



3rd December, 2021

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

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

Dear Sir,

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

Ref: 1) BSE Scrip Code: 532708, NSE Scrip Code: GVKPIL.
2) Regulation 33 & 52 of the SEBI (LODR) Regulations, 2015.
3) Our letter of intimation dated 23rd November, 2021

Further to our letter of intimation cited above, this is to inform you that the Board of Directors of our Company at its meeting held on today the 3rd December, 2021 had considered and approved the un-audited financial results of the company for the following periods of the financial year 2020-21 along with the respective limited review reports of the Statutory Auditors;

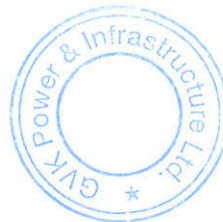
- a) Quarter ended 30th June, 2020;
- b) Quarter and half year ended 30th September, 2020; and
- c) Quarter and nine months ended 31st December, 2020.

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

This is for your information and record.

Yours faithfully,
For GVK Power & Infrastructure Limited

P V Rama Seshu
Vice President & Company Secretary



Encl: Each of the above results and LRR of auditors.

GVK Power & Infrastructure Limited
CIN: L74999TS2005PLC059013

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, 2020

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended (Unaudited)			Half Year ended (Unaudited)		Year ended (Audited)
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
1	Income						
	Revenue from operations	316	315	844	631	1,690	2,320
2	Other income	1,624	499	1,966	2,123	4,366	7,867
3	Total revenue	1,940	814	2,810	2,754	6,056	10,187
4	Expenses						
	Employee benefit expenses	32	34	46	66	150	233
	Other expenses	172	118	101	290	275	2,898
	Impairment of non-current investments	-	25,100	-	25,100	-	87,800
	Fair value loss on Investments	-	-	1,000	-	1,000	-
	Depreciation	6	5	5	11	10	21
	Finance costs	(136)	136	158	-	1,055	1,320
	Total Expenses	74	25,393	1,310	25,467	2,490	92,272
5	Profit/(loss) from ordinary activities but before	1,866	(24,579)	1,500	(22,713)	3,566	(82,085)
6	Exceptional items	-	-	-	-	-	-
7	Profit/(loss) from ordinary activities (5-6)	1,866	(24,579)	1,500	(22,713)	3,566	(82,085)
8	Tax Expenses	-	64	14	64	14	730
9	Profit/(loss) from ordinary activities after tax (7-8)	1,866	(24,643)	1,486	(22,777)	3,552	(82,815)
10	Other comprehensive income (net of tax)	-	-	-	-	-	-
11	Total comprehensive income (after tax) (9+10)	1,866	(24,643)	1,486	(22,777)	3,552	(82,815)
12	Paid-up equity share capital	15,792	15,792	15,792	15,792	15,792	15,792
13	Earnings per share (EPS)						
	a) Basic (in Rs.)	0.12	(1.56)	0.09	(1.44)	0.22	(5.24)
	b) Diluted (in Rs.)	0.12	(1.56)	0.09	(1.44)	0.22	(5.24)

GVK Power & Infrastructure Limited

P V Prasanna Reddy

P V Prasanna Reddy
Whole-time Director

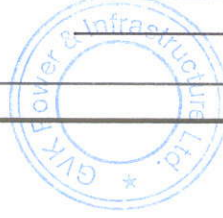
Place: Hyderabad
Date : December 03, 2021



GVK Power & Infrastructure Limited**Standalone Statement of assets and liabilities**

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

	As at September 30, 2020	As at March 31, 2020
Assets		
Non-current assets		
Property, plant and equipment	61	72
Investments	123,027	148,120
Financial assets		
Investments	5,536	5,175
Loans	-	-
Other financial assets	-	-
Non Current tax assets (net)	1,765	2,009
Other non-current assets	13	13
	130,402	155,389
Current assets		
Financial assets		
Investments	1,369	507
Trade receivables	1,454	803
Cash and cash equivalents	143	28
Loans	371	408
Other financial assets	14	239
Other current assets	52	44
	3,403	2,029
Total	133,805	157,418
Equity and Liabilities		
Equity		
Equity share capital	15,792	15,792
Other equity	63,119	85,896
	78,911	101,688
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	-	-
Unearned financial guarantee liability	1,539	1,961
	1,539	1,961
Current liabilities		
Financial liabilities		
Borrowings	49,291	47,276
Trade payables		
• Total outstanding dues of micro enterprises and small	-	-
• Total outstanding dues of creditors other than micro		
enterprises and small enterprises	291	186
Other financial liabilities	3,667	6,269
Provisions	8	8
Current tax liabilities	-	-
Other current liabilities	98	30
	53,355	53,769
Total liabilities	54,894	55,730
Total	133,805	157,418



GVK Power & Infrastructure Limited

Standalone Cash flow statement

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

	Half year ended September 30, 2020	Half year ended September 30, 2019
1 CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax	(22,713)	3,566
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation expense	11	10
Impairment of non-current investments and advance written off	25,100	4
Gain on sale of current investments (net)	(54)	(53)
Interest expense	-	364
Fair value loss on investments in preference shares	-	1,000
Unrealised foreign exchange (gain)/loss	-	1
Unwinding interest income on financial guarantees and debt instruments	(361)	(1,951)
Notional commission on guarantee given to subsidiaries	(441)	803
Reversal of previous year expenses	(1,222)	-
Interest income on income tax and service tax refund	(18)	(287)
Operating profit before working capital changes	302	3,457
Movement in working capital:		
Decrease/(Increase) in trade receivables	(651)	(562)
Decrease in other current/non current assets	217	323
Increase/(Decrease) in trade payables, current liabilities and provisions	173	(126)
Cash generated from operations	41	3,093
Taxes (paid)/refund	180	-
Net cash generated from operating activities	221	3,093
2 CASH FLOW FROM INVESTING ACTIVITIES		
Net Purchase/ Sale of current investments	(808)	1,139
Investments in subsidiaries/ associates/ related party including share application money	(7)	(1,428)
Loans (given)/refunds to/from subsidiaries/ related party	37	56
Purchase of property, plant and equipment	-	(1)
Interest received	18	-
Net Cash (used in)/ generated from investing activities	(760)	(234)
3 CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(898)	(3,000)
Proceeds from short term borrowings (net)	2,015	262
Interest paid	(463)	-
Net Cash generated from/(used in) financing activities	654	(2,738)
Net increase/ (decrease) in Cash and Cash Equivalents	115	121
Cash and Cash Equivalents at the beginning of the year	23	32
Cash and Cash Equivalents at the end of the year	143	153
Components of cash and cash equivalents		
Balance with banks:		
Current accounts	143	153
Total cash and cash equivalents	143	153



