



14th November, 2019

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

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

Dear Sir,

Sub : Un-audited Financial results for the quarter and half year ended 30th September, 2019.

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

With reference to the subject stated above, we are enclosing herewith the un-audited financial results of our company for the quarter and half year ended 30th September, 2019 along with a limited review report from the Statutory Auditors of the Company. The said results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 13th November, 2019 and 14th November, 2019.

The Board Meeting commenced at 11:30 a.m and concluded at 3:45 p.m

Please acknowledge receipt of the above.

Thanks & regards,

For GVK Power & Infrastructure Ltd

**P V Rama Seshu
AVP & Company Secretary**



GVK Power & Infrastructure Limited
CIN: L74999AP2005PLC059013
Registered office: Paigah House, 156-159, Sardar Patel Road, Secunderabad-500 003 (Telangana)
Phone No: 040-2790 2663/64, Fax: 040-2790 2665
Website: www.gvk.com; Email: sanjeevkumar.singh@gvk.com
Statement of Standalone Financial Results for the quarter and Half year ended September 30, 2019

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended (Unaudited)			Half year ended (Unaudited)		Year ended (Audited)
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
1	Income						
	Revenue from operations	844	846	314	1,690	627	2,321
2	Other income	1,966	2,400	1,619	4,366	3,690	7,710
3	Total revenue	2,810	3,246	1,933	6,056	4,317	10,031
4	Expenses						
	Employee benefit expenses	46	104	9	150	18	211
	Other expenses*	101	174	119	1,275	224	5,144
	Fair value loss on Investments	1,000	-	-	-	54	50
	Depreciation	5	5	3	10	6	12
	Finance costs	158	897	337	1,055	730	1,248
	Total Expenses	1,310	1,180	468	2,490	1,032	6,665
5	Profit/(loss) from ordinary activities but before exceptional items (3-4)	1,500	2,066	1,465	3,566	3,285	3,366
6	Exceptional items	-	-	-	-	-	-
7	Profit/(loss) from ordinary activities (5-6)	1,500	2,066	1,465	3,566	3,285	3,366
8	Tax Expenses	14	-	235	14	444	(8,028)
9	Profit/(loss) from ordinary activities after tax (7-8)	1,486	2,066	1,230	3,552	2,841	11,394
10	Other comprehensive income (net of tax)	-	-	-	-	-	-
11	Total comprehensive income (after tax) (9+10)	1,486	2,066	1,230	3,552	2,841	11,394
12	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792	15,792
13	Earnings per share (EPS)						
	a) Basic (in Rs.)	0.09	0.13	0.08	0.22	0.18	0.72
	b) Diluted (in Rs.)	0.09	0.13	0.08	0.22	0.18	0.72

* Includes impairment loss in relation to carrying value of investment in an associate Company of Rs. 4,403 lakhs during the year ended March 31, 2019.



Place: Hyderabad
Date: November 14, 2019



GVK Power & Infrastructure Limited
Prasanna Reddy
Whole-time Director

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

	As at Sep 30, 2019	As at March 31, 2019
Assets		
Non-current assets		
Property, plant and equipment	82	91
Financial assets		
Investments	237,216	234,837
Loans	5	5
Other financial assets	2,419	933
Non Current tax assets (net)	2,646	3,830
Other non-current assets	13	13
	<u>242,381</u>	<u>239,710</u>
Current assets		
Financial assets		
Investments	481	1,567
Trade receivables	917	355
Cash and cash equivalents	153	49
Loans	266	322
Other financial assets	3,373	2,248
Other current assets	60	37
	<u>5,250</u>	<u>4,578</u>
Total	<u>247,631</u>	<u>244,288</u>
Equity and Liabilities		
Equity		
Equity share capital	15,792	15,792
Other equity	172,265	168,711
	<u>188,057</u>	<u>184,503</u>
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	-	-
Unearned financial guarantee liability	7,494	5,221
	<u>7,494</u>	<u>5,221</u>
Current liabilities		
Financial liabilities		
Borrowings	47,404	47,142
Trade payables		
• Total outstanding dues of micro enterprises and small	-	-
• Total outstanding dues of creditors other than micro		
enterprises and small enterprises	161	208
Other financial liabilities	4,459	7,079
Provisions	8	8
Current tax liabilities	-	-
Other current liabilities	48	127
	<u>52,080</u>	<u>54,564</u>
Total liabilities	<u>59,574</u>	<u>59,785</u>
Total	<u>247,631</u>	<u>244,288</u>



GVK Power & Infrastructure Limited

Statement of Standalone Cash flow statement

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

	Half year ended 30.09.2019	Half year ended 30.09.2018
1 CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax	3,566	3,285
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation expense	10	6
Advances and investments written off	4	-
Gain on sale of current investments (net)	(53)	(61)
Interest expense	364	729
Fair value loss on investments in preference shares	1,000	54
Unrealised foreign exchange (gain)/loss	1	64
Unwinding interest income on financial guarantees and debt instruments	(1,951)	(2,565)
Notional commission on guarantees given to subsidiaries	803	(854)
Interest income on income tax and service tax refund	(287)	-
Operating profit before working capital changes	3,457	658
Movement in working capital:		
Decrease/(Increase) in trade receivables	(562)	8
Decrease in other current/non current assets	323	1,316
Increase/(Decrease) in trade payables, current liabilities and provisions	(126)	355
Cash generated from operations	3,093	2,337
Taxes paid (net of refunds)	-	-
Net cash generated from operating activities	3,093	2,337
2 CASH FLOW FROM INVESTING ACTIVITIES		
Net Purchase/ Sale of current investments	1,139	(234)
Investments in subsidiaries/ associates/related party including share application	(1,428)	-
Loans (given)/refunds to/from subsidiaries/related party	56	-
Purchase of property, plant and equipment	(1)	-
Net Cash (used in)/ generated from investing activities	(234)	(234)
3 CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(3,000)	(3,834)
Proceeds from short term borrowings (net)*	262	4,224
Interest paid	-	(2,517)
Net Cash generated from/(used in) financing activities	(2,738)	(2,127)
Net increase/ (decrease) in Cash and Cash Equivalents	121	(24)
Cash and Cash Equivalents at the beginning of the year	32	56
Cash and Cash Equivalents at the end of the period	153	32
Components of cash and cash equivalents		
Balance with banks:		
Current accounts	153	32
Total cash and cash equivalents	153	32



Price Waterhouse Chartered Accountants LLP

Review Report

To
The Board of Directors
GVK Power & Infrastructure Limited,
Paigah House 156-159,
S.P. Road, Secunderabad,
Telangana 500003

