3rd August, 2022

GVK

Bombay Stock Exchange Limited 1st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort **MUMBAI – 400 001.**	The National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra (E) **MUMBAI – 400 051**

Dear Sir,

Sub: Notice of 28th Annual General Meeting (AGM) and Annual Report for the Financial Year 2021-22.

Ref: a) To our letter dated 27th May, 2022 about intimation of Book closure dates and 28th Annual General Meeting

b) BSE: 532708; NSE: GVKPIL.

Pursuant to **Regulation 30** read with Schedule III Para A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), we are enclosing herewith the Notice of the **28th Annual General Meeting (AGM)** of the Company to be held on **Friday, the 26th August, 2022 at 11.30 a.m**. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to **Regulation 34** of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the said Notice forms part of the Annual Report 2021-22 which is also being sent through electronic mode to those members whose email addresses are registered with the company / Depository Participants / Registrar and Share Transfer Agent. The Annual Report for the Financial Year 2021-22 and other related documents are available on the website of the company https://www.gvk.com/investorrelations/financialinformation/financialannualreports.aspx.

As per provisions of the Act and read with SEBI Listing Regulations, the Members holding shares either in physical form or dematerialized form, as on the **cut-off date i.e., 19th August, 2022**, may cast their vote electronically on the business set forth in the Notice of AGM through electronic voting system of the KFin Technologies Limited (KFintech). The instructions for e-voting are mentioned in the e-voting notice and email covering letter.

The Register of Members and Share Transfer books of the Company shall remain closed from **22nd August, 2022 to 26th August, 2022** (both days inclusive) for the purpose of the AGM as per clause 42(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours faithfully
For GVK Power & Infrastructure Limited

GVK Power & Infrastructure Ltd.

P V Rama Seshu
Vice President & Company Secretary

GVK Power & Infrastructure Limited
Paigah House, 156-159, Sardar Patel Road
Secunderabad - 500 003. Telangana, India
T +91 40 2790 2663 / 64 F +91 40 2790 2665
www.gvk.com
CIN : L74999TG2005PLC059013

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GVK POWER & INFRASTRUCTURE LIMITED

28TH ANNUAL REPORT 2021 - 22

GVK Deoli Kota Expressway

Contents

Corporate Information

Board of Directors

(As on May 27, 2022)

Dr. GVK Reddy	Chairman
G V Sanjay Reddy	Vice Chairman
P V Prasanna Reddy	Whole-time Director
Krishna R Bhupal	Director
A Issac George	Whole-time Director & CFO
S Balasubramanian	Independent Director
Anumolu Rajasekhar	Independent Director
N Anil Kumar Reddy	Independent Director
Ms. Rama Rao	Independent Woman Director
Ilyas Ghulam Hussain Ghouse	Independent Director
P V Rama Seshu	Vice President & Company Secretary

Committees of the Board

Audit Committee

S Balasubramanian	Chairman
Anumolu Rajasekhar	
N Anil Kumar Reddy	

Nomination and Remuneration Committee

Ilyas Ghulam Hussain Ghouse	Chairman
Krishna R Bhupal	
Ms. Rama Rao	

Stakeholders Relationship Committee

Ilyas Ghulam Hussain Ghouse	Chairman
A Issac George	
Ms. Rama Rao	

Corporate Social Responsibility Committee

G V Sanjay Reddy	Chairman
Ilyas Ghulam Hussain Ghouse	
Ms. Rama Rao	

GVK

Statutory Auditors

T R Chadha & Co LLP
Office No: 2, 2nd Floor, Block A,
6-3-1092/S/3, Shanthi Sikhara Complex,
Rajbhavan Road, Somajiguda
Hyderabad – 500 082

Registrar & Share Transfer Agents

KFin Technologies Limited
(earlier known as Karvy Fintech Private Limited)
Karvy Selenium Tower B, Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad – 500 032

Secretarial Auditor

Narender & Associates
Company Secretaries
403, Naina Residency, Srinivasa Nagar(East)
Ameerpet, Hyderabad – 500 038

Internal Auditors

Rambabu & Co
Chartered Accountants
H.O.: 31, Pancom Chambers
Rajbhavan Road, Hyderabad - 500 082

Registered & Corporate Office

"Paigah House" 156-159
Sardar Patel Road, Secunderabad – 500 003

Stock Code

BSE : 532708
NSE : GVKPIL

ISIN INE251H01024

CIN L74999TG2005PLC059013

Financials at a glance

(Rs. Lakhs)

	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Financial Performance				
Operational Incomes	1,000	2,066	85,826	31,033
EBIDTA	(2,519)	(23,793)	29,209	8,448
Other Income	8,218	3237	3,045	2,216
Finance Costs	-	2	42,070	30,527
Depreciation	12	19	13,617	5,215
Profit / (Loss) from ordinary activities	5,687	(20,577)	26,947	(25,078)
Share of profit/(loss) of associate	-	-	(21)	0
Share of loss of jointly controlled entity	-	-	-	-
Loss before tax	5,687	(20,577)	26,926	(25,078)
Tax expense/(credit)	100	47	7,279	3,872
Non - controlling interest	-	-	(945)	(17,274)
Profit / (Loss) for the year (Including Discontinuing Operations)	5,587	(20,624)	263,593	(93,701)
Other comprehensive income, net	-	-	(66)	109
Total comprehensive income	-	-	(66)	217
EPS (Rupees) :				
Weighted Average no. of Equity Shares	1,579,210,400	1,579,210,400	1,579,210,400	1,579,210,400
Basic and Diluted	0.35	(1.31)	16.75	(4.84)
Financial Position:				
Fixed Assets (Net of depreciation)	63	56	713,041	177
Cash and Bank balance	4,034	57	55,485	6,952
Net current assets	(5,661)	(47,426)	(810,558)	(341,468)
Total Assets	256,987	1,55,263	1,157,192	1,998,103
Equity	15,792	15,792	15,792	15,792
Other equity	70,859	65,272	(399,742)	(361,782)
Net worth	86,651	81,064	(307,734)	(106,854)
Market Capitalisation	42,954	31,900	42,954	31,900

Notice

Notice is hereby given that the 28th Annual General Meeting of the members of GVK Power & Infrastructure Limited (CIN:L74999TG2005PLC059013) will be held on **Friday, 26th August, 2022 at 11.30 am through Video Conferencing** ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business. Registered office of the Company situated at "Paigah House", 156-159, Sardar Patel Road, Secunderabad - 500003 shall be deemed to be the venue of this meeting.

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors ('the Board') and the Auditors thereon.

2. To appoint a director in place of Dr. G V K Reddy (DIN: 00005282), who retires by rotation and being eligible, offers himself for re- appointment.

By order of the Board
For GVK Power & Infrastructure Limited

P V Rama Seshu
Vice President & Company Secretary

Place : Hyderabad
Date : 27th May, 2022

Notes

1. In view of ongoing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020, General Circular Nos. 20/2020 dated May 05, 2020, followed by General Circular No. 02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") has allowed the Companies to conduct Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. Further, MCA vide its General Circular no 2/2022 dated 5th May,2022 has decided to allow the Companies to conduct AGM's upto 31st December, 2022 through Video Conference (VC) or Other Audio Visual Means (OAVM). The Securities and Exchange Board of India ("SEBI") vide its Circular Nos. SEBI/ HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 (collectively referred to as "SEBI Circulars") has granted relaxation in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode. In terms of the said Circulars, the 28th AGM of the Company is being held through VC. Hence, Members can attend and participate in the AGM through VC only.

2. Pursuant to the aforesaid MCA Circulars, Members attending the 28th AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

3. As per the Companies Act, 2013, ('the Act'), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. However, in terms of the MCA Circulars, the 28th AGM is being held through VC, physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA Circulars and SEBI Circulars, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 28th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, the 22nd August 2022 to Friday, the 26th August 2022** (both days inclusive).

5. KFin Technologies Limited (Kfintech) is the Registrar and Share Transfer Agent (RTA) of the Company to perform the share related work for shares held in physical and electronic form.

6. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution/ authorization letter to the Scrutiniser at e-mail ID narenderg99@gmail.com with a copy marked to evoting@kfintech.com and to the Company at cs.gvkpil@gvk.com authorising its representative(s) to attend and vote through VC on their behalf at the Meeting pursuant to section 113 of the Companies Act, 2013. In case if the authorized representative attends the Meeting, the above mentioned documents shall be submitted before the commencement of said Meeting.

7. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote thereat.

8. Kfintech shall be providing the facility for voting through remote e-voting, for participation in the 28th AGM through VC facility and e-voting during 28th AGM.

9. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s). Any such changes effected by the Depository Participants will automatically reflect in the Company's records. In respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Limited (Unit: GVK Power & Infrastructure Limited), Selenium Tower B, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad-500032.

   Members may note that the Company has enabled a process for the limited purpose of receiving the Company's annual report and notice for the Annual General Meeting (including remote e-voting instructions) electronically, and Members may temporarily update their email address by sending it to cs.gvkpil@gvk.com

10. In line with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 are being sent only through electronic mode to those Members whose email addresses are registered with the RTA/ Depositories. Members may also note that the Notice of the 28th AGM and the Annual Report 2021-22 will also be available on the Company's website at https://www.gvk.com, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited, at www.bseindia.com and www.nseindia.com respectively, and on the website of the RTA at https://evoting.kfintech.com/.

11. Pursuant to Regulation 40 of SEBI LODR, transfer of securities held in physical form shall not be processed and any transfer of securities will be possible only in dematerialized mode. Hence members are advised to dematerialize their shares that are held in physical form for any further transfer.

12. Further with reference to the SEBI circular (Ref. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018) directing security holders, holding securities in physical form to update details of their PAN and bank account, we request all such security holder s to immediately update the required details or any change therein with the RTA/ Company.

13. Members who hold shares in dematerialized form and wish to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such dematerialized shares.

14. As per the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to the members, in respect of equity shares held by them. Nomination forms can be obtained from the RTA.

15. As per Rule 3 of Companies (Management and Administration) Rules, 2014, Register of Members of the Company should have additional details pertaining to e-mail, PAN / CIN, UID, Occupation, Status, Nationality. We request all the Members of the Company to update their details with their respective Depository Participants (DPs) in case of shares held in electronic form and with the Company's RTA in the case of physical holding, immediately.

16. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be: -

    a) the change in the residential status on return to India for permanent settlement, and

    b) the particulars of the updated Bank Account in India.

17. Since the AGM will be held through VC Facility, the Route Map being not relevant, is not annexed to this Notice.

18. Members may join the 28th AGM through VC Facility by following the procedure as mentioned separately in the notice, which shall be kept open for the Members from 11:00 a.m. IST i.e. 15 minutes before the time scheduled to start the 28th AGM and shall not be closed for at least 15 minutes after such scheduled time.

19. Members may note that the VC Facility, provided by Kfintech, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 28th AGM without any restriction on account of first-come first-served principle.

20. Copies of all documents referred to in the notice and explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 annexed thereto are available for inspection electronically. Members seeking to inspect such documents can send an email to cs.gvkpil@gvk.com

    The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act will be available electronically for inspection by the members during the AGM.

    Member seeking any information with regard to any queries regarding the Annual Report, may write to the Company at cs.gvkpil@gvk.com

21. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment Rules, 2015, Secretarial Standard-2 on General Meetings and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members with facility to exercise their votes by electronic means through remote e-voting services provided by KFin Technologies Limited (Service Provider) on all resolutions set forth in this Notice.

22. The process and manner for remote E-Voting

In compliance with the provisions of section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, Members are provided with the facility to cast their vote electronically, through the modes listed below, on all resolutions set forth in this Notice, by way of remote e-voting.

A)Information and instructi ons for remote e-voting by Individual Shareholders holding shares of the Company in demat mode:

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. Members already registered for NSDL IDeAS facility;** i. please visit the following URL https://eservices.nsdl.com. ii. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. iii.A new screen will prompt and you will have to enter your User ID and Password. iv. Post successful authentication, click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. v. Click on company name or e-Voting service provider name i.e., Kfintech and you will be re-directed to Kfintech website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. **2. Members who have not registered for IDeAS facility, may follow the below steps;** i. To register for IDeAS facility visit the URL at https://eservices.nsdl.com ii. Click on "Register Online for IDeAS" or for direct registration click at https://eservices.nsdl.com/ SecureWeb/ IdeasDirectReg.jsp iii.On completion of the registration formality, follow the steps provided above. **3. Members may alternatively vote through the e-voting website of NSDL in the following manner;** i. Visit the following URL: https://www.evoting.nsdl.com/ ii. Click on the icon "Login" which is available under 'Shareholder/Member' section. iii.Members to enter User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code shown on the screen. iv. Post successful authentication, you will be redirected to NSDL IDeAS site wherein you can see e-Voting page. v. Click on company name or e-Voting service provider name i.e., Kfintech and you will be redirected to Kfintech website for casting your vote.
Individual Shareholders holding securities in demat mode with CDSL	**1. Members already registered for Easi/ Easiest facility may follow the below steps;** i. Visit the following URL: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com ii. Click on the "Login" icon and opt for "New System Myeasi" (only applicable when using the URL: www.cdslindia.com) iii.On the new screen, enter User ID and Password. Without any further authentication, the e-voting page will be made available. iv. Click on Company name or e-voting service provider name i.e. KFintech to cast your vote. **2. Members who have not registered for Easi/Easiest facility, may follow the below steps;** i. To register for Easi/Easiest facility visit the URL at https://web.cdslindia.com/myeasi./Registration/Easi Registration ii. On completion of the registration formality, follow the steps mentioned above. **3. Members may alternatively vote through the e-voting website of CDSL in the manner specified below:** i. Visit the following URL: www.cdslindia.com ii. Enter the demat account number and PAN iii.Enter OTP received on mobile number and email registered with the demat account for authentication. iv. Post successful authentication, the member will receive links for the respective e-voting service provider i.e. KFintech where the e-voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. Members may alternatively log-in using the credentials of the demat account through their Depository Participant(s) registered with NSDL/CDSL for the e-voting facility. 2. On clicking the e-voting icon, members will be redirected to the NSDL/CDSL site, as applicable, on successful authentication. 3. Members may then click on Company name or e-voting service provider name i.e. Kfintech and will be redirected to Kfintech website for casting their vote.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants' website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders / members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

B) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and for all shareholders holding securities in physical mode.

Member will receive an e-mail from Kfintech [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)] which includes details of E-Voting Event Number ("EVEN"), User ID and Password:

i. Launch internet browser by typing the URL: https://evoting.kfintech.com/.
ii. Enter the login credentials (i.e., User ID and Password). Your Folio No./DP ID-Client ID will be your User ID. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and Password for casting your vote.
iii. After entering these details appropriately, click on 'LOGIN'
iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password should comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
v. You need to login again with the new credentials.
vi. On successful login, the system will prompt you to select the 'EVENT', i.e., GVK Power & Infrastructure Limited.
vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-Off Date under 'FOR/ AGAINST' or, alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option 'ABSTAIN'. If you do not indicate either 'FOR' or 'AGAINST' it will be treated as 'ABSTAIN' and the shares held will not be counted under either head.
viii. Equity shareholders holding multiple folios/demat accounts may choose the voting process separately for each folio/demat accounts.
ix. You may then cast your vote by selecting an appropriate option and click on 'Submit'.

x. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, you can login any number of times till you have voted on the Resolution.

xi. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF/JPG Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s) who are authorised to vote, to the Scrutiniser through e-mail ID narenderg99@gmail.com with a copy marked to evoting@kfintech.com and to the Company at cs.gvkpil@gvk.com. The file scanned image of the Board Resolution should be in the naming format "Company Name, Event No."

xii. In case e-mail id of a Member is not registered with the Company/ Depository Participant(s), (including Members holding shares in physical form), please follow the steps for registration as mentioned in para 11 of the Notes.

a) Upon registration, Member will receive an e-mail from Kfintech which includes details of E-Voting Event Number (EVEN), USER ID and password.

b) Please follow all steps from aforesaid Note. No. 26 (B) (i) to (xi) above to cast your vote by electronic means.

xiii. A person, whose name is recorded in the register of equity shareholder or in the register of beneficial owners maintained by the depositories as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the Meeting.

xiv. Persons holding securities in physical mode and non-individual shareholders holding securities in demat mode who become equity shareholder after dispatch of the Notice of the Meeting but on or before the Cut-Off Date, i.e., 19th August, 2022 may obtain User ID and Password in the manner as mentioned below:

I. If the mobile number of the equity shareholder is registered against Folio No./DP ID-Client ID, the Member may send SMS: MYEPWD<SPACE>Folio No. or DP ID-Client ID to +91 9212993399. In case of physical holding, prefix Folio No. with EVEN.

Example for NSDL: MYEPWD<SPACE>IN12345612345678 Example for CDSL: MYEPWD<SPACE>1402345612345678

Example for Physical: MYEPWD<SPACE>XXX1234567890

(XXXX being EVEN)

II. If email address of the equity shareholder is registered against Folio No./DP ID-Client ID, then on the home page of https://evoting.kfintech.com, the equity shareholder may click 'Forgot Password' and enter Folio No. or DP ID-Client ID and PAN to generate a password.

III. Equity shareholders may send an e-mail request to https://evoting.kfintech.com. If the equity shareholder is already registered with the KFintech's e-voting platform, then such equity shareholder can use his/her existing User ID and Password for casting the vote through remote e-voting.

IV. In case of any queries, please visit Help and Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com. For any grievances related to e-voting, please contact Mr. SV Raju, Deputy Vice President, KFin Technologies Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramgula, Serillingamapally Mandal, Hyderabad-500 032 at evoting.kfintech.com, Toll Free No: 1800-309-4001.

23. **Remote e-voting**

The remote e-voting period commences on **Monday, 22nd August 2022** at 9.00 a.m. IST and ends on **Thursday, 25th August, 2022** at 5.00 p.m. IST (both days inclusive). During this period, the Members of the Company holding shares in physical form or in dematerialized form, may cast their votes by remote e-voting in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut- off date, being **Friday, 19th August, 2022** will be entitled to cast their votes by remote e-voting.

24. The voting rights of the equity shareholder shall be in proportion to their shareholding of the paid up equity share capital of the Applicant Company as on Cut-Off Date, i.e., **Friday, 19th August, 2022**.

25. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

26. **VOTING AT THE AGM:**

i Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same.

ii Members who have voted through Remote e-voting will be eligible to attend the AGM, however, they shall not be allowed to cast their vote again during the AGM.

iii The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM and shall also announce the start of the casting the vote at AGM through the e-Voting platform of our RTA - Kfintech and thereafter the e-Voting at AGM shall commence.

iv Upon the declaration by the Chairman about the commencement of e-voting at AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the 'Instapoll' page.

v Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.

vi However, this facility shall be operational till all the resolutions are considered and voted upon in the meeting.

vii A Member can opt can opt for only single mode of voting i.e. through remote e-voting or voting at the AGM. If a Member casts votes by both modes i.e. voting at AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

27. To facilitate Members to receive the Company's Annual Report and Notice for the Annual General Meeting (including remote e-voting instructions) electronically and cast their vote, the Company has made special arrangements with Kfintech for registration of email addresses of the Members in terms of the General Circular No. 20/2020 dated May 5, 2020 issued by the MCA. Eligible Members who have not submitted their email address to the Company or Kfintech are required to provide/update their email address to Kfintech, on or before 5:00 p.m. (IST) on **Friday, 19th August, 2022**.

    The process for registration / updation of email address with Kfintech for receiving the Notice of AGM and Annual Report and login ID and password for e-voting is as under:

    a Visit the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx.

    b Select the Company name viz. GVK Power & Infrastructure Limited.

    c Enter the DP ID & Client ID/Physical Folio Number and PAN details. In the event the PAN details are not available on record for Physical Folio, Member shall enter one of the Share Certificate numbers.

    d Upload a self-attested copy of the PAN card for authentication. If PAN details are not available in the system, the system will prompt the Member to upload a self-attested copy of the PAN card for updation. e Enter your email address and mobile number.

    e The system will then confirm the email address for receiving this AGM Notice.

OTHER INSTRUCTIONS

1. Mr. Narender Gandhari, (Membership No. FCS 4898), Practicing Company Secretary have been appointed as the Scrutinizer for conducting the remote e-voting, and e-voting process (in a fair and transparent manner).
2. The Scrutinizer will, after the conclusion of e-voting during the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or a person authorised by him in writing who shall countersign the same in compliance of Rule 20 of Companies (Management and Administration) Rules, 2014 (including amendments made thereto) read with Regulation 44 of SEBI LODR.
3. The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
4. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at www.gvk.com and on Service Provider's website at https://evoting.kfintech.com/ immediately after the result is declared by the Chairman or by person authorised by him and communicated to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.

Instructions for attending the AGM through VC:

1. Members may access the platform to attend the AGM through VC at https://emeetings.kfintech.com by using their DP ID / Client ID / Folio No. as applicable as the credentials.
2. The facility for joining the AGM shall open 30 minutes before the time scheduled to start the 28 th AGM and shall not be closed for at least 15 minutes after such scheduled time.
3. Members are encouraged to join the Meeting using Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge or Mozilla Firefox 22.
4. Members will be required to grant access to the web-cam to enable two-way video conferencing.
5. Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC smoothly, without any fluctuations in the audio/video quality.
6. Members who may want to express their views or ask questions at the AGM may visit https://evoting.kfintech.com and click on the tab "Annual General Meeting Post Your Queries Here" to post their queries in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window shall remain active during the remote e-voting period and shall be closed on Thursday, 25th August, 2022 at 5:00 p.m.
7. In addition to the above mentioned step, the Members may register themselves as speakers for the AGM to raise their queries. Accordingly, the Members may visit https://evoting.kfintech.com/ and click on tab 'Speaker Registration for eAGM' during the period mentioned below. Members shall be provided a 'queue number' before the AGM. The company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

The ‘Speaker Registration’ window shall be activated on **Monday, 22nd August 2022** at 9.00 A.M. and shall be closed on **Wednesday, 24th August 2022** at 9.00 A.M. Those Members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the AGM provided they hold shares as on the cut-off date i.e., **Friday, 19th August, 2022**.. The Company reserves the right to restrict the number of speakers and time allotted per speaker subject to availability of time as appropriate for smooth conduct of the AGM.

8. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same.
9. Members who may require any technical assistance or support before or during the AGM are requested to contact Kfin Technologies Limited at toll free number 1800-309-4001 or write to them at einward.ris@kfintech.com and/or evoting@kfintech.com. Kindly quote your name, DP ID Client ID/ Folio No and e-voting Event Number in all your communications.

By order of the Board
For GVK Power & Infrastructure Limited

Place : Hyderabad
Date : 27th May, 2022

P V Rama Seshu
Vice President & Company Secretary

Directors' Report

Dear Stakeholders,

Your Directors present the 28th Annual Report of the Company along with the Audited Financial Statements for the financial year ended March 31, 2022 for your approval.

Financial Results

Following is the summary of Standalone and consolidated financial results of the Company including its subsidiaries, associate and joint ventures. (Rs. Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Financial Performance				
Operational Incomes	1,000	2,066	85,826	31,033
EBIDTA	(2,519)	(23,793)	29,209	8,448
Other Income	8,218	3,237	3,045	2,216
Finance Costs	-	2	42,070	30,527
Depreciation	12	19	13,617	5,215
Exceptional item (net)	-	-	50,380	-
Share of profit/(loss) of associate	-	-	(21)	-
Share of loss of jointly controlled entity	-	-	-	-
Profit / (Loss) from ordinary activities	**5,687**	**(20,577)**	**26,926**	**(25,078)**
Profit/(Loss) before tax	5,687	(20,577)	26,926	(25,078)
Tax expense/(credit)	100	47	7,279	3,872
Profit/(Loss) for the period from continuing operations	5,587	(20,624)	19,649	(28,950)
Profit/(Loss) before Tax for the period from discontinuing Operations	-	-	239,850	(84,517)
Tax expense of discontinuing operations	-	-	(4,094)	(19,766)
Profit/(Loss) for the period from discontinuing operations	-	-	243,944	(64,751)
Profit / Loss for the Period	**5,587**	**(20,624)**	**263,593**	**(93,701)**
Other comprehensive (expense)/income - Continuing operations	-	-	(66)	109
Other comprehensive (expense)/income - Discontinuing operations		-		108
Total other comprehensive (expense)/income	-	-	(66)	217
Total comprehensive (expense)/income for the period	5,587	(20,624)	263,526	(93,592)
Non controlling interests	-	-	(945)	(17,274)
EPS (Rupees):				
Weighted Average no. of Equity Shares	1,57,92,10,400	1,57,92,10,400	1,57,92,10,400	1,57,92,10,400
Basic and Diluted earnings per share in Rs				
- Continuing operations	0.35	(1.31)	0.97	(1.82)
- Discontinuing operations	-	-	15.78	(3.02)
- Total operations	**0.35**	**(1.31)**	**16.75**	**(4.84)**
Financial Position:				
Fixed Assets (Net of depreciation)	63	56	713,041	177
Cash and Bank balance	4034	57	55,485	6,952
Net current assets	(5,661)	(47,426)	(810,558)	(341,468)
Total Assets	**256,987**	**155,263**	**1,157,192**	**1,998,103**
Equity	15,792	15,792	15,792	15,792
Other equity	70,859	65,272	(399,742)	(361,782)
Net worth	**86,651**	**81,064**	**(307,734)**	**(106,854)**
Market Capitalisation	42,954	31,900	42,954	31,900

Our consolidated total income for the year stood at Rs.85,826 Lakhs compared to Rs.31,033 Lakhs in the previous year.

The net profit after tax, share of profit from associate, share of profit from joint venture and non-controlling interest stood at Rs. 263,593 Lakhs as against net loss of Rs. 93,701 Lakhs in the previous year. This profit is mainly attributable to the accounting treatment for the discontinued business operations.

Dividend

The Board of Directors of your Company has not recommended any dividend for the FY 2021-22

Transfer to Reserves

During FY 2021-22, there are no funds that are required to be transferred to Reserves.

Share Capital

The paid up equity share capital of the Company as on March 31, 2022 is Rs. 157.92 Crore. There was no public issue, rights issue, bonus issue or preferential issue etc., during the year. The Company has not issued any shares with differential voting rights, sweat equity shares nor has it granted any stock options during the year under review.

Management Discussion and Analysis

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is furnished separately and forms part of this Annual Report.

Business Responsibility Report

Business Responsibility Report for the year under review, as stipulated under Regulation 34(2)(f) of SEBI (LODR) Regulations, forms part of the Annual Report.

Corporate Governance

As in the past, your Company continues to follow best of Corporate Governance policies. As stipulated under the requirements of the Listing Regulations, a report on Corporate Governance is appended for the information of the Members. A Certificate from the Practicing Company Secretary confirming compliance with the conditions of the Corporate Governance is annexed to the Directors Report.

Subsidiaries and Consolidated Financial Statements

As on March 31, 2022 your Company has 8 direct Subsidiaries, 11 step down subsidiaries and one Associate Company as per Companies Act, 2013. Consequent to allotment of 32.50 Crore equity shares of Rs. 10 each to GVK Jaipur Expressway Private Limited, M/s Sutara Roads & Infra Limited has become a direct subsidiary of GVK Jaipur Expressway Private Limited with effect from 2nd March, 2022.

Scheme of Amalgamation

At its meeting held on 23rd March, 2022, the Board has approved a Scheme of Amalgamation of GVK Airport Services Private Limited, Sutara Roads & Infra Limited, GVK Power (Khadur Sahib) Private Limited and GVK Shivpuri Dewas Expressway Private Limited (Transferor Companies) with GVK Power & Infrastructure Limited (Transferee Company) and subject to necessary approvals, the said Scheme of Amalgamation will be effective from 1st April, 2021 (Appointed Date). Details of this Scheme has already reported to the stock exchanges on 23rd March, 2022 and also uploaded on our web site.

During the year, there has been no material change in the nature of the business of the Company. Details of major subsidiaries of the Company and their business operations during the year under review are covered in the Management Discussion and Analysis Report.

A statement containing salient features of the financial statement of these companies as required to be provided under section 129(3) of the Act, are enclosed herewith in the specified form, as **Annexure A**. Accordingly, this annual report does not contain the reports and other statements of the subsidiary companies. Any member intends to have a certified copy of the Balance Sheet and other financial statements of these subsidiaries may write to the Company Secretary. These documents are available for inspection during business hours at the registered office of the Company and that of the respective subsidiary companies. The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: https://www.gvk.com/files/investorrelations/investors/corpgovernance/policy_ for_determining_material_subsidiaries_gvk_pil.pdf.

Developments under the Energy Vertical

The National Company Law Tribunal (NCLT), Hyderabad bench during its hearing on 21st April, 2022 had admitted an insolvency proceedings petition, filed under the Insolvency and Bankruptcy Code, 2016 by the J&K Bank against GVK Industries Limited, a step down subsidiary of the Company.

The said development has been duly intimated by the Company to both stock exchanges on 22nd April, 2022. Subsequently, the Company has received final order of the NCLT on 25th April, 2022 wherein the tribunal has appointed Mr. Mukesh Varma as the Interim Resolution Professional (IRP) – who has taken charge of the Company and its affairs in terms of IBC and has initiated proceedings as per the Corporate Insolvency Resolution Process ('CIRP').

Directors

In aaccordance with the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company and Regulation 36(3) of Listing Regulations, 2015, Dr. GVK Reddy, Non-executive Director of the Company will retire by rotation at this ensuing Annual General Meeting and being eligible, your Board recommends his re- appointment.

Chairman being a Non-Executive Director, the Board of your Company has an optimum mix of Executive, Non-Executive and Independent Directors which is in compliance with the Companies Act, 2013 read with the SEBI (LODR) Regulations, 2015, as amended.

Key Managerial Personnel

During the year under review, there are no changes amongst the Key Managerial Personnel of the Company.

Declaration by Independent Directors

Each of the Independent Directors have given a declaration to the Company that they meet the criteria of independence as required under section 149(7) of the Companies Act, 2013 read with amended Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

An exclusive meeting of the Independent Directors of the Company has been held on 10th March, 2022 which was attended by all the Independent Directors. They have reviewed the performance of the non-independent directors and the Board as a whole, performance of chairperson and quality of information to the Board as provided under Schedule IV of the Companies Act, 2013.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors have formulated and adopted a policy on appointment / remuneration of directors including criteria for determining qualifications, positive attributes, independence of the Directors and other matters. This policy also covers the performance evaluation of all directors, Board, Committees and Key Managerial Personnel.

The Company has adopted a program on familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of business and the industry in which the Company operates among other things. The same is put up on the website of the Company at the link https://www.gvk.com/files/investor relations/investors/corpgovernance/ Familiarisation_Programme_for_Independent_Directors.pdf

Evaluation of Board

Board evaluation is in line with the Corporate Governance Guidelines of the Company. Annual Performance Evaluation was conducted for all directors along with the working of the Board and its Committees. This evaluation was led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance and effective functioning of the Board. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations, and in consonance with Guidance Note on Board Evaluation issued by SEBI in January 2017.

The Board evaluation was conducted through questionnaire having qualitative parameters and feedback based on ratings. Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance and compensation to whole-time director, etc. Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholder interest and enhancing shareholder value, experience and expertise to provide feedback and guidance to top management on business strategy, governance and risk, understanding of the organization's strategy, risk and environment, etc.

Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc. The Nomination & Remuneration Committee and the Board duly evaluates the performance of every director. The Board has received improved ratings on its overall effectiveness, including higher rating on Board communication, relationships and Board Committees. The Board has also noted areas requiring more focus in the future.

Policy on Director's Appointment and Remuneration

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013. Salient features of the Remuneration Policy is set out in the Corporate Governance Report. The Remuneration Policy is available on the Company's website at https://www.gvk.com/files/investorrelations/investors/ corpgovernance/Remuneration-Policy.pdf.

Board Meetings

During the year 2021-22, seven Board Meetings were held, the details of which are given in the Corporate Governance Report.

Board Committees

All Committees of the Board of Directors are in line with the provisions of the Companies Act, 2013 and the applicable SEBI (LODR) Regulations, 2015, as amended

Audit Committee

The Audit Committee comprises of Mr. S Balasubramanian, Chairman, Mr. Anumolu Rajasekhar, Mr. Anil Kumar Reddy as members and all of whom are Independent Directors. All the periodic recommendations made by the Audit Committee were accepted by the Board.

Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22. However the auditors have qualified their opinion for operating effectiveness over internal financial controls over use of assumptions for analysis for asset impairments.

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibilities Statement, it is hereby confirmed that;

i) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit or loss of the Company for the said period;
iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv) the directors had prepared the annual accounts for the financial year ended March 31, 2022 on a "going concern" basis;
v) they have laid down internal financial controls in the Company that are adequate and were operating effectively and
vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

Secretarial Auditors

The Board had appointed Mr. G Narender of Narender & Associates, a firm of Practicing Company Secretaries, to carry out the Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder. The report of the Secretarial Auditor in Form MR-3 is enclosed to this report as **Annexure B.** The Secretarial Auditor Report does not contain any qualification, reservation or adverse remarks. However, the matters of emphasis referred to there are already in public domain through periodic intimations to the stock exchanges which have been duly replied with justifiable reasons.

Statutory Auditors

M/s T R Chadha & Co LLP, Chartered Accountants (Reg No: 006711N/N500028) were appointed as Statutory Auditors of the Company, to hold office for a term of five years from the conclusion of 27th Annual General Meeting (AGM) held on 25th February, 2022 until the conclusion of 32nd AGM of the Company to be held in the year 2027.

Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018, amending section 139 of the Companies Act, 2013, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence your Company has not proposed any such a ratification, at the forthcoming AGM.

Cost Records

Your Company is not required to maintain cost audit records for any of the services of the Company as per Section 148(1) of the Act.

Status on suspension of trading

Though there has been some an unavoidable delay, the 26th & 27th Annual General Meetings were duly held on 29th October, 2021 and 25th February, 2022 respectively, after giving requisite notices to all the concerned under the Companies Act, 2013. Annual reports for the FY 2019-20 and 2020-21 have been duly filed with the respective exchanges as per Regulation 34 of SEBI (LODR), 2015 and the same have been uploaded on the website of the Company www.gvk.com as well.

As of 10th February, 2022, your company has published all the financial results pertaining to the previous quarters / years and there are no pending results that are required to be announced. Your Company has even remitted all the SOP penalties that have been levied by both the stock exchanges as per SEBI (LODR) Regulations, 2015 as amended. It is worth mentioning the fact that your Company and its employees have, in the last 9 months, worked very hard to over come the challenges / difficulties while finalizing /

publishing the financial results, in the shortest possible time, so as to bring the company back on track with respect to compliance of publication of pending financial results under the SEBI (LODR) Regulations, 2015.

Thereafter, your Company had applied for revocation of suspension of trading to both the stock exchanges as required under the SEBI (LODR) Regulations, 2015, as amended and all the additional documents / clarifications that have been sought by them have already been provided to them. We hope to receive their approval for revocation of trading suspension as soon as possible. However, it may be noted that once our application is internally cleared, both the exchanges would simultaneously announce the date of commencement of trading at one go.

Compounding of certain non-compliances under the Companies Act, 2013

You are aware that there has been some unavoidable delay in holding both the 26th & 27th Annual General Meetings (AGMs) for the financial years 2019-20 and 2020-21 respectively which have been duly held later on 29th October, 2021 & 25th February, 2022 for the respective years. Reasons for this delay has already been disclosed in our previous annual reports. Due to this delay in holding the AGMs beyond the stipulated time, there has been some non-compliance under the Companies Act, 2013. After rectifying these non-compliances, your Company, suo moto, had duly filed the requisite application with the Regional Director, Ministry of Corporate Affairs, Hyderabad for compounding of these non-compliances by way of condonation of delay in holding these AGMs beyond the stipulated time limit.

Management's response on the Statutory Auditors Qualification / Comments

Management's response on the qualifications made by Statutory Auditors on Standalone Financial statements

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

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

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

Non holding of the Annual General Meeting (AGM)

Company has already taken appropriate steps to comply with all statutory compliances and it is in a process of completing within a short span of time.

Management's response on the qualifications made by Statutory Auditors on Consolidated Financial statements

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

The Hon'ble Supreme Court of India had deallocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company. As directed by Hon'ble High Court of Delhi, GVK Coal (Tokisud) Private Limited has submitted its claim for an amount Rs. 19,882 lakhs with the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015. The nominated authority under the Ministry of Coal vide its order dated 16th March 2022 has further approved and released compensation of Rs.13,867 lakhs. Out of this an amount of Rs.8,883 lakhs have been deposited by nominated authority in interest bearing account with Registrar General of the Court as per the directions of the high court of Delhi dated 11th April 2022 and an amount of Rs.4,984 lakhs have been paid to lenders by nominated authority towards the balance dues payable as per the claims made by the lenders as on the date of vesting orders less the amount already paid to the lenders. Nominated authority has advised in the above order to approach Coal Tribunal in respect of disputes including the compensation disallowed with regard to R&R costs.

The Coal Based Power project (step down subsidiary) has challenged the Tariff passed by the Punjab State Electricity Regulatory Commission (PSERC) before the Appellate Tribunal. It has also submitted resolution plan to the lenders. Pending adjudication of Tariff order by the Tribunal and acceptance of the Resolution plan, it is difficult to estimate the impact.

The subsidiary, GVK Energy Limited is confident that the Government of India will take necessary steps/initiatives to improve the situation of natural gas. In the interim, these group company (GVKGPL) 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.

Hence, the impact of the same is unascertainable.

The project of the Company was terminated by GSRDC by referring the defaults of the Concessionaire. Consequent to the termination of the project, Company has accounted, cost incurred on the project Rs. 58,904 lakhs as amount receivable from the GSRDC as management has represented that the project of the Company was terminated due to the reasons attributable to the GSRDC. Company has disputed the termination notice and invoked arbitration in terms of the provisions of concession agreement. The matter is sub-judice before Hon'ble Arbitral Tribunal. Hence, the impact of the same is unascertainable.

The company has followed an accrual basis of accounting and has made provision for interest as per the terms of the loan agreement. The management is of the opinion non confirmation from the banks may not impact the financials.

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

Non holding of the Annual General Meeting (AGM)

Company has already taken appropriate steps to comply with all statutory compliances and it is in a process of completing within a short span of time.

Particulars of Loans, Guarantees or Investments

Particulars of loans and guarantees given, investments made and securities provided under Section 186 of the Companies Act, 2013 are given under the Notes to the financial statements and forms part of this Annual Report.

Contracts and Arrangements with the Related Parties

All the related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. These transactions are placed before the Audit Committee and the Board for their prior approvals. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on a materiality of related party transactions. The policy on related party transactions is available on our website under the following link https://www.gvk.com/files/investorrelations/investors/corpgovernance/relatedpartytransactionpolicy.pdf

The Company has not entered into any transactions with any person or entity belonging to the Promoter / Promoter Group holding 10% or more shareholding in the Company.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed **Form AOC-2**, is appended as **Annexure C** to the Board's report.

Annual Return

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company as on 31st March, 2022 is available on the Company's website and can be accessed at www.gvk.com

Internal Financial Control Systems and their adequacy

The Management continuously reviews the internal control systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses. The Internal Auditor of the Company conducts the audit on regular basis and the Audit Committee periodically reviews internal audit reports and effectiveness of internal control systems.

Public Deposits

During the year under review, your Company has neither invited nor accepted any deposits from the public.

Vigil Mechanism/Whistle Blower Policy

In terms of section 177(9) & (10) of the Companies Act, 2013 read with Regulation 22 of the Listing Regulation a Vigil Mechanism for Directors and employees to report genuine concerns has been established by the Board along with the whistle blower policy. The Vigil Mechanism and whistle blower policy have been uploaded on the website of the Company. The same can be accessed at the link https://www.gvk.com/files/investorrelations/investors/corp governance/Whistle-Blower-Policy.pdf

Under this policy, your Company encourages its employees to report any fraudulent financial or other information to the stakeholders, and any conduct that results in violation of the Company's code of business conduct, to the management (on an anonymous basis, if employees so desire). Further, your Company has prohibited discrimination, retaliation or harassment of any kind against any employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the investigation. The Audit Committee periodically reviews the functioning of this mechanism. No personnel of the Company was denied access to the Audit Committee.

Corporate Social Responsibility

Since, there is no adequate net profits during the preceding financial year, there are no specific funds that are required to be set aside and spent by the Company during the year under review. Members can access the CSR Policy on the website of the Company at link https://www.gvk.com/files/investorrelations/investors/corpgovernance/CSR_Policy_final_ copy.pdf

Particulars of employees and related disclosures

During the year under review, none of the employees are in receipt of remuneration which is in excess of the limits as specified in Rules 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

Disclosures relating to remuneration and other details as required under Section 197(12) read with Rule 5(1) of Companies (Appointment & Remuneration of Managerial personnel) Rules, 2015.

<table>
<tr><th>Sl. No.</th><th>Name of the Director/ KMP and Designation</th><th>Remuneration of Director/KMP for financial year 2021-22 (Rs In lakhs)</th><th>% Increase in Remuneration in the Financial year 2021- 22</th><th>Ratio of remuneration of each director/ median remuneration of employees</th><th>Comparison of the Remuneration of the KMP against the performance of the Company</th></tr>
<tr><td>1.</td><td>Dr. GVK Reddy
Chairman</td><td>---</td><td>---</td><td>---</td><td rowspan="4">Other than CS, no KMP is being paid any remuneration.
Hence not applicable</td></tr>
<tr><td>2.</td><td>P V Prasanna Reddy
Whole Time Director</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td>3.</td><td>A Issac George
Whole-time Director & CFO</td><td>---</td><td>---</td><td>---</td></tr>
<tr><td>4.</td><td>P V Rama Seshu
Vice President & Company Secretary</td><td>34.31</td><td>---</td><td>---</td></tr>
</table>

Particulars regarding Conservation of energy, Research and Development and Technology Absorption

Details of steps taken by your Company to conserve Energy, Research and Development and Technology Absorption have been disclosed as part of the MD&A Report.

Foreign exchange earnings and Outgo

In accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013, read with the Rule 5 of the Companies (Accounts) Rules, 2014, the information relating to foreign exchange earnings and outgo is provided under Notes to the Balance Sheet and Profit and Loss Account.

Material Changes and Commitments Affecting the Financial Position of the Company

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this report.

Details of Significant and Material Orders Passed by the regulators/Courts/Tribunals Impacting the Going Concern Status and the Company's Operations in Future

There are no significant and material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

Reporting of frauds by Auditor

During the year under review, neither the statutory auditor nor the secretarial auditor has reported any instance of fraud committed against the Company by its officers or employees under Section 143(12) of the Companies Act, 2013.

Information Required under Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013

Your Company has a policy and framework for employees to report sexual harassment complaints at workplace and its process ensures complete anonymity and confidentiality of information. Ethics Committee of the Company monitors the complaints, if any, which are dealt with in compliance of this policy. During the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy is available on the website of the Company at https://www.gvk.com/investorrelations/ investors/otherdisclosures.aspx

Acknowledgements

Your Directors take this opportunity to thank every shareholders, suppliers, bankers, business partners/ associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company and its subsidiaries and associates for their hard work and commitment. Their dedication and competence has ensured that the Company continues to be a significant and leading player in the Infrastructure industry.