S. No.	Particulars	Quarter ended (Unaudited)			Half year ended (Unaudited)		Year ended (Audited)
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
1	Income						
	Revenue from operations	8,259	30,478	99,522	12,661	198,467	384,687
2	Other income	1,396	2,797	6,394	1,558	11,661	14,391
3	Total Income	9,656	33,275	105,916	14,219	210,128	399,078
4	Expenses						
	(a) Employee benefit expenses	218	5,970	6,061	488	11,220	23,298
	(b) Annual fee to Airport Authority of India	-	170	35,164	-	69,790	135,563
	(c) Finance costs	7,961	35,845	39,265	16,082	77,758	148,422
	(d) Depreciation and amortisation	1,147	19,094	20,416	1,767	40,697	80,250
	(e) Impairment of non-current investments	-	-	-	-	-	77,535
	(f) Fair value loss on investment	-	-	1,000	-	1,000	1,000
	(g) Other expenses	1,173	16,992	20,910	7,630	39,456	81,737
	Total expenses	10,499	78,071	122,816	25,967	239,921	547,805
5	Profit/ (Loss) from ordinary activities but before exceptional items (3-4)	(844)	(44,796)	(16,900)	(11,748)	(29,793)	(148,727)
6	Exceptional items	-	-	-	-	-	-
7	Profit/ (Loss) from ordinary activities (5-6)	(844)	(44,796)	(16,900)	(11,748)	(29,793)	(148,727)
8	Add: Share of profit/ (loss) from associates/ jointly controlled entities						
	Share of profit from jointly controlled entities	-	(307)	567	-	1,069	1,973
9	Loss before tax for the period from Continuing operations (7+8)	(844)	(45,103)	(16,333)	(11,748)	(28,724)	(146,754)
10	Tax expense of continuing operations	1,576	(7,269)	(394)	2,090	366	7,718
11	Loss for the period from Continuing operations (9-10)	(2,420)	(37,834)	(15,939)	(13,838)	(29,090)	(154,472)
12	Loss before Tax for the period from discontinuing operations	(31,960)	-	-	(66,159)	-	-
13	Tax expense of discontinuing operations	(7,074)	-	-	(14,857)	-	-
14	Loss for the period from discontinuing operations (12-13)	(24,886)	-	-	(51,302)	-	-
15	Profit / Loss for the Period (11+14)	(27,306)	(37,834)	(15,939)	(65,140)	(29,090)	(154,472)
	Other comprehensive (expense)/income -Continuing operations	(13)	648	38	633	(89)	(79)
	Other comprehensive (expense)/income -Discontinuing operations	1	-	-	3	-	-
16	Total other comprehensive (expense)/income	(12)	648	38	636	(89)	(79)
17	Total comprehensive income for the year (15+16)	(27,318)	(37,186)	(15,901)	(64,504)	(29,179)	(154,551)
18	Profit/ (Loss) for the year attributable to:						
	- Owners of the Company						
	Loss for the period from Continuing operations	(2,420)	(28,979)	(14,698)	(13,554)	(28,128)	(149,343)
	Loss for the period from discontinuing operations	(16,617)	-	-	(34,462)	-	-
	- Non controlling interests						
	Loss for the period from Continuing operations	-	(8,855)	(1,241)	(284)	(962)	(5,129)
	Loss for the period from discontinuing operations	(8,269)	-	-	(16,840)	-	-
		(27,306)	(37,834)	(15,939)	(65,140)	(29,090)	(154,472)
19	Other comprehensive income for the year attributable to:						
	- Owners of the Company						
	Loss for the period from Continuing operations	(17)	648	38	629	(89)	(79)
	Loss for the period from discontinuing operations	(1)	-	-	1	-	-
	- Non controlling interests						
	Loss for the period from Continuing operations	4	-	-	4	-	-
	Loss for the period from discontinuing operations	2	-	-	2	-	-
		(12)	648	38	636	(89)	(79)
20	Total comprehensive income for the year attributable to:						
	- Owners of the Company						
	Loss for the period from Continuing operations	(2,437)	(28,331)	(14,660)	(17,925)	(28,217)	(149,422)
	Loss for the period from discontinuing operations	(16,618)	-	-	(34,461)	-	-
	- Non controlling interests						
	Loss for the period from Continuing operations	4	(8,855)	(1,241)	(280)	(962)	(5,129)
	Loss for the period from discontinuing operations	(8,267)	-	-	(16,838)	-	-
		(27,318)	(37,186)	(15,901)	(64,504)	(29,179)	(154,551)
21	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792	15,792
	Basic and Diluted - Earnings per share (EPS)						
	- Continuing operations	(0.15)	(1.84)	(0.93)	(0.86)	(1.78)	(9.46)
	- Discontinuing operations	(1.05)	-	-	(2.18)	-	-
	- Total operations	(1.21)	(1.84)	(0.93)	(3.04)	(1.78)	(9.46)

Place: Hyderabad
Date: December 03, 2021

GVK Power and Infrastructure Limited

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



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

(Rs In Lakhs)

S.No.	Particular	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)
	Assets		
I)	Non-current assets		
	Property, plant and equipment	197	1,002,518
	Capital work in progress	57,069	354,745
	Expenditure incurred during construction period, pending allocation (Net)	-	39,147
	Investment Property	11,655	11,655
	Goodwill	18,761	112,237
	Intangible assets	15,149	113,691
	Right of use asset	-	737
	Lease equalisation asset (Net of provision)	-	1,766
	Investments including in joint ventures and associates (accounted under equity method)	-	13,700
	Other non-current financial assets	-	4,356
	Deferred tax assets (net)	2,259	7,951
	Tax assets (Net)	3,955	23,830
	Other non-current assets	44,591	52,511
	Total	153,636	1,738,844
II)	Current Assets		
	Inventories	143	920
	Contract assets	-	3,962
	Financial assets		
	Investments	2,859	2,230
	Trade receivables	744	40,260
	Cash and cash equivalents	886	19,404
	Balances with banks other than cash and cash equivalents	5,379	12,383
	Loans	25,019	28,963
	Other financial assets	117,439	171,303
	Current tax assets	9,254	4,410
	Other current assets	6,582	28,712
	Total	168,305	312,547
III)	Assets clasified as held for Sale	1,693,030	-
	Grand Total	2,014,971	2,051,391



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

(Rs In Lakhs)

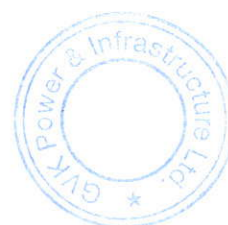
S.No.	Particular	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)
	Equity and Liabilities		
I)	Equity		
	Equity share capital	15,792	15,792
	Other equity		
	For Continuing operations	(147,869)	(285,519)
	For asset held for sale operations	(185,036)	-
	Equity attributable to owners of the Group	(317,113)	(269,727)
II)	Non-controlling interest	239,239	256,357
	Total Equity	(77,874)	(13,370)
III)	Non-current liabilities		
	Contract liabilities	-	773
	Financial Liabilities		
	Borrowings	23,525	771,341
	Lease liabilities	-	316
	Other financial liabilities	1,612	190,653
	Provisions	58	1,453
	Deferred tax liability (net)	-	13,790
	Other non-current liabilities	-	282,201
	Total	25,195	1,260,527
IV)	Current liabilities		
	Contract liabilities	-	2,237
	Financial liabilities		
	Borrowings	73,379	145,632
	Lease liabilities	-	443
	Trade payables - Total outstanding dues of:		
	- micro and small enterprises	1	726
	- other than micro and small enterprises	2,373	17,300
	Other financial liabilities	303,126	565,651
	Provisions	12,117	19,263
	Current tax liabilities (net)	476	2,679
	Other current liabilities	3,666	50,303
	Total	395,138	804,234
V)	Liabilities clasifed as held for Sale	1,672,512	-
	Grand Total	2,014,971	2,051,391



GVK Power and Infrastructure Limited
Unaudited Consolidated statement of cash flow

(Rs in Lakhs)

	Half year ended September 30, 2020	Half year ended September 30, 2019
A. Cash Flow From Operating Activities		
Loss before tax for the period from Continuing operations	(11,748)	(28,813)
Adjustments for:		
Depreciation and amortisation (net)	1,767	40,697
Income from investment	(111)	(111)
Loss on sale of fixed assets (net)	-	241
Interest expense	16,017	77,758
Interest income	(174)	(7,805)
Liabilities written back/ Reversal of previous year expenses	(1,223)	(2,061)
Provision for doubtful debts	963	-
Bad debts	4,420	(1,069)
Fair value loss on investments in preference shares	-	1,000
Operating Profit before Working Capital Changes	9,910	79,837
Change in operating assets and liabilities:		
Decrease/(Increase) in trade receivables	(704)	10,698
Decrease/(Increase) in Inventories	2	95
Decrease / (Increase) in Contract Assets	-	3,609
Decrease/(Increase) in Financial Assets loans, others, other current and noncurrent	25,381	(20,639)
(Decrease)/Increase in Provisions	(4,442)	107
Increase in Trade payables, other financial liabilities and current liabilities	(8,294)	97,538
Cash Generated from Operations	21,853	171,244
Taxes (paid)/refund (net)	180	8,796
Net Cash flow from Operating Activities (A)	22,033	180,040
B. Cash Flow From/(Used In) Investing Activities		
Purchase of fixed assets (including capital work in progress and capital advances)	-	(90,163)
Proceeds from sale of fixed assets	-	51
(Purchase) / proceeds from sale of current investments (net)	(808)	3,904
Purchase of non-current investments	-	(3,058)
Loans (given) to / taken from related parties and others (net)	-	-
(Investment)/ Realization of bank deposits (having original maturity of more than 3 months)	-	7,091
Interest received	18	8,112
Net Cash flow from/(used in) Investing Activities (B)	(790)	(74,063)
C. Cash Flow Used In Financing Activities		
Transactions with non-controlling interests	-	15,624
Proceeds from Long term Borrowings	2,125	131,500
Repayment of long term borrowings	(20,056)	(134,424)
Proceeds from short term borrowings (net)	(198)	(55,852)
Interest paid	(3,107)	(69,791)
Net Cash flow used in Financing Activities (C)	(21,146)	(112,943)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	97	(6,966)
Cash and Cash Equivalents at the beginning of the year	789	30,496
Cash and Cash Equivalents at the end of the year	886	23,530
Components of cash and cash equivalents as per Cash Flow Statement		
Balance with banks:		
Current accounts	861	3,495
Deposit accounts	-	19,817
Cash	25	90
Cheques	-	128
Total	886	23,530