1. We have reviewed the accompanying Standalone unaudited financial results of GVK Power & Infrastructure Limited (the "Company") for the quarter ended September 30, 2019 and the year to date results for the period April 01, 2019 to September 30, 2019 which are included in the accompanying Statement of Unaudited Standalone financial results for the quarter and half year ended September 30, 2019, the statement of assets and liabilities as on that date and the statement of cash flows for the half-year ended on that date (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. Attention is drawn to the fact that the statement of cash flows for the corresponding period from 1 April 2018 to 30 September 2018, as reported in the Statement have been approved by the Company's Board of Directors, but have not been subject to review.
2. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
4. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. We draw your attention to the following matters :
 - a. Note 5 to the Statement regarding GVK Coal Developers (Singapore) Pte. Limited (an associate company, GVK Coal) in which the Company has investment and receivables aggregating to Rs. 77,587 lakhs and to whom it has provided guarantees and commitments for loans aggregating to Rs. 800,472 lakhs taken by the aforesaid associate company and has undertaken to provide financial assistance of USD 5.61 million (Rs. 3,965 lakhs) as at September 30, 2019 with respect to which there are multiple 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 the lenders impacting the Company and its subsidiary. In this regard, we are unable to ascertain whether any adjustments, are required to carrying values of the related assets and liabilities and the results in the Statement.
 - b. Note 6 to the Statement regarding GVK Energy Limited (a jointly controlled entity) and its subsidiaries and jointly controlled entity in which the Company has investments and loans aggregating to Rs. 104,091 lakhs and financial guarantees issued by the Company to the jointly controlled entity amounting to Rs. 4,500 lakhs. With respect to GVK Energy Limited, there are multiple significant uncertainties like (a) non -availability of fuel (coal/gas), (b) conclusion on outstanding application for increase in tariff and (c) compensation in relation to deallocated coal mine etc. In this regard, we are unable to ascertain whether any adjustments are required, to the related carrying values of assets and liabilities in the statement.



Price Waterhouse Chartered Accountants LLP, Plot No. 77/A, 8-2-624/A/1, 3rd Floor, Road No. 10, Banjara Hills
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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

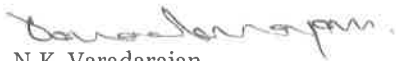
Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016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

Price Waterhouse Chartered Accountants LLP

6. Based on our review conducted as above, except for the indeterminate effects of the matters stated in paragraph 5 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We draw attention to Note 10 to the Statement, which states that the Company has defaulted in repayment of loan and interest payments. Further, material uncertainties are being faced by various projects in which the Company has made investments, provided guarantees/ commitments and / or has undertaken to provide financial assistance. These events or conditions, along with other matters as set forth in aforementioned note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our conclusion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



N.K. Varadarajan
Partner
Membership Number: 90196
UDIN : 19090196AAAABL7925

Place: Hyderabad
Date: November 14, 2019

ANNEXURE I

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



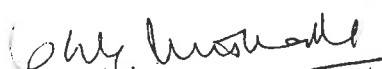



Statement on Impact of Audit Qualifications for the Financial Half Year ended September 30,2019				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				Rs In Lac
I.	Sl. No.	Particulars	Unaudited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Unaudited figures after adjusting for qualifications)
	1.	Turnover / Total income	6,056	6,056
	2.	Total Expenditure	2,490	2,490
	3.	Net Profit/(Loss)	3,566	3,566
	4.	Earnings Per Share	0.22	0.22
	5.	Total Assets	247,631	247,631
	6.	Total Liabilities	59,574	59,574
	7.	Net Worth	188,057	188,057
	8.	Any other financial item(s) (as felt appropriate by the management)		
II.	<p><u>Audit Qualification (each audit qualification separately):</u></p> <p>a. Details of Audit Qualification:</p> <p>1. Note 5 to the Statement regarding GVK Coal Developers (Singapore) Pte. Limited (an associate company, GVK Coal) in which the Company has investment and receivables aggregating to Rs. 77,587 lakhs and to whom it has provided guarantees and commitments for loans aggregating to Rs. 800,472 lakhs taken by the aforesaid associate company and has undertaken to provide financial assistance of USD 5.61 million (Rs. 3,965 lakhs) as at September 30, 2019 with respect to which there are multiple 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 the lenders impacting the Company and its subsidiary. In this regard, we are unable to ascertain whether any adjustments, are required to carrying values of the related assets and liabilities and the results in the Statement.</p> <p>2. Note 6 to the Statement regarding GVK Energy Limited (a jointly controlled entity) and its subsidiaries and jointly controlled entity in which the Company has investments and loans aggregating to Rs.104,091 lakhs and financial guarantees issued by the Company to the jointly controlled entity amounting to Rs. 4,500 lakhs. With respect to GVK Energy Limited, there are multiple significant uncertainties like (a) non -availability of fuel (coal/gas), (b) conclusion on outstanding application for increase in tariff and (c) compensation in relation to deallocated coal mine etc. In this regard, we are unable to ascertain whether any adjustments are required, to the related carrying values of assets and liabilities in the statement.</p> <p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing</p>			

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

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

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

1. The Company has investments in and has receivables aggregating to Rs. 77,587 lakhs and has also provided guarantees and commitments for loans aggregating to Rs. 800,472 lakhs taken by the aforesaid associate company and has undertaken to provide financial assistance of USD 5.61 million (Rs.3,965 lakhs) as at September 30, 2019 with respect to which there are multiple 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 involving the Group. Pending resolution of the above uncertainties currently the impact of the same is unascertainable
2. The Company has investments in and has given loans to GVK Energy Limited, a joint venture, amounting to Rs. 104,091 Lakhs and has also given financial guarantees (Outstanding balance: Rs. 4,500 lakhs) to the above mentioned joint venture. Projects under the joint venture are currently facing uncertainties in relation to (a) non -availability of fuel (coal/gas), (b) conclusion on outstanding application for increase in tariff and (c) compensation in relation to deallocated coal mine etc.. 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

III.	For GVK POWER & INFRASTRUCTURE LIMITED	
	 P. V .PRASANNA REDDY Whole Time Director	  CH.G. KRISHNA MURTHY Audit Committee Chairman
	FOR PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP  N. K. VARADARAJAN PARTNER Membership Number: 90196 UDIN NO. 19090196AAAABL7925	 A. ISSAC GEORGE Whole Time Director & CFO 
Place: HYDERABAD Date: 14-11-2019.		

GVK Power & Infrastructure Limited

CIN: L74999AP2005PLC059013

Registered office: Paigah House, 156-159, Sardar Patel Road, Secunderabad-500 003 (Telangana)

Phone No: 040-2790 2663/64, Fax: 040-2790 2665

Website: www.gvk.com; Email: sanjeevkumar.singh@gvk.com

Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year ended September 30, 2019