For and on behalf of the Board of Directors

Place : Hyderabad
Date : 27th May, 2022

Dr GVK Reddy
Non-Executive Chairman

Holding Company

GVK Power & Infrastructure Limited

Subsidiaries (As on March 31, 2022)

1. GVK Energy Limited
2. GVK Transportation Private Limited
3. GVK Perambalur SEZ Private Limited
4. GVK Developmental Projects Private Limited
5. GVK Airport Services Private Limited
6. GVK Airports International PTE Ltd, Singapore
7. GVK Power (Khadur Sahib) Private Limited
8. GVK Shivpuri Dewas Expressway Private Limited

Step Down Subsidiaries (As on March 31, 2022)

1. GVK Industries Limited
2. GVK Gautami Power Limited
3. Alaknanda Hydro Power Company Limited
4. GVK Power (Goindwal Sahib) Limited
5. GVK Coal (Tokisud) Company Private Limited
6. GVK Ratle Hydro Electric Project Private Limited
7. GVK Jaipur Expressway Private Limited
8. GVK Deoli Kota Expressway Private Limited
9. GVK Bagodara Vasad Expressway Private Limited
10. PT GVK Services, Indonesia
11. Sutara Roads & Infra Limited

Associate (As on March 31, 2022)

Seregarha Mines Limited

Annexures

Annexure A

FORM NO. AOC-1

(Pursuant to First proviso to sub-section (3) of section 129 of the Companies Act, 2013

Read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Rs in lakhs)

Sl. No.	1	2	3	4	5	6	7	8
Name of the Subsidiary/ Associate Company/ Joint Venture	GVK Energy Ltd	GVK Power (Khadur Sahib) Private Limited	GVK Transportation Pvt Ltd	GVK Perambalur SEZ Pvt Ltd	GVK Developmental Projects Pvt Ltd	GVK Airport Services Pvt Ltd	GVK Airports International PTE Ltd	GVK Shivpuri Dewas Expressway Private Limited
Reporting period for subsidiary concerned, if different from the holding company's reporting period	01-04-2021 to 31-03-2022	01-04-2021 to 31-03-2022	01-04-2021 to 31-03-2022	01-04-2021 to 31-03-2022	01-04-2021 to 31-03-2022	01-04-2021 to 31-03-2022	01-04-2021 to 31-03-2022	01-04-2021 to 31-03-2022
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR
Share Capital	1,28,831	1	21,715	1	14,341	19	664	100
Other Equity #	(50,662)	-	25,663	2,278	63,201	72	303	(100)
Total Assets	1,35,787	24.16	85,214	14,715	80,749	97	428	0.16
Total Liabilities	1,35,787	24.16	85,214	14,715	80,749	97	428	0.16
Investments *	1,32,046	-	84,708	-	40,051	0.31	-	-
Turnover	2,688	-	-	-	7	-	-	-
Profit before Taxation	1,287	-	(1,662)	(585)	(30,072)	(0.08)	(0.13)	1,494
Provision for taxation	16	-	-	(258)	17	0.10	-	-
Profit after taxation	1,271	-	(1,662)	(327)	(30,089)	(0.18)	(0.13)	1,494
Proposed Dividend	-	-	-	-	-	-	-	-
% of shareholding	62.8	100	100	100	100	100	100	100

Including borrowings in the nature of equity

* Including Deemed Investments

Part "B": Associate and Joint Venture

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No.	Name of Associate	Seregarha Mines Limited
1	Latest audited Balance Sheet Date	31/03/2022
2	Shares of Associate held by the company on the year end	44.45%
	No.	51,73,108
	Amount of Investment in Associates / Joint Venture	-
	Extent of Holding %	44.45%
3	Description of how there is significant influence	We have power to participate in the financial and / or operating policy decisions of the investee but not control over these policies
4	Reason why the associate / joint venture is not consolidated	Not applicable
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs. 1,014 Lakhs
6	Profit / Loss for the year	Rs.(0.70) Lakhs
	i. Considered in Consolidation	Nil
	ii. Not considered in Consolidation	Not applicable

For and on behalf of the Board of Directors

Place : Hyderabad
Date : 27th May, 2022

Dr GVK Reddy
Non-Executive Chairman

Annexure B

SECRETARIAL AUDIT REPORT

(As per Form No. MR-3)

For the financial year ended 31-03-2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
M/s GVK Power &Infrastructure Limited
(CIN: L74999TG2005PLC059013)
Paigah House, 156-159, Sardar Patel Road
Secunderabad – 500003.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. GVK Power & Infrastructure Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

The maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Based on my verification of the M/s. GVK Power & Infrastructure Limited's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s GVK Power & Infrastructure Limited for the financial year ended on 31st March, 2022 according to the provisions of

1. The Companies Act. 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI ACT):-
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
   d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
6. The Company being an "Ultimate Holding Company" and without any manufacturing/production activities on its own, most of the Labour Laws are not applicable to the company. However, the company is complying with the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972.
7. As regards compliance of Environmental Laws, as may be applicable to the company, we state that the company does not have any manufacturing unit since it is a Holding Company. As per the management, the respective subsidiary/associates of the company are complying with the applicable Environmental Laws. Therefore, the company need not comply with any specific Environmental Laws by itself.

We have also examined requisite compliances with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India and found that they have been duly complied by the Company.

During the period under review, the Company has complied with all the relevant provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above except, to the extent as mentioned below, which are being brought to your attention as an emphasis of matters:

(i) The company has not published the audited / un-audited financial results, as the case may be, from March, 2020 onwards as required under Regulation 33 of SEBI (LODR) Regulations, 2015 within the stipulated time thereof. However, the reasons for this non-compliances have been explained to the Stock Exchanges and the SEBI, from time to time, which we believe are genuine and the company had also paid the relevant penalties that were levied by the stock exchanges for these non-compliances.

However, as on 10-02-2022, all the pending financial results including for the third quarter ended 31-12-2021 have been duly published by the Company and filed with the stock exchanges

(ii) The Company has not submitted its Annual Report for the financial year 2019-20 to the Stock Exchanges as per Regulation 34 of SEBI (LODR), 2015 and not published the same on website of the Company. However, the reasons for this non-compliance has been explained to the Stock Exchanges and the SEBI, from time to time, which we believe are genuine and the company had also paid the relevant penalties that were levied by the stock exchanges for this non-compliance.

The Annual Reports for the FY 2019-20 and 2020-21 have been duly filed with the respective exchanges and the same have been uploaded on the website of the Company www.gvk.com.

The Company couldn't comply with Regulation 33 and 34 SEBI (LODR), 2015 due to which the Stock Exchanges have suspended the equity shares of the Company from trading.

However, the Company has filed Application for revocation of suspension in trading of equity shares to both the exchanges (BSE & NSE) and have submitted all the additional information as sought by both the exchanges.

(iii)The Company has not conducted its Annual General Meeting pertaining to the financial years ended 31.03.2020 and 31.03.2021 within the respective due dates. However, the reasons for this non-compliance have been explained to the Stock Exchanges and the SEBI, from time to time, which we believe are genuine and the company had also paid the relevant penalties that were levied by the stock exchanges for this non-compliance.

However, the 26th & 27th AGMs were duly held on 29-10-2021 and 25-02-2022 respectively after giving requisite notices to all the concerned under the Companies Act, 2013.

The Company has filed the compounding application with Regional Director, Ministry of Corporate Affairs, Hyderabad for condonation of delay for non conducting of Annual general Meetings beyond the stipulated time for the FY 2019-20 & 2020-21

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the SEBI (LODR) Regulations, 2015.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company not entered into / carried out any activity that has major bearing on the Company's affairs.

For NARENDER & ASSOCIATES
Company Secretaries

G NARENDER
Proprietor
FCS:4898, CoP:5024
UDIN : F004898D000403032

Place : Hyderabad
Date : 27th May, 2022

Annexure C

FORM NO. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below :

1. **Details of contracts or arrangements or transactions not at Arm's length basis :**

   There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2022, which were not at arm's length basis.

2. **Details of contracts or arrangements or transactions at Arm's length basis.**

(Rs in lakhs)

Name of the related party	Nature of relation ship	Duration of contract	Salient terms	2021-22	2020-21
Nature of Contract:					
Fees for services rendered (Includes Corporate guarantee commission income)					
Mumbai International Airport Private Limited	Subsidiary	5 years	Manpower consultancy service	-	1,016
GVK Jaipur Expressway Private Limited	Subsidiary	Till loan is paid	Corporate Guarantees Commission	1000	152
GVK Airport Developers Limited	Subsidiary	Till loan is paid	Corporate Guarantees Commission	-	615
GVK Energy Limited	Subsidiary	Till loan is paid	Corporate Guarantees Commission	16	35
Navi Mumbai International Airport Private Limited	Subsidiary	Till loan is paid	Corporate Guarantees Commission	-	1,050
Reimbursement of expenses (Billable expenses)					
GVK Energy Limited	Subsidiary	Not applicable	Business Suport Service	13	-
GVK Industries Limited	Subsidiary	Not applicable	Business Suport Service	1	-
Alaknanda Hydro Power Company Limited	Subsidiary	Not applicable	Business Suport Service	26	-
GVK Power (Goindwal Sahib) Limited	Subsidiary	Not applicable	Business Suport Service	47	-
GVK Jaipur Expressway Private Limited	Subsidiary	Not applicable	Business Suport Service	18	-
Crescent EPC Projects and Technical Services Limited	Subsidiary	Not applicable	Business Suport Service	1	-
Services received					
GVK Airport Developers Limited	Group Company	Not applicable	Manpower Service	-	14
GVK Airport Holdings Pvt Ltd	Group Company	Not applicable	Manpower Service	-	28
Sutara Roads & Infra Limited	Group Company	Not applicable	Manpower Service	8	12
GVK Developmental Projects Private Limited	Group Company	Not applicable	Manpower Service	7	9
TAJ GVK Hotels & Resorts Limited	Group Company	Not applicable	Manpower Service	3	0
Orbit Travels & Tours Private Limited	Group Company	5 years	Cost of Flight services	-	1
GVK Technical & Consultancy Services Private Limited	Group Company	5 years	Manpower Service	556	92
Pinakini Share and Stock Broker Limited	Group Company	Not applicable	Dematerialization services	-	8
Purchase of Asset					
GVK Airport Developers Limited	Subsidiary	Not applicable	Purchase of Asset	8	-
Rent					
Paigah House Hotels LLP	Group Company	Not applicable	Rent	4	4

Name of the related party	Nature of relation ship	Duration of contract	Salient terms	2021-22	2020-21
Loans/advances given/expenditure incurred on behalf					
GVK Industries Limited	Subsidiary	Not applicable	Advance given	8	21
GVK Airport Developers Limited	Subsidiary	Not applicable	Advance given	131	69
GVK Transportation Private Limited	Subsidiary	Not applicable	Advance given	298	9,857
GVK Perambalur SEZ Private Limited	Subsidiary	Not applicable	Advance given	609	382
GVK Energy Limited	Subsidiary	Not applicable	Advance given	11,523	10,335
GVK Jaipur Expressway Private Limited	Subsidiary	Not applicable	Advance given	500	-
Loans/advances recovered					
GVK Energy Limited	Subsidiary	Not applicable	Advance recovered	10590	147
GVK Industries Limited	Subsidiary	Not applicable	Advance recovered	149	35
GVK Gautami Power Limited	Joint Venture	Not applicable	Advance recovered	3	-
GVK Airport Developers Limited	Subsidiary	Not applicable	Advance recovered	58	49
GVK Transportation Private Limited	Subsidiary	Not applicable	Advance recovered	9551	653
Interest income on financial assets					
GVK Airport Developers Limited	Subsidiary	Till loan is paid	Preference shares	-	745
GVK Jaipur Expressway Private Limited	Subsidiary			6	-
Advances and Investments (Including deemed) written off/Fair value loss including provision for impairment					
GVK Energy Limited	Subsidiary	One time	Impairment of non-current investments	-	25,100
GVK Transportation Private Limited	Subsidiary	One time	Impairment of non-current investments	-	26
GVK Airports International Pte. Ltd	Subsidiary	One time	Impairment of non-current investments	669	-
Unearned guarantee commission liability written back					
GVK Jaipur Expressway Private Limited	Subsidiary	-	Unearned guarantee commission	76	-
GVK Airport Developers Limited	Subsidiary	-	Unearned guarantee commission	609	-
Purchase of Preference shares					
Sutara Roads & Infra Limited	Subsidiary		Purchase of Preference shares	94080	-
Investments in Debentures					
Sutara Roads & Infra Limited	Subsidiary		Purchase of Preference shares	25000	-
Investments in Equity					
GVK Energy Limited	Subsidiary	Not applicable	Equity shares	199	-
GVK Transportation Private Limited	Subsidiary	Not applicable	Equity shares	-	26
GVK Developmental Projects Private Limited	Subsidiary	Not applicable	Equity shares	-	10
GVK Airports International (Pte) Ltd	Subsidiary	Not applicable	Equity shares	-	669
Sutara Roads & Infra Limited	Subsidiary	Not applicable	Equity shares	-	5
GVK Shivpuri Devas Expressway Private Limited	Subsidiary	Not applicable	Equity shares	1	-
GVK Power (Khadur Sahib) Private Limited	Subsidiary	Not applicable	Equity shares	1	-

Name of the related party	Nature of relation ship	Duration of contract	Salient terms	2021-22	2020-21
Loan taken					
Sutara Roads & Infra Limited	Subsidiary	One time	Loan taken	5,000	24,995
Loan repaid					
GVK Developmental Projects Private Limited	Subsidiary	One time	Loan repaid	33,303	1,753
GVK Jaipur Expressway Private Limited	Subsidiary	One time	Loan repaid	-	83
Guarantees given					
GVK Airport Developers Limited	Subsidiary	Till loan is paid	Guarantees given	-	-
Guarantees released					
GVK Airport Developers Limited	Subsidiary	Not applicable	Not applicable	2,24,257	-
GVK Jaipur Expressway Private Limited	Subsidiary	Not applicable	Not applicable	23,626	10,591
GVK Ratle Hydro Electric Project Private Limited	Subsidiary	Not applicable	Not applicable	26,472	-

* The above basis of pricing is based on long term contract at a fixed term. Further approval, if any, of the Audit Committee / Board will be taken as and when there are any material changes to these agreed terms.

Report on Corporate Governance

In compliance with the Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015 (Listing Regulations, 2015) the Company is providing below report on the matters as mentioned in the said Regulation and practices followed by the Company.

Philosophy of the Company on the code of governance

The Company aims at achieving transparency, accountability and equity in all facets of its operations, and in its interactions with stakeholders, including shareholders, employees, government, lenders and other constituents, while fulfilling the role of a responsible corporate representative committed to good corporate practices. The Company is committed to achieve good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate culture which aims at true Corporate Governance.

The Company believes that all its operations and actions must result in enhancement of the overall shareholders value in terms of maximizing shareholders' benefits, over a sustained period of time.

Board of Directors

Size and composition of the Board

The Board is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management. The total strength of the Board as on March 31, 2022 is 10 (Ten) Directors comprising of Three Promoter Directors, Five Independent Directors and Two Non-Independent Directors. Among the Directors, two are Executive (whole time) Directors and eight are Non-executive Directors as on March 31, 2022. The Board periodically evaluates the need for increasing or decreasing its size. All the Independent Directors on the Board fulfils the conditions specified in the Companies Act and the Rules made thereunder and the Listing Regulations and are independent of the Management. Following is the composition of our Board and their number of directorships in other companies as on March 31, 2022.

Name of the Director & DIN Number	Category	Number of Directorship in other Public Companies	Number of Committee positions held in other Public Companies *		Directorship in other listed entities as on March 31, 2022 (Category of Directorship)
			Member	Chairman	
Dr. GVK Reddy (00005212)	Non- Executive Chairman Promoter	1	-	-	TAJ GVK Hotels & Resorts Limited (Non-Executive Chairman)
G V Sanjay Reddy (00005282)	Non- Executive Vice Chairman Promoter	5	2	-	---
P V Prasanna Reddy (01259482)	Executive Non-Independent	2	1	-	---
Krishna R Bhupal (00005442)	Non-Executive Promoter	2	2	-	TAJ GVK Hotels & Resorts Limited (Promoter Director)
A Issac George (00005456)	Executive Non-Independent	7	3	-	---
Ms Rama Rao (03207492)	Non-Executive Independent	-	-	-	---
S Balasubramanian (02849971)	Non-Executive Independent	5	3	2	Independent Director in 1. Sanghi Industries Limited 2. Emami Paper Mills Limited 3. TTK Healthcare Limited 4. UCAL Fuel Systems Limited 5. Peerless Hotels Limited
Anumolu Rajasekhar (01235041)	Non-Executive Independent	1	-	-	TAJ GVK Hotels & Resorts Limited (Independent Director)
Anil Kumar Reddy Nukalapati (00017586)	Non-Executive Independent	1	1	-	TAJ GVK Hotels & Resorts Limited (Independent Director)
Ilyas Ghulam Hussain Ghouse ** (07480760)	Non-Executive Independent	4	-	2	---

*includes membership of Audit Committees and Stakeholders Relationship Committees of other Public Limited Companies.

Except Promoter Directors (viz. Dr. GVK Reddy, Mr. GV Sanjay Reddy and Mr. Krishna R Bhupal), none of the Directors are related to each other.

** Appointed on the Board with effect from 1st January, 2022

None of the directors is;

i) a board member in more than ten public limited companies or eight listed companies.
ii) a member in more than ten committees; and
iii) acting as a chairman in more than five committees across all companies in which he is a director.

Certificate from Company Secretary in Practice

Mr. G Narender of Narender & Associates, Practicing Company Secretaries has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authorities. A certificate to that effect is enclosed to this report

Board Meetings held during the Year

The Board of Directors met seven times during the year on April 16, 2021, August 24, 2021, September 09, 2021, December 03, 2021, December 28, 2021, February 10, 2022 and March 23, 2022.

Ministry of Corporate Affairs (MCA) vide it's General Circular dated 3rd May, 2021, had extended the gap between two consecutive Board Meetings to 180 days for the Quarter- April to June, 2021 and Quarter – July to September, 2021 instead of 120 days as indicated under Section 173 of the Companies Act, 2013.

Accordingly, the gap between the two consecutive Board and Audit Committee meetings of the company held during April 06, 2021 and August 24, 2021 said period is more than 120 days which is well within the extended time limit as provided in the above circular.

Directors Attendance and Sitting fee paid

Given in the table below is the Board Meeting attendance record of the directors during the year 2021-22.

Name of the Director	No. of meetings held	No. of meetings attended	Sitting Fees Paid (Rs.)	Presence at last AGM
Dr. GVK Reddy	7	7	1,40,000	Yes
G V Sanjay Reddy	7	7	1,40,000	Yes
Krishna R Bhupal	7	5	1,00,000	Yes
A Issac George	7	7	-	Yes
P V Prasanna Reddy	7	7	-	Yes
S Anwar*	7	2	40,000	No
S Balasubramanian	7	7	1.40,000	Yes
Anumolu Rajasekhar	7	7	1,40,000	Yes
Anil Kumar Reddy Nukalapati	7	6	1,20,000	Yes
Ilyas Ghulam Hussain Ghouse @	7	2	40,000	Yes
Ms. Rama Rao	7	4	80,000	Yes

* Ceased to be Director from 10-11-2021

@ appointed on the Board with effect from 01-01-2022

No. of shares held by Non-Executive Directors

The details of Shareholdings of the Non-Executive Directors in the Company as at March 31, 2022 are as follows:

Name	No. of Shares
Dr. GVK Reddy	3,09,58,857
Mr. G V Sanjay Reddy	5,57,25,951
Mr. Krishna R Bhupal	3,71,50,630
Mr. Ilyas Ghulam Hussain Ghouse*	Nil
Mr. S Balasubramanian	Nil
Mr. S Anwar**	Nil
Mr. A Rajasekhar	Nil
Ms. Rama Rao	Nil
Mr. Anil Kumar Reddy	1

* appointed on the Board with effect from 01-01-2022

** Ceased to be Director from 10-11-2021

Familiarization program to Independent Directors

The Company has adopted a program on familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of business and the industry in which the Company operates among other things. The same is put up on the website of the company at the link https://www.gvk.com/files/investorrelations/investors/corpgovernance/familiarisation_programme_for_independent_directors.pdf

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with Members of the Board:

Area	Skill / expertise / competencies	Experts in Board
Infrastructure Business	Understanding the business dynamics across geographical markets, industry verticals and concerned regulatory jurisdictions.	Dr. GVK Reddy Mr. G V Sanjay Reddy Mr. Krishna R Bhupal
Strategy and Planning	Long-term and strategic planning, business principles and experience in guiding and leading management teams to make decisions in uncertain environments.	Dr GVK Reddy Mr. G V Sanjay Reddy Mr. P V Prasanna Reddy Mr. A Issac George

Area	Skill / expertise / competencies	Experts in Board
Governance	Developing governance practices, serving the best interests of all the stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.	Mr Anil Kumar Reddy Mr. S Balasubramanian Mr. A Rajasekhar
Regulatory	Dealing with various regulatory authorities	Mr. G V Sanjay Reddy Mr. A Issac George Mr. S Balasubramanian Mr. Ilyas Ghulam Hussain Ghouse

Brief details of Directors seeking appointment and re-appointment at this Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Name of the Director	Dr. GVK Reddy
Date of Appointment	16th February, 2005
Date of Birth	22nd March, 1937
Qualifications	Bachelor's Degree in Arts
Brief resume and expertise in specific functional Areas	Dr. GVK Reddy is the Founder Chairman of "GVK". He has been awarded a Doctorate in Philosophy from the Jawaharlal Nehru Technological University. He has been conferred with the "Padma Bhushan" award from the Government of India in the category of Trade and Industry on 25th January, 2011. He is a first generation industrialist and the founder of the GVK Group which has businesses in the energy, urban infrastructure, transportation, particle boards, hospitality, petrochemicals, bio-technology and finance sectors. His career spanning the last 52 years started with his involvement in the construction of major infrastructure projects for the Government such as dams, powerhouses, irrigation canals, bridges, roads, aqueducts and under tunnels.
Relationship with other Directors and other Key Managerial Personnel of the Company	Mr G V Sanjay Reddy Mr Krishna R Bhupal
Nature of appointment (Appointment/ reappointment)	Re-appointment
Terms and Conditions of appointment/ reappointment	Re-appointment as Non-executive director of the Company
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Sitting fees is being paid, the details are given in Corporate Governance Report
Shareholding in the Company	3,09,58,857 shares
The number of Meetings of the Board attended during the year	Seven (7)
List of Companies in which outside Directorship held as on 31.03.2022 (Companies registered in India)	TAJ GVK Hotels & Resorts Limited Crescent EPC Projects and Technical Services Limited GVK Natural Resources Private Limited Cygnus Real Estates Private Limited GVK Davix Technologies Private Limited Green Woods Palaces And Resorts Private Limited GVK Properties and Management Company Private Limited GVK City Private Limited
Chairman/Member of the *Committees of other Companies on which he is a Director as on 31.03.2022*	----

* Includes Audit Committee (AC), Stakeholders Relationship Committee (SRC), Nomination & Remuneration Committee (NRC) and Corporate Social Responsibility Committee (SRC).

Audit Committee

The Audit Committee constituted by the Board comprised of only Non-Executive and Independent Directors. The committee met six times during the year on 16th April, 2021, 24th August, 2021, 9th September, 2021, 3rd December, 2021, 28th December, 2021, 10th February, 2022. The attendance details for the Committee meetings are as follows:

Name of the Member	Category	No. of meetings	
		Held	Attended
S Balasubramanian	Chairman	6	6
A Rajasekhar	Member	6	6
Anil Kumar Reddy	Member	6	6

The terms of reference as stipulated by the Board to the Audit Committee include:

a) Review of the Company's financial reporting process and disclosure of its financial information.

b) Recommending the appointment and removal of external auditors, fixation of audit fee and recommending payment for any other services.

c) Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on
   (i) Changes in accounting policies and practices
   (ii) Major accounting entries involving estimates based on the exercise of judgment by the management
   (iii) Qualifications in the draft audit report
   (iv) Significant adjustments arising out of audit
   (v) The going concern assumption
   (vi) Compliance with accounting standards
   (vii) Compliance with stock exchange and legal requirements concerning financial statements
   (viii) Disclosure of any related party transactions
d) Reviewing with the management, the external and internal auditors the adequacy of internal control systems.
e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
f) Discussion with internal auditors of any significant findings and follow up there on.
g) Reviewing with the management, the external and internal auditors the adequacy of internal control systems.
h) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
i) Discussion with internal auditors of any significant findings and follow up there on.
j) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
k) Discussion with statutory auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee constituted by the Board comprised of majority of Non-Executive Independent Directors. The committee during the year met on on 22nd December, 2021. The attendance details for the Committee meetings are as follows:

Name of the Member	Category	No. of meetings	
		Held	Attended
Ilyas Ghouse $$	Chairman	1	-
Krishna R Bhupal	Member	1	1
Rama Rao	Member	1	1

$$ appointed as a member of this committee from 10-02-2022

The terms of reference of Nomination & Remuneration Committee include:

The committee has been constituted to recommend/review the remuneration package of the Managing/Whole-Time Directors, Key Managerial Personnel and other senior executive's one level below the Board, apart from deciding other matters such as framing and implementation of stock option plans to employees, etc. The remuneration policy is directed towards rewarding performance based on review of achievements which are being reviewed periodically which is in consonance with the existing industry practices.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the performance evaluation of the Independent Directors was carried out by the entire Board.

Remuneration to Directors

Remuneration to Executive / Non-Executive Directors:

a. The Board, on the recommendation of the Nomination and Remuneration Committee (NRC), shall review and approve the remuneration payable to the Executive / Non-Executive Directors of the Company within the overall limits as permitted under the Act and approved by the shareholders.
b. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.
c. Except sitting fees, none of the directors are being paid any other form of remuneration.

Pecuniary transactions with Non-Executive Directors

There were no pecuniary transactions with any of the Non-Executive Directors except for Sitting Fees paid to them as Directors of the Company.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of following three Directors and the majority of whom are Non-Executive Independent Directors

Ilyas Ghouse ** - Chairman

A Issac George - Member

Rama Rao - Member

** Appointed as a member of this Committee with effect from 10th February, 2022

The Stakeholders Relationship Committee met on 23rd March, 2022 and reviewed the shareholders grievances on suspension of trading in securities of the Company amongst other related issues.

Details of complaints received / resolved during the financial year 2021-22.

Nature of Complaint	Received	Resolved	Pending
For Non-receipt of			
- Dividend Warrant	4	4	0
- Annual Report	26	26	0
- Electronic credit /Share Certificate	4	4	0
Total	**34**	**34**	**0**

Ethics & Compliance Committee

The Board has re-constituted the Ethics & Compliance Committee of the Company vide its circular resolution dated April 23, 2019 to best Corporate Governance Practices and the applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and amended regulations of SEBI (Prevention of Insider Trading Regulations), 2015

This Committee comprises of the following Non-Executive Independent Directors.

Mr. Ilyas Ghouse - Member
Ms. Rama Rao - Member
Mr. A Rajasekhar - Member

The Company has a Code of Conduct for Prevention of Insider Trading as prescribed by the Securities and Exchange Board of India. The Committee monitors the implementation of the Code and takes on record the status reports detailing the dealings in securities by the Eligible Persons.

Mr. P V Rama Seshu, Vice President & Company Secretary of the Company has been designated as the Compliance Officer and also acts as the Secretary to all the above Committees.

Code of Conduct

The Board of Directors of the Company has laid a code of conduct for Directors and the senior management. The code of conduct is posted on the Company's website. All Directors and designated personnel in the senior management have affirmed compliance with the code for the year under review. A declaration to this effect duly signed by Dr. GVK Reddy, Chairman is annexed to this report.

Availability of information to the members of the Board

The Board has unfettered and complete access to any information within the Company and from any of our employees. At meetings of the Board, it welcomes the presence of concerned employees who can provide additional insights into the items being discussed. The information regularly supplied to the Board includes:

- Annual operating plans and budgets, capital budgets and updates
- Periodic Financial Statements
- Minutes of meetings of audit, compensation and investor grievance committee of the Company along with board minutes of the subsidiary companies, General notices of interest
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary
- Materially important litigations, show cause, demand, prosecution and penalty
- Fatal or serious accidents or dangerous occurrences, any material effluent or pollution problems, if any
- Any materially relevant default in financial obligations to and by us
- Details of any joint venture, acquisitions of companies or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant development on the human resources front
- Sale of material, nature of investments in subsidiaries and assets, which are not in the normal course of business
- Details of foreign exchange exposure and the steps taken by the management to limit risks of adverse exchange rate movement
- Non-compliance of any regulatory, statutory or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer

The Board also periodically reviews compliance reports of all laws applicable to the Company, prepared by the designated employees as well as steps taken to rectify instances of non-compliance.

Previous Annual General Meetings

Year	Date	Time	Venue
2018-19	25.09.2019	11.30 A.M	Sri Satya Sai Nigamagamam, Sri Nagar Colony, Hyderabad – 500 073
2019-20	29.10.2021	11.30 A.M	The registered office of the Company is the deemed venue, as the meeting was held through Video Conference mode.
2020-21	25.02.2022	11.30 A.M	The registered office of the Company is the deemed venue, as the meeting was held through Video Conference mode.

Special Resolutions passed during the previous three Annual General Meetings

Financial Year	Details of Special Resolutions Passed
2020-21	Appointment of Mr. Ilyas Ghulam Hussain Ghouse as Independent Director of the Company
2019-20	Re-appointment of Mr. P V Prasanna Reddy as Whole-time Director of the Company. Appointment of Mr. N Anil Kumar Reddy as Independent Director of the Company Appointment of Ms. Rama Rao as Independent Woman Director of the Company
2018-19	Re-Appointment of Dr. GVK Reddy. Re-Appointment of Mr. CH G Krishna Murthy as Independent Director of the Company Re-Appointment of Mr. S Balasubramanian as Independent Director of the Company Re-Appointment of Mr. S Anwar as Independent Director of the Company Re-Appointment of Mr. A Issac George as Whole-time Director & Chief Financial Officer of the Company

Details of special resolution passed during the year through postal ballot

During the year under review, there is no special resolution passed through postal ballot.

Details of special resolution proposed to be conducted through postal ballot

At the ensuing Annual General Meeting, there is no Agenda item that requires approval of the shareholder through postal ballot.

E-voting

Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management & Administration) Rules, 2014 and Regulation 44 of Listing Regulations, 2015 also requires a listed Company to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings and the same has been provided at this AGM.

Means of Communication

The quarterly and annual financial results of the Company are generally published in National Newspapers i.e. The Economic Times, The Financial Express or Business Standard in English and Andhra Prabha, Surya or Nava Telangana a regional newspaper in vernacular language. The results of the company are displayed on company's website www.gvk.com

Related Party Transactions

There were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. Prior omnibus approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature. The related party transactions entered into were in the ordinary course of business and at arm's length basis. A statement of related party transactions is placed before the Board on quarterly basis.

The Company has framed a Policy on Related Party transactions and the same is available on website of the Company at https://www.gvk.com/files/investorrelations/investors/corpgovernance/RelatedParty TransactionPolicy.pdf

Whistle-blower policy / Vigil Mechanism

The Company has established a policy for all the employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct or ethics policy. The mechanism under the said policy also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. We further affirm that during the financial year 2021-22, no employee has been denied access to the audit committee.

Material Subsidiary Companies

The Minutes of the Meetings of Board of Directors of all the subsidiary companies were periodically placed before the Board of Directors of the Company. The Policy on Material Subsidiary is available on the website of the Company at https://www.gvk.com/files/investorrelations/investors/corpgovernance/policy_for_determining_material_subsidiaries_gvk_pil.pdf

Details of total fees paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follow:

Name of the Company / Subsidiary	Nature of service	Amount Rs. in Lakhs
GVK Power & Infrastructure Limited (GVK PIL)	Audit Fees	56.50
	Other Fees	0.00
Total (A)		**56.50**
Subsidiaries of GVK PIL	Audit Fees	47.44
	Other Fees	6.52
Total (B)		**53.96**
Total (A+B)		**110.46***

Entities in the network firm / network entity of which the statutory auditors is a part - NIL
* Excluding assets classified as held for sale

Information Required under Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013

Your Company has a policy and framework for employees to report sexual harassment complaints at workplace and its process ensures complete anonymity and confidentiality of information. Ethics Committee will oversee the complaints, if any, which are address in compliance with this policy. During the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Prevention of insider trading

The Company has adopted an insider trading policy to regulate, monitor and report trading by insiders under SEBI (Prevention of Insider Trading) Regulations, 2015. This policy also includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosure. The policy is available on our website at https://www.gvk.com/files/investorrelations/investors/corp governance/gvkpilinsider_trading_policy.pdf

SEBI Complaints Redressal System (SCORES)

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The Company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

Strictures/Penalty

Other than what is already reported in the director's report, as penalties for non-publication of financial results under Regulation 33 of SEBI (LODR) Regulations, 2015, no stricture or penalty has been imposed on the Company by Stock exchange or SEBI or any statutory authority, nor has been any instance of non-compliance with any legal requirements, or any matters relating to the Capital market over the last three years.

Non-compliance of any requirements of corporate governance report of sub-paras (2) to (10) of Schedule V of SEBI (LODR) Regulations, 2015

The Company has complied with the requirement of corporate governance report of sub-regulation (2) to (10) of Schedule V of the SEBI (LODR) Regulations, 2015.

Adoption of discretionary requirements as specified in Part E of Schedule II of SEBI (LODR) Regulations, 2015

With regard to discretionary requirements, the Company has adopted clauses relating to the following:

Separate persons were appointed for the posts of Chairman and Whole-time Director and the Internal Auditors directly report to the Audit Committee.

Compliance with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015

Company has complied with all the relevant corporate governance requirements stipulated in the Listing Regulations.

General Shareholder Information

1.	**Annual General Meeting**	
	Day, Date and Time	Friday, 26th August, 2022 at 11:30 AM
	Financial year	2021-22
	Venue	This being held through Video Conference, the registered office would be deemed venue.
2.	**Book Closure Dates**	Monday, 22nd August, 2022 to Friday, 26th August, 2022 (both days inclusive)
3.	**Listing of equity shares is at**	**The National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400 051
		BSE Limited Floor 25, P J Towers, Dalal Street Fort, Mumbai – 400001
		Annual Listing Fee has been paid for the year 2022-23 to both the above Stock Exchanges
4.	**Stock Code**	BSE: 532708, NSE: GVKPIL
		ISIN : INE251H01024
5.	**Market Price Data: High, Low during each month in last Financial year / Performance in comparison to BSE Sensex and S&P CNX Nifty**	Please see Annexure 'A'
6.	**Registrar & Share Transfer Agents**	KFin Technologies Limited (earlier known as earlier known as Karvy Fintech Private Limited) **Unit: GVK Power & Infrastructure Limited** Karvy Selenium Tower B, Plot 31-32,Gachibowli, Financial Dt, Nanakramguda, Hyderabad - 500 032 Phone: 040 - 67161569, Fax : 040 - 23420814 E-mail: einward.ris@kfintech.com website: www.kfintech.com
7.	**Share Transfer System**	As per Regulation 40 of Listing Regulations, as amended, effective from April 1, 2019, securities of listed companies can be transferred only in dematerialized form except in case of request received for transmission or transposition of securities. In view of this, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or KFin Technologies Limited, for assistance in this regard.
8.	**Distribution of Shareholding and Shareholding pattern as on March 31, 2022**	Please see Annexure 'B'
9.	**Dematerialization of shares and Liquidity**	99.86% of the shareholding has been dematerialized as on 31 March, 2022.
10.	**Commodity price risk or foreign exchange risk and hedging activities**	As the Company is not engaged in commodity business, commodity risk is not applicable.
11.	**Credit Ratings for debt instruments**	As Company has not raised funds through any debt instruments, hence credit ratings is not applicable.
12.	**Address for Correspondence**	GVK Power & Infrastructure Limited 'Paigah House', 156-159, Sardar Patel Road, Secunderabad – 500003 Phone No. 040-27902663 / 64, Fax: 040-27902665 Email: cs.gvkpil@gvk.com Website: www.gvk.com
13.	**Query on the Annual Report** (Shall reach 10 days before the AGM)	P V Rama Seshu Vice President & Company Secretary-Compliance Officer GVK Power & Infrastructure Limited 156-159, 'Paigah House', Sardar Patel Road, Secunderabad - 500 003 E-mail : cs.gvkpil@gvk.com Phone: 040-27902663/64 Fax: 040-27902665
14.	**Disclosure relating to demat suspense account / unclaimed suspense account**	Not Applicable as there is no shares lying in the demat suspense account / unclaimed suspense account of the Company.

Changes in Share Capital

Date of Allotment	Number of Shares	Issue Price (Rs.)	Consideration	Reasons for Allotment	Cumulative Paid up Capital (Rs.)	Cumulative Share Premium (Rs.)
02/12/1994	1	10.00	Cash	Subscribers to the Memorandum	10	Nil
02/12/1994	1	10.00	Cash	Subscribers to the Memorandum	20	Nil
10/09/1996	8	10.00	Cash	Allotment to JOMC Mauritius	100	Nil
18/01/1997	20,990	10.00	Cash	Allotment to JOMC Mauritius	210,000	Nil
18/06/1997	14,000	10.00	Cash	Allotment to Triumph Investments Limited	350,000	Nil
27/08/2005	52,85,000	10.00	Other than Cash	Bonus issue in the ratio 151:1	53,200,000	Nil
14/10/2005	24,76,194	155.41	Cash	Preferential allotment to certain Promoters, Promoter Group Companies and others	77,961,940	360,063,369.54
14/10/2005	75,72,695	155.44	Cash	Preferential allotment to Transoceanic Projects Limited	153,688,890	1,461,436,130.34
21/02/2006	82,75,556	310.00	Cash	Initial Public Offering	236,444,450	3,944,102,930.34
14/05/2007	375,69,230	325.00	Cash	Qualified Institutional Placement (QIP)	612,136,750	15,778,410,380.34
17/10/2007	7,03,25,000	10.00	Other than Cash	Under the Scheme of Amalgamation	1,315,386,750	15,778,410,380.34
24/11/2007	90,46,215	10.00	Other than Cash	Under the Scheme of Arrangement	1,405,848,900*	15,778,410,380.34
09/07/2009	173,361,500	41.25	Cash	Qualified Institutional Placement (QIP)	1,579,210,400	22,756,210,755.34
Total	**1,579,210,400**					

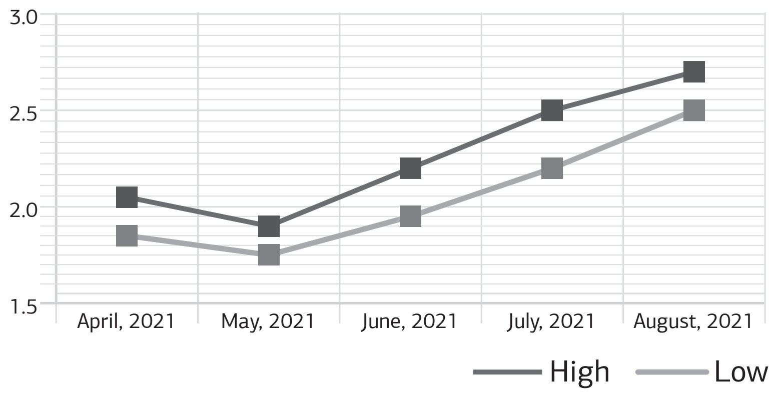
* Effective from 15.02.2008 the face value of the share has been changed from Rs.10/- per share to Re.1/- per share.

Monthly high, low and trading volume of equity shares of the Company during the financial year 2021-22

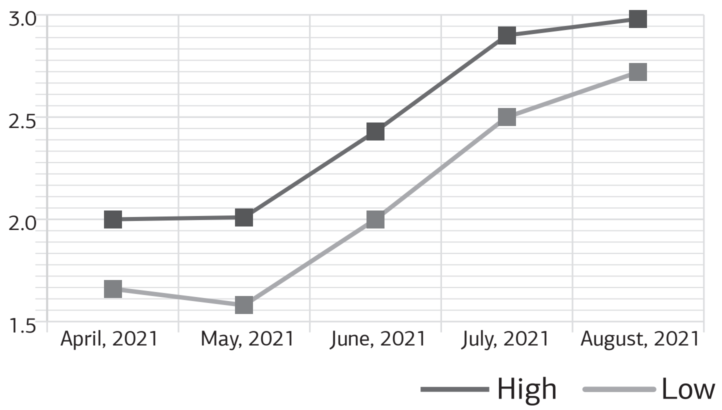
Month, Year	National Stock Exchange of India Limited (NSE)			Nifty		BSE Limited (BSE)			Sensex	
	High (Rs)	Low (Rs)	Volume (No)	High	Low	High (Rs)	Low (Rs)	Volume (No)	High	Low
April, 2021	2.05	1.85	21,31,806	15,044.35	14,151.40	2.00	1.66	94,39,929	50,375.77	47,204.5
May	1.90	1.75	142,36,243	15,606.35	14,416.25	2.01	1.58	1,22,94,681	52,013.22	29,968.45
June	2.2	1.95	33,40,011	15,916.65	15,450.90	2.43	2.00	1,22,56,545	53,126.73	32,348.10
July	2.5	2.2	28,36,209	15,962.25	15,513.45	2.90	2.50	1,16,20,608	53,290.81	34,927.20
August	2.7	2.5	32,25,560	17,153.80	15,834.65	2.98	2.72	5,05,652	57,625.26	36,911.23
September	-	-	-	17,947.65	17,055.05	-	-	-	60,412.32	36,495.98
October	-	-	-	18,604.45	17,452.90	-	-	-	62,245.43	38,410.20
November	-	-	-	18,210.15	16,782.40	-	-	-	61,036.56	39,334.92
December	-	-	-	17,639.50	16,410.20	-	-	-	59,203.37	44,118.10
January, 2022	-	-	-	18,350.95	16,836.80	-	-	-	61,475.15	46,160.46
February	-	-	-	17,794.60	16,203.25	-	-	-	59,618.51	46,433.65
March	-	-	-	17,559.80	15,671.45	-	-	-	58,890.92	48,236.35

Due to non-submission of financial results as per Regulation 33 of SEBI (LODR), 2015, both the exchanges, BSE and NSE have suspended trading in securities of the Company with effect from 20th August, 2022. Hence figures for the corresponding period (September 2021 to March, 2022) are not provided

Price Movement in NSE



Price Movement in BSE



Shareholding pattern as on March 31, 2022

Sl. No.	Description	No. of Shareholders	No. of Shares	% Equity
1	Promoter Companies	1	732893902	46.4089
2	Resident individuals	269428	618367840	39.1568
3	Promoter Directors	3	123835438	7.8416
4	Non-Resident Indians	2163	31335054	1.9842
5	Bodies corporates	781	23431456	1.4837
6	H U F	4314	21597894	1.3676
7	Non-Resident Indian Non Repatriable	1218	8275521	0.524
8	Qualified Institutional Buyer	1	8182011	0.5181
9	Government	1	6330000	0.4008
10	Foreign portfolio – corp	3	4330788	0.2742
11	Overseas Corporate Bodies (OCB)	1	375000	0.0237
12	NBFC	5	201600	0.0128
13	Trusts	6	37653	0.0024
14	Banks	3	8100	0.0005
15	Directors and relatives	2	7770	0.0005
16	Clearing Members	5	373	0.0000
	Total	**277935**	**1579210400**	**100.00**

Annexure - B

Distribution by category as on March 31, 2022

Category	Number of Shares	% of holding
Promoters & Promoter Group	85,67,29,340	54.25
Foreign Institutional Investors, OCB, Foreign Nationals, NRIs	4,58,84,016	2.91
Banks, Mutual Fund, Clearing Members etc	21,15,275	0.13
Others	67,44,81,769	42.71
Total	**157,92,10,400**	**100.00**

Distribution Schedule as on March 31, 2022

Sl. No.	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1	1 - 5000	258741	93.09	179306475	11.35
2	5001 - 10000	9469	3.41	73670327	4.67
3	10001 - 20000	4760	1.71	70126320	4.44
4	20001 - 30000	1793	0.65	45605620	2.89
5	30001 - 40000	785	0.28	28075723	1.78
6	40001 - 50000	604	0.22	28403783	1.80
7	50001 - 100000	1048	0.38	78843690	4.99
8	100001 & ABOVE	735	0.26	1075178462	68.08
	Total	**277935**	**100.00**	**1579210400**	**100.00**

De-materialization of shares as on March 31, 2022

Sl. No.	Description	No of shareholders	No of shares	% of Shares
1	PHYSICAL	5,003	21,46,256	0.13
2	NSDL	1,50,048	129,47,42,555	81.99
3	CDSL	1,22,884	28,23,21,589	17.88
	Total	**2,77,935**	**157,92,10,400**	**100.00**

As on March 31, 2022 over 99.87% of outstanding shares are held in de-mat form and the balance 0.13% in physical form. Trading in equity shares of the Company is permitted only in de-materialized form as per notification issued by the Securities and Exchange Board of India (SEBI). Shareholders interested in dematerializing / rematerializing their shares are requested to write to the Registrar & Transfer Agent through their Depository Participants.

