	12,661	31,033
	Net sales / income from Discontinued operations	-	33,851	32,034	33,851	58,121	160,220
2	Segment Result						
	Power	(3)	(43)	(1)	(46)	(57)	(5,082)
	Roads	(2,826)	4,175	5,932	1,349	8,808	18,252
	Others	(2,309)	(242)	(213)	(2,551)	(5,559)	(6,316)
	Total	(5,138)	3,890	5,718	(1,248)	3,192	6,854
	Less:						
	Interest Expense	4,048	4,284	7,961	8,332	16,082	30,527
	Add:						
	Other unallocable income net off unallocable expenditure	333	247	1,399	580	1142	(1,405)
	Total Loss before tax Continuing operations	(8,853)	(147)	(844)	(9,000)	(11,748)	(25,078)
	Total Loss before tax Discontinued operations	250,101	(10,251)	(31,960)	239,850	(66,159)	(84,517)
3	Capital Employed						
	(Segment Assets)						
	Power	101,547	101,551	107,309	101,547	107,309	101,602
	Roads	133,188	167,279	140,885	133,188	140,885	121,962
	Airports	-	-	-	-	-	-
	Others*	194,874	50,488	13,838	194,874	13,838	47,538
	Unallocated	12,436	13,242	59,909	12,436	59,909	45,966
	Total Segment Assets	442,045	332,560	321,941	442,045	321,941	317,068
	Assets classified as held for Sale	-	1,682,147	1,693,030	-	1,693,030	1,681,035
	(Segment Liabilities)						
	Power	123,984	123,984	119,335	123,984	119,335	123,992
	Roads	292,435	319,831	295,952	292,435	295,952	299,846
	Others*	6,710	3,372	5,046	6,710	5,046	2,207
	Unallocated	1,623	689	-	1,623	-	5,014
	Total Segment Liabilities	424,752	447,876	420,333	424,752	420,333	431,059
	Liabilities classified as held for Sale	-	1,680,441	1,672,512	-	1,672,512	1,673,898
	Net Capital employed	17,293	(115,316)	(98,392)	17,293	(98,392)	(113,991)
	Net Capital employed - classified as held for Sale	-	1,706	20,518	-	20,518	7,137

*Others include Investment, Manpower, SEZ and Other companies

The above has been regrouped based on realignment of segment after considering the discontinued operations of Airport vertical



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Independent Auditor's Review Report on Standalone unaudited quarterly financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

TO THE BOARD OF DIRECTORS OF
GVK Power & Infrastructure Limited
Paigah House, 156-159,
Sardar Patel Road
Secunderabad, Telangana 500003

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the statement') of **GVK Power & Infrastructure Limited ('the Company')** for the quarter and half year ended September 30, 2021, statement of assets and liabilities as on that date and the statement of cash flows for the half year ended on that date, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel who are responsible for financial and accounting matters and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We draw your attention to the following matters:
 - a. Note 7 to the statement regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the Group has investments and has receivables aggregating to Rs.78,634 lakhs and to whom the company has provided guarantees and commitments for loans aggregating to Rs.840,545 lakhs taken by the aforesaid associate Company and has also undertaken to provide financial assistance of USD 3.11 million (Rs.2,308 lakhs) as at September 30, 2021 with respect to which there are multiple significant uncertainties

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including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc. The entity's current liabilities exceed current assets by USD 2,459 million (Rs.18, 28, 727 lakhs) as at June 30, 2021 and has incurred net losses of USD 48 million (Rs. 35,557 lakhs) for the year ended June 30, 2021.

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 Lakh during year ended March 31, 2020, 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, is also given in favour of the lenders) and the resultant impact of the same on these statement.