GVK Power & Infrastructure Limited

Notes:

- 1 GVK Power & Infrastructure Limited ("The Company") has adopted Indian Accounting Standards (Ind AS) prescribed under section 133 of Companies Act, 2013, read with relevant rules issued thereunder.
- 2 The Company carries its businesses in various segments viz., Power, Roads, Airports (Discontinuing operations) and others through various subsidiaries, associates and jointly controlled entities, being special purpose vehicles exclusively formed to build and operate various infrastructure projects. The consolidated results published above present the full revenues and expenses of the Company, its subsidiaries, share of profits / (losses) of associates and jointly controlled entities, except for airport vertical for which it is shown separately as discontinuing operations (collectively "the Group").
- 3 The above published consolidated results have been prepared in accordance with principles and procedures as set out in the IND-AS 110 on "Consolidated financial statements" and IND - AS 28 on "Investment in associate and joint venture" notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 4 The above consolidated financial results have been reviewed by the audit committee on December 03, 2021 and have been approved by board of directors at their meeting held on December 03, 2021.
- 5 As at September 30, 2020, the Group had accumulated losses and the Group has incurred losses during the current and preceding periods/ years. The group has delayed payment of loans and interest and certain loan accounts have been classified as non-performing by banks/ lenders. The Group has provided guarantees and commitments and/or has undertaken to provide financial assistance on behalf of various entities and as further detailed in notes 9, 10, 12(a) and 12(b) (referring to notes on GVK Coal Developers (Singapore) Pte Limited, GVK Energy Limited, GVK Bagodara Vasad Expressway Private Limited and GVK Deoli Kota Expressway Private Limited), uncertainties are being faced by various projects such as delays in development of coal mines in an overseas project where the parent Company has provided guarantees and commitments for the borrowings, losses incurred by gas based plants in the absence of gas and litigations on rights to claim capacity charge, re-negotiation of terms of PPA of coal based plant, arbitration on delay of commencement of road project etc. These factors together with the impact of Covid 19 may indicate significant doubt on going concern ability of the group. Notwithstanding the above, the financial statements of the Group have been prepared on going concern basis as management believes that the Group would be able to ultimately meet its commitments, reduce debt by stake sale and the entities on whose behalf guarantees/ commitments have been extended would be able to meet their obligations. Further, the Management is confident that aforesaid entities would win litigations; obtain approvals of regulators; will reach an optimal solution with non-controlling shareholders and lenders; obtain requisite gas/ coal allocation etc. as required despite current macro-economic environment challenges.
- 6 The Company and its subsidiary GVK Airport Developers Limited (GVK ADL) 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). Based on the agreements reached, the Company's investment in GVK ADL is considered fully recoverable. AAHL has since acquired the debt from GVKADL and has converted the same to equity acquiring controlling interest in GVKADL on July 13, 2021. GVKADL, 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 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. 1,000,000 lakhs held by GVKPIL and its subsidiary in GVKADL by AAHL to be settled by transfer of securities held by AAHL referred to in (ii) above.
 - (iv) GVKPIL and AAHL have also agreed on certain steps to be taken in respect of lenders of GVK Coal."The full financial effect of the above cannot be estimated as certain aspects of the transaction including settlement with GVK Coal lenders are yet to be concluded.
- 7 **Assets held for sale**

GVK Airport Holdings Limited (GVKAHL) is a step down wholly owned subsidiary of the Company and holding company of Mumbai International Airport Limited (MIAL) with a shareholding of 50.5%. Management has been looking for certain divestment options in the airport vertical. During the course of divestment process, the management has obtained bids for diluting the shareholding in Airport Vertical. The parent Company and GVK ADL (the holding company of GVKAHL) have entered into an agreement with Adani Airport Holdings Limited on August 31, 2020.

Based on the above, 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" asset from the quarter ended September 30, 2020.

Accordingly the assets and liabilities relating to airport vertical amounting to Rs 1,693,030 Lakhs and Rs 1,672,512 Lakhs respectively has been reclassified from respective assets and liabilities and shown as Assets classified as held for Sale and Liabilities classified as held for Sale. Further, the income and expenditure relating to airport vertical for quarter ended September, 2020 is netted and shown as Loss before Tax for the period from discontinuing operations. Further, income and expenditure relating to the quarter ended June 2020 is also netted off while reporting the figures related to the same for half year ended September 2020 and the same is included and shown as Loss before Tax for the period from discontinuing operations for the half year ended September 2020. The figures reported for the quarter ended June 2020 is same as reported in the Results for the quarter ended June 2020.
- 8 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 its investment and receivable aggregating to Rs. 78,634 lakhs & Rs 434 Lakhs during the year ended March 31, 2020 & quarter ended June 30, 2020 respectively in the absence of any certainty of realization either by use or from the settlement that may be reached.
The Group has also provided guarantees and commitments for loans amounting Rs. 835,723 lakhs (March 31, 2020: Rs. 851,216 lakhs) taken by GVK Coal as at September 30, 2020 part of which is collateralized by the pledge of 37% shares of GVK Airport Holdings Limited a wholly owned subsidiary of the parent Company, and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,295 lakhs) as at September 30, 2020, an entity whose current liabilities exceeds current assets by USD 2,311 million (Rs. 1,745,078 lakhs) as at June 30, 2020 and has incurred net losses of USD 298 million (Rs. 225,037 lakhs) for the year ended June 30, 2020, and based on the audited financial statements of GVK Coal is witnessing material uncertainties. The prices of the coal have fallen since GVK coal had acquired a stake in the coal mines. GVK Coal has not been able to achieve financial closure resulting in delays in commencement of mine development activity when compared to scheduled date, delays in entering into definitive agreements for port and rail development and agreement for sale of coal and also necessary environmental and regulatory clearances. There 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 parent Company were filed with the court and an order has been pronounced which entails start of the trial on June 13, 2022.

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

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

a) Trade receivable of GVK Industries Limited (GVKIL), include accruals towards reimbursement of fixed charges for the financial year 1997-1998 to 2000-2001, on increased capital cost worked out as per ratios set out in the PPA aggregating to Rs. 4,512 lakhs (March 31, 2020: Rs. 4,512 lakhs) by GVKIL, disincentive recoverable aggregating to Rs. 2,878 lakhs (March 31, 2020: Rs. 2,878 lakhs), minimum alternate tax under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2000-2001 up to the financial year 2011-2012, aggregating to Rs. 2,031 lakhs (March 31, 2020: Rs. 2,031 lakhs) and other receivables of Rs. 75 lakhs (March 31, 2020: Rs. 75 lakhs), in GVK Gautami Power Limited (GVKGPL) the minimum alternate tax under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2009-2010 to 2010-2011, aggregating to Rs. 1,500 lakhs (March 31, 2020: Rs. 1,500 lakhs) which are being refuted by AP Transco/subject to approvals.