Compliance with Regulation 26 & Part D of Schedule V of SEBI (LODR) Regulations, 2015

DECLARATION

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under Regulation 26 & Part D of Schedule V of SEBI (LODR) Regulations, 2015, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended March 31, 2022.

For GVK Power & Infrastructure Limited

Place : Hyderabad
Date : 27th May, 2022

Dr GVK Reddy
Non- Executive Chairman

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
GVK POWER & INFRASTRUCTURE LIMITED
Registered Office: Paigah House', 156-159 Sardar Patel Road,
Secunderabad TG 500003 IN.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GVK Power & Infrastructure Limited having CIN: L74999TG2005PLC059013 and having registered office at Paigah House, 156-159 Sardar Patel Road, Secunderabad, TG-500003IN.(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in Company
01	VENKATA KRISHNA REDDY GUNUPATI	00005212	16/02/2005
02	VENKATA SANJAYREDDY GUNUPATI	00005282	16/02/2005
03	KRISHNA RAM BHUPAL	00005442	14/10/2009
04	ISSAC GEORGE ANICATTU	00005456	01/04/2008
05	VENKATAPRASANNA REDDY PALICHERLA	01259482	11/08/2017
06	SUNDARAM BALASUBRAMANIAN	02849971	13/02/2015
07	ILYAS GHULAM HUSSAIN GHOUSE	07480760	01/02/2022
08	ANUMOLU RAJASEKHAR	01235041	25/04/2019
09	ANIL KUMAR REDDY NUKALAPATI	00017586	01/12/2019
10	MS.RAMA RAO	03207492	01/09/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

Narender & Associates
G Narender
FCS-4898
CP:5024

Place : Hyderabad
Date : 27th May, 2022

Whole-time Director and Chief Financial Officer Certification under Regulation 17(8) of SEBI (LODR) Regulations, 2015

To
The Board of Directors of
GVK Power & Infrastructure Limited

In relation to the Audited Financial Accounts of the Company as at March 31, 2022, we hereby certify that

a) We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief.
   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee
   i) significant changes in internal control over financial reporting during the year;
   ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

P V Prasanna Reddy
Whole-time Director

Place : Hyderabad
Date : 27th May, 2022

A Issac George
Whole-time Director & CFO

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(As per Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
GVK Power & Infrastructure Limited

We have reviewed the compliance of conditions of Corporate Governance by GVK Power & Infrastructure Limited, for the year ended 31st March, 2022, as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Clause. It is neither an Audit nor an expression of opinion on the financial statements of the Company.

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Narender & Associates
Company Secretaries

G Narender, Proprietor
FCS-4898
CP:5024

Place : Hyderabad
Date : 27th May, 2022

Management Discussion and Analysis

1. About the Company

GVK Power & Infrastructure Limited (the Company) is a listed entity and an ultimate holding company of "GVK" which operates in diversified business operations under different verticals. The Company used to operate predominantly in Energy, Airports, Transportation and has presence in other businesses like Urban infrastructures etc. However, effective from 13-07-2021, your Company had exited from the Airport business completely. As of now it is operating only under Energy and Transportation sectors albeit with its inherent problems which are beyond the control of your management. It conducts and operates its business through 8 subsidiaries, 11 step down subsidiaries and one associate company (as on March 31, 2022).

2. The Economy and Sectoral growth

Data released by the National Statistical Office showed that Indian economy grew at 8.7 per cent in 2021-22, with the gross domestic product (GDP) expanding 4.1 per cent in the March quarter from a year ago. The GDP growth for 2021-22 takes the economy above its pre-pandemic level and is an improvement after contracting 6.6 per cent in 2020-21. The latest numbers for 2021-22 makes India one of the fastest growing major economies in the World. However, this would be tested by high inflation and the need to raise interest rates to combat price pressures. Several sectors reported to have recovered to the pre-pandemic levels of activity. India's economy has scripted to a robust recovery after the bruising impact of the Covid-19 Pandemic.

The Indian economy is currently facing high underlying inflation and needs further policy tightening, according to a note by research firm Nomura. As per the report, only four nations in Asia feature in the basket of 'hot' economies wherein the inflation rate is on the higher end of the spectrum. These economies include India, Singapore, South Korea and Taiwan.

India's retail Inflation soars to 7.79% in April 2022, higher than most estimates. India's retail inflation, measured by the Consumer Price Index (CPI) surged to 7.79% in the month of April due to rising fuel and food prices, according to the data released by the statistics ministry. To contain inflation and rise in prices, RBI in it's monetary policy has hiked Repo rates and all the key lending rates. Inflation in India as measured by wholesale price index has been accelerating month by month last two years driving the lower and middle class to despair. It now galloping at double digit rates. Such a failure has political implications. Whole-sale Price Inflation (WPI) inflation is at a 9-year high of 15.1%, 13th month of double-digit rise. WPI measures the changes in prices of goods sold and traded in bulk by wholesale businesses to other businesses.

Earnings estimates for 2022 continue to rise, not fall, and now profit for S&P 500 companies is expected up 10.2% for 2022 and 9.8% for 2023. If the market comes to believe that a recession is inevitable, the second half 2022 numbers will get whittled down and the 2023 estimates will evaporate.

A) POWER

The Indian power sector is forecasted to attract investments worth $ 128.24-135.37 Billion between FY 2019-23. The future of the sector looks bright and by 2026-27 the country's power generation installed capacity will close to 620 GW, of which 38 per cent will be from coal and 44 per cent from renewable energy sources.

Ministry of Finance, based on the recommendations of the Fifteenth Finance Commission, had decided to grant additional borrowing space of upto 0.5 percent of the Gross State Domestic Product (GSDP) to the States every year for a four year period from 2021-22 to 2024-25 based on reforms undertaken by the States in the power sector. This was announced by the Finance Minister in the Budget speech of 2021-22.

The objectives of granting financial incentives as additional borrowing permissions for taking up reforms in power sector are to improve the operational and economic efficiency of the sector, and promote a sustained increase in paid electricity consumption. Detailed guidelines and marking criteria in this regard were issued by the Department of Expenditure on 09th June 2021.

In order to avail additional borrowing space linked to Power sector reforms, the State governments had to undertake a set of mandatory reforms and also meet stipulated performance benchmarks. The reforms to be carried out by the States were-

- Progressive assumption of responsibility for losses of public sector power distribution companies (DISCOMs) by the State Government.
- Transparency in the reporting of financial affairs of power sector including payment of subsidies and recording of liabilities of Governments to DISCOMs and of DISCOMs to others.
- Timely rendition of financial and energy accounts and timely audit.
- Compliance with legal and regulatory requirements.

Once, the aforesaid reforms were undertaken by a State, the performance of the State was evaluated on the basis of the following criteria to determine its eligibility for additional borrowing for 2021-22

- Percentage of metered electricity consumption against total energy consumption including agricultural connections
- Subsidy payment by Direct Benefit Transfer (DBT) to consumers
- Payment of Electricity bills by Government Departments and local bodies
- Installation of prepaid meters in the government office
- Use of Innovations and Innovative technologies

B. TRANSPORTATION

The total expenditure on the Ministry of Road Transport and Highways for 2021-22 is estimated at Rs 1,18,101 crore. This is an annual increase of 23% over the actual expenditure for 2019-20. In 2021-22, capital expenditure is estimated at Rs 1,08,230 crore while revenue expenditure is estimated at Rs 9,871 crore. The Union Budget for FY 2022-23 this year aims to strengthen the infrastructure with its focus on four priorities of: PM GatiShakti. Inclusive Development. Productivity Enhancement & Investment, Sunrise opportunities, Energy Transition, and Climate Action.

The allocation for the Ministry of Road Transport and Highways has seen a 68% increase with ₹1,99,107.71 crore set aside for it in the Union Budget 2023. This is in line with the massive target Finance Minister Nirmala Sitharaman has set for expanding National Highways network by 25,000 km in 2022-2023.

The hike of ₹81,006 crore for the Ministry has been almost entirely earmarked for investments in NHAI, which has seen a 133% increase from ₹57,350 crore in last year's Budget to ₹1,34,015 crore this year. To finance road projects, the government will also mobilise ₹20,000 crore through innovative financing to complement public financing. Of the 35 multi-modal logistics parks the government plans across the country, four will be awarded in the next fiscal.

The focus will be on planning, financing including through innovative ways, use of technology, and speedier implementation. The touchstone of the Master Plan [under PM Gati Shakti] will be world-class modern infrastructure and logistics synergy among different modes of movement — both of people and goods — and location of projects

3. Assets under Operation

i) Energy

Gas-based project i.e. 464 MW GVK Gautami Power Limited, one Hydel power project i.e. 330 MW Alaknanda Hydro Power Company Limited and one coal based project M/s GVK Power (Goindwal Sahib) Limited have recorded revenue of Rs. 2171.94 Crore for the year ended March 31, 2022 as against Rs.1813.77 Crore for the previous year.

GVK Industries Ltd

As per the orders issued by the National Company Law Tribunal, Hyderabad Bench, this Company is now taken over by the IRP under the provisions of the Insolvency and Bankruptcy Code, 2016.

GVK Gautami Power Ltd

Currently plant is under shutdown and kept under preservation mode and plant is drawing power from the grid approx. @ 500 Kw needed for plant preservation activities. During the year GVK Gautami Power Ltd reported a loss of Rs.374.39 Crore for the financial year 2021-22 (PY loss of Rs. 329.40 Crore)

Alaknanda Hydro Power Company Limited

The 330MW Shrinagar Hydro Electric Project achieved Annual Plant Availability Factor of 56.717% for the FY 2021-22 with a Plant Load Factor of 49.578 %. During the monsoon season, the Project operated all the four units at their full capacity. During other seasons, based on the water flows, the plant was operated with at least one turbine, either on part or full load. During the year under review, the company has generated revenues of Rs. 849 Crore with a profit of Rs. 23.42 Crore.

GVK Power (Goindwal Sahib) Limited

The 2X270 MW Coal based Power plant situated at Goindwal Sahib, Tarn Taran District in the State of Punjab is operating the plant utilizing the coal supplies under SHAKTI Scheme. The Fuel Supply Agreements under SHAKTI scheme were signed in February, 2018. The Project achieved Annual Plant Availability Factor of 66.3645 % for the FY 2021-22.

ii) Transportation

GVK Jaipur Expressway Pvt Ltd

During the year, toll collections was Rs. 354.78 Crore (PY Rs. 310.33 Crore) registering an increase of 14.32 %. The Company reported a profit after tax of Rs. 70.48 Crore for the financial year (PY Rs. 99.70 Crore). During the year under review, the company paid an amount of Rs. 11.37 Crore to NHAI as their revenue share (PY Rs. 3.85 Crore) since the toll revenues are beyond the threshold limit as specified under the Concession Agreement. The average tollable traffic was 28,127 vehicles per day during the current financial year. The average toll collection per day is Rs.97.20 Lakhs during the year.

4. Risks & Concerns

Energy

The energy crisis is a result of many different strains on our natural resources, not just one. There is a strain on fossil fuels such as oil, gas, and coal due to overconsumption – which then, in turn, can put a strain on our water and oxygen resources by causing pollution. One of the biggest concerns in the field of renewable energy is power generation depending on natural resources that are uncontrollable by humans.

The challenges faced by the renewable energy industry are many. Political pressures, government policies, corporate influence, age-old infrastructure, lack of proper battery storage system, and present market scenario stand in its way for a wider adoption worldwide. The environmental problems directly related to energy production and consumption include air pollution, climate change, water pollution, thermal pollution, and solid waste disposal. The emission of air pollutants from fossil fuel combustion is the major cause of urban air pollution.

Inadequate Electricity Generation, underutilization of Installed Capacity, poor Performance of State Electricity Boards (SEBs), limited role of Private and Foreign Entrepreneurs, shortage of Inputs and pattern of Energy Consumption are the main challenges faced by power sector. As we set out in our briefing on the global energy crisis here, there has been a crisis around the world with record natural gas, coal and electricity prices. The causes are a combination of post-pandemic recovery, extreme weather events and fractious geopolitics, which have increased demand and compromised supply

Transportation

With the growth in Indian economy, major infrastructure development initiatives have been undertaken by the Governments at the central, state and local body levels. Transportation infrastructure projects recently undertaken in India have experienced large cost and time overruns. The development, construction and operation of the infrastructure facilities need a number of permits and approvals. These projects are more vulnerable to approval delays because they require various statutory and non statutory approvals and clearances during the development phase and project specific approvals during the implementation phase. Cost of Fuel, bad roads and lethargic coordination among the concerned state and central government authorities are adding more problems to this sector

6. GVK Power & Infrastructure Limited – Financial Performance Review

Standalone Financials

Revenue

Total income of company, which comprises of income in from operations, of power plant, Fees for technical services and other income decreased to Rs.1,000 lakhs as compared to Rs.2,066 lakhs of the previous year

Expenditure

The Company's total expenditure, comprising of Cost of Operation, Employee Benefit Expenses and other administrative expenses, decreased to Rs.3,519 Lakhs for the year ended March 31, 2022 from Rs.25,859 lakhs for the year ended March 31, 2021.

Interest

Interest expenses stood at Rs.Nil (previous year figure was Rs.2 lakhs)

Profit before tax (PBT)

Profit before tax for the year stood at Rs. 5,687 lakhs for the current year as compared to loss of Rs.(20,577) lakhs in the previous year

Profit after tax

Profit after tax is Rs.5,587 lakhs for the year ended March 31, 2022 as compared to Net Loss of Rs.(20,624) lakhs in the previous year.

Earnings Per Share (EPS)

The earnings per share at standalone level for the current year stands at Rs. 0.35 as compared to Rs. (1.31) per equity share of Re.1/- each in the previous year.

Consolidated Financials

The current year results include the results of the companies including subsidiaries, step down subsidiaries, joint ventures and associates. The Consolidated Financial Statements have been drawn as per the Indian Accounting Standards (Ind AS) 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 and Companies (Indian Accounting Standards) Rules, 2015, as amended. These companies operate broadly in a) Power b) Road c) Airports and d) Other sectors.

Revenue

GVKPIL registered a consolidated total income from operations of Rs.85,826 Lakhs for the year ended March 31, 2022, as against Rs.31,033 Lakhs during the corresponding period of the previous year recording an increase of 176 %.

EBIDTA at a consolidated level for the year stood at Rs.29,209 Lakhs as against Rs.8,448 Lakhs in the previous year. EBIDTA margin at consolidated level increased to 113% as compared to 17.04 % in the previous year.

Profit after tax

Loss after tax and non-controlling interest attributable to equity holder of GVKPIL for the current year is Rs.263,593 lakhs for 2021- 22 as compared to Rs. (93,701) lakhs in the previous year.

Earnings per Share (EPS)

The earnings per share at consolidated level for the current year stands at Rs.16.75 as compared to Rs.(4.84) per equity share of Re.1/- each in the previous year.

Net Worth

The net worth as at the end of Financial Year 2021-22 stands at Rs.(307,734) lakhs as compared to Rs.(106,854) lakhs as at the end of the previous year.

During the period under review, there are no significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios

Details regarding Conservation of Energy and Technology Absorption:

Information on conservation of Energy, Technology absorption and Research & Development, required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy:

(i)	the steps taken or impact on conservation of energy	Nil
(ii)	the steps taken by the company for utilizing alternate sources of energy	Nil
(iii)	the capital investment on energy conservation equipments	Nil

(B) Technology absorption:

(i)	the efforts made towards technology absorption	The Company has not absorbed any technology from any source.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Nil
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
	(a) the details of technology imported	Nil
	(b) the year of import;	Nil
	(c) whether the technology been fully absorbed	Nil
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv)	The expenditure incurred on Research and Development	Nil

7. Clean Development Mechanism

The Clean Development Mechanism (CDM) allows emission-reduction projects in developing countries to earn certified emission reduction (CER) credits, each equivalent to one tonne of Carbon-di-oxide (CO_2). These CERs can be traded and sold, and used by industrialized countries to a meet a part of their emission reduction targets under the Kyoto Protocol.

The mechanism stimulates sustainable development and emission reductions, while giving industrialized countries some flexibility in how they meet their emission reduction limitation targets.

Three of the group companies i.e. GVK Industries Ltd (Phase II), GVK Gautami power Ltd and Alaknanda Hydro Power Company Ltd were registered with UNFCCC and as such these projects are eligible for CER credits.

8. Internal Control System and Adequacy

The company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These systems are designed to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized, recorded and reported. The Company has an internal audit function, which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements.

The internal audit function team comprises of well-qualified, experienced professionals who conduct regular audits across the Company's operations. The internal audit reports are placed before the Audit committee for consideration. The management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and the independent Audit Committee of the Board of Directors.

9. Material developments in Human Resources/Industrial Relations front, including number of people employed

The total number of employees of GVK at the corporate office and projects sites as on March 31, 2022 stands at 2,065 approximately. Your company periodically reviews the requirement of these employees across various projects based on the need and necessity. The optimal utilization of the human resources with multi-tasking is what is being emphasized across the group.

10. Future Outlook

As you may be aware, all infrastructure companies across India are facing challenging times due to their financial exposure to Banks and Lending Institutions. Repayment of these loans have become a real task particularly when their revenue flows are which are either minimal or nothing due to delays or very long gestation periods. As a result, they are unable to make loan repayments and are branded as Non-Performing Assets (NPA) by their Lenders. The situation for some companies is very bad because even though their projects / plants are completed / ready for operations, they are unable to operate due to non-availability of natural gas / coal etc. Majority of these factors are not under the control of the management. GVK is no exception to this.

11. Cautionary Statement

Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning applicable under the securities laws and regulations. As 'forward looking statements' are based on certain assumptions and expectations of future events over which the company exercises no control, the company cannot guarantee their accuracy nor can it warrant that the same will be realized by the company. Actual results could differ materially from those expressed or implied. Significant factors that could make a difference to the company's operations include domestic and international economic conditions affecting demand, supply and price conditions in the electricity industry, changes in government regulations, tax regimes and other statutes.

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31-03-2022

As per Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L74999TG2005PLC059013
2. **Name of the Company:** GVK Power & Infrastructure Limited
3. **Registered address:** "Paigah House",156-159,Sardar Patel Road, Secunderabad 03
4. Website: www.gvk.com
5. **E-mail id:** cs.gvkpil@gvk.com
6. **Financial Year reported:** 1st April, 2021 to 31st March, 2022
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

Sl. No.	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1	D	Electricity, gas, steam and air condition supply	D1	Electric power generation, transmission and distribution.	-NA-
2	F	Construction	F2	Roads, railways, Utility projects	100%
3	H	Transport and storage	H5	Services incidental to land, water & air transportation	Nil

8. List three key products/services that the Company manufactures/provides (as in balance sheet) : Energy, Airport and transportation services
9. Total number of locations where business activity is undertaken by the Company
   (a) Number of International Locations (Provide details of major 5)
10. Markets served by the Company – Local/State/National/International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR)** 15,792 Lakhs
2. **Total Turnover (INR)** 1,000 Lakhs
3. **Total profit after taxes (INR)** 5,587 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) Not applicable, since the Company does not have the requisite average net profits relevant for contributing to the CSR activities during the year
5. List of activities in which expenditure in 4 above has been incurred:-

(a) Not applicable
(b) Not applicable
(c) Not applicable

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? Yes
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)- No
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? - No If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

   1. DIN Number : 00005442
   2. Name : Dr. GVK Reddy
   3. Designation : Non-Executive Chairman

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	01259482
2	Name	P V Prasanna Reddy
3	Designation	Whole-time Director
4	Telephone number	040 -27902663
5	e-mail id	pvpreddy@gvk.com

2. **Principle-wise (as per NVGs) BR Policy/policies**

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business ('NVGs') released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are briefly as under:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	#	#	#	#	#	#	#	#	#

Yes, the company carried out independent audit/ evaluation

If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions
1	The company has not understood the Principles
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles
3	The company does not have financial or manpower resources available for the task
4	It is planned to be done within next 6 months
5	It is planned to be done within the next 1 year
6	Any other reason (please specify)

4. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Company meets at frequent intervals as and when required and the CSR committee consists of following directors.

Mr. G V Sanjay Reddy - Chairman – Non-executive Promoter Director
Mr. Ilyas Ghouse - Member -- Non-executive Independent Director
Ms. Rama Rao - Member -- Non-executive Independent Director

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company is yet to publish any separate report in this regard.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company?

   No, It covers all the relevant persons.

2. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   Yes

3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   During the relevant financial year, the Company did not receive any complaint from any stakeholders.

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
   None

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): Not applicable
   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

3. Does the company have procedures in place for sustainable sourcing (including transportation)? Not applicable
   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? Not applicable
   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. Not applicable

Principle 3

1. Please indicate the Total number of employees.

Permanent	Contractual	Total
As on 31st March, 22: 327	1738	2065

2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.
   Total hiring done in 2021-22: 49
3. Please indicate the Number of permanent women employees: 15.
4. Please indicate the Number of permanent employees with disabilities
   The declaration of disability is voluntary on the part of the employee. There are currently 0 employees who have declared having disabilities.
5. Do you have an employee association that is recognized by management: No.
6. What percentage of your permanent employees is members of this recognized employee association? Not applicable.
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced	Nil	Nil
2	Labour/involuntary labour Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

(a) Permanent Employees	Not Applicable
(b) Permanent Women Employees	
(c) Casual/Temporary/Contractual Employees	
(d) Employees with Disabilities	

Principle 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders? Not applicable
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. Not applicable
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so. Not applicable

Principle 5

Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others? Yes
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? Yes

Principle 6

Businesses should respect, protect, and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others. Extends to them as well
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc. No
3. Does the company identify and assess potential environmental risks?
   Yes
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? Not applicable
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.
   Yes. If yes, please give hyperlink for web page etc. Not applicable

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?
   Yes
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. Not applicable

Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
   The Company is the member of FTCCI – Federation of Telangana Chambers of Commerce and Industry and Confederation of Indian Industry (CII)
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good?
   Not applicable

Principle 8

Businesses should support inclusive growth and equitable development.

1. Does the company have specified programmes /initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. No
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization? No
3. Have you done any impact assessment of your initiative?
   An impact assessment of the CSR programmes will be in place as and when needed
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

CSR Project or Activity Identified	Sector in which the Project is Covered	Projects or programs (1) Local area or other (2) Specify the state & district where projects or programs were undertaken	Annual outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads (1) Direct expenditure on projects or programs (2)Overheads:	Cumulative Expenditure up to the reporting period	Amount spent Direct or through implementing agency
During the period under review, the Company does not have the requisite average net profits for making the mandatory contribution of funds to CSR activities.						

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. Not applicable.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.
   As such there were no consumer cases filed during the financial year ended March 31, 2021.
2. Does the company display product information on the product label, over and above what is mandated as per local laws?
   Not applicable
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.
   Not applicable
4. Did your company carry out any consumer survey/ consumer satisfaction trends?
   No

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

To,

To the Members of GVK POWER & INFRASTRUCTURE LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying Consolidated Financial Statements of GVK Power & Infrastructure Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures (refer Note 43) to the consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash flow Statement for the year then ended, and Notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures except for the indeterminate effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, , ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint ventures as at March 31, 2022, their consolidated total comprehensive income (comprising of profit and other comprehensive expense), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

3. We draw your attention to:

a. As discussed more fully in Note 49 to the Consolidated Financial Statements 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. 858,478 lakhs taken by the aforesaid associate Company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,358 lakhs) as at March 31, 2022 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 exceeded current assets by USD 2,459 million (Rs.1,864,024 Lakhs) as at June 30, 2021 and has incurred net losses of USD 48 million (Rs. 35,616 lakhs) for the year ended June 30, 2021.

   In this regard, while the Group has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs. 79048 lakhs till March 31, 2021, 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 erstwhile 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 audit opinion on the consolidated financial statements of GVK Energy Limited (GVKEL), a subsidiary of the Holding Company for the year ended March 31, 2022 issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated May 23, 2022 is reproduced by us as under:

   i. 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. The nominated authority under the Ministry of Coal vide his order dated 16th March 2022 has released compensation of Rs.13,867 lakhs, out of this the nominated authority has deposited an amount of Rs.8,883 lakhs in interest bearing account with Register General of the Court as per the directions of the high court of Delhi dated 11th April 2022 as the lenders have challenged the compensation determined by the Nominated Authority. Further, an amount of Rs.4,984 lakhs being the balance dues payable as per the claims made by the lenders as on the date of vesting orders less the amount already paid by the lenders, the Nominated authority has advised in the above order to approach Coal Tribunal in respect of disputes including the compensation disallowed with regard to R&R costs.

Pending filing of the claim before the Coal Tribunal and adjudication of the same, we are unable to comment on the recoverability of assets with carrying value of Rs. 6,015 lakhs together with consequential impact, if any, arising out of the same in these accompanying consolidated Ind AS financial statements. Refer Note *to the consolidated financial statements."

Further, no provision for Corporate Guarantee given by GVK Energy Limited for loan taken by GVK Coal (Tokisud) Private Limited has also not been considered.

Refer Note 50(a) to the consolidated financial statements.

ii. The auditors of GVK Power (Goindwal Sahib) Limited, subsidiary of the Holding Company vide their audit report dated May 5, 2022, have qualified the audit report which is reproduced as below:

"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 factors detailed in the said note and pending confirmation of dues from PSCPL as on reporting date and outcome of such matters we are unable to comment on provision, if any, is required against the said matters. " The said notes in the financial statements of the subsidiary are included as Note no *to the accompanying consolidated financial statements."

Consequentially, we are unable to comment upon the recoverability of assets with carrying value amounting to Rs. 381,412 lakhs together with consequential impact, if any, arising out of the same in the accompanying consolidated financial statements."

Note * is included as Note 50(b) to the consolidated financial statements.

iii. The auditors of GVK Gautami Power Limited, Jointly controlled entity vide their audit reports dated May 10,2022 have qualified the audit reports which are reproduced as below:

"We draw attention to note * to the Ind AS financial statements, regarding uncertainty of availability of natural gas faced by the Company. However, based on the initiatives taken by Government of India through import of liquefied natural gas at an affordable price by withdrawing custom duty and requesting oil companies to reduce the conversion charges of liquid gas to natural gas and requesting Gas Authority of India Limited ("GAIL") to reduce the transportation charges and waiving Goods and Service Tax on transportation of natural gas) and the order of Central Electricity Regulatory Commission ("CERC") with regard to capacity charges payable by States Power Distribution Companies ("DISCOMs"). However, due to following initiatives taken by Government of India (i) Import of liquified natural gas at an affordable price and withdrawing customs duty on such imports, (ii) requesting oil companies to reduce commission charges of liquid gas to natural gas, (iii) requesting Gas Authority of India Limited ("GAIL") to reduce transportation charges and waiving Goods and Services Tax on transportation of natural gas and (iv) requesting Central Electricity Regulatory Commission ("CERC") to grant reasonable capacity charges by State Power Distribution Companies (DISCOMs), the management is of the opinion of achieving the position to settle the loans through recovery of capacity charges. In view of the above, provision for impairment of Property, plant and equipment is not considered. The said note in the financial statements of the subsidiary is included as Note no * to the accompanying consolidated financial statements

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.82,799 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 statements."

Note * is included as Note 50(c) to the consolidated financial statements.

iv. In GVK Gautami Power Limited, regarding outstanding minimum alternate tax amounts claims for reimbursement under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2009-10 to 2010-11, aggregating to Rs. 1,500 Lakhs (March 31,2021: Rs. 1,500 Lakhs) which has been disputed by AP Transco/are subject to approvals. 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 no * to the consolidated financial statements. "

Refer note 50 (c) to the consolidated financial Statements

As referred in Note 50(e) to the consolidated financial Statements, in the light of the note 50 (a) to Note 50 (c) above, we are unable to comment on the extent of the provisions, if any, required for the corporate guarantee given by Holding Company to GVKEL amounting to Rs.3,100 Lakhs. The impact of this matter on the Consolidated Financial results is presently not ascertainable.

(c) The following matters are included in the audit opinion on the financial statements of GVK Bagodara Vasad Expressway Private Limited, a step-down subsidiary of the holding company issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated May 10, 2022, is reproduced by us as under:

i. "The project of the company was terminated by GSRDC by referring the defaults of the Concessionaire. Consequent to the termination of the project, Company has accounted, cost incurred on the project Rs.589,04,20,918/- 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 hon'ble Arbitral Tribunal. We are unable to comment upon its recoverability in the absence of availability of related convincing audit evidence as to its recoverability.

ii. Balances of borrowings (including interest accrued thereon) from lender amounting to Rs. 818,53,80,999/- as at 31st March 2022 as per books of accounts are unconfirmed. In absence of such confirmations, we are unable to comment on the appropriateness of carrying amount of borrowing (along with interest accrued thereon) as presented in Balance sheet, "

Considering the above matters reported by the Component Auditor and other details as given in Note 51 (a) to the consolidated financial statements, we are unable to comment towards the recoverability of total assets aggregating to Rs. 58,919 Lakh and the impact on the liabilities as appearing in the Consolidated Financial statements related to this step-down subsidiary.

d. Note 55 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, 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 56 to the consolidated financial statements regarding the requirements of Section 96(1) of the Companies Act, 2013, the Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay its financial statements for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. The financial statements for the year ended March 31, 2020 and March 31, 2021 respectively were approved at the AGM held on October 29, 2021, and February 25, 2022. The company has applied for condonation 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 for which approval is awaited.

We are unable to comment on the impact of these non-compliances on these consolidated financial statements.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. ("the Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated financial statements' section of our report. We are independent of the Group, its associates and Joint Control Entity in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us together with audit evidence obtained by the other auditors in terms of their report refer to in para 10 (i) of the other matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

5. Material Uncertainty Related to Going Concern

We draw attention to note 54 to the consolidated financial statements, which indicates that the Group, its associates and Joint Control Entity has incurred significant losses 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, are faced by various projects being executed by the Group, its associates and Joint Control Entity, 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.

6. Emphasis of Matter

(a) draw attention to Note 58 to the consolidated financial statements regarding sale of majority holding of GVK Airport Developers Limited (GVKADL) by company to Adani Airport Holding Limited (AAHL) as per binding co-operation agreement dated August 31, 2020 and other related transaction documents. AAHL has acquired and hold the securities as per co-operation agreement at the end of the financial year. The management considered the company as beneficial owner of the Optionally Convertible Debentures (OCDs) of Rs 119,664 Lakhs held by AAHL as per co-operation agreement in view of the terms of arrangement. Accordingly, the securities held in the name of AAHL have been classified as Current Investments of company in the consolidated financial statements.

b. We draw your attention to the following matter included as an Emphasis of matter paragraph in the audit opinion on the consolidated financial statements of GVK Energy Limited, a subsidiary of the holding company issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated May 23, 2022, is reproduced by us as under:

"We draw attention to note * in the consolidated financial statements which states that the lenders have taken possession of the immovable and movable assets of GVK Industries Limited (GVKIL), a subsidiary, and have subsequently sold some immovable and movable assets, exercising the powers under Sec 13(4) of the SÅRFAESI Act. In the light of the above events the group has reassessed its control over the subsidiary as at March 31 ,2022 and has concluded that it no longer has control over its subsidiary. Consequently, the assets and liabilities of the subsidiary have been deconsolidated, as at the balance sheet date (March 31, 2022), as required u/s Para 25 of the Ind AS 110 Consolidated Financial Statements. Our report is not modified in respect of this matter."

Note: * is included in Note 50(d) of the consolidated financial Statements.

c. We draw your attention to the following paragraph included in the audit opinion on the standalone financial statement 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 May 10, 2022.

i. "Note: * and * to the Ind AS financial statements, which explains the reason for preparation of this financial statements on realization basis assuming the Company is no longer a going concern. The Company has recorded receivable from NHAI of Rs. 881.63 crores after setting off toll assets and other related future liabilities, which is subject to decision and process of arbitration between Company and NHAI.

ii. 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 Non-Performing Asset and have recalled the entire facilities extended to the Company and outstanding on March 31, 2022. 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 matter is pending before Arbitration Our opinion is not modified in respect of these matters"

Note: * is included as Note 51(a) to the consolidated financial statements.

d. We draw your attention to the following matter included as an Emphasis of matter paragraph in the audit opinion 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 May 12, 2022, reproduced by us as under:

"We refer to note * of the accompanying financial statement, the company (G V K Ratle) entered into a concession agreement with J&K Power Development Department construction and operation of a hydro power plant on Build, Own, Operate and Transfer model. 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., G V K 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 G V K Ratle. Subsequent to this, G V K Ratle had initiated the arbitration process.

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 G V K Ratle. The G V K Ratle has filed an appeal on 8th December, 2020 against the said award.

GVK Ratle has entered into settlement agreement with its lender on 24th November 2021 Considering the fact of termination of the project and settlement with the lenders, the company has adopted the liquidation basis of accounting in preparation of these financial statements. Under the liquidation basis of accounting all assets and liabilities are measured at their net realizable value and as a result a credit of Rs.28,406 lakhs has been shown as exceptional item in Profit and Loss account for the period ending March 31, 2022."

Note: * is included as note 52 of the consolidated financial statements.

e. We draw your attention to Note 53 to the statement regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company of the Holding Company, 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 loans taken by GVKPIL (the Parent Company). GVKPIL 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 GVK PIL. GVK PIL and GVK SEZ have jointly filed writ petition stating that Bank exercising of general lien under section 17 I 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."

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

7. Key Audit Matters

Except for the matters described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

8. Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, Corporate Governance Report, Management Discussion and Analysis, Business Responsibility Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

All above reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors report and other reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

9. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associate and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

10. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable use of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

11. Other Matters

11.1 We did not audit the annual financial statements of 17 subsidiaries included in the consolidated financial statements, whose annual financial statements reflect (before adjustments for consolidation) total assets of Rs. 1,544,565 lakhs and net assets of Rs. (-) 30,991 lakhs as at March 31, 2022, total revenues of Rs. 88,234 lakhs, total net Profit after tax of Rs. 17,333 lakhs, and total comprehensive loss of Rs. (-) 8,869 lakhs for the year ended March 31, 2022, and cash inflows flows (net) of Rs.

4,113 lakhs for the year ended March 31, 2022, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax of Rs. (-) 21 lakhs and total comprehensive income of Rs. Nil lakhs for the year ended March 31, 2022 respectively, as considered in the consolidated financial statements, in respect of one Joint Control Entity, whose financial statements have not been audited by us. These consolidated financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and Joint Control Entity, is based solely on the audit reports of the other auditors and the procedures performed by us as stated in paragraph 10 above.

11.2 The consolidated financial statements don't include the financial statements in respect of two associates. According to the information and explanations given to us by the Management, this financial information is not material to the Group.

11.3 Our opinion on the consolidated Financial statements is not modified in respect of the matter as described in para 11.2 and 11.2 above with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Board of Directors.

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

12. Report on Other Legal and Regulatory Requirements

12.1 As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, as noted in the "Other Matter" paragraph, we report, to the extent applicable, that

a. We have sought and except for matters referred in Basis for Qualification Paragraph above obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, except for the indeterminate effects of the matters referred to in Basis for Qualified opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

d. Except for the indeterminate effects of the matters referred to in Basis for Qualified opinion paragraph above, in our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e. The matters described in the Basis for Qualified opinion paragraph, 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.

f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associates and joint ventures incorporated in India, none of the directors of the Group companies, its associates and joint ventures incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act

g. The qualification relating to the maintenance of accounts and other matters connected therewith are stated in the Basis of Qualified Opinion as referred to in paragraph 19(b) above.

h. With respect to the adequacy of the internal financial controls over financial reporting of the Group, its associates and its joint ventures and the operating effectiveness of such controls, refer to our separate report in Annexure A and

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures:

   i. The Consolidated Financial Statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associate and joint ventures– Refer Note 40 to the Consolidated Financial Statements.

   ii. The Group, its associate and joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022.

   iii. During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint ventures incorporated in India.

iv. (a) The Management has represented and refer note no. 61 to the consolidated financial statements, that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, associates companies and joint venture companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies, associates companies and joint venture companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b)The Management has represented and refer note no. 61 to the consolidated financial statements, that, to the best of it's knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies, associates companies and joint venture companies incorporated in India from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub¬ clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.

v. The Holding Company has neither declared nor paid any dividend during the year

11.2 The provisions of Section 197 read with Schedule V to the Act are applicable to the Company, however, the Company has paid/provided for managerial remunerations for the year ended March 31, 2022, in accordance with the requisite approvals mandated.

12. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" / "CARO"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us and copy of the auditor report of subsidiaries, associates and joint ventures provided to us, the details of qualifications / adverse remarks made by respective auditors of the subsidiaries, associates and joint ventures in the CARO reports of the respective companies whose financial statements has been included in these consolidated financial statements are as follows:

Sr. No.	Name of the company	CIN	Type of company (Holding/Subsidiary/ Associate/Joint Venture)	Clause number of the CARO Report which is qualified or Adverse
1	Alaknanda Hydro Power Company Limited	U40100TG1996PLC074796	Subsidiary (From February 07, 2022)	(vii) (b) & (ix)(a)
2	GVK Coal (Tokisud) Company Private Limited	U10101TG2005PTC047275	Subsidiary (From February 07, 2022)	(vii)(a) & (viii)
3	GVK Deoli Kota Expressway Private Limited	U45209TG2010PTC067999	Subsidiary	(vii) (a), (ix) & (xvii)
4	GVK Bagodara Vasad Expressway Private Limited	U45200TG2011PTC072500	Subsidiary	(vii)(a) & (ix)
5	GVK Power (Goindwal Sahib) Limited	U40109TG1997PLC028483	Subsidiary (From February 07, 2022)	(ii)(b), (xvii) & (xix)
6	GVK Gautami Power Limited	U40102TG1996PLC024970	Jointly Control Entity(JCE) of Subsidiary	(vii)(b), (xvii) & (xix)
7	GVK Energy Limited	U40102TG2008PLC058683	Subsidiary (From February 07, 2022)	(vii)(b) & (ix)(a)

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number: 006711N/N500028

Aashish Gupta
Partner
Membership Number: 097343
UDIN: 22097343AJTQEE3891

Place: Hyderabad
Date: May 27, 2022

Annexure A to Independent Auditors' Report

(Referred to in paragraph 19(h) of the Independent Auditors' Report of even date to the members of GVK Power & Infrastructure Limited on the Consolidated Financial Statements for the year ended March 31, 2022)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 Act ('the Act')

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of GVK Power & Infrastructure Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate company, and joint ventures, which are companies incorporated in India, as of that date

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies, its associate company and joint ventures, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

   We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the Company's internal financial controls system with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

5. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or

timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

6. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified opinion

7. According to the information and explanations given to us and based on our audit and subject to the Basis for Qualified Opinion paragraphs in our main report, the following material weaknesses have been identified in the operating effectiveness of the Holding Company's internal financial controls with reference to Consolidated Financial Statements as at March 31, 2022:

   (a) The Holding Company's internal financial controls for determining whether adjustments are required to the carrying value of investments, receivables and whether any liability to be recognised for the financial assistance, corporate guarantees and commitments given to an associate and joint venture of the Holding Company were not operating effectively, which could potentially result in non-recognition of provision with regard to the aforesaid financial statement line items (Refer paragraphs 3(a) and (b) of our main audit report).

   b) The Holding Company's internal financial controls in respect of compliance with laws and regulations, including holding Annual General Meetings in stipulated time, submission of quarterly and annual results to Exchanges within the time limits as specified under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015. This could potentially result in non-compliance with laws and regulations. (Refer paragraph 3(e) of our main audit report).

   c) Pending conclusion of the investigation (Refer paragraph 3(d) of our main audit report), we are unable to comment on the impact that may arise on conclusion of such investigation on the internal financial controls system of the Group and its operating effectiveness.

   A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

8. In our opinion, the Holding Company, its subsidiary companies, associates and joint ventures, which are companies incorporated in India, have in all material respects, maintained adequate internal financial controls with reference to financial statements based on the internal control over financial reporting criteria established by the Group, associates and its joint ventures considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI, and except for the possible effects of the material weaknesses described in the Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Holding Company's, its subsidiary companies, associates and joint ventures internal financial controls with reference to financial statements were operating effectively as of March 31, 2022.

   We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group, its associates and its joint ventures for the year ended March 31, 2022, and these material weaknesses has affected our opinion on the financial statements of the Group and we have issued a qualified opinion on the financial statements for the year ended on that date. (Also refer Basis for Qualified Opinion of the main audit report).

