



27th May, 2022

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

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

Dear Sir,

Sub: Audited Financial results for the year ended 31st March, 2022

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

The Board of Directors of our Company at its meeting held on today i.e. 27th May, 2022 had considered and approved the following business:

- a) Audited Financial Statements of the company (Standalone and Consolidated) for the year ended 31st March, 2022 along with Auditor's report thereon.
- b) Statement on Impact of Audit Qualifications for standalone and consolidated financials as per Regulation 33/52 of SEBI (LODR) (Amendment) Regulations, 2016.
- c) Statement of Assets & Liabilities as at 31st March, 2022 in the format specified under SEBI (LODR) Regulations, 2015.

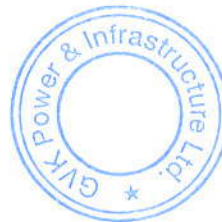
The Board Meeting commenced at 5:00 p.m. and concluded at 7:00 p.m.

Please acknowledge receipt of the above.

Thanks & regards,

For GVK Power & Infrastructure Ltd

**P V Rama Seshu
Vice President & Company Secretary**



GVK Power & Infrastructure Limited
CIN: L74999TG2005PLC059013

Registered office: Paigah House, 156-159, Sardar Patel Road, Secunderabad-500 003 (Telangana)
Phone No: 040-2790 2663/64, Fax: 040-2790 2665

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

Statement of Standalone Financial Results for the quarter ended and year ended March 31, 2022

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended (Unaudited)			Year ended (Audited)	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
1	Income					
	Revenue from operations	1,000	-	422	1,000	2,066
2	Other income	316	125	392	8,218	3,237
3	Total revenue	1,316	125	814	9,218	5,303
4	Expenses					
	Employee benefit expenses	16	18	30	76	128
	Other expenses	461	134	138	2,774	605
	Impairment of non-current investments	-	-	-	669	25,126
	Fair value loss on Investments	-	3	3	-	-
	Depreciation	3	-	1	12	19
	Finance costs	-	-	-	-	2
	Total Expenses	480	155	172	3,531	25,880
5	Profit/(loss) from ordinary activities but before	836	(30)	642	5,687	(20,577)
6	Exceptional items	-	-	-	-	-
7	Profit/(loss) from ordinary activities (5-6)	836	(30)	642	5,687	(20,577)
8	Tax Expenses	100	-	(17)	100	47
9	Profit/(loss) from ordinary activities after tax (7-8)	736	(30)	659	5,587	(20,624)
10	Other comprehensive income (net of tax)	-	-	-	-	-
11	Total comprehensive income (after tax) (9+10)	736	(30)	659	5,587	(20,624)
12	Paid-up equity share capital	15,792	15,792	15,792	15,792	15,792
13	Earnings per share (EPS)					
	a) Basic (in Rs.)	0.05	(0.00)	0.04	0.35	(1.31)
	b) Diluted (in Rs.)	0.05	(0.00)	0.04	0.35	(1.31)

GVK Power & Infrastructure Limited

P V Prasanna Reddy

P V Prasanna Reddy
Whole-time Director



Place: Hyderabad
Date : May 27, 2022



GVK Power & Infrastructure Limited
Standalone Statement of assets and liabilities

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

	As at March 31, 2022	As at March 31, 2021
Assets		
Non-current assets		
Property, plant and equipment	63	56
Investments	86,673	86,532
Financial assets		
Investments	7,136	-
Non Current tax assets (net)	1,122	1,111
Other non-current assets	13	13
	<u>95,007</u>	<u>87,712</u>
Current assets		
Financial assets		
Investments	144,393	2,119
Trade receivables	1,199	2,050
Cash and cash equivalents	4,034	57
Loans	11,829	19,803
Other financial assets	6	18
Other current assets	519	31
	<u>161,980</u>	<u>24,078</u>
Assets clasified as held for Sale	-	43,473
Total	<u>256,987</u>	<u>155,263</u>
Equity and Liabilities		
Equity		
Equity share capital	15,792	15,792
Other equity	70,859	65,272
	<u>86,651</u>	<u>81,064</u>
Liabilities		
Non-current liabilities		
Financial liabilities		
Unearned financial guarantee liability	2,695	2,695
	<u>2,695</u>	<u>2,695</u>
Current liabilities		
Financial liabilities		
Borrowings	36,838	70,518
Trade payables		
• Total outstanding dues of micro enterprises and small enterprises and small enterprises	-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises	1,212	201
Other financial liabilities	129,257	685
Provisions	6	7
Other current liabilities	328	93
	<u>167,641</u>	<u>71,504</u>
Total liabilities	<u>170,336</u>	<u>74,199</u>
Total	<u>256,987</u>	<u>155,263</u>