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended (Unaudited)			Half year ended (Unaudited)		Year ended (Audited)
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
1	Income						
	Revenue from operations	99,522	98,945	100,715	198,467	203,949	409,817
2	Other income	6,394	5,267	5,288	11,661	12,687	26,493
3	Total revenue	105,916	104,212	106,003	210,128	216,636	436,310
4	Expenses						
	Employee benefit expenses	6,061	5,159	4,402	11,220	9,377	21,059
	Annual fee to Airport Authority of India	35,164	34,626	35,779	69,790	71,616	143,770
	Other expenses	20,910	18,546	17,175	39,456	34,473	74,271
	Fair value loss on Investments	1,000	-	-	1,000	-	50
	Depreciation	20,416	20,281	19,378	40,697	38,084	79,158
	Finance costs	39,265	38,493	37,196	77,758	74,110	151,302
	Total Expenses	122,816	117,105	113,930	239,921	227,660	469,610
5	Loss before exceptional items, share of profit/(loss) from associate & joint venture and tax (3-4)	(16,900)	(12,893)	(7,927)	(29,793)	(11,024)	(33,300)
6	Exceptional items	-	-	-	-	-	-
7	Profit/(loss) before share of profit from associate & joint venture and tax (5-6)	(16,900)	(12,893)	(7,927)	(29,793)	(11,024)	(33,300)
	Share of profit of associates	-	-	-	-	-	-
	Share of profit of joint venture	567	502	734	1,069	1,446	2,551
8	Loss before tax	(16,333)	(12,391)	(7,193)	(28,724)	(9,578)	(30,749)
9	Tax Expenses	(394)	760	3,783	366	6,884	(307)
10	Profit/(loss) from ordinary activities after tax (8-9)	(15,939)	(13,151)	(10,976)	(29,090)	(16,462)	(30,442)
11	Other comprehensive income (net of tax)	38	(127)	(80)	(89)	(23)	(241)
12	Total comprehensive income (after tax) (10+11)	(15,901)	(13,278)	(11,056)	(29,179)	(16,485)	(30,683)
13	Profit/(loss) for the year attributable to:						
	- Owners of the Company	(14,698)	(13,430)	(12,153)	(28,128)	(19,779)	(36,349)
	- Non controlling interests	(1,241)	279	1,177	(962)	3,317	5,907
		(15,939)	(13,151)	(10,976)	(29,090)	(16,462)	(30,442)
14	Other comprehensive income attributable to:						
	- Owners of the Company	38	(127)	(69)	(89)	(12)	(238)
	- Non controlling interests	-	-	(11)	-	(11)	(3)
		38	(127)	(80)	(89)	(23)	(241)
15	Total comprehensive income/(loss) for the year attributable to:						
	- Owners of the Company	(14,660)	(13,557)	(12,222)	(28,217)	(19,791)	(36,587)
	- Non controlling interests	(1,241)	279	1,166	(962)	3,306	5,904
		(15,901)	(13,278)	(11,056)	(29,179)	(16,485)	(30,683)
12	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792	15,792
13	Earnings per share (EPS)						
	a) Basic (in Rs.)	(0.93)	(0.85)	(0.77)	(1.78)	(1.25)	(2.30)
	b) Diluted (in Rs.)	(0.93)	(0.85)	(0.77)	(1.78)	(1.25)	(2.30)



GVK Power & Infrastructure Limited

P V Prasanna Reddy

Whole-time Director



Place: Hyderabad

Date : November 14, 2019

GVK Power & Infrastructure Limited
Unaudited Consolidated Statement of Assets and Liabilities

(Rs in Lakhs)

S.No.	Particulars	As at Year ended 30.09.2019 (Unaudited)	As at Year ended 31.03.2019 (Audited)
	Equity and Liabilities		
I)	Equity		
	Equity share capital	15,792	15,792
	Other equity	(164,295)	(136,097)
		(148,503)	(120,305)
II)	Non-controlling interests	259,511	244,849
	Total Equity	111,008	124,544
III)	Non-current liabilities		
	Contract liabilities	856	894
	Financial Liabilities		
	Borrowings	942,219	944,230
	Lease liabilities	475	-
	Other financial liabilities	217,993	270,229
	Provisions	1,707	1,576
	Deferred tax liabilities (net)	10,995	12,438
	Other non-current liabilities	250,295	212,596
	Total	1,424,540	1,441,963
IV)	Current liabilities		
	Contract liabilities	8,954	1,230
	Financial liabilities		
	Borrowings	135,436	191,288
	Lease liabilities	437	-
	Trade payables	20,207	20,484
	Other financial liabilities	369,202	347,874
	Provisions	2,993	3,017
	Current tax liabilities (net)	4,142	12,008
	Other current liabilities	41,950	40,078
	Total	583,321	615,979
	Grand Total	2,118,869	2,182,486



GVK Power & Infrastructure Limited
Unaudited Consolidated Statement of Assets and Liabilities

(Rs in Lakhs)

S.No.	Particulars	As at Year ended 30.09.2019 (Unaudited)	As at Year ended 31.03.2019 (Audited)
	Assets		
I)	Non-current assets		
	Property, plant and equipment	1,024,862	1,043,215
	Capital work-in-progress	314,062	255,297
	Expenditure incurred during construction period, pending allocation (Net)	32,622	23,232
	Goodwill	112,237	112,237
	Other intangible assets	117,553	274,637
	Intangible assets under development	-	2,083
	Investment Property	11,655	11,655
	Lease equalisation asset	7,780	-
	Financial assets		
	Investments	87,420	84,293
	Loans	5	5
	Trade receivables	-	50
	Other financial assets (carried at amortised cost)	10,569	8,008
	Deferred tax assets (net)	9,390	9,644
	Tax assets	22,182	40,765
	Other non-current assets	50,742	63,632
	Total	1,801,079	1,928,753
II)	Current Assets		
	Inventories	848	943
	Contract assets	3,687	7,296
	Financial assets		
	Investments	1,188	4,981
	Trade receivables	31,020	41,668
	Cash and cash equivalents	23,530	30,496
	Other bank balances	19,240	26,331
	Loans	30,457	29,200
	Other financial assets (carried at amortised cost)	77,069	75,448
	Current tax assets	4,754	4,388
	Other current assets	125,997	32,982
	Total	317,790	253,733
	Grand Total	2,118,869	2,182,486



GVK Power and Infrastructure Limited
Unaudited Consolidated Statement of Cash Flows

(Rs in Lakhs)

	Half year ended September 30, 2019 (Unaudited)	Half year ended September 30, 2018 (Unaudited)
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(loss) before tax and after other comprehensive items	(28,813)	(9,601)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation (net)	40,697	38,084
Loss on sale of fixed assets (net)	241	-
Interest expense	77,758	74,110
Interest income	(7,805)	(12,435)
Liabilities written back	(2,061)	-
Income from investment	(111)	(118)
Share of profit/loss and OCI from associate/joint venture	(1,069)	(1,446)
Fair value loss on investments in preference shares	1,000	54
Operating Profit before Working Capital Changes	79,837	88,648
Change in operating assets and liabilities		
(Decrease)/Increase in Provisions	107	74
Increase in Trade payables, other financial liabilities and current liabilities	97,538	23,611
Decrease/(Increase) in Financial Assets loans, others, other current and noncurrent assets	(20,639)	(2,224)
Decrease/(Increase) in trade receivables	10,698	(8,897)
Decrease/(Increase) in Inventories	95	32
Decrease / (Increase) in Contract Assets	3,609	7,248
Cash Generated from Operations	171,244	108,492
Income taxes (paid)/ received (net of refunds)	8,796	(3,251)
Net Cash flow from Operating Activities (A)	180,040	105,241
CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of fixed assets (including capital work in progress and capital advances)	(90,163)	(63,545)
Proceeds from sale of fixed assets	51	-
(Purchase) / proceeds from sale of current investments (net)	3,904	1,510
Purchase of non-current investments	(3,058)	-
(Investment)/ Realization of bank deposits (having original maturity of more than 3 months)	7,091	6,145
Interest received	8,112	12,283
Net Cash flow from/(used in) Investing Activities (B)	(74,063)	(43,607)
CASH FLOW USED IN FINANCING ACTIVITIES		
Transactions with non-controlling interests	15,624	34,745
Proceeds from Long term Borrowings	131,500	-
Repayment of long term borrowings	(134,424)	(34,128)
Repayment of short term borrowings (net)	(55,852)	(33,512)
Interest paid	(69,791)	(67,565)
Net Cash flow used in Financing Activities (C)	(112,943)	(100,460)
Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(6,966)	(38,826)
Cash and Cash Equivalents at the beginning of the year	30,496	89,039
Cash and Cash Equivalents at the end of the year	23,530	50,213
Components of cash and cash equivalents as per Cash Flow Statement		
Balance with banks:		
Current accounts	3,495	7,020
Deposit accounts	19,817	42,991
Cash	90	201
Cheques	128	1
Total	23,530	50,213