Other Matter

9. We did not audit the internal financial control with reference to financial statements of 15 subsidiary companies which are companies covered under the Act, whose annual financial results reflect (before adjustments for consolidation) total assets of Rs.15,43,818 lakhs and net assets of Rs. (-) 29,858 lakhs as at March 31, 2022, total revenues of Rs. 88,226 lakhs and cash inflows flows (net) of Rs. 4,113 lakhs for the year ended March 31, 2022, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit/loss (including other comprehensive income / loss) of Rs. Nil for the year ended March 31, 2022 respectively, as considered in the Consolidated Financial Statements, in respect of one joint venture and two associates, which are the companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial control with reference to

financial statements in so far as it relates to such subsidiary companies, associate and joint ventures have been audited by other auditors whose reports have been furnished to us by the Management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to the financial statements for the Holding Company, its subsidiary companies, associates and joint venture companies, as aforesaid under Section 143 (3) (i) of the Act in so far as it relates to such subsidiary companies, associate company and joint venture companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the wok done by and on the reports of other auditors.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number: 006711N/N500028

Aashish Gupta
Partner
Membership Number: 097343
UDIN: 22097343AJTQEE3891

Place: Hyderabad
Date: May 27, 2022

Consolidated Balance Sheet

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

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment and Intangible asset			
Property, plant and equipment	3	713,041	177
Capital work in progress	4	-	57,067
Investment Property	5	11,655	11,655
Goodwill	6	-	15,142
Intangible assets	6	6,129	11,725
Right of use asset	6	1,725	-
Investments including in joint ventures and associates (accounted under equity method)	7	-	-
Financial assets			
Investments	7A	7,136	-
Other non-current financial assets	8	101,194	100,983
Deferred tax assets (net)	9	5,766	3,227
Tax assets (Net)		3,774	3,764
Other non-current assets	10	6,847	38,888
Total		**857,267**	**242,628**
Current Assets			
Inventories	11	7,544	80
Financial assets			
Investments	12	130,385	2,125
Trade receivables	13	46,712	186
Cash and cash equivalents	14	55,485	6,952
Balances with banks other than cash and cash equivalents	15	208	5,501
Loans	16	2	35,278
Other financial assets	17	50,275	9,718
Current tax assets		4,961	7,913
Other current assets	18	4,353	6,687
Total		**299,925**	**74,440**
Assets clasified as held for Sale	**59**	**-**	**1,681,035**
Total Assets		**1,157,192**	**1,998,103**
Equity and Liabilities			
Equity			
Equity share capital	19	15,792	15,792
Other equity		(399,742)	(361,782)
Equity attributable to owners of the Group		**(383,950)**	**(345,990)**
Non-controlling interests		76,216	239,136
Total Equity		**(307,734)**	**(106,854)**
Non-current liabilities			
Financial Liabilities			
Borrowings	20	351,082	10,208
Other financial liabilities	21	3,105	4,887
Provisions	22	104	56
Deferred tax liabilities (net)	23	152	-
Total		**354,443**	**15,151**
Current liabilities			
Financial liabilities			
Borrowings	24	701,213	339,922
Trade payables - Total outstanding dues of:	25		
- micro and small enterprises		1	6
- other than micro and small enterprises		8,338	4,318
Other financial liabilities	26	393,278	61,835
Provisions	27	1,464	5,172
Current tax liabilities (net)		127	1,170
Other current liabilities	28	6,062	3,485
Total		**1,110,483**	**415,908**
Liabilities directly associated with Assets Classified as Held For Sale	**59**	**-**	**1,673,898**
Total Equity and liabilities		**1,157,192**	**1,998,103**
Summary of significant accounting policies	1 & 2		

The accompanying notes form an integral part of the Consolidated IND AS financial statements

As per our report of even date.

For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No. 097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary

Consolidated Statement of Profit and Loss

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

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Continuing operations			
INCOME			
Revenue from operations	29	85,826	31,033
Other income (net)	30	3,045	2,216
Total income		**88,871**	**33,249**
EXPENSES			
Cost of materials consumed		14,693	-
Employee benefits expense	31	1,417	922
Finance costs	32	42,070	30,527
Depreciation and amortisation expense (net)	33	13,617	5,215
Other expenses	34	40,507	21,663
Total expenses		**112,304**	**58,327**
Profit/(Loss) before share of profit/(loss) from associate & joint venture and tax expense		(23,433)	(25,078)
Exceptional item (net) (Refer note 50(d) & 52)		50,380	-
Share of profit of joint venture		(21)	-
Profit/(Loss) before tax for the year from Continuing operations		**26,926**	**(25,078)**
Tax expense	35		
Current tax		4,883	4,916
Taxes of earlier years		358	47
Deferred tax		2,038	(1,091)
Total tax expense		**7,279**	**3,872**
Profit/(Loss) for the year from Continuing operations		**19,649**	**(28,950)**
Profit/(Loss) before Tax for the year from discontinued operations		239,850	(84,517)
Tax expense			
Current tax		-	-
Taxes of earlier years		-	(4,578)
Deferred tax		(4,094)	(15,188)
		(4,094)	(19,766)
Profit/(Loss) after Tax for the year from discontinued operations	59	243,944	(64,751)
Profit/(Loss) for the year		263,593	(93,701)
Other comprehensive income - Continuing operations			
A. Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of post employment benefit obligations		(51)	9
B. Items that may be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(15)	100
		(66)	**109**
Other comprehensive income - Discontinuing operations			
A Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of post employment benefit obligations		-	162
(b) Share of OCI from Associate/JV		-	3
(c) Tax relating to above items		-	(57)
		-	**108**
Total other comprehensive (expense)/income		**(66)**	**217**
Total comprehensive Profit/(Loss) for the year		**263,526**	**(93,484)**
Profit/(loss) for the year attributable to:			
- Owners of the Company			
Profit/(Loss) for the period from Continuing operations		15,303	(28,666)
Profit/(Loss) for the period from discontinued operations		249,234	(47,761)
- Non controlling interests			
Profit/(Loss) for the period from Continuing operations		4,345	(284)
Profit/(Loss) for the period from discontinued operations		(5,290)	(16,990)
		263,593	**(93,701)**
Other Comprehensive Income Attributable to :			
- Owners of the Company			
Profit/(Loss) for the period from Continuing operations		(55)	109
Profit/(Loss) for the period from discontinued operations		11	55
- Non controlling interests			
Profit/(Loss) for the period from Continuing operations		(11)	-
Profit/(Loss) for the period from discontinued operations		(11)	53
		(66)	217
Total comprehensive income/(loss) for the year attributable to:			
- Owners of the Company			
Profit/(Loss) for the period from Continuing operations		15,248	(28,557)
Profit/(Loss) for the period from discontinued operations		249,245	(47,706)
- Non controlling interests			
Profit/(Loss) for the period from Continuing operations		4,334	(284)
Profit/(Loss) for the period from discontinued operations		(5,301)	(16,937)
		263,526	**(93,484)**
Earnings per equity share (Equity shares, par value of Re. 1 each)			
Basic and Diluted earnings per share in Rs			
- Continuing operations	36	0.97	(1.82)
- Discontinuing operations		15.78	(3.02)
Summary of significant accounting policies	**1 and 2**		

The accompanying notes form an integral part of the Consolidated IND AS financial statements

As per our report of even date.

For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No.097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary

Consolidated cash flow statement

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

		Year ended March 31, 2022	Year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before tax for the year from Continuing operations		**26,926**	**(25,078)**
Adjustments for:			
Depreciation and amortisation (net)		13,617	5,215
Loss on sale / Impairment of fixed assets (net)		18	-
Interest expense		41,495	30,150
Exceptional item (net)		(50,380)	-
Share of loss in joint venture		21	-
Interest income		(1,555)	(630)
Liabilities written back/ Reversal of previous year expenses		(291)	(1,229)
Income from investment		(770)	(173)
Provision for doubtful debts		193	963
Advances written off		8,715	9,400
Goodwill written off		15,142	3,619
Loss on exchange fluctuation (net)/ Other non cash expenses		14	205
Provision for Periodic overlay		2,992	2,672
Operating Profit before Working Capital Changes		**56,137**	**25,114**
Change in operating assets and liabilities:			
Decrease/(Increase) in trade receivables		(10,964)	(1,275)
Decrease/(Increase) in Inventories		2,064	64
Decrease/(Increase) in Financial Assets loans, others, other current and noncurrent assets		23,184	29,064
(Decrease)/Increase in Provisions		(3,808)	(11,379)
Increase in Trade payables, other financial liabilities and current liabilities		(27,601)	(609)
Cash Generated from Operations		**39,012**	**40,979**
Taxes (paid)/refund (net)		(4,697)	(3,284)
Net Cash flow from Operating Activities	**(A)**	**34,315**	**37,695**
B. CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES			
Proceeds/ (Purchase) of fixed assets		(1,107)	(6)
Capital Advances		34,777	
(Purchase) / proceeds from sale of current investments (net)		(13,375)	139
Loans (given) to / taken from related parties and others (net)		5	(9,915)
(Investment)/ Realization of bank deposits (having original maturity of more than 3 months)		5,451	(261)
Interest received		1,536	630
Net Cash flow from/(used in) Investing Activities	**(B)**	**27,287**	**(9,413)**

		Year ended March 31, 2022	Year ended March 31, 2021
C. CASH FLOW USED IN FINANCING ACTIVITIES			
Payment towards Purchase of Non controling interest		(199)	-
Proceeds from further issue of Equity shares/Debentures		-	25,000
Repayment of long term borrowings		(67,124)	(30,171)
Repayment/ Proceeds from short term Loans and advance (net)		29,425	(9,755)
Interest paid		(15,601)	(7,172)
Net Cash flow used in Financing Activities	**(C)**	**(53,499)**	**(22,098)**
Net increase/(decrease) in Cash and Cash Equivalents			
- For the period from Continuing operations (A+B+C)		**8,103**	**6,184**
- For the period from Discontinuing operations		**(39,534)**	**20,898**
Cash and Cash Equivalents at the beginning of the year		46,486	19,404
Add: Upon addition and deletion of subsidiaries		40,430	-
Cash and Cash Equivalents at the end of the year		**55,485**	**46,486**
Components of cash and cash equivalents as per cash flow statement			
Balance with banks:			
Current accounts		12,688	6,943
Deposit accounts		42,235	-
Cash		8	9
Cheques		**554**	**-**
Cash and Cash Equivalents relating to Continuing Operations		55,485	6,952
Balance with banks:			
Current accounts		-	2,159
Deposit accounts		-	37,351
Cash		-	24
Cash and Cash Equivalents relating to Discontinuing Operations		**-**	**39,534**
Total Cash and Cash Equivalents		**55,485**	**46,486**

Summary of significant accounting policies 1 and 2

The accompanying notes form an integral part of the Consolidated IND AS financial statements

As per our report of even date.
For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No. 097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary

Consolidated Statement of changes in equity

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

a. Equity

Equity shares of INR 1 each issued, subscribed and fully paid	Number of shares	Rs. in Lakhs
Issued and Paid up Capital at April 1, 2020	1,579,210,400	15,792
Changes in Equity Share Capital due to Prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in Equity Share Capital during the current year	-	-
Balance at March 31, 2021	**1,579,210,400**	**15,792**
Changes in Equity Share Capital due to Prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in Equity Share Capital during the current year	-	-
As at March 31, 2022	**1,579,210,400**	**15,792**

b. Other Equity

	Attributable to owners of GVK Power & Infrastructure Limited							Non Controlling Interests	Total
	Reserves and Surplus					Items of OCI	Total Other Equity		
	Loss on Treasury Shares	Capital Reserve	Securities premium reserve	General reserve	Retained earnings	Foreign Currency Translation Reserve			
As at April 01, 2020	**(4,057)**	**40,694**	**215,935**	**952**	**(539,972)**	**929**	**(285,519)**	**256,357**	**(29,162)**
Profit/(loss) for the year									
Loss for the period from Continuing operations	-	-	-	-	(28,666)	-	(28,666)	(284)	(28,950)
Loss for the period from asset held for sale operations	-	-	-	-	(47,761)	-	(47,761)	(16,990)	(64,751)
Other comprehensive income									
Loss for the period from Continuing operations	-	-	-	-	9	100	109	-	109
Loss for the period from asset held for sale operations	-		-	-	55	-	55	53	108
As at March 31, 2021	**(4,057)**	**40,694**	**215,935**	**952**	**(616,335)**	**1,029**	**(361,782)**	**239,136**	**(122,646)**
Profit/(loss) for the year									
Loss for the period from Continuing operations	-	-	-	-	15,303	-	15,303	4,345	19,648
Loss for the period from asset held for sale operations	-	-	-	-	249,234	-	249,234	(5,290)	243,944
Add: Upon addition and deletion of subsidiaries	2,396	(39,177)	168,708		(434,387)	7	(302,453)	(161,953)	(464,406)
Other comprehensive income									
Loss for the period from Continuing operations	-	-	-	-	(40)	(15)	(55)	(11)	(66)
Loss for the period from asset held for sale operations	-	-	-	-	11	-	11	(11)	-
Balance as at March 31, 2022	**(1,661)**	**1,517**	**384,643**	**952**	**(786,214)**	**1,021**	**(399,742)**	**76,216**	**(323,526)**
Summary of significant accounting policies	1 and 2								

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date.

For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No. 097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary

Notes to the consolidated financial statements

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

1 Corporate information

GVK Power & Infrastructure Limited ("Parent Company") is primarily engaged in the business of providing operation and maintenance services, manpower & consultancy services and incidental services to owners of power plants, airports and infrastructure companies. The Parent Company together with its subsidiaries (collectively termed as "the Group"), joint ventures and associates are engaged in constructing and operating power plants, highway projects, airports, exploration of coal mines etc.

2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of GVK Power & Infrastructure Limited (the 'Company') and its subsidiaries, associates and joint ventures.

2.1 Basis of preparation

i. Compliance with Ind AS: The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified pursuant to section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

ii. Historical cost convention: The consolidated financial statements have been prepared on a historical cost basis, except certain financial instruments measured at fair value (refer accounting policy of financial instruments).

iii. New standards adopted by the Company: The Company has applied the following standard for the first time for their annual reporting period commencing from April 01, 2020.

- Ind AS 105, Non -Current Assets Held for Sale and Discontinued Operations

Application of above standard did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.2 Basis of consolidation

i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the control is transferred to the group. They are deconsolidated from the date control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides an evidence of impairment of the transferred asset. Accounting policies of subsidiaries are in accordance with the group accounting policies. The acquisition method of accounting is used to account for business combinations by the group.

Non controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Balance Sheet respectively.

(ii) Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting (see iv below), after initially being recognised at cost. Also refer note 49.

(iii) Joint arrangements

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Interests in joint ventures is accounted for using the equity method (see (iv) below), after initially being at cost.

Notes to the consolidated financial statements

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

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint controlled entity are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment.

(v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the group ceases to consolidate or equity account an investment because of a loss of control, joint control or significant interest, any retained interest in the equity is remeasured to its fair value with change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Summary of significant accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

b. Fair value measurement

The Group measures financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, The Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Foreign currencies:

The financial statements are presented in Indian rupees lakhs , which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that are designated as part of the hedge of The Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

Revenue from Contract with customer

Revenue from contract with customer is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group has generally concluded that it is the principle in its revenue arrangements, because it typically controls the services before transferring them to the customer.

Rendering of services:

(i). Rendering of operation and maintenance services:

Revenues represent amounts billed or accrued for services rendered and expenses incurred in relation to such services, in accordance with the Operation and Maintenance agreement with its customer. As per the operations and maintenance agreements, the Holding Company's income comprises of (a) Operating fees and (b) Reimbursement of actual expenses. Operating fees are linked to generation of electricity including deemed generation and is subject to escalations.

(ii). Manpower and consultancy services:

Revenues for manpower services are recognised as and when services are rendered on time and material basis.

(iii). Income from airport services:

Revenue from airport operations i.e. Aeronautical and Non Aeronautical operations are recognized on accrual basis, net of service tax/Goods and Service Tax (GST), and applicable discounts when services are rendered. Aeronautical operations include user development fee (UDF), Landing, Parking of aircraft, aerobridge charges and fuel farm. The main streams of revenue from non-aeronautical includes duty-free, retail, advertisement, food & beverages, cargo, ground handling, car parking and land and space rentals.

Land and Space Rentals pertains to granting Right to use land and space primarily for catering to the need of passengers, air traffic services and air transport services.

Revenue from commercial property development rights granted to concessionaires is recognized on accrual basis, as per the terms of the agreement entered into with the customers.

Significant financing component

In certain cases (only non-zero i.e. Minimum Annual Guarantee(MAG)) the group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised service to the customer and when the customer pays for the service will be one year or less.

The group also receives long-term advances from customers for rendering services. The transaction price for such contracts are discounted, using the rate that would be reflected in a separate financing transactions between the group and its customers at contract inception, to take into consideration the significant financing component.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer (which consist of unbilled revenue). If the group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A receivable represents the group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before the payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the group has received consideration from the customer. If a customer pays a consideration before the group transfers services to the customer, a contract liability is recognized when the payment is received. Contract liabilities are recognized as revenue when the group performs under the contract.

(iv). Income from Toll Operations

The revenue is recognised as and when traffic passes through toll - plazas.

(v). Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is included in finance income in the statement of profit and loss. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable except the interest income received from customers for delayed payments which is accounted on the basis of reasonable certainty/realisation.

(vi). Dividend Income

Revenue is recognised when the share holders'/unit holders' right to receive the payment is established, which is generally when shareholders approve the dividend.

(vii). Export Incentives

Export incentives (Service Exports from India Scheme) from Government authorities are recognised in income statement when there is no significant uncertainty regarding the ultimate collection and amount can be measured reliably.

(viii). Guarantee commission

Revenue is recognised on a straight line basis taking into account the present value of the guarantee amount and the commission rate applicable.

e. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is reduced from the related expense which it is intended to compensate. When the grant relates to an asset, a deferred income is recognised and is released to profit or loss on systematic basis over useful life of the asset and is reduced from the related depreciation and amortisation expenses.

f. Taxes

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

Notes to the consolidated financial statements

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

g. Non-current assets held for sale

The Group classifies non-current assets and disposal groups (group of assets with directly associated liabilities) as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Non-current assets and disposal groups as held for sale/ distribution are sold /distributed within one year from the date of classification.

Non-current assets held and disposal groups for sale/ distribution to owners are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment once classified as held for sale/ distribution to owners are not depreciated or amortised.

h. Property, plant and equipment

Property, plant and equipment including land are stated at cost, net of credit availed in respect of any taxes, duties less accumulated depreciation and accumulated impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for intended use are also included to the extent they relate to the period upto such assets are ready for their intended use. Expenditure directly relating to construction/erection activity is capitalized. Indirect expenditure incurred during construction/erection period is capitalized as part of the construction/erection cost to the extent such expenditure is related to construction or is incidental thereto.

Subsequent expenditure incurred on existing property, plant and equipment is added to their book value only if such expenditure increases the future benefits from the existing assets beyond their previously assessed standard of performance.

Property, plant and equipment which are significant to the total cost the item of Property, plant and equipment having difference useful life are accounted and depreciated separately.

W.e.f. April 01, 2018, the Group depreciates airport assets in accordance with order no. 35/2017-18 (as amended from time to time), issue by Airport Economic Regulatory Authority (AERA) in the matter of determination of useful lives of Airport Assets.

However, the group, based on technical assessment made by technical expert and management estimate, depreciates below mentioned assets at estimated useful life which are different from the useful life prescribed in the aforesaid order and Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair appropriate time period over which the assets are likely to be used.

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

Asset Class	Useful Life
Buildings (other than factory buildings) other than RCC Frame Structure	5 to 30 years
Buildings - Temporary Structure	5 years
Runways, taxiways and aprons	3 - 30 years
Roads	5 - 10 years
Vehicles	11 Years
Electrical Installations & Equipment	5 - 10 years
Plant and Equipment	7.5 - 10 years
Furniture and fittings	10 years
Office Equipment - Mobile Phones	2 to 5 years

Further depreciation on assets covered under definition of “Generating Station” as defined in “Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014” is provided under Straight Line Method at the rates and the manner prescribed under the State Regulations if they prescribe rates and the manner of depreciation else on the basis of rates and manner prescribed in Central Regulations.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Spare parts, standby equipments and service equipments are recognised in accordance with Ind AS 16 ' Property, Plant and Equipment', when they meet the definition of property, plant and equipment.

The enabling cost incurred in connection with the main asset is captialised along with the main asset. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

i. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The upfront fee and other compensation paid/payable to the Airport Authority of India (""AAI""), are amortized over the primary period of the grant under OMDA i.e. 30 years. The Computer Software are amortized over their useful life of 3-6 years.

The concession rights granted by the City and Industrial Development Corporation of Maharashtra Limited (CIDCO) would be amortised over the concession period commencing from the commercial operation date of the Phase 1 of Navi Mumbai International Airport on systematic basis.

j. Investment property

Investment properties is property either to earn rental income or for capital appreciation or for both but not for sale in ordinary course of business, use in production or supply of goods or services or for administrative purpose. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Notes to the consolidated financial statements

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

k. Concession intangible and financial assets

Some companies in the Group constructs infrastructure (construction services) and operates and maintains that infrastructure (operation services) for a specified period of time.

These arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the company bears the demand risk. The financial asset model is used when the company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component.

If the company performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

- An intangible asset is measured at the fair value of consideration transferred to acquire the asset, which is the fair value of the consideration received or receivable for the construction services delivered
- The intangible asset is amortised over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the entity, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortised over the duration of the concession
- In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially recognised plus the cumulative interest on that amount is calculated using the effective interest method.

  Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

l. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m. Leases

The Group, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

Group as a lessee:

Effective April 1, 2019, the Group has adopted Ind AS 116 on 'Leases' using Modified Retrospective Method

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

The carrying amount of lease liabilities is re-measured on modification due to a change in the lease term or a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments, change in escalation rate) or a change in the assessment of an option to purchase the underlying asset.

Group as a lessor:

Operating lease

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of assets are called as operating leases.

Effective April 1, 2019 the Group has adopted Ind AS 116 on 'Leases'. Rental income from operating lease is recognised on a straight line basis over the lease term.

Notes to the consolidated financial statements

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

n. Inventories

Inventories in the form of stores and spare parts held for use in rendering of services are valued at lower of cost or net realisable value. Cost is determined on a weighted average basis.

o. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceeds its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

p. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

q. Retirement and other employee benefits

Defined Contribution plan

Retirement and other employee benefit in the form of provident fund, Employees State Insurance Contribution and Labour Welfare fund are defined contribution scheme and the Group recognizes contribution payable to the fund/ scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan

The group provides for retirement benefit in the form of gratuity. The group's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

Remeasurement, comprising of actuarial gains and losses, (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Notes to the consolidated financial statements

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

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under short term provision in the Balance Sheet. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss.

r. Financial instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, in the case of financial assets not recorded at fair value through profit or loss.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

- Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

Debt Instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cashflows and selling the financial assets, and

b) The asset's contractual cashflows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. FairValue movements are recognised in the other comprehensive income(OCI). However, the group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as at FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all the changes recognised in the profit & loss.

Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income, subsequent changes in the fair value. The group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

In case of equity investment classified as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognised in the OCI. there is no recycling of the amounts from OCI to profit & loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity Instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit & loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

• The rights to receive cash flows from the asset have expired or

• The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

Each Company in the Group assesses impairment based on expected credit losses (ECL) model to the following:

• Financial assets measured at amortised cost;

• Financial assets measured at FVTOCI;

Expected credit losses are measured through a loss allowance at an amount equal to:

• the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

• full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Notes to the consolidated financial statements

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

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to profit & loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

- Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. There are no reclassification of financial assets.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s. Treasury shares:

The group has created GVK Employee Welfare Trust (EWT) for welfare of its employees. The EWT buys shares of the group from the market, for welfare of the employees. The group treats EWT as its extension and shares held by EWT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and are disclosed under other equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Notes to the consolidated financial statements

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

Any difference between the carrying amount and the consideration, if reissued, is recognised in other equity.

t. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

u. Contingent Assets and Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Ind AS financial statements.

Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

v. Trade Receivables

Receivables are initially recognized at fair value, which in most cases approximates the nominal value of consideration receivable. If there is a subsequent indication that those assets may be impaired, they are reviewed for impairment and an allowance is recognized.

w. Trade Payables

Trade Payables are recognized for amounts to be paid for goods or services acquired in the ordinary course of the business whether billed by the supplier/service provided or not. Trade payables are classified as current liabilities.

x. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the financial year attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the net profit or loss for the financial year attributable to equity shareholders by the weighted average number of equity shares outstanding including equity shares which would have been issued on the conversion of all dilutive potential equity shares unless they are considered anti-dilutive in nature.

y. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

Notes to the consolidated financial statements

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

3. Property, plant and equipment and capital work -in-progress

Description of Assets	Freehold land	Buildings	Computers	Plant and equipment/ Capital spares	Tools and equipment	Office equipment	Furni-ture and fixtures	Electrical installa-tions	Vehicles	Commu-nication Equipment	Total
Gross Carrying Amount											
At April 1, 2020	21	6	33	-	97	91	42	-	244	15	548
- Discontinuing operations											
- Continuing operations											
Additions	-	-	-	-	3	2	-	-	-	1	6
Disposals	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2021	21	6	33	-	100	93	42	-	244	16	554
Addition and deletion of subsidiaries	26,890	448,126	169	586,745	295	354	237	313	338	-	1,063,467
Additions/Adjustments	-	-	3	-	-	6	-	-	15	6	30
Disposals/Adjustments	(15)	-	-	-	-	-	-	-	(66)	-	(81)
Deconsolidation	(6,616)	(355)	(31)	(64,546)	(295)	(156)	(74)	(46)	(5)		(72,123)
At March 31, 2022	**20,280**	**447,777**	**174**	**522,199**	**100**	**297**	**205**	**267**	**526**	**22**	**991,847**
Accumulated Depreciation											
At April 1, 2020	-	3	22	-	61	77	29	-	127	8	327
Depreciation expense	-	1	4	-	7	2	6	-	27	3	50
Disposals	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2021	-	4	26	-	68	79	35	-	154	11	377
Addition and deletion of subsidiaries	-	97,704	94	206,989	-	232	182	133	167	-	305,501
Depreciation expenses	-	2,427	6	5,462	6	5	2	3	26	3	7,940
Disposals	-	-	-	-	-	-	-	-	(39)	-	(39)
Deconsolidation		(99)	(15)	(34,668)	-	(94)	(48)	(30)	(20)	-	(34,973)
At March 31, 2022	**-**	**100,036**	**111**	**177,783**	**74**	**222**	**171**	**106**	**288**	**14**	**278,806**
Net Block											
At March 31, 2021	**21**	**2**	**7**	**-**	**32**	**14**	**7**	**-**	**90**	**5**	**177**
At March 31, 2022	**20,280**	**347,740**	**63**	**344,416**	**26**	**76**	**34**	**161**	**238**	**8**	**713,041**

Net book value	At March 31, 2022	March 31, 2021
Plant, property and Equipment	713,041	177

4: Capital work in progress

Particulars	Capital work in progress	Expenditure incurred during construction period	Total
Opening balance as at April 01, 2020	**354,745**	**39,147**	**393,892**
- Discontinuing operations	297,767	39,147	336,914
- Continuing operations	56,978		56,978
Additions	89	-	89
Capitalised/written off during the year	-	-	-
At March 31, 2021	**57,067**	**0**	**57,067**
Additions/ Deletion	(57,067)	-	(57,067)
At March 31, 2022	**-**	**-**	**-**

Notes to the consolidated financial statements

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

5. Investment property-Land

Particulars	As at March 31 , 2021	As at March 31, 2020
Opening balance as at April 01,2021	11,655	11,655
At March 31, 2022	11,655	11,655

The Group's investment properties consist of vacant land having an extent of about 2600 Acres acquired by GVKPSPL, in five villages Thirumanthurai, Eraiyur, Peraiyur, Pennakonam (North) and Pennakonam (South) in Perambalur district during the year 2007 and 2008 from local villagers.

This investment property has been pledged as security against loans taken by the Group (Refer note 53).

6. Intangibles

Description of Assets	Goodwill	Computer software	Toll collection right	Right to use of Assets	Total
At Cost					
At March 31, 2020	18,761	-	33,921	-	**52,682**
Additions/Adjustments	-	-	1,000	-	**1,000**
At March 31, 2021	**18,761**		**34,921**	**-**	**53,682**
Addition and deletion of subsidiaries	-	19		3,443	**3,462**
Additions/Adjustments	-	8	18	-	**26**
At March 31, 2022	**18,761**	**27**	**34,939**	**3,443**	**57,169**
Amortization and impairment					
At March 31, 2020	**-**	**-**	**18,032**	**-**	**18,032**
Amortisation/ Written off	3,619	-	5,164	-	8,783
Adjustments/ transfers during the year	-			-	-
At March 31, 2021	**3,619**	**-**	**23,196**	**-**	**26,815**
Addition and deletion of subsidiaries		9		1,425	**1,433**
Amortisation/ Written off	15,142	7	5,625	293	**21,068**
At March 31, 2022	**18,761**	**16**	**28,821**	**1,718**	**49,316**
Net Block					
At March 31, 2021	**15,142**	**-**	**11,725**	**-**	**26,867**
At March 31, 2022	**-**	**11**	**6,118**	**1,725**	**7,854**

7. Non-current investments

	As at March 31, 2022	As at March 31, 2021
A. Unquoted, in fully paid securities (at cost)		
I. Investment in associate company		
GVK Coal Developers (Singapore) PTE Limited		
50,000 (March 31, 2021: 50,000) equity shares of USD 1 each fully paid-up	25	25
17,66,31,918 (March 31, 2021: 17,66,31,918) non-cumulative redeemable preference shares of USD 1 each fully paid-up in GVK Coal Developers (Singapore) Pte. Ltd.	77,510	**77,510**
Share application money for purchase of non-cumulative redeemable preferential shares of USD 1 each (at amortised cost)	1	**1**
Investment in associate company	**77,536**	**77,536**
Less : Provision for impairment	(77,536)	(77,536)
	-	**-**

Notes to the consolidated financial statements

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

	As at March 31, 2022	As at March 31, 2021
II. Investment in Joint venture		
GVK Energy Limited *		
Nil (March 31, 2021: 557,869,479) equity shares of Rs.10 each fully paid-up	-	114,014
Add : Profit on deemed dilution (as per last balance sheet)	-	34,964
Add: Opening balance of accumulated profit/(loss)	-	(148,978)
Add: Loss for the year	-	-
	-	-
	-	-

* Refer note 50

7A. Investments

	As at March 31, 2022	As at March 31, 2021
48,000,000 (March 31, 2021: Nil) equity shares of Rs.10 each fully paid-up in GVK Airport Developers Limited (Refer note 58)	7,136	-
	7,136	-

8. Other financial assets (Unsecured, considered good unless stated otherwise)

	As at March 31, 2022	As at March 31, 2021
Deposits with Government, Public Bodies and Others	144	-
Receivable from GSRDC (Refer note 51)	58,541	58,541
Receivable From NHAI (Refer note 51)	42,442	42,442
Security deposits	67	-
	101,194	**100,983**

9. Deferred tax assets (net)

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
MAT Credit Entitlement	2,808	528
Indexation benefit on land	2,957	2,699
Deferred tax assets (net)	**5,766**	**3,227**

10. Other non-current assets (Unsecured, considered good unless stated otherwise)

	As at March 31, 2022	As at March 31, 2021
Capital advances	6,819	38,860
Balance with government authorities	28	28
	6,847	**38,888**

11. Inventories

	As at March 31, 2022	As at March 31, 2021
Stores, spares and consumables (at lower of cost and net realisable value)	7,544	80
Total	**7,544**	**80**

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

12. Current investments

	As at March 31, 2022	As at March 31, 2021
Quoted mutual funds at fair value through statement of profit and loss		
Investments in units of Mutual funds	17,921	2,125
Investment carried at amortised cost		
Debentures #	112,464	-
Total	**130,385**	**2,125**

Debentures are unlisted, unsecured, optionally convertible debentures ("OCDs") each having a face value of Rs 10 each and shall accrue a coupon at the rate of 0.01% per annum.

Number of Debentures issued by M/s Ybrant Engineering and Constructions Private Limited is 11,246.4 Lakhs (Refer note 58).

13. Trade receivables

	As at March 31, 2022	As at March 31, 2021
Trade receivable Considered good - Unsecured	46,712	186
Trade receivable credit impaired	33,433	-
	80,145	186
Impairment Allowance (allowance for bad and doubtful debts)	(33,433)	-
	46,712	**186**

	Not Due	Less than 6 months	6 months - 12 months	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022							
Undisputed Trade Receivables							
- Considered Good	11,530	23,338	455	25	84	-	35,432
- which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
- Considered Good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	174	5,422	1,232	8,394	4,418	13,793	33,433
Total	11,704	28,760	1,687	8,419	4,502	13,793	68,865
Un-billed Revenue							11,280

	Not Due	Less than 6 months	6 months - 12 months	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2021							
Undisputed Trade Receivables							
- Considered Good	-	-	-	108	78	-	186
- which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
- Considered Good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Total	-	-	-	108	78	-	186
Un-billed Revenue							-

Notes to the consolidated financial statements

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

14. Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents		
Balances with Banks		
- On current accounts	12,688	6,943
- On deposit accounts	42,235	-
Cash on hand	8	9
Cheques in hand	554	-
Total Cash and cash equivalents	**55,485**	**6,952**

15. Bank balances other than cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Deposits with maturity of more than 3 months but less than 12 months	208	5,456
Deposits held as margin money with maturity of more than 3 months but less than 12 months	-	44
	208	**5,501**

16. Loans

	As at March 31, 2022	As at March 31, 2021
- Unsecured, considered good		
- Loans to related parties (Refer Note 60)	2	35,278
	2	**35,278**

17. Other financial assets (Unsecured, considered good unless stated)

	As at March 31, 2022	As at March 31, 2021
Interest receivable	1,267	1,213
Deposits with Government, Public Bodies and Others	18	-
Capital advances	-	8,470
Security deposits	12	2
Receivables from JKPDCL	29,048	-
Claims Receivable from Nominated Authority, MoC	19,880	-
Others	52	33
	50,275	**9,718**

Break up of financial assets carried at amortised cost

	As at March 31, 2022	As at March 31, 2021
Non current investments	7,136	-
Current investments	112,464	-
Trade receivables	46,712	186
Cash and cash equivalents	55,485	6,952
Other bank balances	208	5,501
Loans	2	35,278
Other financial assets	151,469	110,701
	373,477	**158,618**

Break up of financial assets carried at fair value through statement of profit and loss (P&L)

	As at March 31, 2022	As at March 31, 2021
Current investments	17,921	2,125
Total financial assets carried at fair value through P&L	**17,921**	**2,125**

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

18. Other current assets (Unsecured, considered good unless stated otherwise)

	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	731	452
Advances	3,386	605
Balances with government authority	236	361
Other advances (including Rs. 5,269 lakhs bank guarantee encashed by JKPDD)	-	5,269
	4,353	**6,687**

19. Equity share capital

	As at March 31, 2022	As at March 31, 2021
Authorised share capital:		
2,500,000,000 (March 31, 2021: 2,500,000,000) equity shares of Re. 1 each	25,000	25,000
Issued, subscribed and fully paid-up share capital		
1,579,210,400 (March 31, 2021: 1,579,210,400) equity shares of Re. 1 each	15,792	15,792

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Re. 1 each fully paid up				
At the beginning of the year	1,579,210,400	15,792	1,579,210,400	15,792
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,579,210,400**	**15,792**	**1,579,210,400**	**15,792**

b) Terms/rights attached to equity shares

The Company has only one class of equity share having par value of Re. 1 per share. Shareholders are eligible for one vote per share held. The dividend proposed, if any, by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution to all preferential creditors, in proportion to their shareholding.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

c) Details of shares held by promoters as on 31-03-2022 are as follows:

Promoter Name	No of Shares	% of total shares	% of change during the year
G V Krishna Reddy	30,958,857	2%	Nil
G V Sanjay Reddy	55,725,951	4%	Nil
Krishna R Bhupal	37,150,630	2%	Nil
Vertex Projects LLP	732,893,902	46%	Nil
Total	**856,729,340**	**54%**	**Nil**

c) Details of shares held by promoters as on 31-03-2021 are as follows:

Promoter Name	No of Shares	% of total shares	% of change during the year
G V Krishna Reddy	30,958,857	2%	Nil
G V Sanjay Reddy	55,725,951	4%	Nil
Krishna R Bhupal	37,150,630	2%	Nil
Vertex Projects LLP	732,893,902	46%	Nil
Total	**856,729,340**	**54%**	**Nil**

Notes to the consolidated financial statements

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

d) Details of shareholders holding more than 5% equity shares in the Company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No.	% of holding	No.	% of holding
Vertex Projects LLP (Formerly Vertex Infratech Private Limited)	732,893,902	46.41%	732,893,902	46.41%

20. Non-current borrowings

	As at March 31, 2022	As at March 31, 2021
Secured:		
Debentures		
170 (March 31, 2021: Nil) 12.5% non-convertible Debentures of Rs. 10,000,000 each	17,000	-
Term loans:		
From banks	700,149	153,638
From financial institutions	170,345	108,119
Foreign Currency Loan from Bank	13,139	
Total	**900,633**	**261,757**
Less: Amount classified under Other current liabilities	(549,551)	(251,549)
	351,082	**10,208**

Entity wise details of the above long term borrowings are as follows:

Name of the entities	Non-current portion		Current maturities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
1. GVK Jaipur Expressway Private Limited (GVK JEPL)	-	10,208	9,874	23,261
2. GVK Bagodara Vasad Expressway Private Limited (GVK BVEPL)	-	-	51,799	51,799
3. GVK Deoli Kota Expressway Private Limited (GVK DKEPL)	-	-	62,086	68,370
4. GVK Ratle Hydro Electric Project Private Limited (GVK RHEPPL)	-	-	29,046	108,119
5. GVK Energy Limited(GVKEL)	-	-	3,100	-
6. Alaknanda Hydro Power Company Limited(AHPCL)	351,082	-	33,208	-
7. GVK Power (Goindwal Sahib) Limited(GVKPGSL)	-	-	**349,659**	**-**
8. GVK Coal (Tokisud) Company Private Limited	-	-	**10,778**	**-**
	351,082	**10,208**	**549,551**	**251,549**

1. GVK Jaipur Expressway Private Limited (GJEPL)	**As at March 31, 2022**	**As at March 31, 2021**
Term Loans from banks (secured)	9,874	33,469

Summary of borrowing arrangements

i) Securitised Term Loans from Banks

1) Secured by

A) second charge by way of mortgage of entire immovable properties of the Company, save and except Project Assets, both present and future;

B) second charge by way of hypothecation of entire movable properties of the Company, save and except Project Assets, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable properties of whatsoever nature;

C) second charge on entire cashflows, receivables, book debts and revenues of the Company of whatsoever nature and wherever arising, subject to the terms of the Concession Agreement and the Escrow Agreement, both present and future;

D) second charge on entire intangible assets of the Company, including but not limited to goodwill and uncalled capital, both present and future;

Notes to the consolidated financial statements

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

E) Pledge of shares held by promotors in dematerialized form representing 51% of the total paid up equity share capital of the Company, subject to encumbrance created in favour of the existing Senior Lenders to the Project;

2) Rate of Interest: Interest payable at the rate of 12.00% per annum and which is subject to reset once in every year.

3) Terms of Repayment: Repayable in 120 monthly instalments from November 2011 and loan outstanding as on March 31, 2022 is Zero.

ii) Term Loan from Axis Bank

1) Secured by

A) second charge by way of mortgage of entire immovable properties of the Company, save and except Project Assets, both present and future;

B) second charge by way of hypothecation of entire movable properties of the Company, save and except Project Assets, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable properties of whatsoever nature except project assets

C) second charge on entire cashflows, receivables, book debts and revenues of the Company of whatsoever nature and wherever arising, subject to the terms of the Concession Agreement and the Escrow Agreement, both present and future;

D) second charge on entire intangible assets of the Company except project assets, including but not limited to goodwill and uncalled capital, both present and future;

E) way of pledge of shares held by promotors in dematerialized form representing 51% of the total paid up equity share capital of the Company, subject to encumbrance created in favour of the existing Senior Lenders to the Project;

F) first pari passu charge on the Surplus Cashflows generated after meeting operating, Administrative, MMR provisioning (if any) for the year, senior debt servicing and appropriation after DSRA.

G) Corporate Gurantee of GVK Power & Infrastructure Limited and GVK Transportation Private Limited (only to meet the shortfall between the Facility amount and termination payments received from NHAI in case of termination of the Concession Agreement for any reason.)

2) Rate of Interest: Interest payable at the rate of 8.5% per annum and which is subject to reset once in every year.

3) Terms of Repayment: Repayable in 20 quarterly instalments from June 2018.

2.GVK Bagodara Vasad Expressway Private Limited (GVKBVEPL)	As at March 31, 2022	As at March 31, 2021
Term Loans from banks	51,799	51,799
	51,799	**51,799**

All the accounts have become Non performing assets (NPA) as on date and GVK BVEPL received recall notices from the banks and financial institutions hence, borrowings from bank and financial institution transferred under current maturities of long term borrowings.

Term loans from banks and financial institutions are secured by way of

Nature of security & terms of repayment:

A. Indian rupee loan is secured to the extent permitted under the concession agreement by:

(i) First charge on all the present and future tangible moveable assets, machinery spares, tools and accessories etc, save and except the Project Assets as defined under the Rupee Loan agreement.

(ii) First charge on all the bank accounts of GVKBVEPL including Debt Service Reserve Account/Escrow accounts/its sub accounts except the Distribution Sub account. Charge on the Escrow account shall be in a manner and only to the extent of order of priorities of payment as permitted under the Escrow agreement and supplementary Escrow agreement.

(iii) First charge on all intangibles of GVKBVEPL including goodwill, rights, undertakings and uncalled capital both present and future save and except the Project Assets as defined under the Rupee Loan agreement.

(iv) Assignment by way of security of the right, title, interests, benefits, claims and demands of GVKBVEPL in and under all the project documents, approvals, insurance contracts, letter of credit, guarantees, liquidated damages and performance bond. Provided however, that the assignment as mentioned above shall be in accordance with and to the extent provided under the Substitution agreement.

(v)As per Common Loan Agreement the pledge of 51% of voting equity share capital of GVKBVEPL held by the Sponsor's until the Commercial Operation Date (COD). Subject to there being no default, Pledge of shares will be gradually reduced to 33% from COD for a period of 3 years and thereafter to 26% till final settlement date, however the total registered pledged as on March 31, 2022 is 2.45% only.

Notes to the consolidated financial statements

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

(vi) Provided further that the charges, assignment and pledge on the assets shall in all respect rank Pari Passu inter se the Lenders without any preference or priority to one over the other or others.

3. GVK Deoli Kota Expressway Private Limited (GVKDKEPL)	As at March 31, 2022	As at March 31, 2021
Term Loans from banks	51,884	57,136
Term Loans from financial institutions	10,202	11,234
	62,086	**68,370**

All the accounts have become Non performing assets (NPA) as on date and GVK DKEPL received recall notices from the banks and financial institutions hence, borrowings from bank and financial institution transferred under other current financial liabilities.

Term loans from banks and financial institutions are secured by way of

Indian rupee loan is secured to the extent permitted under the Concession Agreement by:

(i) A first ranking pari passu charge on all the present and future immovable and moveable assets and intangible assets except the project assets as defined under the Rupee Loan agreement.

(ii) A first ranking pari passu charge on all revenues and receivables of the Borrower from the Project or otherwise.