There has been uncertainty regarding supplies/availability of gas to power plants of GVK Industries Limited (GVKIL), subsidiary company, and GVK Gautami Power Limited (GVKGPL), jointly controlled entity. These group companies have made losses of Rs. 22,484 lakhs during the current period (March 31, 2020: Rs. 39,310 lakhs). The lenders have classified the loan balances of these group companies as non-performing assets. One of the lenders in the consortium of GVKIL has filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company and hearing on petition is pending.

GVKEL is confident that the Government of India will take necessary steps/initiatives to improve the situation of natural gas. However, in the interim, these group companies are working with the lenders for a one time settlement proposal wherein the loans would be settled at the value of the plant to be realised on its sale to APDISCOM. Further, Management, based on its rights under power purchase agreement to recover capacity charges and in view of installing alternate fuel equipment and on the basis of aforesaid discussions, believes that these group companies continue to be in operation in foreseeable future despite continued losses or will be able to amicably settle the loan liability as part of one time settlement proposal. GVKEL has given corporate guarantee for the loan taken by GVKGPL. GVKEL based on the valuation performed for these entities, has made a provision for diminution for full value of investments to the extent of Rs. 64,295 lakhs in its standalone financial statements during the FY ended March 31, 2020.

The company accordingly believes that no provision for impairment/diminution is required towards carrying value of assets aggregating to Rs.59,046 Lakhs & Rs.97,634 Lakhs of GVKIL & GVKGPL respectively and also no provision towards corporate guarantee given by GVKEL to GVKGPL is necessary

b) The Hon'ble Supreme Court of India had deallocated dedicated coal mine allotted to GVK Power (Goindwal Sahib) Limited (GVKPGSL). GVK Coal (Tokisud) Private Limited (GVKCTPL), a subsidiary of GVKEL and mine operator for coal mine allotted to GVKPGSL, was offered of a compensation by the Nominated Authority of Rs. 11,129 Lakhs as against carrying value of assets of Rs. 31,113 Lakhs as at March 31, 2017. GVKCTPL had appealed against the said order in the Hon'ble High Court of Delhi. The aforesaid court vide its order dated March 09,2017, directed GVKCTPL to submit its claim to the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015. Subsequently GVKCTPL submitted its claim for the balance amount of Rs. 19,882 Lakhs to the aforesaid authority. GVK Energy has written off its investment in GVKCTPL amounting to Rs. 10,986 lakhs which is considered as an exceptional item in the Statement of Profit and Loss of GVK Energy Limited for the year ended March, 2018. GVK Energy has also given corporate guarantee for the loan taken by GVKCTPL. Management believes that GVKCTPL will be appropriately reimbursed for cancelled coal mines and accordingly no provision is required towards corporate guarantee given by GVKEL.

c) Uncertainty is being faced by coal based Thermal Power plant with carrying value of assets aggregating to Rs. 394,852 lakhs (March 31, 2020: Rs. 415,025 lakhs) of GVK Power (Goindwal Sahib) Limited ('GVKPGSL'), subsidiary company, due to uncertainty in supply of fuel consequent to the Hon'ble Supreme Court of India had deallocated dedicated coal mine allotted to GVKPGSL. Management had filed petition with Punjab State Electricity Regulatory Commission (PSERC) for re-negotiation of terms of power purchase agreement claiming force majeure and change in law as envisaged under Power Purchase Agreement. It had also applied for the approval of completed capital cost and determination of final tariff for the Project.

The subsidiary company GVKPGSL was allotted 1.7 million tons of coal from M/s Central Coal Fields Limited (CCL) under Scheme for Harnessing Scheme for Harnessing and Allocating Koyala Transparently in India (SHAkti). It entered into an agreement with CCL on 16th February, 2018.

PSERC had approved the capital cost of Rs 3,05,837 Lakhs against the subsidiaries claim of Rs 4,49,106 Lakhs on 17th January, 2020. PSERC has also not allowed complete pass through of cost on account of fuel. Aggrieved with the above order, the company has preferred an appeal against the said order before Appellate Tribunal for Electricity (APTEL).

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

Further based on the valuation performed, GVK Energy has made a provision for diminution of investments to the extent of Rs. 18,310 lakhs & Rs 108,210 Lakhs during the year ended March, 2020 & half year ended September 30, 2020 respectively in its standalone financial statements.

Management is actively locking 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. 394,852 Lakhs.

d) The parent company has assessed and based on the valuation carried out, provided an amount of Rs 25,100 Lakhs during quarter ended June, 2020 (Rs 4,900 Lakhs during the year March, 2020) in its standalone financial statement. The group has receivables of loan of Rs. 25,014 lakhs (March 31, 2020: Rs. 28,600 lakhs) and the parent company has given corporate guarantee of Rs 4,500 Lakhs (March, 2020 Rs 4,500 Lakhs) to GVKEL. The management believes that no further provision for diminution for such loans and no provision for corporate guarantees given by the parent Company is required considering the overall evaluation of the entity.

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

As at September 30, 2020, the Group had accumulated losses and the Group has incurred losses during the previous year and the current year. The Group's current liabilities are in excess of current assets. The Group has delayed payment of loans and interest and certain loan accounts of the Group have been classified as non-performing by the lenders. GVK Power & Infrastructure Limited has provided corporate guarantee for the loans taken by GVKEL and has given sponsor undertaking for the loans taken by GVKPGSL. Further, uncertainties are being faced by various projects in the Group such as losses incurred by power plants, re-negotiation of terms of power purchase agreement of coal based plant, approval of resolution plan, one time settlement proposal, litigations with respect to tariff, etc. Notwithstanding the above, the financial statements of the Group have been prepared on going concern basis as, management believes that the Group would be able to establish profitable operations and meet its commitments. Further, management is confident that aforesaid entities would win litigations, obtain approval of regulators, obtain requisite fuel allocation etc. as required and would establish profitable operations.



11 The company has wholly own subsidiary company viz. GVK Transportation Pvt. Ltd. (GVKTPL), which has made investment into four 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 September 30, 2020, comprising Rs 58,904 lakhs towards project expenditure and Rs. 8,485 lakhs net towards advance to contractor. (March 31, 2020: Rs 67,374 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.

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

GVK BVEPL is closely working with the lenders by explaining to them the intricacies of the project and outlining support required to give effect to the process of arbitration. Tribunal heard arguments of both sides in respect of Application dated 23-09-2021 for production of additional documents, the hearing was concluded and orders in the said application are reserved.

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

Based on its internal assessment/legal advice GVK BVEPL is confident that it will be able to recover the amounts spent on the project till date and is also confident that claims made by GSRDC will be struck down and accordingly management believes that it is appropriate to recognize total assets aggregating to Rs. 67,389 lakhs till September 30,2020 (March 31, 2020 Rs. 67,374 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 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.

GVK DKEPL has currently recognized 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 termination payment has been claimed and the matter is under Arbitration. The company has filed claim documents with Tribunal and NHAI has filed statement of defense. GVK DKEPL is also taking other necessary legal remedies in this regard and the Arbitration tribunal is yet to decide the date for hearing on claims.

The NHAI has paid a Gross total of Rs 49,767 Lakhs (Net Rs 24,977 Lakhs after deduction of Income Tax TDS Rs 1,303 Lakhs, GST TDS Rs 995 Lakhs, Premium Rs 16,917 Lakhs, Interest on Premium Rs 5,141 Lakhs, TCS Rs 338 Lakhs and Interest on TCS Rs 97 Lakhs) till November 30, 2021 towards our Termination claim. The company has filed and interim application U/s 17 of the Arbitration and Conciliation Act, 1996 for full amount of termination payment. Meanwhile the company has also filed Rejoinder and partly arguments heard on October 08, 2021 & November 03, 2021 and next hearing is fixed on December 17, 2021.

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

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 amounting to Rs. 119,883 lakhs.