Notes:

1. GVK Power & Infrastructure Limited ("The Company") has adopted Indian Accounting Standards (Ind AS) prescribed under section 133 Companies Act, 2013, read with relevant rules issued thereunder.

2. The Company carries its businesses in business segments viz., Power, Roads, Airports and others through various subsidiaries, associates and jointly controlled entities, being special purpose vehicles exclusively formed to build and operate various infrastructure projects. The consolidated results published above present the full revenues and expenses of the Company, its subsidiaries, share of profits / (losses) of associates and jointly controlled entities (collectively "the Group").

3. The above published consolidated results have been prepared in accordance with principles and procedures as set out in the IND-AS 110 on "Consolidated financial statements" and IND - AS 28 on "Investment in associate and joint venture" notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended.

4. The above standalone and consolidated financial results have been reviewed by the audit committee on November 13, 2019 and have been approved by board of directors at their meeting held on November 14, 2019.

5. The company has an investment in GVK Coal Developers (Singapore) Pte. Limited (GVK Coal) which is assessed as an associate to the Company. The Company exercises significant influence on GVK Coal as per Ind AS 28.

The Company has made investments and has receivables aggregating to Rs. 77,587 lakhs (March 31, 2019: Rs. 75,655 lakhs) and provided guarantees and commitments for loans amounting Rs. 800,472 lakhs (March 31, 2019: Rs. 783,297 lakhs) taken by GVK Coal as at September 30, 2019, and has undertaken to provide financial assistance of USD 5.61 million (Rs. 3,965 lakhs) as at September 30, 2019, an entity whose current liabilities exceeds current assets by USD 2,032 million (Rs. 1,405,534 lakhs) as at March 31, 2019 and has incurred cash losses of USD 1.2 million (Rs. 873 lakhs) for the year ended March 31, 2019, based on the unaudited financial statements is witnessing material uncertainties. The prices of the coal have fallen since GVK coal had acquired 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. Further, certain lenders of GVK Coal have classified the loan as non- performing and the lenders had an option to curtail the rights of the company on various assets either on October 2015 or every year thereafter. The lenders have not yet exercised this option.

There are also uncertainties associated with fluctuating coal prices, the discussions GVK coal is having with non controlling shareholders of GVK Coal's subsidiaries to realign the option exercise rights, with lenders to reach to optimal solution and with potential investors for additional funding. While the guarantees and commitments have not been invoked by the lenders, the Group has undertaken to settle with the lenders of GVK Coal under the agreement definitive agreement referred to in Paragraph 11 below and the same would likely be accompanied by acquisition of additional interest in the assets of the GVK coal.

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

a) The Hon'ble Supreme Court of India has de-allocated coal mine allocated to GVK Coal (Tokisud) Private Limited ('GVKCTPL'), subsidiary company, and Nominated Authority had offered compensation of Rs. 11,129 as against carrying value of assets of Rs. 31,113 as at March 31, 2017. GVKCTPL had appealed against the said order in the Hon'ble High Court of Delhi. The aforesaid court vide its order dated March 09, 2017, directed GVKCTPL to submit its claim to the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015 and subsequently GVKCTPL submitted its claim for the balance compensation claim of Rs. 19,882 to the aforesaid authority. Management believes that GVKCTPL will be appropriately reimbursed for cancelled coal mine and accordingly no provision is required to be made to the carrying value of assets.



b) There has been uncertainty regarding supplies/availability of gas to power plants of GVK Industries Limited (GVKIL), subsidiary company, and GVK Gautami Power Limited (GVKGPL), jointly controlled entity. These group companies have made losses for the half year period to the extent of Rs. 17,156 (March 31, 2019: Rs. 42,484). The lenders have classified the loan balances of these group companies as non-performing assets. The Company is confident that Government of India will continue to take necessary steps/initiatives to improve the situation of natural gas. However, in the interim these group companies are 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 APDISCOM. Further, Management, based on its rights under power purchase agreement to recover capacity charges and in view of installing alternate fuel equipment and on the basis of aforesaid discussions, believes that these group companies continue to be in operation in foreseeable future despite continued losses or will be able to amicably settle the loan liability as part of one time settlement proposal. The Company has given corporate guarantee for the loan taken by GVKGPL. The Company accordingly believes that no provision for impairment/diminution is required towards carrying value of assets aggregating to Rs. 49,899 of GVKIL and Rs. 1,02,630 of GVKGPL respectively and also no provision towards corporate guarantee given to GVKGPL is necessary.

c) Uncertainty is faced by coal plant with carrying value of non-current assets of Rs. 3,70,781 (March 31, 2019: Rs. 396,638) of GVK Power (Goindwal Sahib) Limited ('GVKPGSL'), subsidiary company, towards supply of fuel consequent to de-allocation of coal mine. Management has filed petition with Punjab State Electricity Regulatory Commission (PSERC) for re-negotiation of terms of power purchase agreement such as rate revision, approval for using imported coal, approval for completed capital cost, etc. claiming force majeure and change in law as envisaged under Power Purchase Agreement. Pending determination of final tariff, in the interim, Punjab State Power Corporation Limited ('PSPCL') has made certain deductions aggregating to Rs. 15,267 while approving the revenue claimed by GVKPGSL pursuant to the aforesaid interim order. GVKPGSL has also filed petitions with PSERC for the aforesaid deductions made by PSPCL.

In February' 2018, GVKPGSL has obtained long term coal linkage through Scheme for Harnessing and Allocating Koyala Transparently in India (SHAKTI scheme) for significant part of its capacity. Further in March'2018, PSERC has approved a provisional fixed charges of Rs 2.20 per unit till the final capital cost is determined.

GVKPGSL was unable to run the plant at optimal capacity during financial year 2017-18 and 2018- 19 primarily on account of low availability of fuel and hence defaulted on repayment of dues to lenders. Consequently the lenders have classified the loan balances of GVKPGSL as nonperforming assets.