(iii) Pledge of 51% of the paid-up equity shares of GVK DKEPL held by GVKTPL (the "Sponsor") until the Commercial Operation Date and Pledge of 26% of the paid-up equity shares of the GVK DKEPL held by the Sponsor for a period of 2 years from Commercial Operation Date. Further GVKDKEPL pledged 22.98% shares to security trustee for RTL-III and the total registered pledge as on March 31, 2022 is 73.98%.

(iv) A first ranking pari passu charge/assignment by way of security of all the project documents to the extent provided under the Substitution Agreement entered into by GVK DKEPL with the Rupee Lender and the NHAI.

(v) A first ranking pari passu charge on all rights, title, interests, benefits, demands, and claims under the contractor guarantees, liquidated damages, any guarantees, letter of credit, or performance bonds provided by any counter party under any contract of GVK DKEPL, Insurance Contracts, and Insurance proceeds.

(v) Corporate guarantee by GVKTPL.

4. GVK Ratle Hydro Electric Project Private Limited (GVKRHEPPL)	As at March 31, 2022	As at March 31, 2021
Term Loans from financial institutions	29,046	108,119

Summary of boorwing arrangements & Terms of repayment

The Company (Borrower) & GVK Power and Infrastructure Limited (GVKPIL) have entered the Final Settlement Agreement with Power Finance Corporation Ltd (Lender) dated November 24, 2021.

Borrower & GVKPIL hereby jointly and severally agree and undertakes to inform the Lender immediately upon finalization/ culmination of Legal Proceedings concerning the Arbitral Award and to pay the amounts within 3 days of the receipt of the relevant payment from JKPDD/ Government of Jammu and Kashmir.

5. GVK Energy Limited	As at March 31, 2022	As at March 31, 2021
Term Loans from financial institutions	3,100	-

a. Each 14.50% (now restructured to 12.50%) Non-convertible debenture is secured by way of pledge of 40% of equity shares of AHPCL, pledge of 26% fully paid up equity shares of borrower, pledge of 49% of equity shares of GVKPGSL, pledge of 49% of equity shares of GVKCTCPL on pari- passu basis and by the Corporate Guarantee by GVKPIL. The debentures are repayable at a premium of 12.50% per annum and repayable in full on or before March 31, 2022.

b. During the year, the Company has entered into a restructuring agreement with lenders (Edelweiss) resulting in reduction of rate of interest to 12.50% p.a. vide settlement agreement dated October 31, 2020. Vide the same agreement, the principal to be repaid has been revised to Rs. 3,800 lakhs from Rs. 4,500 lakhs out of which Rs. 700 lakhs has been repaid during the financial year.

6. Alaknanda Hydro Power Company Limited(AHPCL)	As at March 31, 2022	As at March 31, 2021
Term Loans from banks	229,092	-
Term Loans from financial institutions	155,198	-
	384,290	**-**

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

Summary of borrowing arrangements

a) Security

i) Mortgage of the Company's immovable properties, present and future except Forest Land

ii) Hypothecation of all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future.

iii) all cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising and all intangibles including but not limited to goodwill, uncalled capital, present and future.

iv) Assignment or creation of security interest in:

1. All rights, titles, interest, benefits, claims and demands whatsoever of the Company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time;
2. All rights, title, interest, benefits, claims and demands whatsoever of the Company in the clearances;
3. All rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee, performance bond provided by any party to the project document and
4. All insurance contracts / insurance proceeds.
5. On the Escrow Account and other reserves and any other bank accounts of the Company wherever maintained.
6. Pledge of 60% of equity shares issued or to be issued by the Company during the currency of the Term Loans.

v) The aforesaid mortgages, hypothecation, assignment charges and pledge of shares, shall in all respects, rank pari passu interse along with the working capital lenders, rupee term loans, foreign currency USD loan of 40 million and second charge on DSR.

vi) The Lenders, at their option, have a right to convert the whole or part of the Loan into equity, at par, in case of default in payment of two consecutive instalments and / or interest without prior intimation.

vii) Corporate Guarantee of the Promoter i.e. GVK Energy Limited.

b) Repayment schedule:

i) Rupee Term Loans and funded interest term loans are repayable in 96 quarterly structured instalments from 01.01.2017.

ii) Foreign Currency loan is repayable in 60 quarterly structured instalments commencing from January 01, 2012.

c) Rate of Interest

i) Rupee Term loans and Funded Interest Term Loans carry Interest rates which ranging between 11.85% to 13.40% per annum.

ii) The foreign currency term loan carries floating rate of interest at 3 month LIBOR + 248 bps per annum.

Debentures and Rupee Term Loans from others

Security

The obligations and performance of the terms and conditions of the transaction documents shall be secured by:

1. Pledge of 26% of securities (equity shares) of GVK Energy Limited;
2. Pledge of 40% of securities (equity shares) of Alaknanda Hydro Power Company Limited;
3. Pledge of 49% of securities (equity shares) of GVK Power (Goindwal Sahib) Limited;
4. Pledge of 49% of securities (equity shares) of GVK Coal (Tokisud) Company Private Limited;
5. Corporate guarantee of GVK Power & Infrastructure Limited;
6. Corporate guarantee of GVK Energy Limited;
7. Subservient charge on project assets and cash flows of the Alaknanda Hydro Power Company Limited;
8. Demand Promissory Note; and
9. Any additional security as may be required by and acceptable to the Debenture Trustee.

The pledged securities shall be shared on pari passu basis for financial assistance aggregating to Rs.550 Crores by lent /advanced from ECL Finance Ltd and it's group companies.

Applicable rate of coupon

17.10% per annum compounded quarterly till 15.09.2020 and 12.50% per annum compounded monthly thereafter, payable on redemption.

Tenure:

The tenure of the debenture shall be 24 months from the date of allotment i.e. 22nd March, 2018 for Debentures and 30th June, 2018 for Rupee Term Loans from Others, which has been extended till 26.06.2020 due to COVID,19 pandemic and further extended till 15.07.2021 vide settlement agreement dt. 31.10.2020 and further upto 31.03.2022 vide their letter dated 18-06-2021.

Notes to the consolidated financial statements

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

Call Option:

Debentures

The Company shall have the right to redeem the debentures in full or part at the end of any quarter commencing from 30th June 2018.

The Company shall be entitled to exercise its call option on debentures only after expiry of three months from the date of allotment. Further, the issuer shall be entitled to exercise its call option only on part not all outstanding debentures before the expiry of twelve 12 months from the date of allotment.

Rupee Term Loans from others

The Borrower shall have the right to repay in full or part at the end of every quarter commencing from 30th September 2018.

The borrower shall give 10 days prior notice in writing before call option date to lender of its intention to exercise as the case may be . The said call option date, the borrower shall repay/prepay the loan interms of the call option notice, together interest and additional interest and other dues payable thereon.

Put Option:

Debentures

The debenture holders shall have the right to call for redemption of debentures in multiples of INR Ten Crores in full firstly on June 30th, 2018 and every third month thereafter.

The debenture holders shall be entitled to exercise its put option on the debentures only after expiry of three months from the date of allotment. Further, the debenture holders shall be entitled to exercise its put option only on part not all the debentures before the expiry of twelve 12 months from the date of allotment.

Rupee Term Loans from others

The Lender shall have the right to recall loan in full or part at the end of every quarter commencing from 30th September 2018.

The Lender shall give 10 days prior notice in writing before put option date to Borrower of its intention to exercise as the case may be . The said put option date, the lender shall recall loan in to repay/prepay the loan interms of the put option notice, together interest and additional interest and other dues payable thereon.

Settlement Agreement for Debentures and Loan with Edelweiss Group

The Company has issued 136 debentures of Rs.1.00 Cr each and 14 debentures of Rs.1.00 Cr each to Edelweiss Finvest Limited and Ecap Equities Limited (an Edelweiss Group Company) respectively amounting to Rs.150.00 Cr. Further, a term loan of Rs.275.00 Cr was taken from ECL Finance Limited (another Edelweiss Group Company). Thus all these debentures and term loan totalling to Rs.425.00 Cr are due to Edelweiss Group. The total liability as per the books of accounts of the Company together with interest accrued thereon to Edelweiss Group amounted to Rs.559.72 Cr as on 15th September, 2020.

The Company along with its Holding Company i.e., GVK Energy Limited has entered into a settlement agreement with Edelweiss Group on 31st October, 2020 the terms of which are as under:

a) Waiving of interest of Rs.72.72 Cr resulting in reduction of the outstanding liability of the Company to Edelweiss Group to Rs.487.00 Cr of which Rs.93.00 Cr was paid in October, 2020. Balance 394 Cr is payable by 31st July, 2021, which has been extended to be paid by 15th September, 2021 along with interest at 12.50%. Later, such date has been further extended up to 31st March,2022 out of which 175.26 Cr was paid by 31st March, 2022.

b) The Company has requested Edelweiss Group to extend time to pay balance Rs.218.74 Cr by six months together with 12.50% interest which is under their consideration.

Debenture Redemption Reserve

As stated above in "Settlement Agreement for Debentures and Loan with Edelweiss Group" the mutually agreed and revised date of redemption for Non Convertible Debentures is as at 31st March, 2022. The Company is in the process of refinancing the Debentures and term loans. Hence, the Company has not created Debenture Redemption Reserve as required under section 71(4) of the Companies Act, 2013.

7. GVK Power (Goindwal Sahib) Limited(GVKPGSL)	**As at March 31, 2022**	**As at March 31, 2021**
Term Loans from banks	276,271	-
Term Loans from financial institutions	73,388	-
	349,659	**-**

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

Summary of borrowing arrangements

Term Loans from Banks and Financial Institutions

Nature of Security & Terms of Repayment

(a) Nature of Security

Term Loans from Banks and Financial Institutions are secured by:

i) First charge on all movable and immovable properties, book debts, operating cash flows, receivables, Commissions, revenues, intangibles, goodwill, uncalled capital, designated bank accounts of the Company, present and future.

ii) First charge by way of assignment or creation of charge on all the rights, title, interest, benefits, claims and demands whatsoever in the project documents.

iii) Pledge of 51% of equity shares held by the Holding Company i.e GVK Energy Limited.

iv) Further Secured by irrevocable and unconditional corporate guarantee of holding company i.e.GVK Energy Ltd.

(b) Terms of Repayment

Term Loans are repayable in 78 structured quarterly instalments, commencing from October 31, 2017.

(c) Rate of Interest on Term Loan

Term Loan I @ 12.65% per annum to 13.25% per annum, Term Loan II and III @ 13.15% per annum to 13.25% per annum and Term Loan IV @ 13.25% per annum

(d) Conversion

In case of default in repayment of principal / interest or any combination thereof for a period of 30 days or more from due date , the Lenders, at their option, can exercise right to convert the whole or part of the outstanding amount of the loan into fully paid-up equity shares of the Company, at par.

Summary of long term borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Term Loans From		
Banks	291,354.24	291,354.24
Financial Institutions	58,710.00	58,710.00
	350,064.24	**350,064.24**
Less: Unamortised Transaction Costs	(404.75)	(456.74)
Total	**349,659.49**	**349,607.50**

The Company has not adhered to repayment schedule of principal and interest dues to the lenders. Hence, the lead lender has recalled all loans along with finance charges due to all the lenders and issued notice for invoking pledge of shares pledged to them which was stayed by Hon'ble High Court for the State of Telangana on a writ petition filed by the Company. Pending outcome of said proceedings, no adjustments have been made in the financial statements on this account as on the reporting date.

(i) Facilities repayable on demand from Bank are secured by:

Term Loans from Banks and Financial Institutions are secured by:

a) First charge on all movable, immovable properties, book debts, operating cash flows, receivables, Commissions, revenues, intangibles, goodwill, uncalled capital, designated bank accounts of the Company, present and future.

b) First charge by way of assignment or creation of charge on all rights, title, interest, benefits, claims and demands whatsoever in the project documents.

c) Pledge of 51% of equity shares held by the Holding Company

(ii) Rate of Interest @ 12.25% per annum

8. GVK Coal (Tokisud) Company Private Limited (GVKCCPL)	As at March 31, 2022	As at March 31, 2021
Term Loans from banks	10,778	-

Summary of borrowing arrangements

The Term Loans from banks and others are secured by way of:

a. First charge on all movable, immovable properties and receivables present and future.

b. Assignment or creation of charge on all the rights, title, interest, benefits, claims and demands whatsoever in the project documents.

c. Pledge of 51% equity shares held by the Holding Company.

Notes to the consolidated financial statements

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

Net debt reconciliation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current borrowings	701,213	339,922
Non-current borrowings	351,082	10,208
Cash and cash equivalents	(55,485)	(6,952)
Liquid investments	(17,921)	(2,125)
Total	**978,889**	**341,053**

Particulars	Current borrowing	Non-current borrowings	Cash	Liquid investments	Total
Net debt as on March 31, 2020	145,632	1,175,341	(19,404)	(2,230)	1,299,339
- Discontinuing operations	47,504	883,413	-	(139)	930,778
- Continuing operations	98,128	291,928	(19,404)	(2,091)	368,561
Cash flows	(9,755)	(30,171)	12,452	139	(27,335)
Fair value adjustment - non cash movement	-	-	-	(173)	(173)
Net debt as on March 31, 2021	**88,373**	**261,757**	**(6,952)**	**(2,125)**	**341,053**
- Continuing operations	88,373	261,757	(6,952)	(2,125)	341,053
Add: Upon addition and deletion of subsidiaries	388,783	351,082	(50,791)	(1,380)	687,695
Cash flows	29,425	(67,124)	2,258	(13,647)	(49,088)
Fair value adjustment - non cash movement	-	-	-	(770)	(770)
Net debt as on March 31, 2022	**701,213**	**351,082**	**(55,485)**	**(17,921)**	**978,889**

21. Other non current financial liabilities

	As at March 31, 2022	As at March 31, 2021
Resurfacing obligation	-	2,672
Unearned guarantee commission income on financial guarantees given to related parties	3,105	2,215
Total	**3,105**	**4,887**

22. Long term provisions

	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	104	56
Total	**104**	**56**

23. Deferred tax liabilities (net)

	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities (net)	152	-
Total	**152**	**-**

24. Current Borrowings

	As at March 31, 2022	As at March 31, 2021
Secured - at amortised cost		
Rupee loan from banks	41,618	-
Nil (March 31, 2021: 250,000,000) 0.01% Optionally Convertible Debentures	-	25,000
A	**41,618**	**25,000**
Unsecured - at amortised cost		
Loans and advances from related parties repayable on demand (Refer note 60)	1,751	83
Loans from Others	108,292	63,290
B	**110,043**	**63,373**
Current maturities of Long term borrowings **C**	**549,552**	**251,549**
A+B+C	**701,213**	**339,922**

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

Rupee loan from banks (Current Borrowings)

Nature of Security & Terms of Repayment

(i) Facilities repayable on demand from Bank are secured by:

a) First charge on all movable, immovable properties, book debts, operating cash flows, receivables, Commissions, revenues, intangibles, goodwill, uncalled capital, designated bank accounts of the Company, present and future.

b) First charge by way of assignment or creation of charge on all rights, title, interest, benefits, claims and demands whatsoever in the project documents.

c) Pledge of 51% of equity shares held by the Holding Company

(ii) Rate of Interest @ 12.25% per annum

Entity wise details of the borrowings are as follows:

Name of the entities	As at March 31, 2022	As at March 31, 2021
GVK Power and Infrastructure Limited (GVKPIL) #	66,183	-
GVK Transport Private Limited (GVK TPL) #	41,936	63,313
GVK Developmental Projects Private Limited (GVKDPPL) #	60	60
Sutara Roads & Infra Limited (SRIL)	-	25,000
GVK Energy Limited(GVKEL) #	1,825	-
GVK Power (Goindwal Sahib) Limited(GVKPGSL)	41,618	-
GVK Coal (Tokisud) Company Private Limited (GVKCCPL) #	39	-
	151,661	**88,373**

The said loans are unsecured, interest free and are repayable on demand.

GVK PIL

	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loans from Others	66,183	-
	66,183	**-**

GVK TPL

	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loans and advances from related parties repayable on demand	16	23
Loans from Others	41,920	63,290
	41,936	**63,313**

GVKDPPL

	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loans and advances from related parties repayable on demand	60	60
	60	**60**

SRIL

	As at March 31, 2022	As at March 31, 2021
Nil (March 31, 2021: 250,000,000) 0.01% Optionally Convertible Debentures of Rs 10 each	-	25,000
	-	25,000

The unsecured OCDs shall be redeemed on certain specified events.

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

GVK EL

	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loans and advances from related parties repayable on demand	1,636	-
Loans from Others	189	-
	1,825	**-**

GVKPGSL

	As at March 31, 2022	As at March 31, 2021
Secured - at amortised cost		
Rupee loan from banks	41,618	-
	41,618	**-**

GVKCCPL

	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loans from Others	39	-
	39	**-**

25. Trade Payables - Current

	As at March 31, 2022	As at March 31, 2021
Dues to micro enterprises and small enterprises	1	6
Dues to creditors other than micro enterprises and small enterprises	8,338	4,318
	8,339	**4,324**

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022						
i) MSME	-	1	-	-	-	1
ii) Others	716	4,405	183	1,272	1,464	8,040
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	716	4,406	183	1,272	1,464	8,041
Un billed Dues	-	-	-	-	-	298

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2021						
i) MSME	-	6	-	-	-	6
ii) Others	-	2,978	194	6	1,140	4,318
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	2,984	194	6	1,140	4,324
Un billed Dues	-	-	-	-	-	-

26. Other current financial liabilities

	As at March 31, 2022	As at March 31, 2021
Interest accrued and due on borrowings	334,588	55,874
Interest accrued but not due on borrowings	9,368	685
Unearned guarantee commission income on financial guarantees given to related parties	540	550
Capital Creditors	1,728	85

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Premium obligation/ Negative grant to NHAI	3,899	3,140
Resurfacing obligation	5,984	-
Retention money	12,646	1,177
Due to employees	335	315
Advances from related parties	2	-
Others	24,188	9
	393,278	**61,835**

27. Short term provisions

	As at March 31, 2022	As at March 31, 2021
Provision for leave encashment	161	65
Provision for gratuity (refer note 37)	1	-
Others	1,302	5,107
	1,464	**5,172**

28. Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Toll fee received in advance	54	55
Statutory remittances	4,097	3,156
Other liabilities	1,911	274
	6,062	**3,485**

29. Revenue from operations

	Year ended March 31, 2022	Year ended March 31, 2021
Income from toll operations	35,478	31,033
Revenue from operations	50,347	
	85,826	**31,033**

30. Other income (net)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on		
Bank deposits	357	286
Others	1,198	350
Guarantee commission	16	34
Reversal of Expenses incurred in Previous FY	65	
Liabilities no longer required, written back	291	1,229
Income from investments	770	173
Profit on Sale of Investments	1	-
Profit on sale of assets	1	
Miscellaneous income (net)	348	144
	3,045	**2,216**

31. Employee Benefits Expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages, including bonus	1,318	855
Contribution to provident and other funds	45	36
Retirement and other employee benefit expense	12	18
Staff welfare expenses	42	13
	1,417	**922**

Notes to the consolidated financial statements

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

32. Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	41,495	30,392
Guarantee commission	2	-
Other finance charges	573	135
	42,070	**30,527**

33. Depreciation and amortisation expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of tangible assets	7,940	51
Amortization of intangible assets	5,664	5,164
Amortization right of use Asset	13	-
	13,617	**5,215**

34. Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores and spares	86	-
Operating and maintenance expenses	814	39
NHAI share of toll fee	1,285	461
Rent	32	57
Rates and taxes	333	100
Insurance	547	388
Resurfacing obligation*	2,992	2,672
Repairs and maintenance	2,018	626
Power, Water and fuel	375	278
Travel and conveyance	194	116
Communication	26	13
Printing and stationery	3	3
Legal and professional charges	4,434	965
Auditor's remuneration (refer note below)	57	57
Directors' sitting fee	15	4
Loss on disposal / write off of assets/ Investments written off	18	-
Provision for doubtful debts	193	963
Advances /Receivables & Bad debts written off	8,715	9,400
Goodwill written off	15,142	3,619
Contract services	1,227	1,308
Security Charges	51	-
Miscellaneous expenses	626	148
Foreign Exchange Fluctuations (Net)	14	205
Liquidated Damages	1,052	-
Expenditure towards Corporate Social Responsibility	256	241
	40,507	**21,663**

***Provision for the year ended 31 March 2021 represents the provision for 4th Periodic wearing course overlay.**
Provision for fourth Periodic wearing Course overlay:

As per clause no. 4.5.1 of the Maintenance section of the Schedule L Operation and Maintenance Requirements to the Concession Agreement entered into by Company with National Highways Authority of India, Company has to renew bituminous concrete coat of the Road ('Periodic wearing Course overlay'') every 5 years or where the roughness value reaches 3500mm/km whichever is earlier. The next such wearing Course overlay is undertaken during financial year 2020-21. As per Indian Accounting Standard - 37 "Provisions, Contingent Liabilities and Contingent Assets", cost of overlay of Bituminous Concrete to be made in Financial year 2022-23, as required by Operation and Maintenance Requirements is estimated at Rs.100.53 Crores which is provided in equal yearly charge to the P&L Account.The charge of the current year has been discounted to its present value of Rs 29.92 Crores.

Notes to the consolidated financial statements

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

ii) Auditors' remuneration (net of GST & service tax) comprises of:

	Year ended March 31, 2022	Year ended March 31, 2021
As Auditor:		
Audit Fee	21	21
Limited review	36	36
Total	**57**	**57**

iii) Details of Corporate Social Responsibility expenditure

	Year ended March 31, 2022	Year ended March 31, 2021
Gross amount required to be spent during the year	256	240
Amount spent during the year		
Paid*	256	241
Total	**256**	**241**

* The Group is complying with its Corporate Social Responsibilty by making payments to GVK Foundation a Sec 8 company.

35. Taxes

(a) Income tax expense:

The major components of income tax expenses are as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	4,883	4,916
Taxes of earlier years	358	(4,531)
Deferred tax	(2,056)	(16,279)
Total income tax expense recognised in statement of Profit & Loss	**3,185**	**(15,894)**

(b) Reconciliation of effective tax rate:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Loss before tax (A)	266,776	(109,595)
Existing tax rates in India (B)	6.42%	26.696%
Expected tax expenses (C = A*B)	17,125	(29,257)
Deferred tax asset not recognised on losses	29,941	29,941
Effect of non-deductible expenses	7,152	7,152
Effect of non-taxable incomes	(394)	(394)
Utilisation of brought forward losses	(737)	(737)
Taxes of earlier years	358	(4,531)
Others	(756)	(756)
Net tax expense recognised in statement of Profit & Loss	**3,185**	**(15,894)**

36. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares, if any.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Loss after tax considered for calculation of basic and diluted earnings per share		
Loss for the period from Continuing operations	15,303	(28,666)
Loss for the period from discontinuing operations	249,234	(47,761)
Weighted average number of equity shares considered for calculation of basic and diluted EPS	1,579,210,400	1,579,210,400
Earnings/(loss) per share		
- Basic and diluted		
- Continuing operations	0.97	(1.82)
- Discontinuing operations	15.78	(3.02)

Notes to the consolidated financial statements

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

37.Employee benefits

(a) Defined Contribution Plans

a. Provident Fund/ Employees' Pension Fund

b. Employees' State Insurance

The Group has recognised following amounts as Expense in the Statement of Profit and Loss :

	March 31, 2022	March 31, 2021
Included in Contribution to Provident and Other Funds		
Employer's Contribution to Provident Fund*	45	36

(b) Defined Benefit Plans

a. Gratuity :

The company has a unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972, as amended.

b. Compensated Absences:

Compensated benefits are payable to all the eligible employees of the Group on any type of separation from the Company on the leave balance available as per the Company Rules subject to a maximum of 120 days. Benefits would be paid at the time of separation based on last drawn basic salary.

Changes in the present value of the defined benefit obligation are, as follows:

Particulars	March 31, 2022	March 31, 2021
I Change in present value of defined benefit obligation during the year		
1. Present Value of defined benefit obligation at the beginning of the year	141	129
Add: Upon addition and deletion of subsidiaries	140	-
2. Interest cost	9	9
3. Current service cost	13	9
4. Past service cost	-	-
5. Liability Transferred out / Divestment	-	-
4. Benefits paid directly by employer	(13)	-
5. Benefits paid	(12)	-
6. Actuarial changes arising from changes in demographic assumptions	-	-
7. Actuarial changes arising from changes in financial assumptions	(1)	2
8. Actuarial changes arising from changes in experience adjustments	(9)	(8)
Present Value of defined benefit obligation at the end of the year	**268**	**141**
II.Changes in fair value of plan assets	**March 31, 2022**	**March 31, 2021**
Opening fair value of plan assets	112	105
Add: Upon addition and deletion of subsidiaries	85	-
Expected return	1	-
Return on plan assets, excluding amounts included in interest expense/(income)	7	7
Benefits paid	(12)	-
Actuarial gains / (losses)	-	-
Closing fair value of plan assets	**193**	**112**
III Net (asset) / liability recognised in the balance sheet	**March 31, 2022**	**March 31, 2021**
1. Present Value of defined benefit obligation at the end of the year	268	141
2. Fair value of Plan Assets	193	112
Unrecognised excess of plan assets over liability	(30)	(27)
3. Net (liability)/ asset- recognised in the balance sheet	**105**	**56**
Recognised under:		
Current (refer note 27)	1	-
Non-Current (refer note 22)	104	56

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

IV Expenses recognised in the statement of profit and loss for the year	March 31, 2022	March 31, 2021
1. Current service cost	13	9
2. Interest cost on benefit obligation (Net)	9	9
3. Return on plan assets	(7)	(7)
Total expenses included in employee benefits expense	**15**	**11**
V Recognised in other comprehensive income for the year	**March 31, 2022**	**March 31, 2021**
1. Actuarial changes arising from changes in financial assumptions	(50)	(9)
2. Actuarial changes arising from changes in experience adjustments	(1)	-
Recognised in other comprehensive income	**(51)**	**(9)**
VI Maturity profile of defined benefit obligation	**March 31, 2022**	**March 31, 2021**
1. Within the next 12 months (next annual reporting period)	58	67
2. Between 2 and 5 years	76	62
3. Between 6 and 10 years	77	55
4. Beyond 10 years	-	-
The weighted average duration to the payment of these cash flows is 5.25 years (March 31, 2021: 5.25 years).		
VII Quantitative sensitivity analysis for significant assumption is as below:		
Gratuity	**March 31, 2022**	**March 31, 2021**
(a) Effect of 0.5% to 1% change in assumed discount rate		
- increase	(5)	(4)
- decrease	6	5
(b) Effect of 0.5% to 1% change in assumed salary escalation rate		
- increase	6	4
- decrease	(5)	(4)
VIII Actuarial assumptions		
1. Discount rate	6.5% to 7%	6% to 7%
2. Salary escalation	0% to 6 %	0% to 6 %
3. Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

Notes :

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out at March 31, 2022. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

38. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future period affected.

In the process of applying the Group’s accounting policies, management has made the following judgements, estimates and assumptions which have significant effect on the amounts recognised in the financial statements.

i) Provisions and Contingency

The contingencies and commitments are discussed in more details in refer note 40 and 41. It is not practical to state the timing of the judgement and final outcome. The management has assessed the probable unfavourable outcomes and creates provisions where necessary and where these are assessed as not probable, these are disclosed as contingent liability.

Notes to the consolidated financial statements

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

ii) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the probable time and amount of future taxable profits together with future tax planning strategies.

Indian companies are subject to income tax in India on the basis of their standalone financial statements. Indian companies can claim tax exemptions/deductions under specific sections of the Income-tax Act, 1961 subject to fulfilment of prescribed conditions as may be applicable. As per the Income-tax Act 1961, companies are liable to pay income tax based on the higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT). MAT paid in excess of regular income tax during a year can be carried forward for a period of fifteen years and can be offset against future tax liabilities arising from regular income tax.

Section 115BAA has been inserted in the Income Tax Act, 1961 vide Taxation Laws (Amendment) Ordinance, 2019 subsequently enacted on December 11, 2019 as The Taxation Laws (Amendment) Act, 2019) which provides a domestic company with an irrevocable option to pay tax at a lower rate of 22% (effective rate of 25.168%) for any previous year relevant to the assessment year beginning on or after April 1, 2020. The lower rate shall be applicable subject to certain conditions, including that the total income should be computed without claiming specific deductions or exemptions. MAT would be inapplicable to companies opting to apply the lower tax rate.

Indian Companies can carry forward business losses for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

The Group has opted for the lower tax rate depending on the benefit available to the subsidiaries/ associates and joint ventures on a standalone basis. And in certain cases considering the substantial accumulated MAT credit and carried forward loss as stated above, the management has decided that it is beneficial not to opt for the option of availing revised income tax rate as per provisions of Section 115BAA under Income Tax Act, 1961.

iii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the yield rates of as per fixed income money market and derivatives association of India consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in note 37.

iv) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF)model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Refer note 49, 50, 51 and 52 regarding assessment on carrying values of certain assets.

v) Impairment of financial assets

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vi) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities disclosed in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments. The Group has considered Weighted

Notes to the consolidated financial statements

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

Average Cost of Capital (WACC) rate of respective periods in which transaction had occurred for measuring deposit, being financial liabilities, at amortised cost.

vii) Allowance for uncollectible trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the aging of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

viii**) Determination of control and accounting thereof**

As detailed in the accounting policy, principles under Ind AS are different from the previous GAAP, especially with respect to assessment of control of subsidiaries. Accordingly certain entities like GVK Energy Limited, where the Company has majority shareholding, they have been accounted as joint venture entity on account of certain participative rights granted to other partners/ investors under the shareholding agreements. Further, investments in GVK Coal Developers (Singapore) Pte. Ltd has been accounted as associate since the company participates in all significant financial and operating decisions. The Company has therefore determined that it has significant influence over this entity, even though it only holds 10% of the voting rights.

ix) Also refer note 54 on significant judgement on going concern ability of the Group.

39.Segment Reporting

For management purposes, the Group is organised into business units based on its services and has three reportable segments, as follows:

a. Power segment, which is engaged in the construction and operation of power plants.
b. Roads segment, which is engaged in the construction and operation of highway projects.
c. Airport segment, which is engaged in the construction and operation of domestic and international airports.
d. Other segments, which is engaged in investment in SEZ and other investments.

The Board of directors of the group monitors the operating results of segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Year ended March 31, 2022

Particulars	Power	Roads	Airports	Others	Unallo-cated	Total segments	Eliminations	Consolidated
Revenue								
External customers	50,348	35,478	-	0	-	85,826	-	85,826
Inter Segment	-	9	-	1,007	-	1,016	(1,016)	-
Net sales / income from Continuing operations	**50,348**	**35,487**	**-**	**1,007**	**-**	**86,842**	**(1,016)**	**85,826**
Net sales / income from Discontinuing operations			**33,851**				**-**	**33,851**
Income/(expenses)								
Depreciation and amortization	-	5,642	-	12	-	5,654	-	5,654
Total Profit/(Loss) before tax Continuing operations	22,601	7,831	-	(13,503)	9,997	26,926	**-**	26,926
Total Loss before tax Discontinuing operations			239,850			239,850	**-**	239,850
Total Segment Assets	869,273	109,451	-	177,995	473	1,157,192	**-**	1,157,192
Total Segment Liabilities	1,165,727	176,984	-	110,813	11,402	1,464,925	-	1,464,925

Year ended March 31, 2021

Particulars	Power	Roads	Airports	Others	Unallo-cated	Total segments	Eliminations	Consolidated
Revenue								
External customers	-	31,033	-	(0)	-	31,033	-	31,033
Inter Segment	-	12	-	2,075	-	2,087	(2,087)	-
Net sales / income from Continuing operations	**-**	**31,045**	**-**	**2,075**	**-**	**33,120**	**(2,087)**	**31,033**
Net sales / income from Discontinuing operations	**-**	**-**	**160,262**	**-**	**-**	**160,262**	**(42)**	**160,220**
Income/(expenses)								
Depreciation and amortization	6	5,185	-	24	-	5,215	-	5,215

Notes to the consolidated financial statements

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

Particulars	Power	Roads	Airports	Others	Unallo-cated	Total segments	Eliminations	Consolidated
Total Profit/(Loss) before tax Continuing operations	(5,082)	18,252	-	(6,316)	(31,932)	(25,078)	-	(25,078)
Total Loss before tax Discontinuing operations			(84,517)			(84,517)	-	(84,517)
Total Segment Assets	101,602	121,962	-	47,538	45,966	317,068	-	317,068
Assets clasified as held for Sale			1,681,035			1,681,035	-	1,681,035
Total Segment Liabilities	123,992	299,846	-	2,207	5,014	431,059	-	431,059
Liabilities clasified as held for Sale			1,673,898			1,673,898	-	1,673,898
Other Disclosures								
Capital Expenditure Continuing operations	-	3	-	3	-	6	-	6

Particulars	March 31, 2022			March 31, 2021		
	Outside India	Within India	Total	Outside India	Within India	Total
Revenue	-	85,826	85,826	-	31,033	31,033
Non-current operating assets	-	739,397	739,397	-	134,654	134,654

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress and others.

40. Contingent Liabilities

A) Parent Company

1. Direct and Indirect Taxes

	March 31, 2022	March 31, 2021
Claims not acknowledged as debts by the company		
Income tax	200	200
Service tax	1,396	1,396

2.Security against loan taken by others

(i) The Company had provided security by way of pledge of 225,843,130 (March 31, 2021: 225,843,130) shares of GVK Energy Limited for loans taken by the aforesaid subsidiary/ joint venture entity.

(ii) The Company has provided security by way of corporate guarantees amounting to Rs. 12,978 lakhs (March 31, 2021: Rs. 2,87,333 lakhs) to subsidiaries and joint ventures and Rs. 420,654 lakhs to the lenders of GVK Coal Developers (Singapore) Pte Ltd, an associate (March 31, 2021: Rs. 405,303 lakhs) for various fund and nonfund based facility availed by them. Also refer note iii below

iii) GVK Coal Developers (Singapore) Pte Ltd lenders (Hancock Lenders) have filed a claim in the High Court of Justice Business and Property Courts of England And Wales Commercial Court ("Claim") on date: November 09, 2020. In the Claim, the Hancock Lenders have sought to recover the amounts advanced to GVK Coal Developers. Subsequently, GVK entities (GVK Coal Developers, GVK Power and Infrastructure Ltd) filed a reply to the claim ("Defence"). GVK's Defence had the following key components:

a. GVK pleaded that the Interim Solution Undertaking (ISU) executed by the Hancock Lenders contained implied terms regarding GVK's payment obligations pursuant to the Facility Agreements executed between GVK and Hancock Lenders. As per the implied terms, the Hancock Lenders could not enforce such obligations (a.) until 29 March 2022.

b. Additionally, in the Claim the Hancock Lenders had cited certain alleged events of default in relation to the obligation to obtain the mining lease for the projects acquired in Australia and the obligation to perfect the security created in Australia. In the Defence, GVK agreed that these obligations were not satisfied by the required time. However, GVK denied that these omissions could be relied upon because (a) the Hancock Lenders had earlier decided there was no event of default, further or alternatively (b) there is one or more species of estoppel that applies.

c. There were other matters in relation to the calculation of amounts due and fees chargeable, which GVK had refuted A reply by the Hancock Lenders to the Defense was filed on April 7, 2021. In the reply, the Hancock Lenders argued that such terms (as mentioned in a above) could not be implied in the ISU and also countered the other points. As per the procedure of the courts in London, a Case Management Conference ("CMC") was held on June 25, 2021. During the CMC, the Court went through the proposed timelines for the case. An order was subsequently pronounced, which entails the start of the trial on June 13, 2022. On January 12, 2021, GVK Power & Infrastructure Limited, made a without prejudice offer to the Hancock lenders for one time settlement. GVK believes that in view of the offer and following the arrangement with Adani and the handover of MIAL to Adani, a resolution to the liabilities owed to Hancock Lenders will be found before June 2022.

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

Management is of the opinion that the aforesaid joint venture and subsidiaries will be able to meet their obligations as they arise and consequently no adjustment is required to be made to the carrying value of the security and guarantees provided. In relation to Hancock lenders refer to note 49 of the financial statements.

B) Subsidiary companies

i. GVKJEPL

	March 31, 2022	March 31, 2021
Disputed income tax demands*	16,518	16,518

* Amount paid /adjusted under protest Rs.68,72,76,090/- during the year ended March 31, 2022 & Rs 68,72,76,090/- during the year ended March 31, 2021

ii. GVKBVEPL

	March 31, 2022	March 31, 2021
EPC contractor has submitted claim against work done on the road project which is not yet certified by the independent engineer as well as lender independent engineers	9,257	9,257

iii. GVK DKEPL

On April 22, 2019 the company has informed NHAI about the breaches in its performance as per Article 37.2 of Concession Agreement dated May 17, 2010. In response to the said letter, NHAI vide letter No NHAI/11012/BOT-DBFO/01/2007/134366 dated May 4, 2019 had denied all the breaches that the company has made and in turn raised demand on the company to the tune of Rs. 8,209 lakhs towards damages and penalties. The company has denied all the claims through its several letters as and when the claims were raised by NHAI. The Company has currently recognised total amount receivable of Rs.88,163 lakhs as the total cost of the project, including NHAI premium net of future premium payable to NHAI, as receivables from NHAI on prudence basis. The matter is under Arbitration. The termination payment has been claimed. The Tribunal in its meeting on January 31, 2020 has given time to submit our claim by March 16, 2020 and NHAI to file statement of Defense by April 15, 2020. Time is given upto April 30, 2020 for filing counter claims. The NHAI has paid a Gross total of Rs 49,767 lakhs (Net 24,977 lakhs after deduction of Income Tax TDS Rs 1,303 lakhs, GST TDS Rs 995 lakhs, Premium and Rs 16,917 lakhs, Interest on Premium Rs 5,141 lakhs, TCS Rs 338 lakhs and Interest on TCS Rs 97 lakhs) during the year towards our Termination claim of Rs 169,650 lakhs of Termination of the contract with NHAI. Meanwhile the company has also filed Rejoinder and for termination payment for which next meeting is fixed on October 05,2021. Also refer note 51 (b).

iv. GVKSDEPL

	March 31, 2022	March 31, 2021
Bank guarantee given to NHAI	-	2,815

The above Performance Bank Guarantee is provided in pursuance to concession agreement in favour of National Highway Authority of India (NHAI) with validity up to 06-08-2022 for Rs 2,815 lakhs. As per the settlement agreement dated September 16, 2021, NHAI released Performance Bank Guarantee.

v. GVKTPL

	March 31, 2022	March 31, 2021
Disputed income tax demands*	657	657

*Management based on its internal assessment and/or legal advise is confident that the matter will be decided in its favour.

vi. AHPCL

	March 31, 2022	March 31, 2021
Disputed income tax demands	3	57
Claims not acknowledged as debts	13,860	8,704

i. Claims not acknowledged as debts includes, demand notices for Rs. 8,123 lakhs served by the Uttarakhand Jal Vidyut Nigam Limited (UJVNL) of Government of Uttarakhand, demanding tax/ cess towards the "water used for generating electricity" for various periods.

The Government of Uttar Pradesh, Government of Uttarakhand and AHPCL have entered into a Restated Implementation Agreement (RIA). As per the terms of RIA, AHPCL is obligated to supply 12% free power to the State of Uttarakhand in lieu of Royalty for using the river water to generate electricity. As such, the tax/ cess introduced under the Act tantamount to double taxation, which is also not permissible under law.

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

As per the provisions of the PPA even if AHPCL has to incur any statutory liabilities in terms of paying taxes etc, which are introduced subsequent to entering into the PPA, the said expenses shall be a pass through in the tariff. As such, even if the High court does not consider any of the above referred arguments of AHPCL and decides that AHPCL is liable to pay water tax/ cess, such amount payable by AHPCL, there cannot be any additional financial liability to AHPCL.

AHPCL has challenged the imposition of water cess before the High court of Uttarakhand. High court of Uttarakhand by admitting the writ petition has stayed the operation of the said demand notices.

ii. Person named Pawan Kumar filed a case against the company demanding death Compensation of Rs.10 lakhs U/s 33 of ID Act on 22.11.2016.

iii. BHEL filed a case with NCLT against company demanding dues of Rs.5557 Lacs outstanding plus interest of Rs.2994 lacs for the delay in payment totalling to Rs. 8551 lacs. The company has paid entire outstanding dues and requested BHEL to waive the interest demand and withdraw the case

* Management based on its internal assessment and/or legal advice is confident that the matter will be decided in the AHPCL's favour.

vii. GVKPGSL

	March 31, 2022	March 31, 2021
Claims against the Company not acknowledged as debts*	4,318	2,711
On account of Interest to banks	4,079	2,980

* Management based on its internal assessment and/or legal advice is confident that the matter will be decided in the GVKPGSL's favour.

There are claims and counter claims between GVK Power (Goindwal Sahib) Limited (""GVKPGSL"") and Bharat Heavy Electricals Limited (""BHEL"") and also between (""GVKPGSL"") and Punj Lloyd Limited (""PLL"").

a. GVKPGSL engaged BHEL for execution of BTG works along with associated Auxiliaries, control & instrumentation works and Electrical package in respect of Goindwal Sahib project ("Works"). In execution of Works certain disputes arisen between parties. Whilst the discussions for settlement of disputes are going on, GVKPGSL sought BHEL to renew the BGs, worth approximately Rs. 11,000 lakhs. BHEL filed the captioned petition u/s 9 of the Arbitration and Conciliation Act, 1996 before Commercial Court, Hyderabad and obtained stay against GVKPGSL from invoking the BGs. BHEL has extended the bank guarantees till 28th October 2020. Subsequently, BHEL has initiated arbitration proceedings. A three members arbitration tribunal was constituted. The hearings are in progress with Arbitration.

b. GVKPGSL engaged PLL for execution of Balance of Plant works in respect of Goindwal Sahib project ("Works"). In execution of Works certain disputes arisen between parties. GPGSL issued a notice dated December 24,2014 to PLL levying liquidated damages and other claims for (a) defaults committed by PLL under the agreement for supply (steel & cement), agreement for supply (ex-works) and an agreement for services, dated September 14,2009; and (b) for delays caused by it in completion of the project on time. GVKPGSL has encashed guarantees amounting to Rs. 14,460 lakhs in respect of the above works for non performance of contractual obligation by PLL. These proceeds were deposited with TRA-IDBI bank being the lenders agent has kept the said fund in a suspense account as per the consortium lenders decision. PLL and GPGSL had nominated their choices of arbitrators. But, the presiding arbitrator could not be appointed due to non-cooperation of PLL. Subsequently, PLL had filed three Applications u/s. 11(5) & (6) of the Arbitration & Conciliation Act, 1996 bearing Nos. 146/17, 147/17 & 148/17 seeking the Court to appoint a Presiding Arbitrator so as to complete the constitution of a three (03) members Arbitral Tribunal to adjudicate the claims and disputes between GVKPGSL and PLL arising out of the above referred agreements. Matters are yet to be listed for hearing. Management based on its internal assessment and/or legal advice is confident that the matter will be decided in the subsidiary GVKPGSL's favour.

viii. GVK Gautami Power Limited (Jointly Controlled Entity, to the extent of shareholding therein)

	March 31, 2022	March 31, 2021
Service tax demand on operator of the power plant*	357	269
Price difference in Import of energy charges*	560	330
Disputed interest	173	114
Disputed Entry Tax	25	19

* Management based on its internal assessment and/or legal advice is confident that the matter will be decided in the subsidiary company's favour.