- b. Note no.8 to the Statement regarding GVK Energy Limited (a jointly controlled entity) and its subsidiaries and jointly controlled entity in which the company has investments and loans aggregating to Rs. 74,040 Lakh (after provisions and write offs done so far) and financial guarantees issued by the company to the jointly controlled entity amounting to Rs.3100 Lakh. With respect to GVK Energy Limited, there are multiple significant uncertainties like (a) various receivables aggregating to Rs.10,996 Lakh from AP Transco which are refuted / subject to approvals (b) non-availability of fuel (coal / gas), (c) conclusion on outstanding application for increase in tariff and (d) compensation in relation to deallocated coal mine etc. There are also various uncertainties relating to subsidiaries and Jointly Controlled Entity of GVK Energy Limited as referred in Note 10. The Company has made total provision of Rs.34, 400 Lakhs against the same so far including provision of Rs.25,100 lakh made during year ended March 31, 2021 based on the valuation reports obtained. In this regard, considering the uncertainties, we are unable to ascertain whether any adjustments are required with respect to the balance amounts of investments and loans aggregating to Rs. 74,040 Lakh and financial guarantees issued by the company to the jointly controlled entity amounting to Rs.3100 Lakh.
- c. Note 15 to the financial statements regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds, money laundering and other matters, 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 standalone financial results including prior year comparatives considering allegations over GVK Group.
- d. Note 16 to to the statement regarding a) the Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay the Balance Sheet and the Statement of Profit and Loss for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. While the Balance Sheet and Statement of Profit and Loss for the year ended March 31, 2020 was approved at the AGM

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held on October 29, 2021, the Company, however, could not lay the Balance Sheet and the Statement Profit and Loss for the year ended March 31, 2021, before November 30, 2021 as per the requirements of Section 96(1) of the Companies Act, 2013 and will be applying to the relevant authority (ies) for compounding of these non-compliances under the relevant sections of the Companies Act, 2013 and the Rules made thereunder. b) Delay in filing of the audited financial statements for the financial year ended March 31, 2020 and March 31, 2021 and delay in filing of financial results for various 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. We are unable to comment on the impact of these non-compliances on these statements.

5. Emphasis of Matter

- a. Note 6 to the statement regarding sale of majority holding of GVK Airport Developers Limited (GVKADL) by the Company to Adani Airport Holding Limited (AAHL) as per binding co-operation agreement dated August 31, 2020 and other related transaction documents, an amount of Rs.1,37,464 Lakh is recoverable from AAHL pending transfer of securities by AAHL.
- b. We draw attention to Note 13 to the statement regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company, which has Investment Property having book value of Rs.11,655 Lakh. GVK SEZ stood as a Guarantor and mortgaged its land admeasuring 2,506.25 Acres to Syndicate Bank (since merged with Canara Bank) on account of loans taken by the Company. The company has since repaid the loan taken from Canara Bank and the bank has also acknowledged the same. However, in spite of the same, Canara bank has not issued a no due certificate and has not returned the original title documents. The Canara Bank has exercised the right of general lien under section 171 of Indian Contract Act, 1872 and has enforced general lien over the title deeds in the name of GVK SEZ for liabilities of GVK Coal (Singapore) PTE Ltd, an associate of the company. The company and GVK SEZ have jointly filed writ petition stating that Bank exercising of general lien under section 171 of the Indian contract Act, 1872 is wholly misconceived and illegal and contrary to the terms of Guarantee extended by the GVK SEZ. Further, Enforcement Directorate (ED) has provisionally attached the said Land property in view of investigation under Prevention of Money Laundering Act (PMLA). However, Hon'ble High Court of Telangana has stayed the proceedings by issuing Show Cause Notice to ED. The matter is under litigation. The company has investment of Rs. 9,860 Lakhs in the GVK SEZ as on September 30, 2021. Pending these litigations, the impact of the same on the Company is not determinable.
- c. We draw attention to note 14 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 period ended September 30, 2021 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.

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Our opinion is not modified in respect of above matters.

6. Material Uncertainty Related to Going Concern


We draw attention to note 5 to the statement, which indicates that the company has significant accumulated losses as at September 30, 2021, has continued to incur significant losses during quarter and half year ended September 30, 2021 and in previous years, and material uncertainties are faced by various projects, in which the company has made investments, provide 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 Company's ability to continue as a going concern. Our Opinion is not modified in respect of this matter.