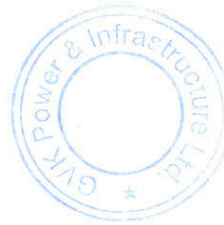
12 GVK Jaipur Expressway Private Limited (GVKJEPL)

Toll collections were suspended by NHAI due to the Lock down announced by the Ministry of Road Transport & Highways (MoRTH) vide its order H-25016/01/2018-Toll dated March 25, 2020 on account of COVID 19. The suspension of Toll continued till April 20, 2020. However, due to the impact of the lockdown and reduced traffic due to covid the daily Toll collection continued to be much less than the average daily collection prior to the lockdown. GVKJEPL at present has the concession to operate and collect the toll till March 16, 2023. However, NHAI vide its Policy circular No. 8.3.33/2020 dated 26th May, 2020 has 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 month and a maximum of six month period from the end of the concession period. Accordingly the company has applied for extension of Concession period.

13 GVK Rattle Hydro Electric Project Private Limited (GVKRHEPPL), step subsidiary of GVK Power and Infrastructure Limited has entered into a concession agreement with J&K Power Development Department (JKPDD) for construction and operation of a hydro power plant on Build, Own, Operate and Transfer model. GVKRHEPPL has spent/ paid advances of an amount of Rs. 107,261 lakhs (March 31, 2020: Rs. 107,298 lakhs) on this project for various works. There has been a significant delay in the construction of the project due to the impediments like land acquisition and execution of land leases, issues in relation to working conditions, disturbances and law and order problems, issues under the Indus Water Treaty, issues in relation to Water charges, status of Mega Power Project and taxes such as entry tax, sales and other local taxes etc., GVKRHEPPL has offered for an amicable settlement and requested for the termination of concession agreement, but JKPDD rejected such settlement stating that the delays tantamount to event of default from GVKRHEPPL. Subsequent to this GVKRHEPPL has initiated the arbitration process and the process is in advance stages. In the arbitration GVKRHEPPL has made a claim of Rs: 513,648 lakhs and JKPDD has made a counter claim of Rs: 518,963 lakhs.

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. The company has filed an appeal on 8th December,2020 against the said award.

Further, the company has entered into a settlement agreement on 24th November 2021 with the Lender. The management believes that it is appropriate to recognize assets aggregating to Rs.107,261Lakhs (March 31,2020: Rs.107,298 Lakhs) at carrying value in the financial results and no provision for diminution is necessary.



14 Impact of Covid 19 pandemic on the Group

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

a. Airport operations

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

The Covid-19 pandemic has caused MIAL to invoke the force majeure provision as per Operation, Management and Development Agreement ('OMDA') with the Airports Authority of India (AAI). MIAL has thus claimed relief from AAI towards, inter alia, suspension/ excuse from discharging its annual fee obligations till the time of force majeure event and such additional period thereafter as is necessary to enable MIAL to achieve the level of activity prevailing before the event of force majeure. Consequently, MIAL provided AAI with various details, as requested by them from time to time, for provide for force majeure relief. However, AAI continued its demand for seeking annual fee. In order to claim urgent relief on the matter, MIAL filed an application with Honourable High Court of Delhi ("DHC") under Section 9 of the Arbitration and Conciliation Act, 1996. The DHC has vide its final order dated 27th November, 2020 allowed the petition of MIAL post which MIAL is able to access and utilise the funds for its requirements pertaining to running and operating of the CSMI Airport and other obligations linked thereto under the OMDA. Further, as per DHC order, MIAL is required to retain 38.7% of actual payments received from activities connected with OMDA in the Escrow Proceeds Account however AAI is restrained from transferring / withdrawing the said amount retained in the Escrow Proceeds Account. These direction are applicable prospectively from the date of pronouncement of the order and will remain in force until varied / modified by subsequent orders either from the higher courts or arbitration tribunal.

Against the aforesaid order dated 27th November, 2020, AAI had filed an appeal before the division bench of the Delhi High Court which was disposed-off on 14th January, 2021 vide consent order.

Currently, the matter is under arbitration before the Arbitral Tribunal for final Award. Further, the Arbitral Tribunal has passed an order dated 28th June, 2021 wherein Arbitral Tribunal have disposed-off section 17 application preferred by MIAL and AAI by passing a similar order as that of the Divisional Bench of the Delhi High Court (consent order).

Against this order, AAI has preferred an appeal under section 37 of the Arbitration and Conciliation Act, 1996 before the Delhi High Court which is pending for hearing. Pending decision of the Honourable Delhi High Court on the above appeal, legal opinion and Award of the Arbitral Tribunal, MIAL has not provided for its annual fee liability in these financial results.

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

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

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.

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.

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

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

The Enforcement Directorate ('ED') has also taken up the investigation under the Prevention of Money Laundering Act on the basis of FIR registered by the CBI. The investigation of CBI is currently in progress and the Company is co-operating with the investigating agency. ED has filed a complaint before the City Civil Court and Additional Sessions 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.

The Company had also received a Notice of Inspection from Ministry of Corporate Affairs (MCA) under section 206(5) of Companies Act, 2013 in October 2019, requiring the Company to furnish books of accounts and records and management has responded to the enquiries/notice.

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

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



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

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

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.

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

16 As per the requirements of Section 96(1) of the Companies Act, 2013 the Parent Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay the Balance Sheet and the Profit and Loss account for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. While the Balance Sheet and Profit and Loss account for the year ended March 31, 2020 was approved at the AGM held on October 29, 2021, ~~the parent Company, however, could not lay the Balance Sheet and the Profit and Loss account for the year ended March 31, 2021, before~~ November 30, 2021 and will be applying to the relevant authority (ies) for compounding of these non-compliance under the relevant sections of the Companies Act, 2013 and the Rules made thereunder.

As per the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the parent Company was required to file its Limited reviewed financial results for the Quarter ended September 30, 2020 and for the subsequent quarters within the time limit with The National Stock Exchange of India Limited and The Bombay Stock Exchange Limited. However, the Parent Company could not do so and it had communicated to Stock Exchanges that it will be complying with these by December 31, 2021.

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

Place: Hyderabad
Date : December 03, 2021

GVK Power & Infrastructure Limited



P V Prasanna Reddy
Whole-Time Director



GVK Power & Infrastructure Limited
Segment Reporting (Consolidated) for the Quarter and half year ended September 30, 2020

(Rs In Lakhs)

Sr No	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1	Segment Revenue						
	Power	-	-	-	-	-	-
	Roads	8,262	4,405	9,098	12,667	18,960	35,609
	Airports	-	26,087	90,424	-	179,507	349,070
	Others	319	317	846	636	1,692	2,328
	Unallocated	-	-	-	-	-	-
	Total	8,581	30,809	100,368	13,303	200,159	387,007
	Less: Inter segment revenue	322	331	846	642	1,692	2,320
	Net sales / income from Continuing operations	8,259	30,478	99,522	12,661	198,467	384,687
	Net sales / income from Discontinuing operations	32,034	-	-	58,121	-	-
2	Segment Result						
	Power	(1)	(56)	2	(57)	1	(131)
	Roads	5,932	2,876	8,009	8,808	13,601	20,442
	Airports	-	(5,821)	1,324	-	18,557	62,442
	Others	(213)	(5,346)	817	(5,559)	2,933	(3,165)
	Total	5,718	(8,347)	10,152	3,192	35,092	79,588
	Less:						
	Interest Expense	7,961	35,845	39,265	16,082	77,758	148,422
	Add:						
	Other unallocable income net off unallocable expenditure	1,399	(911)	12,780	1,142	13,941	(77,920)
	Total Loss before tax Continuing operations	(844)	(45,103)	(16,333)	(11,748)	(28,724)	(146,754)
	Total Loss before tax Discontinuing operations	(31,960)	-	-	(66,159)	-	-
3	Capital Employed						
	(Segment Assets)						
	Power	107,309	107,288	109,536	107,309	109,536	107,344
	Roads	140,885	162,974	201,019	140,885	201,019	179,750
	Airports	-	1,546,978	1,641,424	-	1,641,424	1,570,218
	Others*	13,838	14,277	19,842	13,838	19,842	13,713
	Unallocated	59,909	184,662	147,048	59,909	147,048	180,366
	Total Segment Assets	321,941	2,016,179	2,118,869	321,941	2,118,869	2,051,391
	Assets classified as held for Sale	1,693,030	-	-	1,693,030	-	-
	(Segment Liabilities)						
	Power	119,335	116,676	110,815	119,335	110,815	114,057
	Roads	295,952	325,294	336,994	295,952	336,994	338,946
	Airports	-	1,579,119	1,531,803	-	1,531,803	1,556,759
	Others*	5,046	9,386	13,111	5,046	13,111	9,334
	Unallocated	-	36,259	15,137	-	15,137	45,665
	Total Segment Liabilities	420,333	2,066,734	2,007,860	420,333	2,007,860	2,064,761
	Liabilities classified as held for Sale	1,672,512	-	-	1,672,512	-	-
	Net Capital employed	(98,392)	(50,555)	111,009	(98,392)	111,009	(13,370)
	Net Capital employed - classified as held for Sale	20,518	-	-	20,518	-	-