Notes to the consolidated financial statements

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

Other litigations

1. GVKEL has pending litigations with service tax authorities amounting to Rs.350 lakhs (March 31, 2021: Rs.350 lakhs) and company has got a show cause notice pending in call book of service tax authorities of Rs 384 lakhs (March 31, 2021: 384 lakhs).

2. Refer note 51(a) for details of claims in respect of toll road project being executed by GVK BVEPL.

3. Refer note 51(b) for details of claims in respect of toll road project being executed by GVK DKEPL.

41. Capital Commitments

A) Parent Company

Other Commitments

The company has given undertaking to infuse equity aggregating to Rs. 421,846 lakhs (March 31, 2021: Rs. 421,846 lakhs) in GVK Coal Developers (Singapore) Pte. Limited, towards shortfall, if any, of its loan repayment obligations. Further, the Company has pledged 155,587,500 (March 31, 2021: 155,587,500), 22,495,000 (March 31, 2021: 22,495,000) and 48,000,000 (March 31, 2021: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited, an associate entity in which Company has 10% stake.

B) Subsidiary companies

AHPCL has estimated amounts of contracts (net of advances) remaining to be executed on capital account and not provided for is Rs Nil (March 31,2021: Rs 375 lakhs).

42. Fair Values

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long term fixed rate and variable rate receivables/ advances given are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual credit worthiness of the customer and the risk characteristics of the financed project, based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2021 was assessed to be insignificant.

The management has assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial instruments by category

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments.

		Carrying Values		Fair Values	
	Level	**March 31, 2022**	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
Financial assets					
At fair value through profit and loss (As per quoted market price)					
Current investments	1	17,921	2,125	17,921	2,125
		17,921	**2,125**	**17,921**	**2,125**
At amortised cost					
Non current investment	3	7,137	1	7,137	1
Current investment	3	112,464	-	112,464	-
Loans	3	2	35,278	2	35,278
Trade receivables	3	46,712	186	46,712	186
Cash and cash equivalents	3	55,485	6,952	55,485	6,952
Other bank balances	3	208	5,501	208	5,501
Other financial assets	3	151,469	110,701	151,469	110,701
		373,478	**158,619**	**373,478**	**158,619**

Notes to the consolidated financial statements

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

	Level	Carrying Values		Fair Values	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial liabilities					
At amortised cost					
Floating rate Borrowings (including current maturities)	3	1,052,295	350,130	1,052,295	350,130
Other financial liabilities	3	392,738	63,077	392,738	63,077
Trade payables	3	8,339	4,324	8,339	4,324
		1,453,372	**417,531**	**1,453,372**	**417,531**

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying amounts of trade receivables, loans, trade payables and cash and bank balances are considered to be the same as their fair values, due to their short term nature.

The fair values of non-current borrowings are based on discounted cash flows using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

43.A) Group Information

The consolidated financial statements of the Group includes subsidiaries, associates and jointly controlled entities (JCE) listed in the table below:

Name	Nature of interest	Country of incorporation	% effective equity interest	
			March 31, 2022	March 31, 2021
GVK Developmental Projects Private Limited (GVKDPPL)	Subsidiary	India	100%	100%
GVK Ratle Hydro Electric Project Private Limited (GVKRHEPPL)	Subsidiary	India	100%	100%
GVK Perambalur SEZ Private Limited (GVKPSPL)	Subsidiary	India	100%	100%
GVK Airport Services Private Limited (GVKASPL)	Subsidiary	India	100%	100%
GVK Transportation Private Limited (GVKTPL)	Subsidiary	India	100%	100%
GVK Jaipur Expressway Private Limited (GJEPL)	Subsidiary	India	100%	100%
Sutara Roads & Infra Limited (SRIL)	Subsidiary	India	100%	100%
GVK Deoli Kota Expressway Private Limited (GVKDKEPL)	Subsidiary	India	100%	100%
GVK Bagodara Vasad Expressway Private Limited (GVKBVEPL)	Subsidiary	India	100%	100%
GVK Shivpuri Dewas Expressway Private Limited (GVKSDEPL)	Subsidiary	India	100%	100%
GVK Airport International Pte limited (GVKAIPL)	Subsidiary	Singapore	100%	100%
PT GVK Indonesia (PTGVKS)	Subsidiary	Indonesia	97%	97%
GVK Energy Limited (GVKEL)$	Subsidiary	India	83.5%	62.80%
GVK Industries Limited (GVKIL) $$	Subsidiary	India	-	62.80%
GVK Gautami Power Limited (GVKGPL)	JCE of Subsidiary	India	53.1%	39.94%
Alaknanda Hydro Power Company Limited (AHPCL) ^	Subsidiary	India	83.5%	62.80%
GVK Power (Goindwal Sahib) Limited (GVKPGSL) ^	Subsidiary	India	83.5%	62.80%
GVK Coal (Tokisud) Company Private Limited (GVKCCPL) ^	Subsidiary	India	83.5%	62.80%
GVK Power (Khadur Sahib) Private Limited (GVKPKSPL) ^^	Subsidiary	India	100.0%	62.80%
Seregraha Mines Limited(SML)	Associate of Subsidiary	India	37.12%	29.87%
GVK Airport Developers Limited (GVKADL) #	Subsidiary (Till July 13, 2021)	India	-	100%
GVK Airport Holdings Limited (GVKAHL) #	Subsidiary (Till July 13, 2021)	India	-	100%

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

Name	Nature of interest	Country of incorporation	% effective equity interest	
			March 31, 2022	March 31, 2021
Mumbai International Airport Private Limited (MIAL) #	Subsidiary (Till July 13, 2021)	India	-	50.5%
Navi Mumbai International Airport Private Limited (NMIAL) #	Subsidiary (Till July 13, 2021)	India	-	37.37%
Mumbai Aviation Fuel Farm Facility Private Limited (MAFFPL) #	JCE (Till July 13, 2021)	India	-	12.63%
Mumbai Airport Lounge Services Private Limited (MALSPL) #	JCE (Till July 13, 2021)	India	-	13.13%
Bangalore Airport & Infrastructure Developers Limited (BAIDL) #	Subsidiary (Till July 13, 2021)	India	-	100%
GVK Coal Developers (Singapore) Pte. Ltd	Associate	Singapore	10%	10%

*JCE refers to Jointly controlled entity

Clasified as held for Sale as at March 31, 2021 ^ Subsidiary of JCE till February 03, 2022 and Subsidiary from February 04, 2022

$ JCE till February 03, 2022 and Subsidiary from February 04, 2022 ^^ Subsidiary of JCE till February 03, 2022 and direct subsidiary from February 07, 2022

$$ Subsidiary of JCE till February 03, 2022 and Subsidiary from February 04, 2022 to March 31, 2022

43.B). Additional information required by Schedule III

Name of the entity in the Group	Net Assets*		Share in Profit/Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As a % of consolidated Profit/Loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of total comprehensive income	Amount
Parent								
GVK Power and Infrastructure Limited								
Balance as at March 31, 2022	-28%	86,651	2%	5,587	0%	-	2%	5,587
Balance as at March 31, 2021	-76%	81,064	27%	(20,624)	0%	-	27%	(20,624)
GVK Airport Services Private Limited								
Balance as at March 31, 2022	0%	91	0%	(0)	0%	-	0%	(0)
Balance as at March 31, 2021	0%	91	0%	1	0%	-	0%	1
GVK Transportation Private Limited								
Balance as at March 31, 2022	1%	(3,948)	-1%	(1,662)	0%	-	-1%	(1,662)
Balance as at March 31, 2021	2%	(2,286)	0%	(23)	0%	-	0%	(23)
GVK Jaipur Expressway Private Limited								
Balance as at March 31, 2022	-30%	93,198	3%	7,049	-39%	17	3%	7,066
Balance as at March 31, 2021	-81%	86,132	-13%	9,971	5%	9	-13%	9,979
Sutara Roads and Infra Limited								
Balance as at March 31, 2022	-10%	32,224	0%	(273)	0%	0	0%	(273)
Balance as at March 31, 2021	0%	(3)	0%	(8)	0%	-	0%	(8)
GVK Deoli Kota Expressway Private Limited								
Balance as at March 31, 2022	14%	(42,417)	-3%	(7,071)	0%	-	-3%	(7,071)
Balance as at March 31, 2021	33%	(35,429)	11%	(8,764)	0%	-	11%	(8,764)
GVK Shivpuri Dewas Expressway Private Limited								
Balance as at March 31, 2022	0%	(0)	1%	1,494	0%	-	1%	1,494
Balance as at March 31, 2021	0%	(4)	0%	(72)	0%	-	0%	(72)
GVK Bagodara Vasad Expressway Private Limited								
Balance as at March 31, 2022	5%	(16,319)	-2%	(6,401)	0%	-	-2%	(6,401)
Balance as at March 31, 2021	10%	(10,233)	8%	(6,308)	0%	-	8%	(6,308)
GVK Developmental Projects Private Limited								
Balance as at March 31, 2022	-25%	77,542	-11%	(30,089)	0%	-	-11%	(30,089)
Balance as at March 31, 2021	-104%	110,607	0%	(23)	0%	-	0%	(23)

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

Name of the entity in the Group	Net Assets*		Share in Profit/Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As a % of consolidated Profit/Loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of total comprehensive income	Amount
GVK Ratle Hydro Electric Project Private Limited								
Balance as at March 31, 2022	0%	9	11%	28,406	0%	-	11%	28,406
Balance as at March 31, 2021	21%	(22,391)	21%	(15,678)	0%	-	21%	(15,678)
GVK Perambalur SEZ Private Limited								
Balance as at March 31, 2022	-1%	2,280	0%	(327)	0%	-	0%	(327)
Balance as at March 31, 2021	-2%	2,607	0%	175	0%	-	0%	175
GVK Power (Khadur Sahib) Private Limited								
Balance as at March 31, 2022	0%	1	0%	-	0%	-	0%	-
GVK Employee Welfare Trust								
Balance as at March 31, 2022	0%	2	0%	-	0%	-	0%	-
Balance as at March 31, 2021	0%	2	0%	-	0%	-	0%	-
GVK Energy Limited								
Balance as at March 31, 2022	-25%	78,170	0%	1,272	0%	-	0%	1,272
Alaknanda Hydro Power Company Limited								
Balance as at March 31, 2022	-18%	54,057	0%	2,342	129%	(57)	1%	2,285
GVK Power (Goindwal Sahib) Limited								
Balance as at March 31, 2022	96%	(294,662)	0%	(63,183)	26%	(12)	-24%	(63,194)
GVK Coal (Tokisud) Company Private Limited								
Balance as at March 31, 2022	3%	(10,082)	0%	(2,425)	0%	-	-1%	(2,425)
Subsidiaries incorporated outside India								
GVK Airport International Pte. Ltd.								
Balance as at March 31, 2022	0%	361	0%	0%	(29%)	13	0%	13
Balance as at March 31, 2021	0%	348	0%	(192)	3%	5	0%	(187)
PT GVK Services, Indonesia								
Balance as at March 31, 2022	0%	(1,495)	0%	(64)	39%	(17)	0%	(81)
Balance as at March 31, 2021	1%	(1,414)	2%	(1,601)	58%	95	2%	(1,506)
Non Controlling Interests in all subsidiaries								
Balance as at March 31, 2022	-25%	76,216	0%	(945)	(50%)	22	0%	(923)
Balance as at March 31, 2021	-224%	239,136	23%	(17,274)	(32%)	(53)	23%	(17,327)
Investment as per equity method								
Associates incorporated outside India								
GVK Coal Developers (Singapore) Pte Limited								
Balance as at March 31, 2022	0%	-	0%	-	0%	-	0%	-
Balance as at March 31, 2021	0%	-	0%	-	0%	-	0%	-
Jointly controlled entities incorporated in India								
GVK Energy Limited**								
Balance as at March 31, 2021	0%	-	0%	-	0%	-	0%	-
Asset Held for Sale Loss for the period from discontinuing operations								
Balance as at March 31, 2022	0%	-	-326%	249,234	7%	11	-327%	249,245
Balance as at March 31, 2021	-10%	11,208	146%	(111,518)	34%	55	146%	(111,463)
Consolidation adjustments								
Balance as at March 31, 2022	143%	(439,612)	31%	81,593	49%	(22)	(0)	81,571
Balance as at March 31, 2021	82%	(88,017)	-80%	60,963	-32%	(53)	21%	(15,899)
Total								
Balance as at March 31, 2022	**100%**	**(307,734)**	**100%**	**264,537**	**100%**	**(44)**	**100%**	**264,493**
Balance as at March 31, 2021	**100%**	**(106,854)**	**100%**	**(76,427)**	**100%**	**164**	**100%**	**(76,263)**

*Net assets means total assets minus total liabilities excluding minority and equity.

**Includes net assets and losses of its subsidiaries and Joint venture.

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44. Interest in joint venture

GVKEL

The Company has 62.8% interest in GVKEL, a joint venture with the object to provide operation and maintenance services to the owners of the power plants and also acquire ownership in power generating assets. GVKEL through its subsidiaries and joint venture is engaged in the business of construction of power plants, generation of power and exploration of Coal. The Group's interest in GVKEL is accounted for using the equity method in the consolidated financial statements. (Refer note no. 50)

Based on the rights available to the investors, the Management has considered GVKEL as jointly controlled entity under IND - AS 28 "Investment in associate and joint venture".

Summarised financial information of the joint venture based on its Ind AS financial statements is set out below:

	As at January 31, 2022	As at March 31, 2021
Current and non current assets, including cash and cash equivalents	898,280	922,675
Current and non-current liabilities	(1,257,697)	(1,207,673)
Total Equity	**(359,417)**	**(284,998)**
Proportion of the Group's ownership	62.80%	62.80%
Carrying amount of the investment*	-	-

Summarised statement of profit and loss of the GVKEL

	As at January 31, 2022	As at March 31, 2021
Revenue	166,846	181,377
Other income	1,740	2,201
Employee benefit expense	(1,889)	(2,912)
Cost of materials consumed	(63,620)	(49,431)
Finance cost	(125,528)	(151,850)
Depreciation & amortization	(41,122)	(48,846)
Other expense	(11,771)	(28,166)
Loss before tax	**(75,345)**	**(97,627)**
Exceptional Items	-	14,428
Share of loss from joint venture of GVKEL	(164)	(164)
Income tax expense	1,062	1,795
Loss for the year	**(74,447)**	**(81,568)**
Other Comprehensive Income	26	40
Total comprehensive income for the year	**(74,421)**	**(81,528)**
Proportion of the Group's ownership	62.80%	62.80%
Group's share of loss for the year before inter company elimination*	-	-

* Losses recognised to the extent of carrying value of investment and loans and advances given and Unrecognised share of losses is Rs. 172,045 lakhs for the year ending March 31, 2021. GVKEL is a subsidiary of GVK PIL from February 04, 2022 (Refer note 50).

Refer note 40 and 41 for the details of contingent liabilities and capital commitments relating to its interest in GVKEL. GVKEL cannot distribute its profits until it obtains the consent from the other venture partners.

45. Investment in an associate

GVK Coal Developers (Singapore) Pte. Ltd. (GVK CDSL)

The Company, has 10% interest in GVK CDSL which is assessed as an associate to the Company. The Company exercises significant influence on GVK CDSL as per Ind AS 28.

Summarised financial information of the associate based on its unaudited Ind AS financial statements is set out below:

	As at June 30,2021	As at June 30,2020
Current assets including cash and cash equivalents	12,088	9,673
Non-current assets	1,252,911	1,170,529
Current liabilities	(1,836,595)	(1,755,505)
Non-current liabilities	(370,338)	(347,765)
Equity	(941,934)	(923,069)
Proportion of the Group's ownership	10%	10%
Group's ownership in equity	-	-

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

Group's ownership in equity was different than carrying value of investment in associate due to goodwill on acquisition and consolidation adjustments.

	Year ended June 30,2021	Year ended June 30,2020
Revenue	-	-
Other Income	30,941	242
Employee benefits expense	-	-
Finance costs	(115,152)	(215,856)
Depreciation and amortisation expense	(0)	(55)
Other expenses	(9,469)	(9,467)
Profit before income tax	**(93,681)**	**(225,135)**
Income tax expense	-	-
Profit for the year	(93,681)	(225,135)
Other comprehensive income for the year, net of income tax	**58,206**	**(14,416)**
Total comprehensive income for the year	**(35,475)**	**(239,550)**
Group's share of comprehensive income/(loss) for the year	-	-

* Company has recognised loss on investment in equity shares to the extent of share holding in GVK CDSL. Cumulative unrecognised share of losses as at year end is Rs. 78,563 lakhs (March 31, 2021: Rs. 78,563 lakhs).

46. Financial risk management objectives and policies

The Group is exposed to financial risk such as market risk, credit risk and liquidity risk. The general risk management program of the group focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Group. The group continuously reviews its risk exposures and takes measures to limit it to acceptable levels. Board of Directors have the overall responsibility for the establishment and oversight of the Group's risk management framework.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: currency risk and interest rate risk. Financial instruments affected by market risk include borrowings and deposits.

The sensitivity analyses in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post- retirement obligations; provisions; and the non-financial assets and liabilities.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The interest rate risk arise from long term borrowings of the Group with variable interest rates (Bank base rate plus spread). Although the spread is fixed, it is subject to change at fixed time interval or occurrence of specified event. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group’s profit before tax is affected through the impact on floating rate borrowings, as follows

Particulars	Increase/(decrease) in profit before tax	
	March 31, 2022	March 31, 2021
Change in interest rate		
-increase by 50 basis points	(411)	(1,117)
-decrease by 50 basis points	411	1,117

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

The assumed increase/decrease in interest rate for sensitivity analysis is based on the currently observable market environment.

Foreign Currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's investment in foreign entity, financial asset/liability in relation to foreign entity in respect of financial guarantee and trade/other payables. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Group. The Group's exposure to foreign currency changes for all other currencies is not material. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. The Group has not entered into derivative instruments during the year.

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Increase/(decrease) in profit before tax	
	March 31, 2022	March 31, 2021
Change in USD		
- 5% increase	-	33
- 5% decrease	-	(33)
Change in SGD		
- 5% increase	-	-
- 5% decrease	-	-

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars, where the functional currency of the entity is a currency other than US dollars.

Price Risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of change in market prices of Investments. The below table demonstrates the sensitivity to a reasonably possible change in price on the carrying value of investments.

Particulars	Increase/(decrease) in profit before tax	
	March 31, 2022	March 31, 2021
Change in price		
- 5% increase	6,519	106
- 5% decrease	(6,519)	(106)

Credit Risk

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to maturity financial assets.

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Regarding credit exposure from customers, the Group has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Cash and other collaterals are obtained from customers when considered necessary under the circumstances. The securities held by the Group are in the form of cash deposits and bank letter of guarantee.

The carrying amount of trade receivables, advances to suppliers, cash and short term deposits, guarantee commission receivable, and interest receivable on deposits represents Group's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks. The credit quality of financial assets is quite satisfactory, taking into account the allowance for credit losses.

Exposure to credit risk:

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Group does not hold collateral as security. The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2022 and March 31, 2021

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Trade receivables, loans, advances, and guarantee commission receivable:

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group also holds deposits as security from customers to mitigate credit risk.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments in surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's management on an annual basis, and are updated throughout the year subject to approval of the Group's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss though counterparty's potential failure to make payments.

Liquidity Risk

Liquidity risk is the risk that the Group will have difficulty in raising the financial resources required to fulfil its commitments. Liquidity risk is held at low levels through effective cash flow management and availability of adequate cash. Cash flow forecasting is performed internally by rolling forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and debt and to comply with loan covenants.

The Group primarily uses short-term bank facilities in the nature of bank overdraft facility, cash credit facility and short term borrowings to fund its ongoing working capital requirements and growth needs.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	On Demand	Within 12 months	After 12 months	Total
Year ended March 31, 2022				
Borrowings	549,552	701,213	351,082	1,601,847
Other financial liabilities	334,588	(491,402)	-	(156,814)
Trade payables	1	8,338	-	8,339
	884,141	**218,149**	**351,082**	**1,453,372**
Year ended March 31, 2021				
Borrowings	251,549	88,373	10,208	350,130
Other financial liabilities	55,874	5,411	2,672	63,957
Trade payables	6	4,318	-	4,324
	307,429	**98,102**	**12,880**	**418,411**

47. Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, all other equity reserves attributable to the equity holders and non controlling interest. The primary objective of the Group’s capital management is to maximise the shareholder value.

The Group manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group includes within net debt, borrowings including interest accrued on borrowings, trade and other payables, less cash and cash equivalent.

Particulars	March 31, 2022	March 31, 2021
Borrowings including interest accrued on borrowings	1,396,251	406,689
Trade payables	8,339	4,324
Other liabilities	54,844	13,648
Less: Cash and cash equivalents (Note 14)	(55,485)	(6,952)
Less: Bank balances other than cash and cash equivalents	(208)	(5,501)
Net debt	**1,403,741**	**412,208**

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Particulars	March 31, 2022	March 31, 2021
Equity	15,792	15,792
Other Equity	(399,742)	(361,782)
Non controlling interest	76,216	239,136
Total Equity	**(307,734)**	**(106,854)**
Gearing ratio (Net Debt/ Total Equity)	**(4.56)**	**(3.86)**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the current and previous year. Breaches in meeting the financial covenants would permit certain banks to immediately call loans and borrowings.

The Group has delayed repayment of dues to banks and financial institutions during the year. The following are the summary of delays company wise:

Year ended March 31, 2022

GEPL

Particulars		Year ended March 31, 2022	Delay in days
Principal payment on loans from bank	Paid	13,461	1 - 30
Principal payment on loans from bank	Paid	4,057	31 - 60
Interest on loans from bank	Paid	1,251	1 - 30

Year ended March 31, 2021

GVKPIL

Particulars		Year ended March 31, 2021	Delay in days
Principal payment on loans from banks	Paid	898	> 365
Interest on loans from banks unpaid	Paid	1,963	> 365

48. Service concession arrangement
All the below service concession arrangement have been accounted under intangible asset model

(i) GVKDKEPL

GVK DKEPL has entered into a Concession Agreement with National Highway Authority of India (NHAI) on May 17,2010 pursuant whereto, the NHAI has awarded to GVK DKEPL the project of four laning of Deoli-Kota Section of National Highway No. 12 (NH -12) from Km 165 to Junction of NH –76 on Kota Bypass (approximately 83.04 Km) in the State of Rajasthan on Build, Operate and Transfer (BOT) basis, on design, build, finance, operate and transfer (DBFOT) Pattern under NHDP Phase III. As per the concession agreement entered with NHAI, GVK DKEPL has been given concession for a period of 26 years (including construction period) to operate and maintain the project highway and has the right to collect toll from the vehicles using the project highway. GVK DKEPL has received the right to charge users a fee for using the toll road, which GVK DKEPL will collect and retain.

The service concession agreement does not contain a renewal option. The standard rights of the grantor to terminate the agreement include poor performance by GVK DKEPL and the event of a material breach of the terms of the agreement by the Group. The standard rights of GVK DKEPL to terminate the agreement include failure of the grantor to make payment under the agreement and a material breach by the grantor of the terms of the agreement.

On June 25, 2019, GVK DKEPL has issued a Termination Notice under Article 37.2.2 of the Concession Agreement for the termination on account of material breach and defaults on the part of NHAI during the course of construction like providing Right of Way, 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.

During the year, GVK DKEPL has recorded Nil revenue (March 31, 2021: Nil) , GVK DKEPL has recorded loss of Rs. 7,071 lakhs (March 31, 2021: Rs. 8,764 lakhs).

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Description of the arrangement	Significant terms of the arrangement	
Financing, design, building and operation of 83.04 Km long 4 lane toll road between Deoli and Kota on NH - 12.	Period of concession:	January 05, 2011 to January 05, 2037 (including 2.5 years construction period)
	Remuneration:	GVKBVEPL has received the right to charge users a fee for using the toll road, which GVK DKEPL will collect and retain till the end of the concession period.
	Investment grant from Concession grantor	Nil
	Premium payable to grantor	Rs. 4,860 lakhs increasing by an additional 5% as compared to the immediately preceding year.
	Infrastructure return at the end of concession period	Yes
	Investment and renewal obligations	No renewal option to GVK DKEPL
	Re-pricing dates :	Yearly reset of toll rates
	Basis upon which re-pricing or re-negotiation is determined	Inflation

Also refer note 51(b).

(ii) GVKBVEPL

The Company has been incorporated as a Special purpose vehicle and has entered into a concession agreement with Gujarat State Road Development Corporation Limited (GSRDC), a Government of Gujarat undertaking on February 21, 2011 pursuant whereto, GSRDC has awarded to GVK BVEPL the project of six laning of Bagodara - Wataman - Tarapur - Vasad road on state Highway no. 8 from Km 0/0 to Km 101/9 in the state of Gujarat on Build, Operate and Transfer (BOT) basis. As per the concession agreement entered with GSRDC, GVK BVEPL has been awarded concession for a period of 27 years (including construction period) to operate and maintain the project highway and has right to collect toll from vehicles using the project highway.

GVKBVEPL has received the right to charge users a fee for using the toll road, which GVKBVEPL will collect and retain. At the end of the concession period the toll road will become the property of the grantor and GVKBVEPL will have no further involvement in its operation or maintenance.

The service concession agreement does not contain a renewal option. The standard rights of the grantor to terminate the agreement include poor performance of GVKBVEPL and the event of a material breach of the terms of the agreement by the group. The standard rights of GVKBVEPL to terminate the agreement include failure of the grantor to make payment under the agreement and a material breach by the grantor of the terms of the agreement.

Description of the arrangement	Significant terms of the arrangement	
Augment the existing road from 0.0 to 101.9 kms of Bagodara - Wataman - Tarapur - Vasad road on state Highway no. 8 in the state by constructing a six lane highway on build, operate and transfer (BOT) basis.	Period of concession:	November 11, 2011 to November 11, 2038
	Remuneration:	GVKBVEPL has received the right to charge users a fee for using the toll road, which GVKBVEPL will collect and retain till the end of the concession period.
	Premium payable to grantor	Fee equal to 15.0192% of the total realisable fee during that year, and for each subsequent year of the concession period, the premium shall be determined by increasing the proportion of premium to the total realisable fee in the respective year by an additional 1% as compared to immediately preceding year.
	Infrastructure return at the end of concession period	Yes
	Investment and renewal obligations	No renewal option to GVKBVEPL
	Re-pricing dates :	Yearly reset of toll rates
	Basis upon which re-pricing or re-negotiation is determined	Inflation

Also refer note 51(a).

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(iii) GVKJEPL

Description of the arrangement	Significant terms of the arrangement	
GVKJEPL has entered into Concession Agreement dated May 08, 2002 with the National Highways Authority of India ("NHAI") for construction and Operation of 6 Lane Highway of 90.385 KM between Jaipur and Kishangarh on Build-Operate-Transfer ("BOT")	Period of concession:	20 years from the date of Financial Closure March 17, 2003.
	Remuneration:	GVKJEPL has received the right to charge users a fee for using the toll road, which the GVKJEPL will collect and retain till the end of the concession period.
	Investment grant from concession grantor	Rs. 21,100 lakhs by way of equity support for meeting the total project cost
	Share of NHAI in Revenue	As per clause 7.2 of the concession agreement the concessionaire shall share with NHAI, any fees that it actually receives in any Accounting Year which are in excess of the projected fees for the Accounting Year commencing from the year in which Commercial Operations Date ("COD") shall occur, as set out in Schedule Y (the "Projected Fee") for such Accounting Year ("Excess Fee" / "Share of NHAI in Revenue") in accordance with the terms of agreement.
	Infrastructure return at the end of concession period	Yes
	Investment and renewal obligations	No renewal option to GVKJEPL
	Re-pricing dates :	Yearly reset of toll rates
	Basis upon which re-pricing or re-negotiation is determined	Inflation

a. 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, 2020 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.

b. Tolling was suspended from November 9, 2016 to December 02, 2016 which led to revenue loss of Rs. 2,268 lakhs. The loss for the same has been claimed from NHAI by GVKJEPL. As GVKJEPL did not receive claims from NHAI, GVKJEPL went for arbitration in June 2018. Both GVKJEPL and NHAI have appointed their representatives for arbitration and hearing for the same happened during December 2019 to February 2020. The final verdict came on February 06, 2020. The outcome was that GVKJEPL should be paid Rs. 2,175 lakhs by NHAI as compensation for loss incurred due to suspension of toll collection alongwith interest @10% per annum from January 18, 2017 till the date of payment. Alongwith this, Rs. 45 lakhs of arbitration costs incurred by GVKJEPL should be reimbursed by NHAI. Hence the total amount of Rs. 2,950 lakhs is expected to be received by GVKJEPL. However NHAI has the right to challenge the outcome of arbitration panel in the High court within 60 days of the final verdict date which ended on April 8, 2020. Because of the ongoing Covid 19 situation, all the court filings and hearings have been deferred till lockdown gets lifted completely. Hence NHAI has an option to challenge the outcome. As per management, there has been no indication from NHAI to challenge the arbitration outcome, and the total amount is expected to be received. GVKJEPL will recognise the revenue for the same once the time period available with NHAI to challenge the outcome of the arbitration in high court in over.

49. 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 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. 858,478 lakhs (March 31, 2021: Rs. 827,149 lakhs) taken by GVK Coal as at March 31, 2022 part of which is collateralized by the pledge of 37% shares of GVK Airport Holdings Limited, and has also undertaken to provide financial assistance of USD 3.11 million (Rs. 2,358 lakhs) as at March 31, 2022, an entity whose current liabilities exceeds current assets by USD 2,459 million (Rs. 1,864,024 lakhs) as at June 30, 2021 and the entity has also incurred net losses of USD 48 Million (Rs.35,616 Lakh) for the year ended June 30, 2021 (June 30, 2020; USD 317 Million (Rs.236,200 Lakh)) based on the unaudited financial statements. GVK Coal is witnessing various 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

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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 undertaking by the lenders dated March 23, 2017, 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 find 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.

50. Till 3rd February 2022, GVK Energy Ltd (GVKEL) has been considered as jointly controlled entity under IND - AS 28 ""Investment in associate and joint venture"", based on the protective rights available to the other investors of GVKEL. As on 4th February 2022, the parent company (GVKPIL) has acquired the control over the operations of GVKEL from those Investors as per the Termination Agreement dated 3rd February 2022 resulting in relinquishment of protective rights available to investors. GVKPIL has also bought 11,72,46,622 shares of GVKEL form those Investors under this agreement. Accordingly, GVKEL and its group companies (Energy group) are considered as Subsidiary of the GVKPIL w.e.f. 4th February 2022 and the consolidated financial results include the financial transaction of Energy group as per IND-AS 110 “Consolidated Financial Statements” w.e.f. 4th February 2022. Accordingly, previous year numbers of consolidated financials are not comparable with current year consolidated financials.

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

a) 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 company of GVKEL and mine operator 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. The GVKEL has also given corporate guarantee for the loan taken by GVKCTPL. The nominated authority under the Ministry of Coal vide its order dated 16th March 2022 has further approved and released compensation of Rs.13,867 lakhs. Out of this an amount of Rs.8,883 lakhs have been deposited by nominated authority in interest bearing account with Registrar General of the Court as per the directions of the high court of Delhi dated 11th April 2022 and an amount of Rs.4,984 lakhs have been paid to lenders by nominated authority towards the balance dues payable as per the claims made by the lenders as on the date of vesting orders less the amount already paid to the lenders. Nominated authority has advised in the above order to approach Coal Tribunal in respect of disputes including the compensation disallowed with regard to R&R costs.

   Management believes that GVKCTPL will be appropriately reimbursed for cancelled coal mine and accordingly no provision is required towards corporate guarantee given by GVKEL for loan taken by GVKCTPL and carrying value (Balance of claims) of Rs 6,015 Lakhs.

b) Uncertainty is being faced by coal based Thermal Power plant with carrying value of assets aggregating to Rs. 381,412 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 only 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).

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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 orders are reserved on April 27, 2022.

Further based on the valuation performed, GVK Energy has made a provision for diminution of investments to the extent of Nil & Rs. 108,210 lakhs during the year ended March 31, 2022 & March 31, 2021 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. 381,412 Lakhs.

c) There has been uncertainty regarding supplies/availability of gas to power plant of GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL. The company has incurred losses of Rs. 37,439 Lakhs during the year ended March 31, 2022 (March 31, 2021: Rs. 32,940 Lakhs). The lenders have classified the loan balances of the company as Non-Performing Assets. The GVKGPL is confident that Government of India will continue to take necessary steps/initiatives to improve the situation of natural gas. However, in the interim the GVKGPL is working with the lenders for one-time settlement proposal wherein the loans would be settled at the value of the plant to be realised on its sale to AP DISCOM. 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 the GVKGPL continues 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. The GVKEL has also given corporate guarantee for the loan taken by GVKGPL. The GVKEL believes that no provision for impairment/diminution is required towards carrying value of assets aggregating to Rs. 82,799 Lakhs of GVKGPL and also no provision towards corporate guarantee given by GVKEL to GVKGPL is necessary.

Trade receivables of GVK Gautami Power Limited, includes outstanding minimum alternate tax amounts claims for reimbursement under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2009-10 to 2010-11, aggregating to Rs. 1,500 Lakhs (March 31, 2021: Rs. 1,500 Lakhs) which has been disputed by AP Transco/subject to approvals.

d) There has been uncertainty regarding supplies/availability of gas to power plant of GVK Industries Limited (GVKIL), subsidiary company of GVKEL. The company has made losses of Rs.14,767 Lakhs for the year ended March 31, 2022 (March 31, 2021: Rs. 13,572 Lakhs). The lenders have taken possession of immoveable and other properties of the entity and have subsequently sold some immoveable and moveable assets, exercising the powers of Sec 13(4) of the SARFAESI Act. The facts have been recorded in the minutes of the JLM held on 31st March, 2022. In the light of the above events the group has reassessed its control over the subsidiary as at March 31,2022 and has concluded that it has lost control over GVKIL. Consequently, the assets and liabilities of the subsidiary have been deconsolidated, as at the balance sheet date(March 31, 2022), as required as per Para 25 of the Ind AS 110 Consolidated Financial Statements.

The assets and liabilities deconsolidated as at the balance sheet date are as follows:

Value of assets as at 31-03-2022	(51,555) lakhs
Value of liabilities as at 31-03-2022	92,791 lakhs
Equity Share Capital as at 31-03-2022	24,480 lakhs
Amount already recognised in consolidated FS in previous year	(37,518) lakhs
Net amount recognised as exceptional gain	**28,198 lakhs**

Also, subsequently The Hon'ble NCLT, Hyderabad vide its Order dated 21st April 2022, has admitted the petition filed by a financial creditor against the company and has ordered the commencement of the Corporate Insolvency Resolution Process (CIRP) and appointed the Interim Resolution Professional (IRP) for carrying out the process.

e) The parent company (GVKPIL) has assessed and based on the valuation carried out and other relevant factors, no provision is considered necessary in standalone books of accounts of GVKPIL towards the carrying value of investment of Rs 74,122 Lakhs (March 31, 2021 Rs.73923 Lakhs).

f) GVKPIL 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 corporate guarantees given by GVKPIL to GVKEL is required considering the overall evaluation of the Subsidiary company.

Notes to the consolidated financial statements

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

51 The company has wholly own subsidiary company viz. GVK Transportation Pvt. Ltd. (GVKTPL). Two of the subsidiaries of GVKTPL 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 67,389 lakhs till March 31, 2022 (March 31, 2021: Rs 67,374 lakhs), comprising Rs 58,919 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. 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 the same , 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 and the hearing was concluded . Tribunal reserved for orders on 20-05-2022 and directed Parties to file written arguments on or before 30-06-2022.

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 current borrowings .

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. 58,919 lakhs; comprising Rs.58,916 lakh as Other Non-Current financial assets and Rs.3 lakh as Property Plant & Equipment on March 31,2022 (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 July 07, 2022.

Notes to the consolidated financial statements

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

GVK DKEPL has defaulted in repayment of principal amount and payment of interest on such term loans taken from consortium of banks and 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 DKEPL. 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.45,465 lakh; comprising Rs.45,094 lakh as Other Non-Current assets, Rs.9 lakh as Property Plant & Equipment and Rs 362 Lakh as the Current Assets on March 31,2022 (Rs.51,777 lakh as on March 31,2021) at carrying value in the financial statements.

52 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. 101,552 lakhs till March 31, 2021 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.

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, GVK Ratle has entered into a settlement agreement with its lender on 24th November 2021. Considering the fact of termination of the project and settlement with the lenders, the company has adopted the liquidation basis of accounting in preparation of these financial statements. Under the liquidation basis of accounting, all assets are measured at their net realisable value, liabilities are measured at their expected settlement values and as a result a gain of Rs 28,497 Lakhs has been shown as exceptional item in statement of Profit and Loss for the year ending March 31, 2022.

53 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 55). 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.

54 As at March 31, 2022, the Group had accumulated losses and the Group has incurred losses during the preceding years. The Group's current liabilities are in excess of current assets. The group has delayed repayments of loans and interest thereon and various loan accounts have been classified as non-performing by banks/ lenders. The Group has also provided guarantees and commitments and/or has undertaken to provide financial assistance on behalf of various entities and as further detailed in notes 49, 50, 51(a) and 51(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 power plant in the absence of gas and litigations on rights to claim capacity charge, re-negotiation of terms of PPA and litigation with respect to tariff of coal based power plant, arbitration on delay of commencement of road projects, termination of various projects etc . These factors 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.

55 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.

56 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 its financial statements for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. The financial statements for the year ended March 31, 2020 and march 31,2021 respectively were approved at the AGM held on October 29, 2021, and 25th February 2022 respectively. The company has applied for condonation 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 for which approval is awaited.

As per the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the parent Company has defaulted and submitted its audited accounts for year the ended March 2020, March 2021 and the quarter ended June 30, 2020, Sept 30, 2020, December 31, 2020, June 30, 2021 and September 30, 2021 to the Exchanges with delays.

57 The Board of Directors has approved the scheme of amalgamation in their meeting held on 23rd March, 2022 for with regard to Amalgamation of

- GVK Airport Services Private Limited (Transferor Company -1),
- GVK Power (Khadur Sahib) Private Limited (Transferor Company -2),
- GVK Shivpuri Dewas Expressway Private Limited (Transferor Company -3),
- Sutara Roads & Infra Limited (Transferor Company -3)
-GVK Power & Infrastructure Limited (Transferee Company)

58 The Company and its erstwhile 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

Notes to the consolidated financial statements

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

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. 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 financial statements, profit from the discontinued operations of Rs.243,944 lakhs have been recognised for the year ended March 31, 2022 as per treatment prescribed in IndAS 105 on this account.

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. "

GVKPIL has sold its majority holding in GVKADL to AAHL and AAHL has acquired and hold the securities as per Para (ii) above at the end of the financial year. The management of the group considered GVKPIL as beneficial owner of the Optionally Convertible Debentures (OCDs) of Rs.112,464 Lakhs held by AAHL as per Para (ii) above in view of the terms of arrangement. Accordingly, the securities held in the name of AAHL have been classified as Current Investments of GVKPIL at Rs.112,464 Lakhs in the financial statements

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.

59. Assets held for sale

Considering the above note 58, based on the binding agreement between the parent Company, GVK ADL (the holding company of GVKAHL) and Adani Airport Holdings Limited dated August 31, 2020, the management has evaluated the criteria as per Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, and is of the view that the Airport vertical is considered as "Held for sale" upto July 13, 2021 .

Accordingly, the income and expenditure relating to airport vertical for the Year Ended March 31, 2021 & March 31, 2022 is netted and shown as Loss before Tax for the period from discontinuing operations (Refer note 58).