7. Based on our review conducted as above, **except for the indeterminate effects of the matters stated in Paragraph 4 above**, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For T R Chadha & Co LLP

Chartered Accountants

Firm Registration No. 006711N/N500028


Aashish Gupta
(Partner)

Membership No. 097343

UDIN: 22097343ABDOMB4845



Date: 10th February, 2022

Place: Hyderabad

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Independent Auditor's Review Report on Consolidated unaudited quarterly financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

TO THE BOARD OF DIRECTORS OF
GVK Power & Infrastructure Limited
Paigah House, 156-159,
Sardar Patel Road
Secunderabad, Telangana 500003

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the statement') of **GVK Power & Infrastructure Limited ('the Holding Company')** and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the quarter and half year ended September 30, 2021, statement of assets and liabilities as on that date and the statement of cash flows for the half year ended on that date, 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), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel who are responsible for financial and accounting matters and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/144/2019 dated 29th March 2019 issued by the SEBI under regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

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4. The statement includes the results of the following entities:

Subsidiary entities including step down subsidiaries:

- i. GVK Airport International Pte. Ltd, Singapore
- ii. PT GVK Services, Indonesia
- iii. GVK Airport Services Private Limited
- iv. GVK Transportation Private Limited
- v. GVK Jaipur Expressway Private Limited
- vi. Sutara Roads and Infrastructure Private Limited
- vii. GVK Deoli Kota Expressway Private Limited
- viii. GVK Bagodara Vasad Expressway Private Limited
- ix. GVK Shivpuri Dewas Expressway Private Limited
- x. GVK Developmental Projects Private Limited
- xi. GVK Rattle Hydro Electric Project Private Limited
- xii. GVK Perambalur SEZ Private Limited

Joint ventures:

- i. GVK Energy Limited (Joint Controlled Entity (JCE))
- ii. GVK Industries Limited (Subsidiary of JCE)
- iii. GVK Gautami Power Limited (JCE of JCE)
- iv. GVK Power (Goindwal Sahib) Limited (Subsidiary of JCE)
- v. GVK Power (Khadur Sahib) Limited (Subsidiary of JCE)
- vi. Alaknanda Hydro Power Company Limited (Subsidiary of JCE)
- vii. GVK Coal (Tokisud) Company Private Limited (Subsidiary of JCE)

Associates Companies:

- i. Seregraha Mines Limited
- ii. GVK Coal Developers (Singapore) Pte Ltd

5. We draw your attention to the following matters:

- a. Note 7 as discussed more to the Statement regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the Group has investments and has receivables aggregating to Rs. 79,048 Lakhs and to whom the holding company has provided guarantees and commitments for loans aggregating to Rs.840,545 lakhs taken by the aforesaid associate Company and has undertaken to provide financial assistance of USD 3.11 million (Rs.2,308 lakhs) as at September 30, 2021 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, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc. The entity's current liabilities exceed current assets by USD 2,459 million (Rs.18, 28, 727 Lakhs) as at June 30, 2021 and has incurred net losses of USD 48 million (Rs. 35,557 lakhs) for the year ended June 30, 2021.



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In this regard, while the Group has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs.414 Lakh during year ended March 31, 2021 and Rs.78,634 Lakh during year ended March 31, 2020, 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, is also given in favour of the lenders) and the resultant impact of the same on these consolidated financial statements.

b. The following qualifications included in the review report of the consolidated financial results of GVK Energy Limited, a joint venture of the Holding Company for the quarter and half year ended September 30, 2021 issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated February 07, 2021 is reproduced by us as under:

i. "The outstanding fixed charge component of the tariff on the increased capital cost for the years 1997-98 to 2000-01 amounting 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 amounting to Rs.2,878 lakhs, Rs.3,531 lakhs and Rs.75 lakhs respectively considered recoverable from AP Transco and consequential impact on taxes in the books of GVK Industries Limited and GVK Gautami Power Limited, a subsidiary company and a jointly controlled entity respectively, which are being refuted by AP Transco/subject to approvals.

Pending resolution of these matters, we are unable to comment upon the recoverability of these receivables together with consequential impact, if any, arising out of the same in these accompanying consolidated financial statements. Refer Note * to the statement."

ii. "We draw attention to Note no.* (GVK Industries Limited) & Note no.* (GVK Gautami Limited) to the financial statements, with regard to the uncertainties faced by the company on account of availability/ supply of natural gas. However, the company GVKEL is confident that the Government of India will take necessary steps/initiatives to improve the situation of natural gas. 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, 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 during the FY ended March 31, 2020. The company accordingly believes that no provision for impairment/diminution is required towards balance carrying value of assets aggregating to Rs.54,052 Lakhs and Rs.87,704 Lakhs of GVKIL & GVKGPL respectively and also no provision towards corporate guarantee given by GVKEL to GVKGPL is necessary. The said note to the results of the subsidiary is included as Note no.* to the statement.