*Others include Investment, Manpower, SEZ and Other companies

The above has been regrouped based on realignment of segment after considering the discontinuing operations of airport vertical



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

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

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the statement') of **GVK Power & Infrastructure Limited ('the Company')** for the quarter and half year ended September 30, 2020, statement of assets and liabilities as on that date and the statement of cash flows for the half year ended on that date, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel who are responsible for financial and accounting matters and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We draw your attention to the following matters:
 - a. *Note 8 to the financial statements regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the Group has investments and has receivables aggregating to Rs.78,634 lakhs and to whom the company has provided guarantees and commitments for loans aggregating to Rs.835,723*

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lakhs taken by the aforesaid associate Company and has also undertaken to provide financial assistance of USD 3.11 million (Rs. 2,295 lakhs) as at September 30, 2020 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc. The entity's current liabilities exceed current assets by USD 2,311 million (Rs.17,45,078 lakhs) as at June 30, 2020 and has incurred net losses of USD 298 million (Rs. 2,25,037 lakhs) for the year ended June 30, 2020.

In this regard, while the company has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs.78,634 lakhs during the previous financial year ended March 31, 2020, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments (in respect of which collateral security by way of pledge of 37% shares of GVK Airport Holdings Limited a step down wholly owned subsidiary of the Company is also given in favour of the lenders), and the resultant impact of the same on these standalone financial statements.

- b. Note no.9 to the financial statements 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.108,547 Lakh and financial guarantees issued by the company to the jointly controlled entity amounting to Rs.4500 Lakh. With respect to GVK Energy Limited, there are multiple significant uncertainties like (a) various receivables aggregating to Rs.10, 996 Lakh from AP Transco which are refuted / subject to approvals (b) non-availability of fuel (coal / gas), (c) conclusion on outstanding application for increase in tariff and (d) compensation in relation to deallocated coal mine etc. There are also various uncertainties relating to subsidiaries and Jointly Controlled Entity of GVK Energy Limited as referred in Note 9. The Company has made total provision of Rs.34,400 Lakhs against the same so far including provision of Rs.25100 lakh made during quarter ended June 2020 based on the valuation reports obtained. In this regard, considering the uncertainties, we are unable to ascertain whether any adjustments are required to the financial results in the statement with respect to the balance amount of investments and loans aggregating to Rs.74,147 Lakh and financial guarantees issued by the company to the jointly controlled entity amounting to Rs.4500 Lakh.*



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- c. Note 15 to the financial statements regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds, money laundering and other matters, pending completion of which and non-provision of certain related information sought from the holding company including complete copy of the Enforcement Directorate complaint, we are unable to comment on the effect thereof on the standalone financial results including prior year comparatives considering allegations over GVK Group.
- d. Note 16 to the financial statements regarding (a) delay in holding of the Annual General Meeting (AGM), in respect of financial year ended March 31, 2020 and non-holding of the AGM in respect of financial year ended March 31, 2021 within the time limit specified under Section 96(1) of the Act, consequent non laying of the financial statements in the AGM as prescribed under Section 129(2) and Section 137 of the Act, (b) delay in filing / non-filing of the audited financial statements for the financial year ended March 31, 2020 and March 31, 2021 respectively and non-filing of financial results for various quarters, with the Bombay Stock Exchange and National Stock Exchange of India Limited within the time limit as specified under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015. We are unable to comment on the impact of these non-compliances on the standalone financial statements.

The predecessor auditor in their report dated August 24, 2021 on the standalone financial statements for the year ended March 31, 2020, has also qualified their opinion for the point no. (a), (b), (c) and (d) above.

5. Material Uncertainty Related to Going Concern

We draw attention to note 5 to the financial statements, which indicates that the company has significant accumulated losses as at September 30, 2020, has continued to incur significant losses during quarter and half year ended September 30, 2020 and in previous years, has defaulted in repayment of loan and interest payments and material uncertainties are faced by various projects, in which the company has made investments, provide guarantees / commitments and / or has undertaken to provide financial assistance. These events or conditions, along with other matters as set forth in aforesaid note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our Opinion is not modified in respect of this matter.

6. Emphasis of Matter

- a. Note 6 to the financial statements regarding proposed sale by the Company of its interest in Mumbai International Airport Limited (MIAL)) and the companies related to airport vertical by sale of securities held by the Company in GVK Airport Developers Limited (GVKADL), a wholly owned subsidiary under a binding co-operation agreement dated August 31, 2020 and other related



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transaction documents, basis which no adjustment was considered necessary to be made to the carrying value of investments and other receivables in / from GVKADL / MIAL / Navi Mumbai International Airport Limited (NMIAL).

- b. We draw attention to note 14 to the financial statements which states that the management has made an assessment of the impact of Covid 19 on the Company's operations, financial performance and position as at and for the period ended September 30, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Our opinion is not modified in respect of above matters.

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

8. Other Matters

- a. The financial result for the quarter and half year ended September 2019 were reviewed by the erstwhile auditor whose report dated November 14, 2019, expressed a modified conclusion on those interim financial results. We have relied upon the said report for the purpose of our report on this statement.
- b. The financial result for the year ended March 31, 2020 were audited by the erstwhile auditor whose report dated August 24, 2021, expressed a modified conclusion on those financial results. We have relied upon the said report for the purpose of our report on this statement.

Our conclusion is not modified in respect of these matter.

For T R Chadha & Co LLP
Chartered Accountants

Firm Registration No. 006711N/N500028

Pravin Kumar Jabade
(Partner)

Membership No. 107196

UDIN: 21107196 AAAACW5790

Date: 3rd December, 2021

Place: Hyderabad



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

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

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the statement') of **GVK Power & Infrastructure Limited ('the Holding Company')** and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the quarter and half year ended September 30, 2020, statement of assets and liabilities as on that date and the statement of cash flows for the half year ended on that date, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel who are responsible for financial and accounting matters and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/144/2019 dated 29th March 2019 issued by the SEBI under

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regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

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 (MIAL)
- iv. Navi Mumbai International private limited
- v. Bangalore Airport & International Developers Limited
- vi. GVK Airport 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

Joint ventures:

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

Associates Companies:

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

5. We draw your attention to the following matters:

- a. *Note 8 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.79,068 lakhs and to whom the holding company has provided guarantees and commitments for loans aggregating to*



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Rs.835,723 lakhs taken by the aforesaid associate Company and has also undertaken to provide financial assistance of USD 3.11 million (Rs. 2,295 lakhs) as at September 30, 2020 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc. The entity's current liabilities exceed current assets by USD 2,311 million (Rs.17,45,078 lakhs) as at June 30, 2020 and has incurred net losses of USD 298 million (Rs. 2,25,037 lakhs) for the year ended June 30, 2020.

In this regard, while the company has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs.78,634 Lakh during year ended March 31, 2020 and Rs.434 Lakh during the quarter ended as on June 30, 2020, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments (in respect of which collateral security by way of pledge of 37% shares of GVK Airport Holdings Limited a step down wholly owned subsidiary of the Company, is also given in favour of the lenders) and the resultant impact of the same on these consolidated financial statements.