Management based on internal assessment cancellation of coal mine will not impact the operations of the power project and consortium lenders are entered into an Inter creditor agreement and actively looking to implement the Resolution Plan. Accordingly, management is of the view that no provision is required to be made to assets with carrying value of Rs. 370,781.

d) Trade receivable of GVKIL, include accruals towards reimbursement of fixed charges for the financial year 1997-1998 to 2000-2001, on increased capital cost worked out as per ratios set out in the PPA aggregating to Rs. 4,512 (March 31, 2019: Rs. 4,512) by GVKIL, disincentive recoverable aggregating to Rs. 2,030 (March 31, 2019: Rs. 2,030), minimum alternate tax under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2000-2001 up to the financial year 2010-2011, aggregating to Rs. 2,877 (March 31, 2019: Rs. 2,877) and other receivables of Rs. 75 (March 31, 2019: Rs.75) which are being refuted by AP Transco/subject to approvals.

The company in its standalone results based on the above assessments believes that it is appropriate to recognize investments in and loans and advances given to GVK Energy Limited aggregating to Rs. 104,091 lakhs in standalone financial results at carrying value and no further provision for diminution of such investments and loans is necessary and also no provision is required for corporate guarantees given by the company amounting to Rs. 4,500 lakhs as at September 30, 2019.

In the consolidated financial results the entire investment is carried at Nil after recording share of losses from the jointly controlled entity. The Group has receivables of loan of Rs. 19,015 lakhs in consolidated financial results and the company believes that no further provision for diminution for such loans is necessary and also no provision is required for corporate guarantees given by the company amounting to Rs. 4,500 lakhs as at September 30, 2019.



7. GVK Bagodara Vasad Expressway Private Limited (GVK BVEPL) step subsidiary of the Company has entered into a concessionaire agreement with Gujarat State Road Development Corporation (GSRDC) for construction of road in the state of Gujarat on build, operate and transfer basis (BOT). GVK BVEPL has spent an amount of Rs. 67,392 Lakhs (Rs. 58,904 lakhs towards project expenditure and Rs. 8,488 lakhs net towards advance to contractor and tangible assets) (March 31, 2019: Rs 69,474 lakhs) 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 for way, shifting of utilities etc., which has resulted in significant delays in construction also. On March 27, 2018, GSRDC has issued a termination and arbitration notice as per which GSRDC has terminated the concession agreement and also has claimed an amount of Rs. 108,419 lakhs. In response to which notice GVK BVEPL has written to GSRDC denying the claims from GSRDC and terminated the agreement. GVK BVEPL has also stated that the delay is due to the default from GSRDC. Also, GVK BVEPL has notified GSRDC that dispute settlement process will be as per the Concession Agreement. Based on its internal assessment/legal advice GVK BVEPL is confident that it will be able to recover the amounts spent on the project till date and is also confident that claims made by GSRDC will be struck down and accordingly management believes that it is appropriate to recognize total assets aggregating to Rs. 67,932 lakhs (March 31, 2019 Rs. 69,474 lakhs) at carrying value in the financial statements and no provision for diminution is necessary.

GVK BVEPL has approached The International Centre for Alternative Dispute Resolution (ICADR) for appointment of Arbitration Tribunal (AT). Arbitration Tribunal is constituted and the dispute is being addressed. GSRDC has filed a claim of Rs. 108,419 Lakhs and GVK BVEPL has filed its statement of Defence and a counter claim of Rs 348,079 Lakhs disputing the very process of termination and are also taking other necessary legal remedies in this regard.

Initially GVK BVEPL intended to bring in the substitution process. In spite of the best efforts by GVK BVEPL the substitution process could not be completed. Meanwhile, GSRDC has awarded the project to two different contractors and hence there is no going concern and financials are prepared accordingly. GVK BVEPL is closely working with lenders by explaining to them the intricacies of the project and outling support required to give effect to the process of arbitration.

All the loan accounts have become non performing assets as on the date of the Balance Sheet and GVK BVEPL received recall notices from the banks and financial institutions and hence borrowing from bank and financial institution are treated as Other current financial liability during the year.

8. GVK Ratle Hydro Electric Project Private Limited (GVKRHEPPL), step subsidiary of GVK Power and Infrastructure Limited has entered into a concession agreement with J&K Power Development Department (JKPDD) for construction and operation of a hydro power plant on Build, Own, Operate and Transfer model. GVKRHEPPL has spent an amount of Rs. 109,494 lakhs (March 31, 2019: Rs. 113,761 lakhs) on this project for various works. There has been a significant delay in the construction of the project due to the impediments like land acquisition and execution of land leases, issues in relation to working conditions, disturbances and law and order problems, issues under the Indus Water Treaty, issues in relation to Water charges, status of Mega Power Project and taxes such as entry tax, sales and other local taxes etc., GVKRHEPPL has offered for an amicable settlement and requested for the termination of concession agreement, but JKPDD rejected such settlement stating that the delays tantamount to event of default from GVKRHEPPL. Subsequent to this GVKRHEPPL has initiated the arbitration process and the process is in its initial stages. In the arbitration GVKRHEPPL has made a claim of Rs: 518,963 lakhs and JKPDD has made a counter claim of Rs: 540,000 lakhs. Even though there are uncertainties management based on its internal assessment/legal advice 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 JKPDD will be withdrawn and accordingly management believes that it is appropriate to recognize assets aggregating to Rs. 109,494 lakhs (March 31, 2019: Rs. 113,761 lakhs) at carrying value in the consolidated financial results and no provision for diminution is necessary.



9. GVK Deoli Kota Expressway Private Limited (GVK DKEPL) step subsidiary of the Company, on June 25, 2019 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 National Highway Authority of India (NHAI), during the course of construction, like providing right for path, shifting of utilities, obtaining approvals and clearances, alternate route and prevention of complete User Fee collection etc. Further, GVK DKEPL has claimed a termination payment of Rs. 160,153 lakhs from NHAI as per the terms of the concession agreement. In response to the above notice GVK DKEPL has received letter from NHAI dated July 03, 2019 denying the claim of GVK DKEPL stating that the termination notice issued under clause 37.2.2 is invalid as defaults alleged by GVK DKEPL are false and NHAI has not committed any material default in complying with the provision of the concession agreement.

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

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

The Concession agreement being the sole agreement executed by GVK DKEPL, termination of the same has now resulted into liquidation basis of accounting which has been adopted in preparation of these financial statements. This basis of preparation differs from the going concern basis adopted during the previous year ended March 31, 2019. Under the liquidation basis of accounting, all assets and liabilities are measured at their net realisable value. As toll collection right has been taken over by NHAI from GVK DKEPL, GVK DKEPL has impaired toll and premium assets against premium liability (not due) and claim receivable from NHAI. GVK DKEPL has currently recognised total amount receivable of Rs. 88,163 lakhs as the total cost of the project, including NHAI premium net of future premium payable to NHAI, as receivables from NHAI on prudence basis.