I. Major classes of Assets and Liabilites clasified as Assets held for sale

Particular	As at March 31, 2022	As at March 31, 2021
Assets		
Non-current assets		
Property, plant and equipment	-	915,274
Capital work in progress	-	356,607
Expenditure incurred during construction period, pending allocation (Net)	-	52,759
Investment Property	-	-
Goodwill	-	93,476
Intangible assets	-	95,688
Right of use asset	-	276
Lease equalisation asset (Net of provision)	-	3,524
Investments including in joint ventures and associates (accounted under equity method)	-	12,707

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

Particular	As at March 31, 2022	As at March 31, 2021
Financial assets		
Other non-current financial assets	-	4,227
Deferred tax assets (net)	-	1,342
Tax assets (Net)	-	16,092
Other non-current assets	-	7,988
Total	**-**	**1,559,960**
Current Assets		
Inventories	-	631
Contract assets	-	2,857
Financial assets		
Investments	-	84
Trade receivables	-	30,251
Cash and cash equivalents	-	39,534
Balances with banks other than cash and cash equivalents	-	10,457
Loans	-	-
Other financial assets	-	11,218
Current tax assets	-	8
Other current assets	-	26,035
Total	**-**	**121,075**
Assets clasified as held for Sale	**-**	**1,681,035**
Liabilities		
Non-current liabilities		
Contract liabilities	-	651
Financial Liabilities		
Borrowings	-	611,073
Lease liabilities	-	102
Other financial liabilities	-	211,296
Provisions	-	1,486
Deferred tax liability (net)	-	-
Other non-current liabilities	-	299,028
Total	**-**	**1,123,636**
Current liabilities		
Contract liabilities	-	2,464
Financial liabilities		
Borrowings	-	102,494
Lease liabilities	-	222
Trade payables - Total outstanding dues of:		
- micro and small enterprises	-	322
- other than micro and small enterprises	-	16,902
Other financial liabilities	-	396,018
Provisions	-	2,421
Current tax liabilities (net)	-	591
Other current liabilities	-	28,828
Total	**-**	**550,262**
Liabilities clasified as held for Sale	**-**	**1,673,898**

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

II. Analysis of Profit / (Loss) from discontinuing operations

Particular	Year ended March 31, 2022	Year ended March 31, 2021
INCOME		
Revenue from operations	33,851	160,220
Notional income not subject to annual fees	2,257	18,720
Other income (net)	264,615	5,169
Total income	**300,723**	**184,109**
Expenses		
Annual fee on lease equalisation income as per Ind AS 116 included in revenue from operations above (payable in future)	250	680
Employee benefits expense	4,783	22,282
Finance costs	28,413	122,826
Depreciation and amortisation expense (net)	16,545	72,068
Other expenses	10,787	50,218
Total expenses	**60,778**	**268,074**
Profit/(Loss) before share of profit/(loss) from associate & joint venture and tax expense	**239,945**	**(83,965)**
Share of profit of joint venture	(95)	(552)
Loss before tax	**239,850**	**(84,517)**
Tax expense		
Current tax	-	-
Taxes of earlier years	-	(4,578)
Deferred tax	(4,094)	(15,188)
Total tax expense	**(4,094)**	**(19,766)**
Profit / (Loss) from discontinuing operations	**243,944**	**(64,751)**

III. Cash Flow statement for the period from Discontinuing operations

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flow From Operating Activities		
Loss before tax for the period from Continuing operations	**239,945**	**(83,965)**
Adjustments for:		
Depreciation and amortisation (net)	16,545	72,068
Loss on sale of fixed assets (net)	-	(2)
Interest expense	28,413	122,826
Other income	(266,872)	(3,304)
Notional income not subject to annual fees	(2,257)	(18,720)
Income from investment	-	(52)
Straight-lined impact as per IND AS 116	(645)	(1,758)
Annual fee payable in future	250	680
Provision for doubtful debts	-	3,639
Bad debts	-	-
Share of profit/loss and OCI from associate/joint venture	95	(105)
Operating Profit before Working Capital Changes	**15,474**	**91,307**

Notes to the consolidated financial statements

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

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Change in operating assets and liabilities:		
Decrease/(Increase) in trade receivables	30,251	8,315
Decrease/(Increase) in Inventories	631	144
Decrease / (Increase) in Contract Assets	2,857	1,105
Decrease/(Increase) in Financial Assets loans, others, other current and noncurrent assets	37,346	(13,650)
(Decrease)/Increase in Provisions	(2,421)	(32)
Increase in Trade payables, other financial liabilities and current liabilities	(547,841)	(11,192)
Cash Generated from Operations	**(463,703)**	**75,996**
Taxes (paid)/refund (net)	3,967	8,072
Net Cash flow from Operating Activities (A)	**(459,736)**	**84,068**
Cash Flow From/(Used In) Investing Activities		
Purchase of fixed assets	(10,022)	(7,848)
Proceeds from sale/ Transfer of fixed assets	915,274	2
(Purchase) / proceeds from sale of current investments (net)	-	789
Purchase of non-current investments	-	785
Loans (given) to / taken from related parties and others (net)	-	1,085
(Investment)/ Realization of bank deposits (having original maturity of more than 3 months)	10,457	85
Others	627,974	-
Interest received	155	3,366
Net Cash flow from/(used in) Investing Activities (B)	**1,543,838**	**(1,736)**
Cash Flow Used In Financing Activities		
Proceeds from Development fees	2,246	7,185
Proceeds from further issue of Equity shares/Debentures	-	-
Proceeds from Long term Borrowings	-	5,961
Repayment of long term borrowings	(102,494)	(28,950)
Repayment/ Proceeds from short term borrowings (net)	65,664	(21,628)
Payment of Lease Liability	(102)	(388)
Others	(1,051,309)	-
Interest paid	(37,641)	(23,614)
Net Cash flow used in Financing Activities (C)	**(1,123,636)**	**(61,434)**
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	**(39,534)**	**20,898**
Cash and Cash Equivalents at the beginning of the year	**39,534**	**18,636**
Cash and Cash Equivalents at the end of the year	**-**	**39,534**
Components of cash and cash equivalents as per Cash Flow Statement		
Balance with banks:		
Current accounts	**-**	**2,159**
Deposit accounts	**-**	**37,351**
Cash	**-**	**24**
Cheques	**-**	**-**
Total Cash and Cash Equivalents	**-**	**39,534**

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

60. Related Parties

(a)	**Enterprises over which Key Managerial Personnel exercise significant influence and with whom there are transactions during the year**
1	Crescent EPC Projects and Technical Services Limited (Formerly GVK Projects and Technical Services Limited)
2	GVK Technical & Consultancy Services Private Limited
3	GVK Foundation
4	Orbit Travels & Tours Private Limited
5	Paigah House Hotel Private Limited
6	Pinakani Share and Stock Broker Limited
7	TAJ GVK Hotels & Resorts Limited
8	Green Wood Palaces & Resorts Private Limited
9	Adaa Traders Private Limited
10	Cygnus Real Estates Private Limited
(b)	**Key Managerial Personnel**
1	Dr. GVK Reddy - Chairman
2	Mr. G V Sanjay Reddy - Director
3	Mr. Krishna R Bhupal - Director
4	Mr. A Issac George - Whole-time Director & CFO
5	Mr. P V Prasanna Reddy - Whole Time Director
6	Mr. P V Rama Seshu - Vice President & Company Secretary
(c)	**Jointly Controlled Entities**
	GVK Gautami Power Limited
(d)	**Associates**
	GVK Coal Developers (Singapore) Pte Ltd.
(e)	**Associate of a Jointly controlled entity**
	Seregraha Mines Limited

Notes to the consolidated financial statements

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

A. Details of related party transactions during the year:

	March 31, 2022	March 31, 2021
Services received		
Airport Authority of India	-	1
ACSA Global Limited, Mauritius (AGL)	-	881
GVK Technical and Consultancy Services Private Limited	1,416	92
Orbit Travels and Tours Private Limited	-	1
TAJ GVK Hotels and Resorts Limited	7	1
Green wood Palaces and Resorts Private Limited	-	3
Fees for services rendered (Includes Corporate guarantee commission income)		
Mumbai Aviation Fuel Farm Facility Private Limited	-	1,653
Mumbai Airport Lounge Services Private Limited	-	1,228
Green wood Palaces and Resorts Private Limited #	-	645
GVK Energy Limited	-	35
ADAA Traders Private Limited	-	7
Crescent EPC Projects and Technical Services Limited	-	60
Rent Expenses		
Paigah House Hotel Private Limited	18	18
Reimbursement of Expenses		
Orbit Travel and Tours Private Limited		
- Reimbursement of travel ticket cost	-	5
- Credit note received for earlier years	-	(105)
	-	**(100)**
Crescent EPC Projects and Technical Services Limited	1	-
Reimbursement of pre-operative expenses		
CIDCO	-	2
Investments/ Advances Written Off		
GVK Coal Developers (Singapore) Pte Limited	-	414
GVK Industries Limited	-	1,225
GVK Gautami Power Limited	185	2,354
Remuneration to key managerial personnel	199	3,705
Donation		
GVK Foundation	381	241
Loans given		
Dr. GVK Reddy	-	300
Mr. Sanjay Reddy	-	300
Adani Airport Holdings Limited	-	492
GVK Energy Limited	-	10,433
GVK Gaumtami Power Limited	185	-
GVK Industries Limited	-	21

Notes to the consolidated financial statements
(All amounts in INR lakhs, except share data and where otherwise stated)

	March 31, 2022	March 31, 2021
Loans recovered		
GVK Energy Limited	-	147
GVK Industries Limited	-	35
GVK Gautami Power Limited	3	
Loans repaid		
Crescent EPC Projects & Technical Services Private Limited	300	-
Interest on loans taken		
GVK Reddy	-	48
Mr. Sanjay Reddy	-	28
Adani Airport Holdings Limited	-	25
Soft loan towards pre-development works*		
CIDCO	-	48,994
*Pre-development works and soft loan towards pre-development works has been accounted based on payments made by CIDCO till 28 February 2021.		
Disposal of assets		
Airport Authority of India	-	4
B Year end balances (Payables)/ receivables		
Accounts receivable		
ADAA Traders Private Limited	-	36
Green wood Palaces and Resorts Private Limited	-	146
Crescent EPC Projects and Technical Services Limited	2	90
Other receivable		
Mumbai Aviation Fuel Farm Facility Private Limited	-	0
Airports Authority of India	-	6,391
GVK Energy Limited	-	39,439
GVK Industries Limited	-	141
Alaknanda Hydro Power Company Limited	-	2
GVK Gautami Power Limited	-	3
GVK Power (Goindwal Sahib) Limited	-	23
Crescent EPC Projects and Technical Services Limited	41	8,510
Accounts payable		
Mumbai Aviation Fuel Farm Facility Private Limited	-	6
Green wood Palaces and Resorts Private Limited	-	26
TAJ GVK Hotels and Resorts Limited	0	2
Orbit Travel and Tours Private Limited	-	5
GVK Technical and consultancy Services Private Limited	381	162
Crescent EPC Projects and Technical Services Limited	1,635	-
Pinakini Share and Stock Broker Limited	6	6
Paigah House Hotel Private Limited	4	-
Short term loan		
Dr. GVK Reddy	-	500
Mr. Sanjay Reddy	-	300
Adani Airport Holdings Limited	-	1,492

Notes to the consolidated financial statements

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

	March 31, 2022	March 31, 2021
Interest payable on Short term loan		
Dr. GVK Reddy	-	46
Mr. Sanjay Reddy	-	26
Adani Airport Holdings Limited	-	50
Reimbursement of pre-operative expenses#		
City and Industrial Development Corporation of Maharashtra Limited (CIDCO)	-	10,215
Soft Loan Towards Pre-development works#		
City and Industrial Development Corporation of Maharashtra Limited	-	65,693
# The above are discounted values of amounts payable to CIDCO as per the concession agreement and are presented under "Other non current financial liabilities"		
Performance guarantee given to and outstanding as at year end		
Airports Authority of India	-	600
CIDCO on behalf of NMIAL	-	10,000
Advance received		
Mumbai Airport Lounge Services Private Limited	-	43
Compensation of Key managerial personnel payable		
Short term employee benefits	-	3,863
Post employment pension and medical benefits	-	120
Total	-	3,983
Corporate Guarantee (Outstanding loan balance)		
GVK Energy Limited	-	3,100
GVK Coal Developers (Singapore) Pte Limited	420,654	405,303
Pledge of investment (number of shares)		
GVK Coal Developers (Singapore) Pte Limited*	226,082,500	226,082,500
GVK Airport Developers Limited	48,000,000	-
GVK Energy Limited	-	225,843,130
Commitments		
Soft Loan Towards Pre-development works	-	70,877
Allotment of equity shares towards pre-development works to be carried out	-	11,202

Note:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefit as they are determined on an actuarial basis for the Company as a whole.

Managerial remuneration is computed as per the provisions of section 197 of the Companies Act, 2013.

61 The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the consolidated financial statements

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

62 The Code of Social Security, 2020 ("Code") relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently the Ministry of Labour and Employment had released the draft rules on the aforementioned code. However, the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the code will come into effect.

63 Details of Benami Property held

The Group does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

64 Details relating wilful defaulter

The Group is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

65 The Group has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

66 Relationship with Struck off Companies

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

67 Registration of charges or satisfaction with Registrar of Companies

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

68 Undisclosed income

The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

69 Details of Crypto Currency or Virtual Currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

70 The following disclosures shall be made where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Type of Borrower	Loans/ Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	March 31, 2022		March 31, 2021	
				Amount outstanding as at the balance sheet date	% of Total	Amount outstanding as at the balance sheet date	% of Total
Related Parties	Individually	Yes	No	2	100%	35,278	100%
Total of Loan and Advances in the nature of Loan (Refer Note 16)				2	-	35,278	-

71 Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the consolidated financial statements have been rounded off or truncated as deemed appropriate by the management of the Company.

72 Previous year's figures have been regrouped/reclassified , wherever necessary, to conform to the current year's classification.

As per our report of even date.

For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No. 097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of GVK Power & Infrastructure Limited

Report on the audit of Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial Statements of **GVK Power & Infrastructure Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2022, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required, and except for the indeterminate effects of the matters referred to in Basis for Qualified Opinion paragraph below, give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015, as amended, ("Ind AS") and other the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profits, total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

3. We draw your attention to:

a) As ddiscussed more fully in Note 50 to the Standalone financial Statements regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the company 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. 858,478 lakhs taken by the aforesaid associate Company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,358 lakhs) as at March 31, 2022 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 exceeded current assets by USD 2,459 million (Rs.1,864,024 lakhs) as at June 30, 2021 and has incurred net losses of USD 48 million (Rs. 35,616 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, 2021, 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 Standalone Financial Statements.

(b) Note no.51 to the Standalone financial Statements regarding GVK Energy Limited (a subsidiary company) and its subsidiaries and jointly controlled entity in which the company has investments and loans aggregating to Rs. 85,434 Lakh and financial guarantees issued by the company to the subsidiary company amounting to Rs.3100 Lakh. With respect to GVK Energy Limited, there are multiple significant uncertainties in the step-down subsidiaries and joint venture entity 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 51. The Company has made total provision of Rs.34,400 Lakhs towards its investments in GVK Energy Limited till 31st March 2022 based on the valuation reports obtained. In this regard, considering the uncertainties, we are unable to ascertain whether any adjustments are required to the standalone financial Statements with respect to the balance amount of investments and loans aggregating to Rs. 85,434 Lakh and financial guarantees issued by the company to the subsidiary company amounting to Rs.3100 Lakh.

(c) Note 54 to the Standalone 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 Statements including prior year comparatives considering allegations over GVK Group.

(d) Note 55 to the Standalone Financial Statements regarding the requirements of Section 96(1) of the Companies Act, 2013, the Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay its financial statements for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November

30, 2021. The financial statements for the year ended March 31, 2020 and March 31,2021 respectively were approved at the AGM held on October 29, 2021, and February 25, 2022. The company has applied for condonation 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 for which approval is awaited. We are unable to comment on the impact of these non-compliances on the standalone financial statements.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards on auditing are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statement' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

5. Material Uncertainty Related to Going Concern

We draw attention to note 56 to the Standalone financial statement, which indicates that the company has incurred significant losses during the previous year and material uncertainties are faced by various projects, in which the company has made investments, given loan, 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 Company's ability to continue as a going concern. Our Opinion is not modified in respect of this matter.

6. Emphasis of Matter

(a)We ddraw attention to Note 57 to the Standalone financial statements regarding sale of majority holding of GVK Airport Developers Limited (GVKADL) by company to Adani Airport Holding Limited (AAHL) as per binding co-operation agreement dated August 31, 2020 and other related transaction documents. AAHL has acquired and hold the securities as per co-operation agreement at the end of the financial year. The management considered the company as beneficial owner of the Optionally Convertible Debentures (OCDs) of Rs 137,464 Lakhs held by AAHL as per co-operation agreement in view of the terms of arrangement. Accordingly, the securities held in the name of AAHL have been classified as Current Investments of company in the Standalone financial statements.

(b)We draw attention to Note 53 to the statement regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company. GVK SEZ 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 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, 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 impact of the same on the Company is not determinable.

7. Key Audit Matter

Except for the matters described in the Basis for Qualified Opinion Section and Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

8. Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the Standalone Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

9. Responsibilities of management and those charged with governance for the standalone financial statements

These Standalone Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As a part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has in place adequate internal financial controls with reference to financial statement and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. The material uncertainty with regard to Going Concern is reported in Para 5 of our report.
- Evaluate the overall presentation, structure and content of the standalone financial statement, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report

To the Members of GVK Power & Infrastructure Limited

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

11. Report on other legal and regulatory requirements

11.1 As required by Section 143(3) of the Act, we report that:

(a) We have sought and except for matters referred in Basis of Qualification, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, except for the indeterminate effects of the matters referred to in Basis for Qualified opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept so far as it appears from our examination of those books.

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and Standalone Cash Flow Statement dealt with by this report are in agreement with the books of account.

(d) Except for the indeterminate effects of the matters referred to in Basis for Qualified opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) The matters described in the Basis for Qualified opinion Section and Material Uncertainty Related to Going Concern Section above, and the Basis for Qualified Opinion Section in our report on the Internal Financial Controls with reference to standalone financial statements in Annexure A, in our opinion, may have an adverse effect on the functioning of the company.

(f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are stated in paragraph 11.2 (b) above.

(h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27(c) to the standalone financial statements;

ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any derivative contracts as at March 31, 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022;

Independent Auditor's Report

To the Members of GVK Power & Infrastructure Limited

iv. (a) The Management has represented and refer note no. 44 to the standalone financial statements, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented and refer note no. 44 to the standalone financial statements, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub¬ clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year

11.2 As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, subject to the matters described in the Basis for Qualified Opinion Section of our Report, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. No managerial remuneration was paid or payable during the year, accordingly, reporting under Section 197(16) of the Act read with Schedule V is not applicable to the Company.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number: 006711N/N500028

Aashish Gupta
Partner
Membership Number: 097343
UDIN: 22097343AJTQBB7604

Place: Hyderabad
Date: May 27, 2022

Annexure A to Independent Auditors' Report

Referred to in paragraph 11.1 (h) under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date to the members of GVK Power & Infrastructure Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

Qualified Opinion

We have audited the internal financial controls with reference to standalone financial statements of GVK Power & Infrastructure Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls with reference to financial statements as of March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI, and except for the possible effects of the material weaknesses described in the Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as of March 31, 2022.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2022, and these material weaknesses has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the financial statements for the year ended on that date. (Also refer Basis for Qualified Opinion of the main audit report)

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit and subject to the Basis for Qualified Opinion paragraphs in our main report, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to standalone financial statements as at March 31, 2022:

a) The Company's internal financial controls for determining whether adjustments are required to the carrying value of investments, receivables and whether any liability to be recognised for the financial assistance, corporate guarantees and commitments given to an associate and joint venture of the Company were not operating effectively, which could potentially result in non-recognition of provision with regard to the aforesaid financial statement line items (Refer paragraphs 3(a) and (b) of our main audit report).

b) The Company's internal financial controls in respect of compliance with laws and regulations, including holding Annual General Meetings in stipulated time, submission of quarterly an annual result to Exchanges within the time limits as specified under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirement) Regulation 2015

   This could potentially result in non-compliance with laws and regulations. (Refer paragraph 3(d) of our main audit report)

c) Pending conclusion of the investigation (Refer paragraph 3(c) of our main audit report), we are unable to comment on the impact that may arise on conclusion of such investigation on the internal financial controls system of the company and its operating effectiveness.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Annexure A to Independent Auditors' Report

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number: 006711N/N500028

Aashish Gupta
Partner
Membership Number: 097343
UDIN: 22097343AJTQBB7604

Place: Hyderabad
Date: May 27, 2022

Annexure B to Independent Auditors' Report of even date

Referred to in paragraph 11.2 under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date to the members of GVK Power & Infrastructure Limited on the standalone financial statements for the year ended March 31, 2022

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

i. Property, Plant and Equipment and Intangible Assets

a) A. The Company has maintained proper records showing full particulars including quantitative details and situtation of Property, Plant and Equipment;

B. The Company has maintained proper records showing full particulars of intangible assets;

b) The Company has a programme of physical verification to cover Property, Plant and Equipment whereby all these assets are verified once in every year. In our opinion, the periodicy of the physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment were physically verified by the Management during the year and no material discrepancies were noticed on such verification for material items.

c) There is no Immovable Property in the books of accounts of the Company. Accordingly, the provision of paragraph 3(i)(c) of the Order is not applicable to the Company.

d) The Company has not revalued its Property and Plant and Equipment during the year.

e) As disclosed by the management in note 39 of the standalone financial statements, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

ii. Inventories

a) The company does not have any inventory. Hence, reporting under clause 3(ii) (a) of the order is not applicable.

b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. Hence, reporting under clause 3(ii) (b) of the order is not applicable.

iii Loans, Investments, Guarantees, Securities and Advances in nature of Loan

The Company has made investments and granted loans to its subsidiary companies and other parties during the year which were outstanding at balance sheet date, in respect of which:

(a) A. The aggregate amount of loans granted to its subsidiary during the year and the balance outstanding at the balance sheet date with respect to the same, which were outstanding at balance sheet date are as under:

Particulars	Amount (Rs in Lakhs)
Aggregate amount of loans granted during the year – Subsidiaries	13,069
Balance outstanding of loans as at balance sheet date – Subsidiaries	22,058

B. The Company has not granted loans or advances and guarantees or security to parties other than as mentioned above.

(b) The company has given loans as well as received loans from relating parties which are interest free and repayable on demand. On overall basis, in our opinion, the terms and conditions of the loans granted and investments made during the year are, prima facie, not prejudicial to the interest of the Company, except uncertainity related to recovery of loans as mentioned in para 3(b) and para 6 (b) of our audit report on standalone financial statements.

(c) In the case of loans given, no formal Loan Agreements are entered with them and no schedule for repayment of principal and payment of interest has been stipulated by the company. Hence, we do not make any comment on the regularity of repayment of principal and payment of interest and overdue amount, if any, in this regard.

(d) There is no overdue amount for more than ninety days in respect of loans given as the same is repayable on demand.

(e) There is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.

(f) As mentioned in Para c above, the company has granted loans to 6 companies as per the summary given below, which are either repayable on demand or without specifying any terms or period of repayment during the year.

(Figures are in lakhs)

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/advances in nature of loans granted during the year	13,069	Nil	13,069
Percentage of aggregate loans/advances in nature of loans to the total loans granted	100%	Nil	100%

(iv) Compliance of Sec. 185 & 186

The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under apply. Accordingly, the provision of paragraph 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act. Accordingly, the provision of paragraph 3(vi) of the Order is not applicable to the Company.

(vii) Statutory Dues

a. The Company has generally been regular in depositing its undisputed statutory dues including Goods and Service tax, Provident Fund, Employees State insurance, Income-tax, Custom duty, Cess and other relevent material statutory dues, which are accounted in its books of account.

There are no undisputed amounts payable in respect of above statutory dues, which were in arrears as at 31 March 2022 for a period of more than six months from the date they become payable.

b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below;

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service tax	279	July 01, 2003 to September 30,2008	High court
The Finance Act, 1994	Service tax	111	October 1, 2008 to September 30, 2009	High court
The Finance Act, 1994	Service tax	149	October 1, 2009 to September 30, 2010	High court
The Finance Act, 1994	Service tax	87	October 1, 2010 to June 30, 2011	High court
The Finance Act, 1994	Service tax	436	June 1, 2009 to March 31 2012	High court
The Finance Act, 1994	Service tax	170	April 1, 2012 to March 31, 2013	High court
The Finance Act, 1994	Service tax	164	April 1, 2013 to March 31, 2014	High court
Income Tax Act, 1961	Income tax	200	AY 2010-11	High court

viii. As disclosed by the management in note 46 of the standalone financial statements and as verified by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) Application & Repayment of Loans & Borrowings

(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender, during the year.

(b) As disclosed by the management in note 40 of the standalone financial statements, the Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(c) The company has not taken any term loan during the year and there are no outstanding term loan at the beginning of the year and hence, reporting under clause 3(ix) (c) of the Order is not applicable.

(d) On an overall examination of the balance sheet of the company, we report that, prima facie, funds raised on short-term basis aggregating to Rs.5661 lakhs have been used for accumulated losses incurred by the company

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Accordingly, the provision of paragraph 3(ix) (e) of the Order is not applicable to the Company. However, there are borrowings from subsidiary companies and loans given to subsidiary companies.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the provision of paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) Application of funds raised through Public Offer

(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provision of paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) Fraud

a) Except as described below, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed nor reported during the year, nor have we been informed of such case by the Management.

Pending completion of the investigation by the authorities as described in paragraph 3(c) of the Basis for Qualified opinion paragraph of the main audit report and as disclosed in note 49 to the standalone financial statements, we are unable to comment whether any fraud has been committed by the Company or any fraud was committed by the officers and employees of the Company, on the Company.

b) As represented to us by the management, there were no whistle blower complaints received during the year by the Company.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 with respect to all applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting standards.

(xiv) Internal Audit

(a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the internal auditors issued to the Company for the period under audit.

(xv) During the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) Registration u/s 45-IA of RBI Act

(a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3(xvi) (a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) As represented to us, the Group does not have any CIC as part of the Group.

(xvii) The company has not incurred cash losses during the financial year covered by our audit. However, the company has incurred cash losses during the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements including note no.56 to the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that a material uncertainty exists with respect to going concern as on the date of audit report as mentioned in Para 5 of our Audit Report on the Standalone Financial Statements.

(xx) As disclosed by management in note 42 of the standalone financial statements, the compnay was not required to spend on Corporate Social Responsibility (CSR) during the year in view of the continuing losses during the last three years and there is no unspent amount towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx) (a) and 3(xx)(b) of the Order are not applicable.

(xxi) The details of Qualifications or adverse remarks in the audit reports made by the respective auditors of the subsidiaries, associates and Joint Venture in the Companies(Auditor's Report)Order, 2020 (CARO), is given para no (12), of our audit report on consolidated financial statements

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number: 006711N/N500028

Aashish Gupta
Partner
Membership Number: 097343
UDIN: 22097343AJTQBB7604

Place: Hyderabad
Date: May 27, 2022

Standalone Balance sheet as at March 31, 2022

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

	Notes	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	3	63	56
Investments	4(i)	86,673	86,532
Financial assets			
Investments	4(ii)	7,136	-
Non Current tax assets (net)	5	1,122	1,111
Other non-current assets	6	13	13
		95,007	**87,712**
Current assets			
Financial assets			
Investments	7	144,393	2,119
Trade receivables	8	1,199	2,050
Cash and cash equivalents	9	4,034	57
Loans	10	11,829	19,803
Other financial assets	11	6	18
Other current assets	12	519	31
		161,980	**24,078**
Assets clasified as held for Sale	4(iii)	-	43,473
Total		**256,987**	**155,263**
Equity and Liabilities			
Equity			
Equity share capital	13	15,792	15,792
Other equity		70,859	65,272
Total Equity		**86,651**	**81,064**
Liabilities			
Non-current liabilities			
Financial liabilities			
Unearned financial guarantee liability	14	2,695	2,695
		2,695	**2,695**
Current liabilities			
Financial liabilities			
Borrowings	15	36,838	70,518
Trade payables	16		
• Total outstanding dues of micro enterprises and small enterprises		-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises		1,212	201
Other financial liabilities	17	129,257	685
Provisions	18	6	7
Other current liabilities	19	328	93
		167,641	**71,504**
Total liabilities		**170,336**	**74,199**
General information and significant accounting policies	1&2		
Total		**256,987**	**155,263**

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No. 097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary
FCS: 4545

Standalone Statement of profit and loss for the year ended March 31, 2022

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

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	20	1,000	2,066
Other income	21	8,218	3,237
Total Income		**9,218**	**5,303**
Expenses			
Employee benefit expenses	22	76	128
Other expenses	23	2,774	605
Impairment of non-current investments	4	669	25,126
Depreciation expenses		12	19
Finance costs	24	-	2
Total expenses		**3,531**	**25,880**
Profit / (Loss) before tax		**5,687**	**(20,577)**
Tax expense			
Current tax		-	-
Taxes of earlier years		100	47
Total tax expense		**100**	**47**
Profit / (Loss) for the year		**5,587**	**(20,624)**
Other Comprehensive Income			
Items that may be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		**5,587**	**(20,624)**
General information and significant accounting policies	1 & 2		
Earnings per equity share:	26		
Basic earnings per share		0.35	(1.31)
Diluted earnings per share		0.35	(1.31)
Nominal value per equity share		1.00	1.00

The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date.

For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No. 097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary

Standalone Cash flow statement for the year ended March 31, 2022

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

		Notes	Year ended March 31, 2022	Year ended March 31, 2021
1	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net profit/(loss) before tax		5,687	(20,577)
	Adjustments to reconcile loss before tax to net cash flows:			
	Depreciation expenses		12	19
	Impairment of non-current investments and receivables		669	25,126
	Gain on sale of current investments (net)		(359)	(109)
	Unwinding interest income on financial guarantees and debt instruments		-	(745)
	Notional commission on guarantee given to subsidiaries		-	(767)
	Profit on Sale of Investments		(4,576)	-
	Gain on fair valuation of equity share		(2,336)	-
	Reversal of previous year expenses		18	(1,222)
	Liabilities no longer required – Written Back		(783)	-
	Interest income on income tax and service tax refund		-	(350)
	Operating profit before working capital changes		**(1,668)**	**1,375**
	Movement in working capital:			
	Increase/(Decrease) in trade receivables		851	(1,247)
	Increase/(Decrease) in other current/non current assets		(611)	234
	Increase/(Decrease) in trade payables, current liabilities and provisions		1,325	77
	Cash generated from operations		**(103)**	**439**
	Taxes (paid)/refund		(111)	851
	Net cash generated from operating activities	**(A)**	**(214)**	**1,290**
2	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Net Purchase/ Sale of current investments		(4,451)	(1,503)
	Investments in subsidiaries/associates/related party including share application money		(810)	(1,091)
	Loans (given)/refunds to/from subsidiaries/related party		7,974	(19,395)
	Purchase of property, plant and equipment		(19)	(3)
	Interest received		-	350
	Net Cash (used in)/ generated from Investing Activities	(B)	**2,694**	**(21,642)**
3	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds/ (Repayment) of long term borrowings		-	(898)
	Proceeds/ (Repayment) of short term borrowings (net)		1,497	23,242
	Interest paid		-	(1,963)
	Net Cash generated from/(used in) Financing Activities	(C)	**1,497**	**20,381**
	Net increase/ (decrease) in Cash and Cash Equivalents	(A+B+C)	3,977	29
	Cash and Cash Equivalents at the beginning of the year		57	28
	Cash and Cash Equivalents at the end of the year		**4,034**	**57**
	Components of cash and cash equivalents			
	Balance with banks:			
	Current accounts		4,034	57
	Total cash and cash equivalents (refer note 9)		4,034	57
	General information and significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No.097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary

Standalone Statement of Changes in Equity

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

a) Equity share capital

	Number of Shares	Rs. In Lakhs
As at April 01, 2020	**1,579,210,400**	**15,792**
Changes in Equity Share Capital due to Prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in Equity Share Capital during the current year	-	-
As at March 31, 2021	**1,579,210,400**	**15,792**
Changes in Equity Share Capital due to Prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in Equity Share Capital during the current year	-	-
As at March 31, 2022	**1,579,210,400**	**15,792**

b) Other Equity

	Reserves and Surplus			Total
	Retained Earnings	Securities premium	General reserve	
As at April 01, 2020	**(130,166)**	**215,935**	**127**	**85,896**
Add: Profit/ (Loss) for the year	(20,624)	-	-	(20,624)
At March 31, 2021	**(150,790)**	**215,935**	**127**	**65,272**
Add:Profit/ (Loss) for the year	5,587	-	-	5,587
At March 31, 2022	**(145,203)**	**215,935**	**127**	**70,859**

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No. 097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary

Notes to Standalone financial statements for the year ended March 31, 2022

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

1 Corporate information

GVK Power & Infrastructure Limited ('the Company' or 'GVKPIL') provides operation and maintenance services, manpower and consultancy services and incidental services to owners of power plants, airports etc. The Company has also acquired substantial ownership interest into power companies, airports, roads and companies providing infrastructure facilities. The registered office of the company is located at 'Paigah House', 156-159 Sardar Patel Road Secunderabad, Telangana- 500003.

2. Statement of significant accounting policies

2.1 Basis of preparation

i. Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act., 2013 (the Act), read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

- certain financial assets and liabilities are measured at fair value
- defined benefit plans - plan assets are measured at fair value.

(iii) New standards adopted by the Company

The Company has applied the following standard for the first time for their annual reporting period commencing from April 01, 2020.

- Ind AS 105, Non -Current Assets Held for Sale and Discontinued Operations

Applications of above standard listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Foreign currency translation

The financial statements are presented in Indian rupees lakhs, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

A monetary item for which settlement is neither planned nor likely to occur in foreseeable future is considered as part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/ (losses).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively.)

(c) Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Manpower and consultancy services:

Revenues for manpower services are recognised as and when services are rendered on time and material basis.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

Guarantee commission

Revenue is recognised on a straight line basis taking into account the present value of the guarantee amount and the commission rate applicable.

(e) Income tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not recognised if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Property, plant and equipment

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied . All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture and fittings - 10 years
Office equipment - 5 years
Vehicles - 10 years
Data processing equipment - 3 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(g) **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Effective from April 1, 2019:

As a lessee:

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of cash inflows from other assets or group of assets (cash generating units). Non financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats accumulated leave, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on an actuarial valuation using the projected unit credit method at the period-end/ year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

(l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

a) Debt instruments at amortised cost.

b) Debt instruments at fair value through Other comprehensive income (FVTOCI).

c) Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL).

d) Equity instruments measured at fair value through other comprehensive income (FVOCI).

Debt instruments at amoritsed cost

A 'debt instrument' is measured at amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, other receivables and loans.

Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the asset, and

i. the Company has transferred substantially all the risks and rewards of the asset, or

ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

c) Loan commitments which are not measured as at FVTPL.

d) Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the Balance Sheet ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This category is most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 15.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Notes to Standalone financial statements for the year ended March 31, 2022

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(n) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(o) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless otherwise stated.

Notes to Standalone financial statements for the year ended March 31, 2022

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

3. Property, plant and equipment

	Furniture and fittings	Office equipment	Vehicles	Data processing equipment	Total
At Cost					
As at April 1, 2020	1	4	131	9	145
Additions	-	2	-	1	3
Deletions	-	-	-	-	-
As at March 31, 2021	**1**	**6**	**131**	**10**	**148**
Additions	-	6	7	6	19
Deletions	-	-	-	-	-
As at March 31, 2022	**1**	**12**	**138**	**16**	**167**
Accumulated depreciation					
As at April 1, 2020	1	2	65	5	73
Charge for the year	-	0	16	3	19
Deletions	-	-	-	-	-
As at March 31, 2021	**1**	**3**	**81**	**7**	**92**
Charge for the year	-	1	8	3	12
Deletions	-	-	-	-	-
As at March 31, 2022	**1**	**4**	**89**	**10**	**104**
Net Block					
As at March 31, 2021	**-**	**3**	**50**	**3**	**56**
As at March 31, 2022	**-**	**8**	**49**	**6**	**63**

Notes: Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs. Nil. (March 31, 2021: Rs. Nil)

4. Investments

	As at March 31, 2022	As at March 31, 2021
a. Unquoted, in fully paid equity shares (at cost)		
In subsidiaries		
10,000 (March 31, 2021: 10,000) Equity shares of Rs.10 each fully paid-up in GVK Perambalur SEZ Private Limited	1	1
143,410,000 (March 31, 2021: 143,410,000) equity shares of Rs.10 each fully paid-up in GVK Developmental Projects Private Limited	11	11
190,000 (March 31, 2021: 190,000) equity shares of Rs.10 each fully paid-up in GVK Airport Services Private Limited	19	19
50,000 (March 31, 2021: 50,000) equity shares of Rs.10 each fully paid-up in Sutara Roads & Infra Limited	5	5
10,00,000 (March 31, 2021: Nil) equity shares of Rs.10 each fully paid-up in GVK Shivpuri Devas Expressway Private Limited	1	-
10,000 (March 31, 2021: Nil) equity shares of Rs.10 each fully paid-up in GVK Power (Khadur Sahib) Private Limited	1	-
675,116,101 (March 31, 2021: 557,869,479) equity shares of Rs.10 each fully paid-up in GVK Energy Limited	74,122	73,923
217,149,070 (March 31, 2021: 217,149,070) equity shares of Rs.10 each fully paid-up in GVK Transportation Private Limited	-	-
	74,160	73,959
907,350 (March 31, 2021: 907,350) equity shares of USD 1 each fully paid-up in GVK Airports International Pte. Ltd	669	669
Provision for impairment in value of Equity investment in GVK Airports International Pte. Ltd	(669)	-
Sub Total	**74,160**	**74,628**

Notes to Standalone financial statements for the year ended March 31, 2022

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

	As at March 31, 2022	As at March 31, 2021
In Associate		
50,000 (March 31, 2021: 50,000) equity shares of USD 1 each fully paid-up in GVK Coal Developers (Singapore) Pte. Ltd.	25	25
Share application money for purchase of non-cumulative redeemable preference shares of USD 1 each (at amortised cost) in GVK Coal Developers (Singapore) Pte. Ltd.	1	1
	26	**26**
Provision for impairment in value of Equity investment in GVK Coal Developers Singapore Pte Ltd	(26)	(26)
Sub Total	**-**	**-**
A	**74,160**	**74,628**
B. Loan given to subsidiaries classified as equity (at cost)		
GVK Perambalur SEZ Private Limited	10,229	9,620
B	**10,229**	**9,620**
C. Deemed investment in subsidiaries/ Associate		
GVK Jaipur Expressway Private Limited	2,284	2,284
C	**2,284**	**2,284**
(A+B+C)	**86,673**	**86,532**
(ii) Other investments		
Unquoted, in fully paid non-cumulative redeemable preference shares (at amortised cost)		
D. In Associate		
17,66,31,918 (March 31, 2021: 17,66,31,918) non-cumulative redeemable preference shares of USD 1 each fully paid-up in GVK Coal Developers (Singapore) Pte. Ltd.*	77,510	77,510
Provision for diminution in value of non-cumulative redeemable preference investment in GVK Coal Developers (Singapore) Pte. Ltd	(77,510)	(77,510)
D	**-**	**5,175**
E. In Others		
48,000,000 (March 31, 2021: Nil) equity shares of Rs.10 each fully paid-up in GVK Airport Developers Limited (Refer note 57)	7,136	-
Total (D+E)	7,136	-
Total (A+B+C+D+E)	**93,809**	**86,532**
Aggregate amount of unquoted investments	93,809	86,532
F. Break up of impairment of non-current investments		
Investments in Equity shares of GVK Energy Limited written off	-	25,100
Investments in Equity shares of GVK Tansportation Private Limited written off	-	26
Provision for impairment in value of Equity investment in GVK Airports International Pte. Ltd	669	-
Total	**669**	**25,126**

Notes to Standalone financial statements for the year ended March 31, 2022

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

iii. Assets clasified as held for Sale

	As at March 31, 2022	As at March 31, 2021
(i) Investments		
A. Unquoted, in fully paid equity shares (at cost)		
In subsidiaries		
Nil (March 31, 2021: 300,000,000) equity shares of Rs.10 each fully paid-up in GVK Airport Developers Limited	-	30,000
B. Deemed investment in subsidiaries/ Associate		
GVK Airport Developers Limited	-	7,553
(ii) Other investments		
Unquoted, in fully paid non-cumulative redeemable preference shares (at amortised cost)		
A. In subsidiary		
Nil (March 31, 2021: 59,200) non-cumulative redeemable preference shares of Rs. 10,000 each fully paid-up in GVK Airport Developers Limited	-	5,920
Total	**-**	**43,473**

5. Non current tax assets (net)

	As at March 31, 2022	As at March 31, 2021
Advance income-tax (net of provision for taxation)	1,122	1,111
Total	**1,122**	**1,111**

6. Other non-current assets

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Balance with government authorities	13	13
Total	**13**	**13**

7. Current investments

	As at March 31, 2022	As at March 31, 2021
Quoted mutual funds at fair value through statement of profit and loss		
43,926 (March 31, 2021: 898,321) Franklin India Ultra Short Bond Fund	15	269
651,468 (March 31, 2021: 156,805) Birla Sun Life Savings Fund	3,249	669
6,749,572 (March 31, 2021: 4,501,293) ICICI Prudential Liquid	1,614	1,030
76,85,684 (March 31, 2021: Nil) Axis Short Term Fund	2,051	-
Nil (March 31, 2021: 6,780) Invesco Mutual Fund	-	151
UnQuoted		
Debentures #	137,464	-
Total	**144,393**	**2,119**
Aggregate carrying and market value of quoted investments	**6,929**	**2,119**

Debentures are unlisted, unsecured, optionally convertible debentures ("OCDs") each having a face value of Rs 10 each and shall accrue a coupon at the rate of 0.01% per annum.

Number of Debentures issued by M/s Sutara Roads & Infra Limited and M/s Ybrant Engineering and Constructions Private Limited is 2,500 Lakhs and 11,246.4 Lakhs respectively. Refer note 57.

8. Trade receivables

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Receivables from related parties	1,199	2,050
Total	**1,199**	**2,050**

Trade receivables are non-interest bearing and are generally on terms of less than 1 year.

Notes to Standalone financial statements for the year ended March 31, 2022
(All amounts are in Indian Rupees Lakhs except for share data or otherwise stated)

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

	Less than 6 months	6 months - 12 months	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022						
Undisputed Trade Receivables						
- Considered Good	1,184	-	15	-	-	1,199
- which have significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables						
- Considered Good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Total	1,184	-	15	-	-	1,199

	Less than 6 months	6 months - 12 months	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2021						
Undisputed Trade Receivables						
- Considered Good	1,663	-	387	-	-	2,050
- which have significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables						
- Considered Good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Total	1,663	-	387	-	-	2,050

9. Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Balance with banks:		
- In current accounts	4,034	57
Total	**4,034**	**57**

There are no repatriation restrictions on the usage of Cash and Bank Balances

10. Loans

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Interest free loans to related parties receivable on demand (Refer note 49)	11,829	19,803
Total	**11,829**	**19,803**

11. Other financial assets

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Other receivables	6	18
Total	**6**	**18**

12. Other current assets

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Advances recoverable in cash or kind or value to be received	1	29
Prepayments	4	2
GST - Input Tax Credit	514	-
Total	**519**	**31**

Notes to Standalone financial statements for the year ended March 31, 2022

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

13. Equity share capital and other equity

(A) Equity share capital

	As at March 31, 2022	As at March 31, 2021
Authorised Share Capital		
2,500,000,000 (March 31, 2021: 2,500,000,000) equity shares of Rs. 1 each	25,000	25,000
Issued, subscribed and fully paid-up share capital		
1,579,210,400 (March 31, 2021: 1,579,210,400) equity shares of Rs. 1 each	15,792	15,792

a.Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	Year ended March 31, 2022		March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares of Rs. 1 each fully paid up				
At the beginning of the year	1,579,210,400	15,792	1,579,210,400	15,792
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,579,210,400**	**15,792**	**1,579,210,400**	**15,792**

b. Terms/rights attached to equity shares

The Company has only one class of equity share having par value of Rs.1 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

c. Details of shares held by promoters as on 31-03-2022 are as follows:

Promoter Name	No of Shares	% of total shares	% of change during the year
G V Krishna Reddy	30,958,857	2%	Nil
G V Sanjay Reddy	55,725,951	4%	Nil
Krishna R Bhupal	37,150,630	2%	Nil
Vertex Projects LLP	732,893,902	46%	Nil
Total	**856,729,340**	**54%**	**Nil**

Details of shares held by promoters as on 31-03-2021 are as follows:

Promoter Name	No of Shares	% of total shares	% of change during the year
G V Krishna Reddy	30,958,857	2%	Nil
G V Sanjay Reddy	55,725,951	4%	Nil
Krishna R Bhupal	37,150,630	2%	Nil
Vertex Projects LLP	732,893,902	46%	Nil
Total	**856,729,340**	**54%**	**Nil**

d. Details of shareholders holding more than 5% equity shares in the Company

Name of the shareholder	Year ended March 31, 2022		March 31, 2021	
	Number of Shares	% of holding	Number of Shares	% of holding
Vertex Projects LLP (Formerly Vertex Infratech Private Limited)	732,893,902	46.41%	732,893,902	46.41%

(B) Reserves and surplus

	As at March 31, 2022	As at March 31, 2021
Retained Earnings	(145,203)	(150,790)
Securities premium	215,935	215,935
General reserve	127	127
Total reserves and surplus	**70,859**	**65,272**

Notes to Standalone financial statements for the year ended March 31, 2022
(All amounts are in Indian Rupees Lakhs except for share data or otherwise stated)

(i) Retained Earning

	As at March 31, 2022	As at March 31, 2021
Opening balance	(150,790)	(130,166)
Profit / Loss for the year	5,587	(20,624)
Closing balance	**(145,203)**	**(150,790)**

(ii) Securities premium

	As at March 31, 2022	As at March 31, 2021
Opening balance	215,935	215,935
Movement during the year	-	-
Closing balance	**215,935**	**215,935**

Note: Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(iii) General reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	127	127
Movement during the year	-	-
Closing balance	**127**	**127**

14. Unearned financial guarantee liability

	As at March 31, 2022	As at March 31, 2021
Unearned guarantee commission liability on financial guarantees given to related parties	2,695	2,695
Total	**2,695**	**2,695**

15. Short-term borrowings

	As at March 31, 2022	As at March 31, 2021
Unsecured:		
Loans from related parties repayable on demand	36,838	70,518
Total	**36,838**	**70,518**

Net debt reconciliation
This Section sets out an analysis of net debt and the movement in net debt for the period presented

	March 31, 2022	March 31, 2021
Short-term borrowings (refer note 15)	36,838	70,518
Cash and cash equivalents	(4,034)	(57)
Total	**32,804**	**70,461**
Opening balance	70,461	48,146
Proceeds/ (Repayment) of short term borrowings (net)	(33,680)	23,242
Proceeds/ (Repayment) of long term borrowings	-	(898)
Add / (Less): Cash generated from operations	(3,977)	(29)
Closing balance	**32,804**	**70,461**

16. Trade payables

	As at March 31, 2022	As at March 31, 2021
- Outstanding dues to micro enterprises and small enterprises	-	-
- Outstanding dues to creditors other than micro enterprises and small enterprises (Dues to related parties is Rs 31.99 Lakhs (March'21: 43.93 Lakhs))	1,212	201
Total	**1,212**	**201**

Terms and conditions of the above financial liabilities.
Trade payables are non-interest bearing and are normally settled on 30-120 day terms.