- b. The following qualifications included in the review report of the consolidated financial results of GVK Energy Limited, a joint venture of the Holding Company for the quarter and half year ended September 30, 2020 issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated November 15, 2021 is reproduced by us as under:*
- i. "As discussed more fully in note 9(a) to the accompanying consolidated financial information, regarding outstanding fixed charge component of the tariff on the increased capital cost for the year 1997-98 to 2000-01 aggregating to Rs.4512 Lakh considered recoverable from AP Transco in GVK Industries Ltd., a subsidiary company and regarding minimum alternate tax amounts claims for reimbursement, disincentives recoverable and other receivable aggregating to Rs.2,878 Lakh, Rs.3,531 Lakh and Rs.75 Lakh respectively considered recoverable from AP Transco and consequential impact of taxes in GVK Industries Ltd. and GVK Gautami Power Ltd.'s books, a subsidiary company and joined controlled entity respectively, which are being refuted by AP Transco / subject to approval." Pending resolution of these matters, we are unable to comment upon the recoverability of these receivables together with consequential impact, if any, arising out of the same in this accompanying consolidated financial information.*



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- ii. "As discussed more fully in note 9(a) to the accompanying financial information, regarding the uncertainties faced by company on account of availability / supply of natural gas. However, based on the initiatives taken by the Government of India (through import of liquified natural gas at an affordable price by reducing custom duty to zero, requesting oil companies to reduced custom charges of liquid gas to natural gas and requesting Gas Authority of India (GAIL) to reduce the transportation charges and waiving Goods and Service Tax on transportation of natural gas and the order of the Central Electricity Regulatory Commission (CERC) with regard to capacity charges payable 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 the impairment of Property Plant and Equipment is not considered." Pending resolution of these uncertainties/approvals towards supplies / availability of gas, recovery of capacity charges and approval of one time proposal with lenders, we are unable to comment upon the recoverability of assets with carrying value of Rs.153,680 lakhs and the provision, if any, required for the corporate guarantee given to jointly controlled entity, together with consequential impact, if any, arising out of the same in these accompanying consolidated Ind AS financial statements."
- iii. "As discussed more fully in note 9(b) to the accompanying financial information statements, the Hon'ble Supreme court of India has deallocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company. As directed by Hon'ble High Court of Delhi, the aforesaid subsidiary has submitted its claim for an amount Rs. 19,882 lakhs with the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015. The GVKEL has given corporate guarantee for the loan taken by the subsidiary. Pending approval of the claim by the adjudicating authority, we are unable to comment on the recoverability of assets with carrying value of Rs. 19,882 lakhs together with consequential impact, if any, arising out of the same in these accompanying consolidated Ind AS financial statements."
- iv. "As discussed more fully in note 9(c) to the accompanying consolidated financial information, regarding the matters pending with Punjab State Power Corporation Limited (PSCPL) relating to Power Purchase Agreement regarding uncertainty towards seeking revision in tariff, considering enhanced project cost, differential coal procurement cost and other components mentioned in the aforesaid note. In view of factors detailed in said note and pending confirmation of dues from PSCPL as on reporting date we are unable to comment on the realizability of trade receivables, which are dependent upon outcome of negotiations with PSCPL which cannot be presently determined, pending approvals/acceptances and legal interpretations." Consequentially, we are unable to comment upon the recoverability of assets with carrying value amounting to Rs.394, 852 lakhs together with consequential impact, if



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any, arising out of the same in this accompanying consolidated financial information.

The note for the above (a) to (c) is also given in Note No.9 of Consolidated Financial Statements

- v. In the light of the above, "we are unable to comment on the extent of eventual recoverability of the investment in and loans to GVK Energy Limited aggregating to Rs.25,014 lakhs as disclosed under "loans" after recording Groups share of losses and the provisions, if any, required for the corporate guarantee given to the joint venture amounting to Rs.4500 lakhs. The impact of this matter on the consolidated financial statements is presently not ascertainable.
- c. Note 11a to the consolidated financial statements regarding GVK Bagodara Vasad Expressway Private Limited, a step-down subsidiary of the holding company, states that the project of the Company was terminated by Gujarat State Road Development Corporation (GSRDC) by referring the defaults of the Concessionaire. Consequent to the termination of the project, Company has accounted the cost incurred on the project of 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 issued by GSRDC and invoked arbitration in terms of the provisions of concession agreement. The matter is sub-judice before Hon'ble Arbitral Tribunal. We are unable to comment upon its recoverability in the absence of availability of related convincing audit evidence as to its recoverability.

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

Balances of borrowings (including interest accrued thereon) from lender amounting to Rs.69,681 Lakh as at March 31, 2020 and interest accrued of Rs.3052 Lakh during the half year ended September 30, 2020 as per books of accounts are unconfirmed. In absence of such confirmations, we are unable to comment on the appropriateness of carrying amount of borrowing (along with interest accrued thereon) as presented in the Balance Sheet.

The above matter has also been reported as a qualification by the Statutory Auditor of GVK Bagodara Vasad Expressway Private Limited as per their report dated June 25, 2020 for the year ended March 31, 2020



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d. i) Note 15(a) to the consolidated financial statements regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds, money laundering and other matters, etc., pending completion of which and non-provision of certain related information sought from the holding company including complete copy of the Enforcement Directorate complaint, we are unable to comment on the effect thereof on the consolidated financial results including prior year comparatives considering allegations over GVK Group.

ii) We also draw your attention to the following qualification in the review report on the consolidated financial statements of Mumbai International Airport Limited, a step-down subsidiary of the Holding Company issued by the independent firm of Chartered Accountants vide their report dated October 10, 2021 reproduced by us as under:

"Attention is invited to the note * of the statement, regarding investigations by various authorities for the period prior to 27 June 2020 which is pending and in the absence of the information available in respect thereof, we are unable to comment on the effect thereof on this accompanying statement."

Note * is considered appropriately as Note 15(b) to the consolidated financial statements.

iii) We also draw your attention to the following qualification in the review report on the standalone financial statements of GVK Airport Developers Limited, a wholly owned subsidiary of the Holding Company issued the independent firm of Chartered Accountants vide their report dated October, 26, 2021 reproduced by us as under:

"regarding investigation by the Government Agencies on various alleged irregularities relation to conflict of interest, mis use of fund etc., pending completion of which and availability of necessary information, we are unable to comment on the effect thereof on these standalone Ind AS financial statements including prior period comparatives considering allegations by aforesaid agencies over GVK Group"

iv) Note 15(c) to the consolidated statement, regarding standalone financial statements of GVK Airport Holdings Limited, a step down wholly owned subsidiary of the Holding Company, the impact of pending completion of the investigation by various authorities on the Company and Mumbai International Airport Limited (its subsidiary company) cannot be ascertained.

e. Note 16 to the consolidated financial statements regarding (a) delay in holding of the Annual General Meeting (AGM), in respect of financial year ended March 31, 2020 and non-holding of the AGM in respect of financial year ended March 31, 2021 within the time limit specified under Section 96(1) of the Act,





consequent non laying of the financial statements in the AGM as prescribed under Section 129(2) and Section 137 of the Act, (b) delay in filing / non-filing of the audited financial statements for the financial year ended March 31, 2020 March 31, 2021 respectively and non-filing of financial results for various quarters, with the Bombay Stock Exchange and National Stock Exchange of India Limited within the time limit as specified under Regulation 33 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015. We are unable to comment on the impact of these non-compliances on the consolidated financial statements.

6. Material Uncertainty Related to Going Concern

- i. We draw attention to note 5 to the consolidated financial statements, which indicates that the Group, its associate and joint ventures incurred losses of Rs.13,838 Lakh and has significant accumulated losses as at September 30, 2020, has defaulted in repayment of loan and interest payments and material uncertainties, including those arising due to COVID19, are faced by various projects being executed by the Group, its associate and joint ventures, in which the Group has made investments and / or provided guarantees/ commitments and / or has undertaken to provide financial assistance. These events or conditions, along with other matters as set forth in aforesaid note, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.
- ii. We draw your attention to the following Material Uncertainty Related to Going Concern paragraph included in the review report of the consolidated financial results of GVK Energy Limited, a Joint venture of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated November 15, 2021 reproduced by us as under:

"We draw attention to note * of the consolidated financial statements which states that regarding losses incurred by the Company, defaults in loan, interest payments and uncertainties faced by various projects in which the Company has made investments and provided guarantees. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated Ind AS financial statements have been prepared on a going concern basis for the reasons stated in the said note. Our opinion is not modified in respect of this matter".