10. As at September 30, 2019, the Group/Company had accumulated losses and the Group has incurred loss during the current period and has also incurred losses during the preceding years. The Company/ group has delayed payment of loans and interest and certain loan accounts have been classified as non-performing by banks. The Company has provided guarantees and commitments and/or has undertaken to provide financial assistance on behalf of various entities and as further detailed in notes 5, 6, 7, 8 and 9 (relating to notes on GVK Coal Developers (Singapore) Pte Limited, GVK Energy Limited, GVK Bagodara Vasad Expressway Private Limited, GVK Ratle Hydro Electric Project Private Limited and GVK Deoli Kota Expressway Private Limited) uncertainties are being faced by various projects such as delays in development of coal mines in an overseas project where the Company has provided guarantees and commitments for the borrowings, losses incurred by gas based plants in the absence of gas and litigations on rights to claim capacity charge, re-negotiation of terms of PPA of coal based plant and delay on determination of tariff of hydro power project, arbitration on delay of commencement of road project and hydro based plant. These factors may indicate significant doubt on going concern. Notwithstanding the above, the financial results of the Company have been prepared on going concern basis as management believes that the Company would be able to ultimately establish profitable operations, 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 believes 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. Also, the group's projects i.e., Mumbai International Airport Private Limited and GVK Jaipur Expressway Private Limited are operating satisfactorily. The group has also won the bid for Navi Mumbai International Airport and has achieved financial closure.

11. GVK Airport Holdings Limited (GVKAHL) is a step down wholly owned subsidiary of the Company and holding company of Mumbai International Airport Limited (MIAL) with a shareholding of 50.5%. Management has been looking for certain divestment options in the airport vertical i.e., in GVKAHL. During the prior year, GVKPIL group management had obtained approval from the shareholders for raising funds by diluting its share in GVKAHL (Airport vertical).



The Company has signed the definitive agreement dated September 27, 2019 with certain prospective buyers for dilution of its 79.1% of its stake in GVK Airport Holdings Limited for Rs. 7,614 lakhs. The dilution is however subject to achievement of certain significant conditions precedent including but not limited to settling with certain lenders consent including that of GVK Coal Developers (Singapore) Pte Ltd, approvals of various government authorities, certain business conditions regarding real estate monetisation, loan disbursements for Navi Mumbai Airport, Settlement/ withdrawal of certain ongoing litigations etc which are very critical for the transaction to happen.

The Company has accordingly not considered the Airport vertical as "Held for Sale" asset.

12. Certain subsidiary companies of the group and joint venture and their subsidiaries and joint venture have received letters from Ministry of Corporate Affairs (MCA) ordering investigation of the books of accounts under Section 206(5)/ Section 206(4) of the Companies Act, 2013 wherein MCA has requested management to furnish certain information in respect of these companies. The companies are co-operating with MCA in this regard.

13. The Ministry of Corporate Affairs (MCA) on March 30, 2019, notified Ind AS 116 "Leases" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after April 01, 2019. The Group has applied modified retrospective approach in adopting the new standard. The adoption of the new standard resulted in revenue for the half year being higher by Rs. 7,790 lakhs, increase in expenses by Rs. 3,015 lakhs and loss for the half year being lower by Rs. 4,775 lakhs from operating activities after tax in the consolidated financial result. And also the Group has recognised Right to Use asset of Rs. 908 lakhs and lease liability of Rs. 912 lakhs, recognised finance cost of Rs. 19 lakhs and depreciation of Rs. 70 lakhs for the half year ended September 30, 2019.

14. The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAB in the Income Tax Act, 1961 which provides for an option of lower tax regime without any incentives for the domestic companies. Under the revised tax regime, accumulated Minimum Alternate Tax credit is also not allowed. Considering the substantial accumulated MAT credit, carried forward loss and no taxable profit during the period, certain companies have decided that it is beneficial to not opt for the option of availing revised income tax rate while the other companies are still evaluating the same.

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

Place: Hyderabad
Date : November 14, 2019



GVK Power & Infrastructure Limited

PV Prasanna Reddy
P V Prasanna Reddy
Whole-Time Director



GVK Power & Infrastructure Limited
Segment Reporting (Consolidated) for the quarter and half year ended September 30, 2019

(Rs in Lakhs)

Sr.No.	Particulars	Quarter ended (Unaudited)			Half year ended (Unaudited)		Year ended (Audited)
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	
1	Segment Revenue						
	Power	-	-	-	-	-	-
	Roads	9,098	9,862	9,636	18,960	19,847	39,818
	Airports	90,424	89,083	91,079	179,507	184,102	369,999
	Others	846	846	314	1,692	627	2,321
	Unallocated	-	-	-	-	-	-
	Total	100,368	99,791	101,029	200,159	204,576	412,138
	Less: Inter segment revenue	846	846	314	1,692	627	2,321
	Net sales / income from operations	99,522	98,945	100,715	198,467	203,949	409,817
2	Segment Result						
	Power	(2,674)	(2,656)	(3,006)	(5,330)	(5,913)	(153)
	Roads	(1,157)	(2,879)	(3,195)	(4,036)	(5,806)	21,006
	Airports	(22,971)	(12,206)	(2,514)	(35,177)	(11,224)	59,777
	Others	659	1,219	(518)	1,878	(2,019)	(1,025)
	Unallocated	-	-	-	-	-	-
	Total	(26,143)	(16,522)	(9,233)	(42,665)	(24,962)	79,605
	Add:						
	Other unallocable income net off unallocable expenditure	9,243	3,629	1,306	12,872	13,938	38,397
	Total profit/ (loss) before tax	(16,900)	(12,893)	(7,927)	(29,793)	(11,024)	118,002



GVK Power & Infrastructure Limited

Segment Reporting (Consolidated) for the quarter and half year ended September 30, 2019

Sr No	Particulars	Quarter ended (Unaudited)			Half year ended (Unaudited)		Year ended (Audited)
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	
	Capital Employed						
	(Segment Assets)						
	Power	109,536	112,570	121,214	109,536	121,214	113,803
	Roads	201,019	272,033	260,354	201,019	260,354	254,876
	Airports	1,641,424	1,637,055	1,342,997	1,641,424	1,342,997	1,517,910
	Others*	19,842	19,270	16,099	19,842	16,099	15,780
	Unallocated	147,048	148,604	284,626	147,048	284,626	280,117
	Total Segment Assets	2,118,869	2,189,532	2,025,290	2,118,869	2,025,290	2,182,486
	(Segment Liabilities)						
	Power	110,815	111,174	110,461	110,815	110,461	109,752
	Roads	336,994	303,675	108,775	336,994	108,775	305,831
	Airports	1,531,803	1,575,956	1,654,640	1,531,803	1,654,640	1,513,021
	Others*	13,111	62,421	7,221	13,111	7,221	60,724
	Unallocated	15,137	16,112	52,852	15,137	52,852	68,614
	Total Segment Liabilities	2,007,860	2,069,338	1,933,949	2,007,860	1,933,949	2,057,942
	Net Capital employed	111,009	120,194	91,341	111,009	91,341	124,544