Micro, small and medium enterprises
The identification of micro, small and medium enterprise suppliers as defined under the provisions of "Micro, small and medium enterprises Act, 2006" is based on Management's knowledge of their status. There are no dues to micro, small and medium enterprises as at the year end.

Notes to Standalone financial statements for the year ended March 31, 2022

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

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022					
i) MSME	1,149	63	-	-	1,212
ii) Others	-	-	-	-	-
iii) Disputed dues - MSME	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-
Total	1,149	63	-	-	1,212

17. Other financial liabilities

	As at March 31, 2022	As at March 31, 2021
Others (Payable to related party)	63,074	-
Other payables	66,183	-
Unearned guarantee commission liability on financial guarantees given to related parties	-	685
Total	**129,257**	**685**

18. Provisions

	As at March 31, 2022	As at March 31, 2021
Provision for compensated absences (Refer note 28)	6	7
Total	**6**	**7**

19. Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Statutory liabilities	327	7
Other liabilities	1	86
Total	**328**	**93**

20. Revenue from operations

	As at March 31, 2022	As at March 31, 2021
Sale of services		
– Manpower and consultancy services	1,000	2,066
Total	**1,000**	**2,066**

21. Other income

	Year ended March 31, 2022	Year ended March 31, 2021
Income from current investments	359	109
Commission on financial guarantees	16	801
Interest income on financial guarantees and debt instruments	10	745
Profit on Sale of Investments	4,576	-
Gain on fair valuation of equity share	2,336	-
Interest on income tax refund	-	350
Reversal of Expenses Incured in Previous years	18	1,228
Liabilities no longer required, written back	783	-
Miscellaneous income	120	4
Total	**8,218**	**3,237**

22. Employee benefit expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	66	117
Contribution to provident and other funds (Refer note 28)	4	6
Staff welfare expenses	6	5
Total	**76**	**128**

GVK

Notes to Standalone financial statements for the year ended March 31, 2022

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

23. Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Rent	4	4
Communication costs	7	7
Travelling and conveyance	16	35
Operating and maintenance expenses	45	39
Repairs and maintenance	31	15
Legal and professional charges	2,448	385
Rates and taxes	67	51
Printing and stationery	2	2
Insurance	65	4
Remuneration to statutory auditors (refer note below)	57	57
Directors' sitting fees	13	3
Advances written off	8	-
Miscellaneous expenses	11	3
Total	**2,774**	**605**

Payment to auditor

	Year ended March 31, 2022	Year ended March 31, 2021
As auditor:		
Audit fee	21	21
Limited review	36	36
Total	**57**	**57**

24. Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	-	1
Bank charges	-	1
Total	**-**	**2**

25. Taxes

a. Income tax expense

	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	-	-
Taxes of earlier years	100	47
Total	**100**	**47**

b. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(Loss) before taxes	5,687	(20,577)
Existing tax rates in India	25.168%	25.168%
Expected tax expenses (a)	1,431	(5,179)
Add: Effect of non-deductible expenses:		
Advances and investments written off	669	25,126
Fair value loss on investments	-	-
Less: Effect of non-taxable incomes:		
Interest income on financial guarantees and debt instruments	-	(1,512)
Profit on sale of mutual funds taxable at other rates	(359)	(109)
Utilisation of brought forward losses	(5,996)	(2,928)
Effect of non-deductible expenses (net)	**(5,686)**	**20,577**
Tax effect on the above (b)	(1,431)	5,179
Tax on sale of mutual funds (c)	-	-
Net current tax expense recognised in Statement of Profit and Loss (a) + (b) + (c)	**-**	**-**

Notes to Standalone financial statements for the year ended March 31, 2022

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

c. Tax losses

	Year ended March 31, 2022	Year ended March 31, 2021
Unused tax losses for which no deferred tax asset has been recognised	15,443	18,487
Potential tax benefit	3,887	4,653

26. Earning per equity share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. There are no potentially dilutive equity shares in the Company.

The following reflects the income / loss and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2021	Year ended March 31, 2020
Profit/(Loss) after tax	5,587	(20,624)
Weighted average number of Equity Shares considered for calculation of basic and diluted earnings per share	1,579,210,400	1,579,210,400
Earnings/ (loss) per share		
- Basic and diluted	0.35	(1.31)

27. Commitments and Contingencies

A. Leases

Operating lease commitments - Company as lessee

Operating leases are mainly in the nature of lease of office premises with no restrictions and are renewable/cancellable at the option of either of the parties. The Company has not entered into any non-cancellable leases. There is 5% escalation clause in the lease agreement. There are no sub-leases. There are no restrictions imposed by lease arrangements.

The Company has not recognised any contingent rent as expense in the Statement of Profit and Loss. The aggregate amount of operating lease payments recognised in the Statement of Profit and Loss is Rs. 4 lakhs (March 31, 2021: Rs. 4 lakhs).

B. Capital and other commitments

i) Capital Commitments

The Company has no outstanding capital commitments as at year end. (March 31, 2021: Nil)

ii) Other Commitments

a) The company has given undertaking to infuse equity aggregating to Rs. 421,846 lakhs (March 31, 2021: Rs. 421,846 lakhs) in GVK Coal Developers (Singapore) Pte. Limited, towards shortfall, if any, of its loan repayment obligations [Also refer note C(iii) below]. Further, the Company has pledged 155,587,500 (March 31, 2021: 155,587,500), 22,495,000 (March 31, 2021: 22,495,000) and 48,000,000 (March 31, 2021: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited, an associate entity in which Company has 10% stake.

C. Contingent liabilities

	Year ended March 31, 2022	Year ended March 31, 2021
Direct and indirect taxes		
Claims not acknowledged as debts by the company		
Income tax	200	200
Service tax	1,396	1,396

Security against loan taken by group companies

(i) The Company had provided security by way of pledge of 225,843,130 (March 31, 2021: 225,843,130) shares of GVK Energy Limited for loans taken by the aforesaid subsidiary/ joint venture entity.

(ii) The Company has provided security by way of corporate guarantees amounting to Rs. 12,978 lakhs (March 31, 2021: Rs. 2,87,333 lakhs) to subsidiaries and joint ventures and Rs. 420,654 lakhs to the lenders of GVK Coal Developers (Singapore) Pte Ltd, an associate (March 31, 2021: Rs. 405,303 lakhs) for various fund and nonfund based facility availed by them. Also refer note iii below:

Notes to Standalone financial statements for the year ended March 31, 2022

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

(iii). Lenders of GVK Coal Developers (Singapore) Pte Ltd. (i.e. Hancock Lenders) have filed a claim in the High Court of Justice Business and Property Courts of England And Wales Commercial Court ("Claim") on date: November 09, 2020. In the Claim, the Hancock Lenders have sought to recover the amounts advanced to GVK Coal Developers. Subsequently, GVK entities (GVK Coal Developers, GVK Power and Infrastructure Limited) filed a reply to the claim ("Defence"). The Company's defence had the following key components:

a. The Company pleaded that the Interim Solution Undertaking (ISU) executed by the Hancock Lenders contained implied terms regarding GVK's payment obligations pursuant to the Facility Agreements executed between GVK and Hancock Lenders. As per the implied terms, the Hancock Lenders could not enforce such obligations until March 29, 2022.

b. Additionally, in the Claim the Hancock Lenders had cited certain alleged events of default in relation to the obligation to obtain the mining lease for the projects acquired in Australia and the obligation to perfect the security created in Australia. The Company agreed that these obligations were not satisfied within the required timelines. However, the Company denied that these omissions could be relied upon because (a) the Hancock Lenders had earlier decided there was no event of default, further or alternatively (b) there is one or more species of estoppel that applies.

c. There were other matters in relation to the calculation of amounts due and fees chargeable, which GVK had refuted.

A reply by the Hancock Lenders to the Defense was filed on April 7, 2021. In the reply, the Hancock Lenders argued that such terms (as mentioned in a above) could not be implied in the ISU and also countered the other points. As per the procedure of the courts in London, a Case Management Conference ("CMC") was held on June 25, 2021. During the CMC, the Court went through the proposed timelines for the case. An order was subsequently pronounced, which entails the start of the trial on June 13, 2022.

On January 12, 2021, the Company has made a without prejudice offer to the Hancock lenders for one time settlement. The Company believes that in view of the offer and following the arrangement with Adani and the handover of MIAL to Adani, a resolution to the liabilities owed to Hancock Lenders will be found before June 2022. Also refer note 39 and 46 to the financial statements.

28. Employee benefits

A) Defined contribution plan

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contribution to provident fund recognised as expense in the Statement of Profit and Loss	4	6

B) Disclosures related to defined benefit plan

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employees who have completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Net employee benefit expense (included under employee benefit expenses)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current Service Cost	-	1
Interest expense	(2)	(2)
Net employee benefit expenses	(2)	(1)

ii) Amount recognised in the Balance Sheet

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Defined benefit obligation	16	17
Fair value of plan assets	47	44
Net Plan Liability/(Asset)*	-	*

*Plan assets has been recognised only to the extent of obligation.

Notes to Standalone financial statements for the year ended March 31, 2022

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

iii) Changes in the present value of the defined benefit obligation for Gratuity are as follows

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening defined benefit obligation	17	16
Current service cost	-	1
Interest cost	-	1
Benefits paid	-	-
Net Actuarial (gains)/losses on obligation for the year recognised under OCI	(1)	(1)
Closing defined benefit obligation	16	17

iv) Changes in fair value of plan assets

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening fair value of plan assets	44	41
Expected return	3	3
Closing fair value of plan assets	47	44

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Scheme of Insurance- Conventional products	100%	100%

v) Amount recognised in statement of other comprehensive income (OCI):

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening amount recognised in OCI	(1)	-
Remeasurement for the year - Obligation gain/(loss)	-	(1)
Closing amount recognised in OCI	(1)	(1)

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate	6.50%	6.20%
Expected rate of return on assets	6.50%	6.20%
Salary rise	6.00%	6.00%
Attrition Rate	10.00%	10.00%

1. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
2. The expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

Expected benefit payments for the year ending:

	Year ended March 31, 2022	Year ended March 31, 2021
Within next 12 months	2	2
Between 2 and 5 years	18	18
Beyond 5 years	3	1

Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption as at year end is as shown below:

Assumptions	Year ended March 31, 2022	Year ended March 31, 2021
(a) Effect of 1% change in assumed discount rate		
- 1% increase	(0)	(1)
- 1% decrease	0	1
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	0	0
- 1% decrease	(0)	(0)
(c) Effect of 1% change in assumed employee attrition rate		
- 1% increase	0	0
- 1% decrease	(0)	(0)

Notes to Standalone financial statements for the year ended March 31, 2022

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

29. In respect of the amounts mentioned under section 125 of the Companies Act, 2013 there are no dues that are to be credited to the Investor Education and Protection Fund as at the year end.

30. Related Parties

(a) Related parties where control exists	
GVK Airport Developers Limited #	Subsidiary (Till July 13, 2021)
GVK Airport Holdings Limited #	Subsidiary (Till July 13, 2021)
Mumbai International Airport Limited #	Subsidiary (Till July 13, 2021)
Navi Mumbai International Airport Limited #	Subsidiary (Till July 13, 2021)
Bangalore Airport & Infrastructure Developers Limited #	Subsidiary (Till July 13, 2021)
GVK Airports International Pte Ltd	Subsidiary
GVK Airport Services Private Limited	Subsidiary
PT.GVK Services, Indonesia	Subsidiary
GVK Transportation Private Limited	Subsidiary
GVK Jaipur Expressway Private Limited	Subsidiary
Sutara Roads & Infra Limited	Subsidiary
GVK Deoli Kota Expressway Private Limited	Subsidiary
GVK Shivpuri Dewas Expressway Private Limited	Subsidiary
GVK Bagodara Vasad Expressway Private Limited	Subsidiary
GVK Developmental Projects Private Limited	Subsidiary
GVK Ratle Hydro Electrical Projects Private Limited	Subsidiary
GVK Perambalur SEZ Private Limited	Subsidiary
GVK Power (Khadur Sahib) Private Limited	Subsidiary (From February 07, 2022)
GVK Energy Limited	Subsidiary (From February 03, 2022)
GVK Industries Limited	Subsidiary (From 03-Feb-22 to 31-Mar-2022)
Alaknanda Hydro Power Company Limited	Subsidiary (From February 03, 2022)
GVK Power (Goindwal Sahib) Limited	Subsidiary (From February 03, 2022)
GVK Coal (Tokisud) Company Private Limited	Subsidiary (From February 03, 2022)
(b) Related parties where joint control exists	
GVK Gautami Power Limited	Jointly Control Entity (JCE) of Subsidiary
Mumbai Aviation Fuel Farm Facility Private Limited #	JCE (Till July 13, 2021)
Mumbai Airport Lounge Services Private Limited #	JCE (Till July 13, 2021)
# Clasified as held for Sale	
(c) Associates	
GVK Coal Developers (Singapore) Pte Ltd	Associate
Seregraha Mines Limited	Associate of Subsidiary
(d) Key management personnel	
Dr. GVK Reddy	Non-Executive Chairman
Mr. G V Sanjay Reddy	Director
Mr. Krishna R Bhupal	Director
Mr. A Issac George	CFO & Director
Mr. P V Prasanna Reddy	Director
Mr. P V Rama Seshu	Vice President & Company Secretary

Notes to Standalone financial statements for the year ended March 31, 2022

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

(e) Enterprises over which the key management personnel exercise significant influence and with whom there are transactions during the year	
TAJ GVK Hotels & Resorts Limited	
Orbit Travels & Tours Private Limited	
GVK Technical & Consultancy Services Private Limited	
Pinakini Share and Stock Broker Limited	
Paigah House Hotels LLP	
Crescent EPC Projects and Technical Services Limited	

31. Disclosures pursuant to the Regulation 34(3) read with paragraph A of Schedule V to SEBI Listing Regulations, 2015

Details of loan given to subsidiaries, associates, parties in which directors are interested:

Subsidiaries	Year ended March 31, 2022	Year ended March 31, 2021
i) GVK Perambalur SEZ Private Limited		
Balance as at the year end	10,229	9,620
Maximum amount outstanding during the year	10,229	9,620
The aforesaid loan is repayable at the option of the subsidiary.		
ii) GVK Transportation Private Limited		
Balance as at the year end	11	9,264
Maximum amount outstanding during the year	9,264	9,264
The aforesaid loan is repayable on demand		
iii) GVK Jaipur Expressway Private Limited		
Balance as at the year end	500	-
Maximum amount outstanding during the year	500	-
The aforesaid loan is repayable on demand		
v) GVK Energy Limited		
Balance as at the year end	11,297	10,314
Maximum amount outstanding during the year	11,297	10,314
The aforesaid loan is repayable on demand		
vi) GVK Industries Limited		
Balance as at the year end	-	139
Maximum amount outstanding during the year	139	139
The aforesaid loan is repayable on demand		
vii) GVK Power (Goindwal Sahib) Limited		
Balance as at the year end	15	15
Maximum amount outstanding during the year	15	15
The aforesaid loan is repayable on demand.		
viii) GVK Airport Developers Limited		
Balance as at the year end	-	69
Maximum amount outstanding during the year	69	69
The aforesaid loan is repayable on demand.		

Notes to Standalone financial statements for the year ended March 31, 2022

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

32. Details of trade receivables due from subsidiary companies in which Company's director is a director.

Mumbai International Airport Limited is Nil (March 31, 2021 Rs. 110 Lakhs).

Navi Mumbai International Airport Private Limited is Nil (March 31, 2021 Rs. 1,917 Lakhs).

A. Details of related party transactions during the year:

	March 31, 2022	March 31, 2021
Fees for services rendered (Includes Corporate guarantee commission income)		
GVK Energy Limited	16	35
GVK Airport Developers Limited	-	615
Mumbai International Airport Private Limited	-	1,016
Navi Mumbai International Airport Private Limited	-	1,050
GVK Jaipur Expressway Private Limited	1,000	152
Reimbursement of expenses (Billable expenses)		
GVK Energy Limited	13	-
GVK Industries Limited	1	0
GVK Gautami Power Limited	0	0
Alaknanda Hydro Power Company Limited	26	0
GVK Power (Goindwal Sahib) Limited	47	0
GVK Airport Developers Limited	-	0
GVK Developmental Projects Private Limited	0	0
GVK Airport Holdings Pvt Ltd	-	0
Sutara Roads & Infra Limited	-	0
GVK Jaipur Expressway Private Limited	18	0
GVK Technical & Consultancy Services Private Limited	-	0
Crescent EPC Projects and Technical Services Limited	1	0
Services received		
GVK Airport Developers Limited	-	14
GVK Airport Holdings Pvt Ltd	-	28
Sutara Roads & Infra Limited	8	12
GVK Developmental Projects Private Limited	7	9
TAJ GVK Hotels & Resorts Limited	3	0
Orbit Travels & Tours Private Limited	-	1
GVK Technical & Consultancy Services Private Limited	556	92
Pinakini Share and Stock Broker Limited	-	8
Purchase of Asset		
GVK Airport Developers Limited	8	-
Rent		
Paigah House Hotels LLP	4	4
Interest income on financial assets		
GVK Airport Developers Limited	-	745
GVK Jaipur Expressway Private Limited	6	-
Director sitting fees		
Dr. GV Krishna Reddy	1	0
Mr. GV Sanjay Reddy	1	0
Mr. Krishna R Bhupal	1	0

Notes to Standalone financial statements for the year ended March 31, 2022

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

	March 31, 2022	March 31, 2021
Mr. S Balasubramanian	3	1
Mr. Anil Kumar Reddy	2	1
Ms. Rama Rao	1	-
Mr. A. Rajashekar	3	1
Mr. Ilyas Ghulam Hussain Ghouse (With effect from January 01, 2022)	1	-
Mr. S Anwar (Till November 10, 2021)	0	0
Ms. Sudha Vasanth (Till September 09, 2020)	-	0
Advances and Investments (Including deemed) written off/Provision for impairment		
GVK Energy Limited	-	25,100
GVK Transportation Private Limited	-	26
GVK Airports International Pte. Ltd	669	-
Unearned guarantee commission liability written back		
GVK Jaipur Expressway Private Limited	76	-
GVK Airport Developers Limited	609	-
Purchase of Preference shares		
Sutara Roads & Infra Limited	94,080	-
Investments in Debentures		
Sutara Roads & Infra Limited	25,000	-
Investments in Equity		
GVK Energy Limited	199	-
GVK Transportation Private Limited	-	26
GVK Developmental Projects Private Limited	-	10
GVK Airports International Pte. Ltd	-	669
Sutara Roads & Infra Limited	-	5
GVK Shivpuri Devas Expressway Private Limited	1	-
GVK Power (Khadur Sahib) Private Limited	1	-
Loans/advances given/expenditure incurred on behalf		
GVK Energy Limited	11,523	10,335
GVK Industries Limited	8	21
GVK Airport Developers Limited	131	69
GVK Transportation Private Limited	298	9,857
GVK Perambalur SEZ Private Limited	609	382
GVK Jaipur Expressway Private Limited	500	-
Loans/advances recovered		
GVK Energy Limited	10,590	147
GVK Industries Limited	149	35
GVK Gautami Power Limited	3	-
GVK Airport Developers Limited	58	49
GVK Transportation Private Limited	9,551	653

GVK

Notes to Standalone financial statements for the year ended March 31, 2022
(All amounts are in Indian Rupees Lakhs except for share data or otherwise stated)

	March 31, 2022	March 31, 2021
Loan taken		
Sutara Roads & Infra Limited	5,000	24,995
Loan repaid		
GVK Developmental Projects Private Limited	33,303	1,753
GVK Jaipur Expressway Private Limited	-	83
Guarantees released		
GVK Airport Developers Limited	224,257	-
GVK Jaipur Expressway Private Limited	23,626	10,591
GVK Ratle Hydro Electric Project Private Limited	26,472	-
B Year end balances - Receivables/ (Payables)		
GVK Energy Limited	11,320	10,314
GVK Industries Limited	0	141
GVK Gautami Power Limited	0	3
Alaknanda Hydro Power Company Limited	28	2
GVK Power (Goindwal Sahib) Limited	56	23
GVK Airport Developers Limited	-	69
GVK Airport Holdings Pvt Ltd	-	0
Mumbai International Airport Private Limited	-	110
Navi Mumbai International Airport Private Limited	-	1,917
GVK Transportation Private Limited	11	9,264
GVK Jaipur Expressway Private Limited	1,605	0
Sutara Roads & Infra Limited	-74,500	-36,802
GVK Bagodara Vasad Expressway Private Limited	5	5
GVK Deoli Kota Expressway Private Limited	2	2
GVK Perambalur SEZ Private Limited	10,229	9,620
GVK Developmental Projects Private Limited	-412	-33,709
GVK Ratle Hydro Electric Project Private Limited	-	0
TAJ GVK Hotels & Resorts Limited	-0	-0
Orbit Travels & Tours Private Limited	-	-0
GVK Technical & Consultancy Services Private Limited	-32	-48
Crescent EPC Projects and Technical Services Limited	1	1
Corporate Guarantee (Loan outstanding)		
GVK Energy Limited	3,100	3,100
GVK Jaipur Expressway Private Limited	9,878	33,504
GVK Airport Developers Limited	-	224,257
GVK Ratle Hydro Electric Project Private Limited	-	26,472
GVK Coal Developers (Singapore) Pte Limited	420,654	405,303
Pledge of Investment (no. of shares)		
GVK Energy Limited	225,843,130	225,843,130
GVK Airport Developers Limited	48,000,000	183,000,000
GVK Coal Developers (Singapore) Pte Limited	226,082,500	226,082,500

Note:

a. Refer note 50 for equity commitments

b. The loans/ advances and guarantees have been provided to meet normal business needs of the respective entity.

Notes to Standalone financial statements for the year ended March 31, 2022

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

33. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, borrowings including interest accrued on borrowings, less cash and short-term deposits.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Borrowings including interest accrued on borrowings (refer note 15)	36,838	70,518
Less: Cash and short-term deposits (refer note 9)	(4,034)	(57)
Less: Investments in mutual funds (refer note 7)	(144,393)	(2,119)
Net debt	**(111,589)**	**68,342**
Equity share capital	15,792	15,792
Other Equity	70,859	65,272
Total Equity	**86,651**	**81,064**
Gearing ratio (Net Debt/ Total Equity)	**(1.29)**	**0.84**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. The company has delayed repayment of dues to banks and financial institutions during the year. Hence, the entire portion of long term borrowing has been classified as current.

The Company has delayed repayment of dues to banks during the year. The following is the summary of delays as per settled terms:

Particulars	Delay in days	Status	Amount
March 31, 2022	-	-	-
March 31, 2021			
Principal payment on loans from bank - Axis Bank	above 365	Paid	898
Interest on loans from bank - Axis Bank	above 365	Paid	1,963

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022.

34. Fair values

The management assessed that the fair value of loans given, trade receivables, cash and cash equivalents, other financial assets, short term borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities or interest bearing nature of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

a) Financial instruments by category

	Level	March 31, 2022		March 31, 2021	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Measured at amortised cost					
Non current					
Investments	3	7,136	7,136	-	-
Current:					
Trade receivables	3	1,199	1,199	2,050	2,050
Loans	3	11,829	11,829	19,803	19,803

Notes to Standalone financial statements for the year ended March 31, 2022
(All amounts are in Indian Rupees Lakhs except for share data or otherwise stated)

	Level	March 31, 2022		March 31, 2021	
		Carrying value	Fair value	Carrying value	Fair value
Other financial assets	3	6	6	18	18
Cash and cash equivalents	3	4,034	4,034	57	57
Mandatorily measured at fair value through profit or loss					
Investments	1	144,393	144,393	2,119	2,119
Financial liabilities					
Measured at amortised cost					
Current					
Borrowings	3	36,838	36,838	70,518	70,518
Trade payables	3	1,212	1,212	201	201
Other financial liabilities	3	129,257	129,257	-	-

Level 1: Level 1 hierarchy includes financial instruments measuring using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification asset included in level 3.

b) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

- The fair value of investment in mutual funds is measured at quoted price or NAV.

- The fair values for non-current investments, other non-current financial assets and borrowings are based on discounted cash flows using a borrowing rate at the date of transition. They are classified as level 3 fair values in their fair value hierarchy due to the use of unobservable inputs, including own credit risk.

35. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

i. Determination of control and accounting thereof

As detailed in the accounting policy, principles under Ind AS are different from the previous GAAP, especially with respect to assessment of control of subsidiaries. Accordingly certain entities like GVK Energy Limited, where the company has majority shareholding, have been accounted as joint venture entity on account of certain participative rights granted to other partners/ investors under the shareholding agreements. Further, investment in GVK Coal Developers (Singapore) Pte. Ltd has been accounted as associate since the company participates in all significant financial and operating decisions. The company has therefore determined that it has significant influence over this entity, even though it only holds 10% of the voting rights.

Under Ind AS, joint ventures are accounted under the equity method as per Ind AS 28.

ii. Impairment of non-current assets including investments in subsidiaries, joint ventures and associates

Determining whether investment are impaired requires an estimation of the value in use of the individual investment or the relevant cash generating units. The value in use calculation is based on Discounted Cash Flow ('DCF') model over the estimated useful life of the power plants, concession on roads etc. Further, the cash flow projections are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc in case of investments in entities in the energy business, estimation of passenger traffic and rates and outcomes of litigations, and settlements that may be reached with lenders which are considered as reasonable by the management and significant uncertainties faced including absence of financial closure in respect of GVK Coal Developers (Singapore) Pte Ltd.

Based on such determination the Company has imparied carrying value of its investment in GVK Energy Limited Nil (March 31, 2021: Rs 25,100 Lakhs) , GVK Transportation Private Limited Nil (March 31, 2021: Rs 26 Lakhs) and GVK Airports International Pte. Ltd Rs 669 Lakhs (March 31, 2021: Nil).

iii. Also refer note 56 on significant judgement on going concern ability of the Company.

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has prepared financial statements based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(ii) Defined employee benefit plans (Gratuity)

The The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 28.

(iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iv) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, and the useful lives are in line with the useful lives prescribed under Schedule II of the Companies Act, 2013.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

Notes to Standalone financial statements for the year ended March 31, 2022

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

36 Financial risk management objectives and policies

Financial Risk Management Framework

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A Price risk

The company's exposure to investment in mutual funds are subject to price and classified in the balance sheet as fair value through profit or loss.

Sensitivity

The table below summaries the impact of increase/decrease of the index on the company's investment in mutual fund and profit/(loss) for the year.

Particulars	Impact on Profit after tax		Impact on other components of equity	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Increase by 1%	1,444	21	-	-
Decrease by 1%	(1,444)	(21)	-	-

B Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans and other financial assets. Trade receivables, Financial guarantee receivables (Other financial assets) and Loans given by the Company result in material concentration of credit risk as these are with related parties.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 13,035 lakhs (March 31, 2021: Rs. 21,871 lakhs), being the total of the carrying amount of balances with trade receivables, Loans and Other financial assets.

Trade receivables, Other financial assets, Loans given:

An impairment analysis is performed at each reporting date. The Company does not hold collateral as security. Impairment analysis takes into account historical credit loss experience and adjusted for forward-looking information. Significant portion of trade receivables, other financial assets and loans given comprise receivables from related parties and not subject to significant credit risk based on past history.

C. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	On Demand	Within 12 months	After 12 months	Total
Year ended March 31, 2022				
Borrowings	36,838	-	-	36,838
Other financial liabilities	-	129,257	-	129,257
Trade payables	-	1,212	-	1,212
Total	**36,838**	**130,469**	**-**	**167,307**

Notes to Standalone financial statements for the year ended March 31, 2022

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

Particulars	On Demand	Within 12 months	After 12 months	Total
Year ended March 31, 2021				
Borrowings	70,518	-	-	70,518
Other financial liabilities	-	-	-	-
Trade payables	-	201	-	201
Total	**70,518**	**201**	**-**	**70,719**

* Based on maximum amount that can be called for under the financial guarantee contract.

D. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, investments, other financial assets and other financial liabilities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. As the Company has debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are substantially dependent of changes in market interest rates.

As the company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings. With all other variables held constant, the Company's profit/(loss) before tax is affected through impact on floating rate borrowings, as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Change in Interest Rate		
-increase by 50 basis points	-	-
-decrease by 50 basis points	-	-

Foreign Currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's investment in foreign entity and financial asset/liability in relation to foreign entity in respect of financial guarantee. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. The Company has not entered into derivative instruments during the year.

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	In USD (in Lakhs)		In Rupees Lakhs	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Investments*	-	9	-	669
Other financial liability	-	-	-	-
Other financial assets	-	-	-	-

* Amount in INR is at basis the amortised cost valuation.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rate, with other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Rs. in Lakhs

Change in USD rate	Year ended March 31, 2022	Year ended March 31, 2021
5%	-	33
-5%	-	(33)

Notes to Standalone financial statements for the year ended March 31, 2022

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

37. Segment reporting

In accordance with Indian Accounting Standard (Ind AS) 108 on Operating segments, segment information has been given in the consolidated financial statements of the Company, and therefore no separate disclosure on segment information is given in these financial statements.

38.Ratios

S No.	Ratio	Formula	Particulars		31 March 2022		31 March 2021		Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	31 March 2022	31 March 2021		
1	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	161,980	167,641	24,078	71,504	0.97	0.34	1.87	Sale of Investments in Airport vertical
2	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes – Preference Dividend	Shareholder's Equity	5,587	86,651	(20,624)	81,064	0.06	(0.25)	(1.25)	Impairment of non-current investments is higher in the last year
3	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	1,000	1,625	2,066	1,427	0.62	1.45	(0.57)	Decrease in sales and increase in receivables
4	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets – Current liabilities	1,000	(26,544)	2,066	(49,583)	-0.04	-0.04	(0.10)	
5	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	5,587	1,000	(20,624)	2,066	5.59	-9.98	(1.56)	Impairment of non-current investments is higher in the last year
6	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	5,687	89,346	(20,575)	83,759	0.06	-0.25	(1.26)	Impairment of non-current investments is higher in the last year
7	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	5,587	86,651	(20,624)	81,064	0.06	-0.25	(1.25)	Impairment of non-current investments is higher in the last year

39. Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

40. Details relating wilful defaulter

The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

41. The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

Notes to Standalone financial statements for the year ended March 31, 2022

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

42. Corporate Social Responsibility Expenditure

The compnay is not required to spend on Corporate Social Responsibility (CSR) in view of the continuing losses during the last three years.

43. Relationship with Struck off Companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

44. The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

45. Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

46. Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

47. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

48. Social Security Code, 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

49. The following disclosures shall be made where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/ Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date	% of Total	Amount outstanding as at the balance sheet date	% of Total
Related Parties	Individually	Yes	No	11,829	100%	19,803	100%
Total of Loan and Advances in the nature of Loan (Refer Note 10)				11,829		19,803	

50. The Company 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 Company has also given guarantees and commitments for loans amounting Rs. 858,478 lakhs (March 31, 2021: Rs. 827,149 lakhs) taken by GVK Coal as at March 31, 2022 part of which is collateralized by the pledge of 37% shares of GVK Airport Holdings Limited, and has also undertaken to provide financial assistance of USD 3.11 million (Rs. 2,358 lakhs) as at March 31, 2022, an entity whose current liabilities exceeds current assets by USD 2,459 million (Rs. 1,864,024 lakhs) as at June 30, 2021 and the entity has also incurred net losses of USD 48 Million (Rs.35,616 Lakh) for the year ended June 30, 2021 (June

30, 2020; USD 317 Million (Rs.236,200 Lakh)) based on the unaudited financial statements. GVK Coal is witnessing various 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 undertaking by the lenders dated March 23, 2017, the lenders cannot enforce such obligation until March 29, 2022. The respective arguments of the lenders and the Company were filed with the court and an order has been pronounced which entails start of the trial on June 13, 2022.

The Company is hopeful of achieving one time settlement with the lenders in view of its arrangement with Adani Airport Holdings Limited (AAHL) which is adequately incentivised to 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.

The Company has provided for impairment of Rs 79,048 Lakhs for full value of its investment and receivable in the absence of any certainty of realization either by use or from the settlement that may be reached.

51. Till 3rd February 2022, GVK Energy Ltd (GVKEL) has been considered as jointly controlled entity under IND - AS 28 "Investment in associate and joint venture", based on the protective rights available to the other investors of GVKEL. As on 4th February 2022, the parent company (GVKPIL) has acquired the control over the operations of GVKEL from those Investors as per the Termination Agreement dated 3rd February 2022 resulting in relinquishment of protective rights available to investors. GVKPIL has also bought 11,72,46,622 shares of GVKEL from those Investors under this agreement. Accordingly, GVKEL and its group companies (Energy group) are considered as Subsidiary of the GVKPIL w.e.f. 4th February 2022.

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

a) 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 company of GVKEL and mine operator 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. The GVKEL has also given corporate guarantee for the loan taken by GVKCTPL. The nominated authority under the Ministry of Coal vide its order dated 16th March 2022 has further approved and released compensation of Rs.13,867 lakhs. Out of this an amount of Rs.8,883 lakhs have been deposited by nominated authority in interest bearing account with Registrar General of the Court as per the directions of the high court of Delhi dated 11th April 2022 and an amount of Rs.4,984 lakhs have been paid to lenders by nominated authority towards the balance dues payable as per the claims made by the lenders as on the date of vesting orders less the amount already paid to the lenders. Nominated authority has advised in the above order to approach Coal Tribunal in respect of disputes including the compensation disallowed with regard to R&R costs.

   Management believes that GVKCTPL will be appropriately reimbursed for cancelled coal mine and accordingly no provision is required towards corporate guarantee given by GVKEL for loan taken by GVKCTPL and carrying value (Balance of claims) of Rs 6,015 Lakhs .

b) Uncertainty is being faced by coal based Thermal Power plant with carrying value of assets aggregating to Rs. 381,412 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.

Notes to Standalone financial statements for the year ended March 31, 2022

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

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 only 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 orders are reserved on April 27, 2022.

Further based on the valuation performed, GVK Energy has made a provision for diminution of investments to the extent of Nil & Rs. 108,210 lakhs during the year ended March 31, 2022 & March 31, 2021 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. 381,412 Lakhs.

c) There has been uncertainty regarding supplies/availability of gas to power plant of GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL. The company has incurred losses of Rs. 37,439 Lakhs during the year ended March 31, 2022 (March 31, 2021: Rs. 32,940 Lakhs). The lenders have classified the loan balances of the company as Non-Performing Assets. The GVKGPL is confident that Government of India will continue to take necessary steps/initiatives to improve the situation of natural gas. However, in the interim the GVKGPL is working with the lenders for one-time settlement proposal wherein the loans would be settled at the value of the plant to be realised on its sale to AP DISCOM. 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 the GVKGPL continues 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. The GVKEL has also given corporate guarantee for the loan taken by GVKGPL. The GVKEL believes that no provision for impairment/diminution is required towards carrying value of assets aggregating to Rs. 82,799 Lakhs of GVKGPL and also no provision towards corporate guarantee given by GVKEL to GVKGPL is necessary.

Trade receivables of GVK Gautami Power Limited, includes outstanding minimum alternate tax amounts claims for reimbursement under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2009-10 to 2010-11, aggregating to Rs. 1,500 Lakhs (March 31, 2021: Rs. 1,500 Lakhs) which has been disputed by AP Transco/ subject to approvals.

d) There has been uncertainty regarding supplies/availability of gas to power plant of GVK Industries Limited (GVKIL), subsidiary company of GVKEL. The company has made losses of Rs.14,767 Lakhs for the year ended March 31, 2022 (March 31, 2021: Rs. 13,572 Lakhs). The lenders have taken possession of immoveable and other properties of the entity and have subsequently sold some immoveable and moveable assets, exercising the powers of Sec 13(4) of the SARFAESI Act. The facts have been recorded in the minutes of the JLM held on 31st March, 2022. In the light of the above events the group has reassessed its control over the subsidiary as at March 31,2022 and has concluded that it has lost control over GVKIL. Consequently, the assets and liabilities of the subsidiary have been deconsolidated, as at the balance sheet date(March 31, 2022), as required as per Para 25 of the Ind AS 110 Consolidated Financial Statements.

The assets and liabilities deconsolidated as at the balance sheet date are as follows:

Value of assets as at 31-03-2022	-51,555 lakhs
Value of liabilities as at 31-03-2022	92,791 lakhs
Equity Share Capital as at 31-03-2022	24,480 lakhs
Amount already recognised in consolidated FS in previous year	-37,518 lakhs
Net amount recognised as exceptional gain	**28,198 lakhs**

Also, subsequently The Hon'ble NCLT, Hyderabad vide its Order dated 21st April 2022, has admitted the petition filed by a financial creditor against the company and has ordered the commencement of the Corporate Insolvency Resolution Process (CIRP) and appointed the Interim Resolution Professional (IRP) for carrying out the process.

e) The company (GVKPIL) has assessed and based on the valuation carried out and other relevant factors, no provision is considered necessary in standalone books of accounts of GVKPIL towards the carrying value of investment of Rs 74,122 Lakhs (March 31, 2021 Rs.73923 Lakhs).

Notes to Standalone financial statements for the year ended March 31, 2022

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

f) The 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 corporate guarantees given by GVKPIL to GVKEL is required considering the overall evaluation of the Subsidiary company.

52. The company has made an investment in GVK Transportation Private Limited (GVKTPL) amounting to Rs. 4,977 lakhs (Includes deemed investment of Rs. 1,181 lakhs) and given a loan amounting to Rs. 11 lakhs as at March 31, 2022. Considering that the Company does not have a certainty over the cash flows and timing of such cash flows in the underlying projects of GVKTPL, the Company has carried out an impairment assessment of its carrying value of investment and other receivables on a value in use basis.

GVKTPL has further made investments into three subsidiaries out of which two subsidiaries are facing uncertainties, detailed as follows:

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 67,389 lakhs till March 31, 2022 (March 31, 2021: Rs 67,374 lakhs), comprising Rs 58,919 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. 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 the same , 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 and the hearing was concluded . Tribunal reserved for orders on 20-05-2022 and directed Parties to file written arguments on or before 30-06-2022.

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 July 07, 2022.

Notes to Standalone financial statements for the year ended March 31, 2022

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

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 DKEPL. 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.

Based on such assessment management has made an impairment provision amountng to Rs 26 Lakhs & Rs. 4,951 lakhs (which includes investments of Rs. 3,770 lakhs and deemed investment of Rs. 1,181 lakhs) for the year ended March 31, 2021 & March 31, 2020 respectively. Such assessment remains sensitive to a range of assumptions including outcome of arbitrations, impact of COVID on continuing contracts, forecasted growth and pre tax discount rates etc.

53. GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company. The Company has an investment and has receivables (Loan given to subsidiaries classified as equity) aggregating to Rs 10,230 Lakhs (March 31, 2021: Rs 9,621 Lakhs). 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 54). However, Hon'ble High Court of Telangana has stayed the proceedings by issuing Show Cause Notice to ED.

54. 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.

55. 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 its financial statements for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. The financial statements for the year ended March 31, 2020 and march 31,2021 respectively were approved at the AGM held on October 29, 2021, and 25th February 2022 respectively. The company has applied for condonation 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 for which approval is awaited.

As per the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the parent Company has defaulted and 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, June 30, 2021 and September 30, 2021 to the Exchanges with delays.

Notes to Standalone financial statements for the year ended March 31, 2022
(All amounts are in Indian Rupees Lakhs except for share data or otherwise stated)

56. As at March 31, 2022, the Company had accumulated losses and in the preceding years. The Company has provided guarantees and commitments and/or has undertaken to provide financial assistance on behalf of various entities and as further detailed in notes 50, 51, 52(a) and 52(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 power plant in the absence of gas and litigations on rights to claim capacity charge, re-negotiation of terms of PPA and litigation with respect to tariff of coal based power plant, arbitration on delay of commencement of road projects, termination of various projects etc . These factors 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.

57. The Company and its erstwhile 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. 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.

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.

GVKPIL has sold its majority holding in GVKADL to AAHL and AAHL has acquired and hold the securities as per Para (ii) above at the end of the financial year. The management of the group considered GVKPIL as beneficial owner of the Optionally Convertible Debentures (OCDs) of Rs.137,464 Lakhs held by AAHL as per Para (ii) above in view of the terms of arrangement. Accordingly, the securities held in the name of AAHL have been classified as Current Investments of GVKPIL at Rs.137,464 Lakhs in the standalone financial statements in the financial statements.

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.

58. Assets held for sale

Considering the above note 47, based on the binding agreement between the Company, GVK ADL (the holding company of GVKAHL) and Adani Airport Holdings Limited dated August 31, 2020, the management has evaluated the criteria as per Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, and is of the view that the Airport vertical is considered as "Held for sale" upto July 13, 2021.

Notes to Standalone financial statements for the year ended March 31, 2022

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

59. The Board of Directors has approved the scheme of amalgamation in their meeting 23rd March, 2022 for with regard to Amalgamation of

- GVK Airport Services Private Limited (Transferor Company -1),
- GVK Power (Khadur Sahib) Private Limited (Transferor Company -2),
- GVK Shivpuri Dewas Expressway Private Limited (Transferor Company -3),
- Sutara Roads & Infra Limited (Transferor Company -4)
- GVK Power & Infrastructure Limited (Transferee Company)

60. Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the standalone financial statements have been rounded off or truncated as deemed appropriate by the management of the Company.

61. Previous year's figures have been regrouped/reclassified , wherever necessary, to conform to the current year's classification.

For T R Chadha & Co LLP, Chartered Accountants
Firm registration number: 006711N/N500028

Aashish Gupta
Partner
Membership No.097343

Place: Hyderabad
Date: May 27, 2022

For and on behalf of the Board of Directors of
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

A Issac george
Director & CFO
DIN: 00005456

P V Rama Seshu
Vice President & Company Secretary

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