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Pending resolution of the uncertainties/ approvals towards supplies/ availability of gas, recovery of capacity charges and approval of one time settlement proposal with lenders, we are unable to comment upon the recoverability of assets with carrying value amounting to Rs.141,756 lakhs and the provision, if any, required for the corporate guarantee given to the jointly controlled entity, together with consequential impact, if any, arising out of the same on these accompanying consolidated financial results.”

- iii. “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. Refer Note * to the Statement.”
- iv. “We draw attention to Note * to the financial statements, regarding revision in tariff. The matters relating to Power Purchase Agreement pending with Punjab State Power Corporation Limited (PSCPL) on account of uncertainty in revision in tariff, considering enhanced project cost and differential coal procurement cost and other components mentioned in aforesaid note. In view of the detailed in said note and pending confirmation of dues from PSCPL as on reporting date and outcome of such matters, we are unable to comment on the provision, if any, is required against the said matters. The said note is included as Note No.* to the accompanying consolidated financial statement. Consequentially, we are unable to comment upon the recoverability of assets with carrying value amounting to Rs.369,752 lakhs together with consequential impact, if any, arising out of the same in these statement”

The note * is included as Note 8(a), 8(b), and 8(c) to the statement.

Refer Note 8 (e) to the statement, wherein, the group has accounted the share of its losses relating to GVK Energy Limited in previous years to the extent of its investment and hence, no further provisioning of the losses is required / made in Group Accounts.

As referred in Note 8 (f) to the statement, in the light of the note 8 (a) to Note 8 (c) above, we are unable to comment on the extent of eventual recoverability of the loans to GVK Energy Limited and its subsidiary aggregating to Rs.5,084 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.3,100 Lakhs. The impact of this matter on the Consolidated Financial results is presently not ascertainable

- c. The following matters were included review report of the financial statements of GVK Bagodara Vasad Expressway Private Limited, a step-down subsidiary of the holding

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company issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated December 15, 2021, is reproduced by us as under:

“Note * to the unaudited statement of assets and liabilities for the period ending 30th September, 2021. 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 up to 30th September 2021, Rs. 589.04 Crores 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 provisions of concession agreement. The matter is sub-judice before Arbitral tribunal.

Note * to the unaudited financial statements of assets and liabilities for the period ending 30th September 2021, which states that Since the project undertaken by the company had been terminated, "Going concern assumption" is not appropriate, hence financial statement have been drawn accordingly.

Note * to the unaudited financial statements of assets and liabilities for the period ending 30th September 2021. The Company had taken term loans from consortium of banks & a financial institution. Company borrowings have been 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.”

Note * is included as Note 10(a) to the statement.

Considering the above matters reported by the Component Auditor and other details as given in Note 10 (a) to the consolidated financial statements, we are unable to comment towards the recoverability of total assets aggregating to Rs.58,565 Lakh and the impact on the liabilities as appearing in the Consolidated Financial Statements related to this step-down subsidiary.

- d. Note 15 to the consolidated financial statements regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds, money laundering and other matters, 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.
- e. Note 16 to the statement regarding a) the Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay the Balance Sheet and the Statement of Profit and Loss for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. While the Balance Sheet and Statement of Profit and Loss for the year ended March 31, 2020 was approved at the AGM held on October 29, 2021, the Company, however, could not lay the Balance Sheet and the

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Statement Profit and Loss for the year ended March 31, 2021, before November 30, 2021 as per the requirements of Section 96(1) of the Companies Act, 2013 and will be applying to the relevant authority (ies) for compounding of these non-compliances under the relevant sections of the Companies Act, 2013 and the Rules made thereunder. b) Delay in filing of the audited financial statements for the financial year ended March 31, 2020 and March 31, 2021 and delay in filing of financial results for various 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. We are unable to comment on the impact of these non-compliances on these statements.