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



Price Waterhouse Chartered Accountants LLP

Review Report

To

The Board of Directors,
GVK Power & Infrastructure Limited,
Paigah House 156-159,
S.P. Road, Secunderabad,
Telangana 500003

1. We have reviewed the unaudited consolidated financial results of GVK Power & Infrastructure Limited (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group"), jointly controlled entity and associate company (refer Note 4 below) for the quarter ended September 30, 2019 and the year to date results for the period April 01, 2019 to September 30, 2019 which are included in the accompanying Statement of unaudited consolidated financial results for the quarter and half year ended September 30, 2019, the unaudited consolidated statement of assets and liabilities as on that date and the unaudited consolidated statement of cash flows for the half-year ended on that date (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialled by us for identification purposes. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended September 30, 2018 and the corresponding period from April 01, 2018 to September 30, 2018, consolidated figures for statement of Cash flows for the period from April 01, 2018 to September 30, 2018 as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



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

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

Subsidiary entities including step down subsidiaries:

- i. GVK Airport Developers Limited
- ii. GVK Airport Holdings Limited
- iii. Mumbai International Airport Limited
- iv. Navi Mumbai International Airport Private Limited
- v. Bangalore Airport and Infrastructure Developers Limited
- vi. GVK Airports International Pte. Ltd, Singapore
- vii. PT GVK Services, Indonesia
- viii. GVK Airport Services Private Limited
- ix. GVK Transportation Private Limited
- x. GVK Jaipur Expressway Private Limited
- xi. Sutara Roads and Infrastructure Private Limited
- xii. GVK Deoli Kota Expressway Private Limited
- xiii. GVK Bagodara Vasad Expressway Private Limited
- xiv. GVK Shivpuri-Dewas Expressway Private Limited
- xv. GVK Developmental Projects Private Limited
- xvi. GVK Ratle Hydro Electric Project Private Limited
- xvii. GVK Perambalur SEZ Private Limited
- xviii. GVK Employee Welfare Trust

Joint ventures including step down joint ventures:

- i. GVK Energy Limited
- ii. GVK Industries Limited
- iii. GVK Gautami Power Limited
- iv. GVK Coal (Goindwal Sahib) Limited
- v. GVK Power (Khadur Sahib) Private Limited
- vi. Alaknanda Hydro Power Company Limited
- vii. GVK Coal (Tokisud) Company Private Limited
- viii. Mumbai Aviation Fuel Farm Facility Private Limited
- ix. Mumbai Airport Lounge Services Private Limited

Associate Companies

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

5. We draw your attention to the following matters:

- a) Note 5 to the Statement regarding GVK Coal Developers (Singapore) Pte. Limited (an associate company, GVK Coal)) in which the Parent has investment and receivables aggregating to Rs. 77,587 lakhs and to whom it has provided guarantees and commitments for loans aggregating to Rs. 800,472 lakhs taken by the aforesaid associate company and has undertaken to provide financial assistance of USD 5.61 million (Rs. 3,965 lakhs) as at September 30, 2019 with respect to which there are multiple 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 involving the Group. In this regard, we are unable to ascertain whether any adjustments, are required to carrying values of the related assets and liabilities and the results in the Statement.



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- b) The following qualifications included in the review report of the consolidated financial results of GVK Energy Limited, a jointly controlled entity of the Parent, for the quarter and half year ended September 30, 2019 issued by an independent firm of Chartered Accountants vide its report dated November 04, 2019, reproduced by us as under :
- a. "As discussed more fully in note * to the accompanying financial information, the Hon'ble Supreme court of India has deallocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company. As directed by Hon'ble High Court of Delhi, the aforesaid subsidiary has submitted its claim for an amount Rs. 19,882 lakhs with the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015. The Company has given corporate guarantee for the loan taken by the subsidiary. Pending approval of the claim by the adjudicating authority, we are unable to comment on the recoverability of assets with carrying value of Rs. 19,882 lakhs together with consequential impact, if any, arising out of the same in these accompanying financial information.
 - b. As discussed more fully in note * to the accompanying financial information, regarding the uncertainties faced by the gas based power plants of a subsidiary company and a jointly controlled entity towards supplies/availability of gas, recovery of capacity charged and approval of one time settlement proposal with lenders. Pending resolution of these uncertainties/approvals, we are unable to comment upon the recoverability of assets with carrying value of Rs. 152,529 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 in these accompanying financial information.
 - c. As discussed more fully in note * to the accompanying financial information, regarding the uncertainties faced by the coal-based power plants of a subsidiary company towards the resolution plan with lenders and determination of final tariff. Pending resolution of these uncertainties/approvals, we are unable to comment upon the recoverability of assets with carrying value of Rs. 370,781 lakhs together with consequential impact, if any, arising out of the same in these accompanying financial information."

Notes * as described above are reproduced respectively as note 6a, 6b, 6c to the statement.

In light of the above, (also refer to para 7(d) below), eventual recoverability of the investment in and loans to such jointly controlled entity aggregating to Rs. 19,015 lakhs after recording Group's share of losses and any claims on account of financial guarantees issued by the Parent to the jointly controlled entity amounting to Rs. 4,500 lakhs as at September 30, 2019 is not ascertainable as matters are sub-judice/ subject to approval of regulators.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 8 below, except for the indeterminate effects of the matters stated in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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7. We draw your attention to the following matters:

- a. Note 10 to the Statement, which indicates that the Group has incurred losses of Rs. 29,179 lakhs during the period from April 01, 2019 to September 30, 2019 and has significant accumulated losses as at September 30, 2019, has defaulted in repayment of loans and interest payments. Further, material uncertainties are being faced by various projects executed by the Group, its associates and jointly controlled entity, and for which it has 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.
- b. Note 11 to the statement with regard to a definitive agreement reached in relation to the proposed dilution of the Parent's stake in GVK Airport Holdings Limited, which is subject to fulfillment of significant conditions precedent. Pending fulfillment of conditions, the airport vertical has not been considered as a "Held for Sale" asset at this stage.
- c. The following Emphasis of Matter paragraphs included in the review reports of the financial results for the quarter and half year ended September 30, 2019 of GVK Ratle Hydro Electric Project Private Limited, GVK Bagodara Vasad Expressway Private Limited and GVK Deoli Kota Expressway Private Limited step down subsidiaries of the Parent issued by independent firms of Chartered Accountants vide their reports date November 11, 2019, November 07, 2019 and November 11, 2019 respectively, reproduced by us as under:
 - i. "We draw your attention to Note * to the Ind AS financial results for the quarter ended September 30, 2019, regarding termination of agreement, arbitration proceedings and other matters as explained in the aforesaid note in respect of this Hydro power project being executed by the Company. The ultimate outcome of this matter for assets having carrying value of Rs. 109,494 lakhs and also claim raised by Power Development Department, Government of Jammu & Kashmir of Rs. 540,000 lakhs cannot be presently determined pending arbitration proceedings and other uncertainties.
 - ii. We draw your attention to Note # to the unaudited statement of assets and liabilities for the quarter ending September 30, 2019.. 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 upto September 30, 2019, Rs. 58,904 lakhs as amount receivable from GSRDC as management has represented that the project of the company was terminated due to the reasons attributable to the GSRDC. Company has disputed the termination notice and invoked Arbitration in terms of provisions of concession agreement. The matter is sub-judice before Arbitral tribunal.