Note *is included as note 10 to the consolidated financial statement

- iii. We draw your attention to the following Material Uncertainty Related to Going Concern paragraph included in the review report of the standalone financial information of GVK Deoli Kota Expressway Private Limited, a stepdown



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subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its review report dated September, 15, 2021;

“Note * of the statements, which explains the reason for preparation of this financial statement on realization basis assuming the company is no longer a going concern. The company has recorded receivables from NHAH of Rs.88,163 Lakh after setting of toll assets and other related future liabilities, which is subject to the decision and process of arbitration between company and NHAH.”

Note * is included as Note 11(b) to the consolidated financial statements.

7. **Emphasis of Matter**

- a. Note 6 to the Consolidated financial statements regarding proposed sale by the Company of its interest in Mumbai International Airport Limited (MIAL) and the companies related to airport vertical by sale of securities held by the Company in GVK Airport Developers Limited (GVKADL), a wholly owned subsidiary under a binding co-operation agreement dated August 31, 2020 and other related transaction documents, basis which no adjustment was considered necessary to be made to the carrying value of Goodwill arising on acquisition of MIAL and the assets of GVKADL along with its subsidiaries.
- b. Note 7 to the consolidated financial statements regarding the parent Company and GVK ADL (the holding company of GVK AHL) have entered into an agreement with Adani Airport Holdings Limited on August 31, 2020 towards certain disinvestments in Airport Vertical and accordingly, the Airport vertical is considered as “Held for sale” asset from the quarter ended September 30, 2020 and the assets and liabilities relating to airport vertical amounting to Rs 1,693,030 Lakhs and Rs 1,672,512 Lakhs respectively has been reclassified from respective assets and liabilities and shown as Assets classified as held for Sale and Liabilities classified as held for Sale. Further, the income and expenditure relating to airport vertical for quarter and half year ended September, 2020 is netted and shown as Loss before Tax for the period from discontinuing operations.
- c. We draw your attention to the following paragraph included *in the review report of the standalone financial results of GVK Bagodara Vasad Expressway Private Limited, a step-down subsidiary of the holding company, for the quarter and half year ended September 30, 2020 issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated February 02, 2021 is reproduced by us as under:*

“Note * of the statements, which states that since the project is undertaken by the company, had been terminated, “Going Concern Assumption” is not appropriate, hence financial statement have been drawn accordingly.



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“Note * of the statements, which states that the company had taken loans from consortium of Banks and a financial institution. Company Borrowings have been classified as Non-Performing Assets by the Lenders due to defaults in payment of related dues, Lenders have recalled the entire facilities extended to the company. ”

Note * is included as Note 11(a) to the consolidated financial statements.

- d. Note 11(b) of the statements, which states that in case of GVK Deoli Kota Expressway Private Limited, a stepdown subsidiary of the Holding Company, the company has defaulted in repayment of principal amount and payment of interest on such term loans taken from the consortium of Banks and financial institutions. As a results, the lenders have classified the term loans as Non-Performing Assets and have recalled the entire facilities extended to the company outstanding as on September 30, 2020. As a result of that the term loans have become repayable on demand and as lenders have classified company’s borrowing facilities as NPA, the company has not received borrowing statement and confirmation of borrowing balances from lenders.

Note * is included as Note 11(b) to the consolidated financial statements.

- e. We draw your attention to the following matter has been included as an Emphasis of matter paragraph in the review report on the standalone financial statements of GVK Rattle Hydro Electric Project Private Limited, the stepdown subsidiary of the Holding Company issued by independent firm of Chartered Accountants vide their report dated October 28, 2021, reproduced by us as under:

We draw your attention to Note 1 to the Ind AS financial results for the quarter and half year ended September 30, 2020, 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.107,261 lakhs cannot be presently determined.

Further, we draw your attention to the Note no.13 of the Consolidated Financial Statement which states the subsequent development in this matter that the company has entered into a settlement agreement on 24th November 2021 with the Lender. Accordingly, management believes that it is appropriate to recognize assets aggregating to Rs.107,261 Lakhs at carrying value in the financial results and no provision for diminution is necessary.

- f. Emphasis of Matter paragraphs included in the review report of the financial statements of Mumbai International Airport Limited (MIAL) issued by independent firm of Chartered Accountants vide their report dated October 21, 2021, reproduced by us as under:



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“We draw attention to Note * to the statement, which describes the possible effect of uncertainties relating to COVID-19 pandemic and management evaluations of the impact on the Company’s financial position as on the reporting date.

The above matter to the extent relating to the impact of the pandemic on the subsidiaries and joint venture’s financial results has also been reported as emphasis of matter in the audit report dated 18th September 2021 issued by other firm of Chartered Accountants on the financial results of the subsidiary and joint venture for the period ended September 30, 2020.”

Note * is included as Note 14(a) to the consolidated financial statements.

- g. We draw attention to note 14 to the financial statements which states that the management has made an assessment of the impact of Covid 19 on the Company’s operations, financial performance and position as at and for the period ended September 30, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Our opinion is not modified in respect of above matters.

8. Based on our review conducted as above, **except for the indeterminate effects of the matters stated in Paragraph 4 above**, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
9. The matters described in the Material Uncertainty related to going concern and emphasis of matter paragraphs above, in our opinion, may have an adverse effect on the functioning of the group.
10. **Other Matters**
- a. The financial result for the quarter and half year ended September 2019 were reviewed by the erstwhile auditor whose report dated November 14, 2019, expressed a modified conclusion on those interim financial results. We have relied upon the said report for the purpose of our report on this statement.
- b. The financial result for the year ended March 31, 2020 were audited by the erstwhile auditor whose report dated August 24, 2021, expressed a modified conclusion on those financial results. We have relied upon the said report for the purpose of our report on this statement.

Our conclusion is not modified in respect of these matters.



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11. We did not review the interim financial results of 11 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs.3,17,644 lakhs and net assets of Rs.98,007 lakhs as at 30th September 30, 2020 and total revenues of Rs.12661 lakhs, total net loss after tax of Rs.14,723 lakh and total comprehensive loss of Rs.14,723 lakh, for the period from April 01, 2020 to September 30,2020, respectively, net loss after tax of Rs.51302 Lakh from discontinued operations of 5 subsidiaries for the half year ended September 31, 2020 and cash flows (net) of Rs. (17) lakhs for the period from April 01, 2020 to September 30,2020, as consolidated unaudited financial results. The consolidated unaudited financial results also include the total comprehensive loss of Rs. Nil lakhs for the half year ended September 30, 2020, as considered in the consolidated unaudited financial results, in respect of 2 joint ventures, whose interim financial results have not been reviewed by us. These quarterly financial results have been reviewed by other auditors in accordance with SRE 2410, Engagements to Review Historical Financial Statements and their reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above

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

12. The consolidated unaudited financial results include the interim financial results of 1 subsidiary which have not been reviewed by their auditors whose interim financial results reflect total assets of Rs. 0.30 lakhs and net assets of Rs.(4) lakhs as at 30th September 30, 2020 and total revenues of Rs. Nil, total net loss after tax of Rs. 33 lakh and total comprehensive loss of Rs.33 lakh, for the period from April 01, 2020 to September 30,2020, respectively and cash flows (net) of Rs. Nil for the period from April 01, 2020 to September 30,2020, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these quarterly financial results are not material to the Group.

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

For T R Chadha & Co LLP

Chartered Accountants

Firm Registration No. 006711N/N500028

**Pravin Kumar Jabade
(Partner)**

Membership No. 107196

UDIN: 21107196AAAACX1936

Date: 03rd December, 2021

Place: Hyderabad