6. Emphasis of Matter

- a. We draw attention to Note 6 to the statement regarding sale of majority holding of GVK Airport Developers Limited (GVKADL) by the Company to Adani Airport Holding Limited (AAHL) as per binding co-operation agreement dated August 31, 2020 and other related transaction documents, an amount of Rs.1,37,464 Lakh is recoverable from AAHL pending transfer of securities by AAHL. The group has recognised a profit of Rs. 250101 Lakh from discontinued operations during the quarter ended September 30, 2021.
- b. We draw your attention to Note 11 to the statement regarding 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 vide its order dated March 25, 2020 on account of COVID 19. The suspension of Toll continued till April 20, 2020. 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 at present has the concession to operate and collect the toll till March 16, 2023. However, NHAI vide its Policy circular No. 8.3.33/2020 dated 26th May, 20 had provided relief measures to BOT (Toll) Concessionaires from the impact of COVID-19, wherein extension of concession period was granted, based on certain criteria, for a minimum of three months and a maximum of six months period from the end of the concession period. Accordingly, GVKJEPL has applied for extension of Concession period and is confident of getting the extension and the Group has considered the impairment of Goodwill accordingly.
- c. We draw your attention to the following paragraph included in the review report of the standalone financial information of GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company of the Holding Company issued by an independent firm of Chartered Accountants vide its review report dated January 20, 2022.

“We draw your attention to note * to the Ind AS financial result for the half year ended September 30, 2021, regarding the company (GVK SEZ) stood as a Guarantor and mortgaged its land admeasuring 2,506.25 Acres to Syndicate Bank (since merged with Canara Bank) on account of loan s taken by GVK Power & Infrastructure Limited (GVK PIL) (the Parent Company). GVK PIL has since repaid the loan taken from Canara Bank

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and the bank has also acknowledged the same. However, in spite of the same, Canara bank has not issued a no due certificate and has not returned the original title documents. The Canara Bank has exercised the right of general lien under section 171 of Indian Contract Act, 1872 and has enforced general lien over the title deeds in the name of GVK SEZ for liabilities of GVK Coal (Singapore) PTE Ltd, an associate of GVK PIL. GVK PIL and GVK SEZ have jointly filed writ petition stating that Bank exercising of general lien under section 171 of the Indian contract Act, 1872 is wholly misconceived and illegal and contrary to the terms of Guarantee extended by the GVK SEZ. Further, Enforcement Directorate (ED) has provisionally attached the said Land property in view of investigation under Prevention of Money Laundering Act (PMLA). However, Hon'ble High Court of Telangana has stayed the proceedings by issuing Show Cause Notice to ED.

The matter is under litigation. Pending these litigations, the Investment Property having book value of Rs.11,655 Lakh (March 2021: Rs 11,655 Lakhs) is shown as recoverable since the Management is confident of winning the cases on merits."

Note * is included as Note 13 to the statement.

- d. We draw your attention to the following paragraph included in the review report of the standalone financial information of GVK Deoli Kota Expressway Private Limited, a stepdown subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its review report dated December 15, 2021.

"Note * to the Statement, which explains the reason for preparation of these financial statements on realization basis assuming the Company is no longer a going concern. The Company has recorded receivable from NHAI of Rs 88163 Lakhs after setting off toll assets and other related future liabilities, which is subject to decision and process of arbitration between Company and NHAI."

In addition to the above we observed the following in the statement of the GVK Deoli Kota Expressway Private Limited:

"Note * 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 a result of that, the term loans have become repayable on demand and as lenders have classified Company's borrowing facility as NPA, Company has not received borrowing statements and confirmation of borrowing balances from lenders and not made available to us."

"The NHAI has paid a Gross total of Rs 49,767 Lakh (Net 24,977 Lakh after deduction of Income Tax TDS Rs 1303 Lakh, GST TDS Rs.995 Lakh, Premium amount of Rs 16,917 Lakh, Interest on Premium Rs 5,141 Lakh, TCS Rs.338 Lakh and Interest on TCS Rs.97 Lakh) during the year towards out of Termination payment of Rs 1,69,650 Lakh claimed by the company under the Concession agreement of Termination of the contract with NHAI. This

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amount requires to be adjusted on settlement / Finalization of the termination of the contract against the cost of the Assets handed over. The matter is pending before Arbitration. Our opinion is not modified in respect of these matters”.

Note * is included as Note 10(b) to the statement.