We draw attention to Note # which states that since the project undertaken by the company has been terminated, "Going concern assumption" is not appropriate, hence financial statements have been drawn accordingly.

We draw attention to Note # to the unaudited financial statements of assets and liabilities for the quarter ending September 30, 2019. The company had taken term loans from consortium of banks & a financial institution. Company borrowings have been classified as Non-performing assets by the lenders due to defaults in payment of related dues. Lenders have recalled the entire facilities extended to the company.

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

Note *, # and @ as described above is reproduced as note 8, 7 and 9 respectively to the statement.



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- d. The following Emphasis of Matter included in the review report on the Consolidated financial results of GVK Energy Limited for the quarter and half year ended September 30, 2019, issued by an independent firm of Chartered Accountants vide its report dated November 04, 2019, reproduced by us as below.

“As discussed more fully in note * to the accompanying financial information, regarding outstanding fixed charge component of the tariff on the increased capital cost for the years 1997-98 to 2000-01 aggregating to Rs. 4,512 lakhs considered recoverable from AP Transco in GVK Industries Limited, a subsidiary company and regarding outstanding minimum alternate tax amounts claims for reimbursement, disincentives recoverable and other receivable aggregating to Rs. 2,877 lakhs, Rs. 2,030 lakhs and Rs. 75 lakhs respectively considered recoverable from AP Transco and consequential impact on taxes in GVK Industries Limited and GVK Gautami Power Limited's books, a subsidiary company and a joined controlled entity respectively.”

Note * as described above is reproduced as note 6(d) to the statement.

8. We did not review the interim financial results of 8 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs. 2,100,069 lakhs and net assets of Rs. 382,116 lakhs as at September 30, 2019 and total revenues of Rs. 99,503 lakhs and Rs. 198,448 lakhs, total net (loss) after tax of Rs. 8,023 lakhs and Rs. 13,846 lakhs and total comprehensive loss of Rs. 8,023 lakhs and Rs. 13,856 lakhs, for the quarter ended and for the period from April 01, 2019 to September 30, 2019, respectively, and cash flows (net) of Rs. (8,017) lakhs for the period from April 01, 2019 to September 30, 2019, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 563 lakhs and Rs. 1,069 lakhs and total comprehensive income of Rs. 563 lakhs and Rs. 1,069 lakhs. for the quarter ended and for the period from April 01, 2019 to September 30, 2019, respectively, as considered in the consolidated unaudited financial results, in respect of 9 jointly controlled entities, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors in accordance with SRE 2410, Engagements to Review Historical Financial Statements and their reports, have been furnished to us by the Management.
9. The consolidated unaudited financial results includes the interim financial results of 9 subsidiaries which have not been reviewed/audited by their auditors, whose interim financial results reflect total assets of Rs. 485,372 lakhs and net assets of Rs. 225,189 lakhs as at September 30, 2019 and total revenue of Rs. 19 lakhs and Rs. 19 lakhs, total net (loss) after tax of Rs. 674 lakhs and Rs. 691 lakhs and total comprehensive loss of Rs. 674 lakhs and Rs. 691 lakhs for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019, respectively, and cash flows (net) of Rs. 924 lakhs for the period from April 01, 2019 to September 30, 2019, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net (loss) after tax of Rs. Nil and total comprehensive loss of Rs. Nil for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019, respectively, as considered in the consolidated unaudited financial results, in respect of 2 associates, based on their interim financial results which have not been reviewed/audited by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the matters stated in paragraphs 7, 8 and 9.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



N.K. Varadarajan
Partner

Membership Number: 90196
UDIN: 19090196AAAABM2056

Place: Hyderabad
Date: November 14, 2019

ANNEXURE I

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







Statement on Impact of Audit Qualifications for the Financial Half Year ended September 30, 2019				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				Rs In Lac
I.	Sl. No.	Particulars	Unaudited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Unaudited figures after adjusting for qualifications)
	1.	Turnover / Total income	210,128	210,128
	2.	Total Expenditure	239,921	239,921
	3.	Net Profit/(Loss)	(29,793)	(29,793)
	4.	Earnings Per Share	(1.78)	(1.78)
	5.	Total Assets	2,118,869	2,118,869
	6.	Total Liabilities	2,007,860	2,007,860
	7.	Net Worth	111,009	111,009
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	<p><u>Audit Qualification:</u></p> <p>a. Details of Audit Qualification:</p> <p>1. Note 5 to the Statement regarding GVK Coal Developers (Singapore) Pte. Limited (an associate company, GVK Coal) in which the Parent has investment and receivables aggregating to Rs. 77,587 lakhs and to whom it has provided guarantees and commitments for loans aggregating to Rs. 800,472 lakhs taken by the aforesaid associate company and has undertaken to provide financial assistance of USD 5.61 million (Rs.3,965 lakhs) as at September 30, 2019 with respect to which there are multiple 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 involving the Group. In this regard, we are unable to ascertain whether any adjustments, are required to carrying values of the related assets and liabilities and the results in the Statement.</p> <p>2. In light of the above, (also refer to para 7(d) below), eventual recoverability of the investment in and loans to such jointly controlled entity aggregating to Rs. 19,015 lakhs after recording Group's share of losses and any claims on account of financial guarantees issued by the Parent to the jointly controlled entity amounting to Rs. 4,500 lakhs as at September 30, 2019 is not ascertainable as matters are sub-judice/ subject to approval of regulators.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: first time</p> <p>d. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>			

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

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

1. The Company has investments in and has receivables aggregating to Rs. 77,587 lakhs and has also provided guarantees and commitments for loans aggregating to Rs. 800,472 lakhs taken by the aforesaid associate company and has undertaken to provide financial assistance of USD 5.61 million (Rs.3,965 lakhs) as at September 30, 2019 with respect to which there are multiple 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 involving the Group. Pending resolution of the above uncertainties currently the impact of the same is unascertainable.

2. The Company has investments in and has given loans to GVK Energy Limited, a joint venture, amounting to Rs. 19,015 Lakhs and has also given financial guarantees (Outstanding balance: Rs. 4,500 lakhs) to the above mentioned joint venture. Projects under the joint venture are currently facing uncertainties in relation to availability of fuel (Gas/ coal), deallocation of coal mines, pending capital costs approval for final tariff determination of power projects due to which these companies are incurring losses and have also defaulted in repayment of loans. 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.

III.	For GVK POWER & INFRASTRUCTURE LIMITED	
	 P. V .PRASANNA REDDY Whole Time Director	  CH.G. KRISHNA MURTHY Audit Committee Chairman
	FOR PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP  N. K. VARADARAJAN PARTNER Membership Number: 90196 UDIN NO. 19090196AAAABM2056	  A. ISSAC GEORGE Whole Time Director & CFO
Place: HYDERABAD Date: 14-11-2019.		