- e. We draw your attention to the following matter included as an Emphasis of matter paragraph in the review report on the standalone financial statements of GVK Ratle Hydro Electric Project Private Limited, the stepdown subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide their report dated October 14, 2021, reproduced by us as under:

“We draw your attention to note 1 to the Ind AS financial results for the quarter ended September 30, 2021, regarding termination of agreement, arbitration proceedings and other matters as explained in the aforesaid note in respect of this Hydro Power Project being executed by the Company. The ultimate outcome of this matter for assets having carrying value of Rs.1,01,498 lakhs cannot be presently determined.”

Further, we draw your attention to the Note 12 of the statement which states the subsequent development in this matter that the company has entered into a settlement agreement on 24th November 2021 with the Lender. Accordingly, considering the settlement terms with the lender and pending legal proceedings, the management believes that it is appropriate to recognize assets aggregating to Rs.101,498 Lakhs (CWIP Rs.57,067 Lakh, Other Non-Current Assets Rs.38,807 Lakh and Other Current Assets Rs.5,603 Lakh, Property Plant & Equipment (PPE) of Rs.21 lakh) at carrying value in the Consolidated Financial Statements and no provision for diminution is necessary.

Our opinion is not modified in respect of the matters reported in Para a to e above.

7. Material Uncertainty Related to Going Concern

- i. We draw attention to note 5 to the consolidated financial statements, which indicates that the Group, its associate and joint ventures incurred operating losses as at September 30, 2021, has continued to incur significant losses during the year ended March 31, 2021 and in previous years, current liabilities are significantly higher than current assets, has defaulted in repayment of loan and interest payments and material uncertainties including termination of projects, including those arising due to COVID19, are faced by various projects being executed by the Group, its associate and joint ventures, in which the Group has made investments, and / or 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.
- ii. We draw your attention to the following Material Uncertainty Related to Going Concern paragraph included in the review report of the consolidated financial results of GVK

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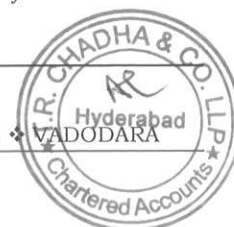


Energy Limited, a Joint venture of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated February 07, 2022 reproduced by us as under:

“We draw attention to Note * of the accompanying consolidated financial information which states that regarding losses incurred by the Company, defaults in loan, interest payments and uncertainties faced by various projects in which the Company has made investments and provided guarantees. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. This consolidated financial information have been prepared on a going concern as Management believes that the Group would be able to establish profitable operations and meet its commitments. Further, the Management is confident that aforesaid entities would win litigations, obtain necessary approvals from regulators and obtain requisite fuel allocation etc. as required and would establish profitable operations. Our opinion is not modified in respect of this matter”.

Note *is included as note 9 to the statement

8. Based on our review conducted as above, **except for the indeterminate effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph 5 above**, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
9. The matters described in the Material Uncertainty related to going concern and emphasis of matter paragraphs above, in our opinion, may have an adverse effect on the functioning of the group.
10. **Other Matters**
 - a. We did not review the interim financial results of 12 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect (before adjustments for consolidation) total assets of Rs.6,79,675 lakhs and net assets of Rs.89,650 lakhs as at 30th September 30, 2021 and total revenues of Rs.16,120 lakhs, total net loss after tax of Rs.36,883 lakh and total comprehensive loss of Rs.36,818 lakh, for the period from April 01, 2021 to September 30, 2021, respectively and cash flows (net) of Rs. (5941) lakhs for the period from April 01, 2021 to September 30, 2021, as consolidated unaudited financial results. The consolidated unaudited financial results also include the total comprehensive loss of Rs. Nil lakhs for the half year ended September 30, 2021, as considered in the consolidated unaudited financial results, in respect of 1 joint ventures and 1 associate, whose interim financial results have not been reviewed by us. These



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quarterly financial results have been reviewed by other auditors in accordance with SRE 2410, Engagements to Review Historical Financial Statements and their reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

- b. The consolidated unaudited financial results do not include the interim financial results of 1 associate. According to the information and explanations given to us by the Management, these quarterly financial results are not material to the Group.

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

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Aashish Gupta
(Partner)

Membership No.097343

UDIN: 22097343ABDOYJU700



Date: 10th February, 2022

Place: Hyderabad