GVK Power & Infrastructure Limited

Standalone Cash flow statement

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

	Year ended March 31, 2022	Year ended March 31, 2021
1 CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax	5,687	(20,577)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation expenses	12	19
Impairment of non-current investments and receivables	669	25,126
Gain on sale of current investments (net)	(359)	(109)
Unwinding interest income on financial guarantees and debt instruments	-	(745)
Notional commission on guarantee given to subsidiaries	-	(767)
Profit on Sale of Investments	(4,576)	-
Gain on fair valuation of equity share	(2,336)	-
Reversal of previous year expenses	18	(1,222)
Liabilities/ Provisions no longer required, written back	(783)	-
Interest income on income tax and service tax refund	-	(350)
Operating profit before working capital changes	(1,668)	1,375
Movement in working capital:		
Decrease/(Increase) in trade receivables	851	(1,247)
Decrease in other current/non current assets	(611)	234
Increase/(Decrease) in trade payables, current liabilities and provisions	1,325	77
Cash generated from operations	(103)	439
Taxes (paid)/refund	(111)	851
Net cash generated from operating activities	(214)	1,290
	(A)	
2 CASH FLOW FROM INVESTING ACTIVITIES		
Net Purchase/ Sale of current investments	(4,451)	(1,503)
Investments in subsidiaries/ associates/related party including share application money	(810)	(1,091)
Loans (given)/refunds to/from subsidiaries/related party	7,974	(19,395)
Purchase of property, plant and equipment	(19)	(3)
Interest received	-	350
Net Cash (used in)/ generated from investing activities	2,694	(21,642)
	(B)	
3 CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) of long term borrowings	-	(898)
Proceeds/ (Repayment) of short term borrowings (net)	1,497	23,242
Interest paid	-	(1,963)
Net Cash generated from/(used in) financing activities	1,497	20,381
	(C)	
Net increase/ (decrease) in Cash and Cash Equivalents	(A+B+C)	29
Cash and Cash Equivalents at the beginning of the year	57	28
Cash and Cash Equivalents at the end of the year	4,034	57
Components of cash and cash equivalents		
Balance with banks:		
Current accounts	4,034	57
Total cash and cash equivalents	4,034	57



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Independent Auditor's Report on Standalone Financial Results of the GVK Power & Infrastructure Limited 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

Qualified Opinion

1. We have audited the accompanying standalone financial results of **GVK Power & Infrastructure Limited ('the Company')** for the quarter and year ended March 31, 2022 (the "Standalone financial results"), 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. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial results:
 - i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the indeterminate effects/possible effects of the matters referred in Basis for Qualified Opinion paragraph below; and
 - ii. gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2022, except for the indeterminate effects/possible effects of the matters referred in Basis for Qualified Opinion paragraph below

Basis for Qualified Opinion

3. We draw your attention to:
 - i. As discussed more fully in Note 8 to the Standalone financial results regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the company has investments and has receivables aggregating to Rs. 78,634 Lakhs and to whom the company has provided guarantees and commitments for loans aggregating to Rs. 858,478 lakhs taken by the aforesaid associate Company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,358 lakhs) as at March 31, 2022 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc. The entity's current liabilities



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exceeded current assets by USD 2,459 million (Rs.1,864,024 akhs) as at June 30, 2021 and has incurred net losses of USD 48 million (Rs. 35,616 lakhs) for the year ended June 30, 2021.

In this regard, while the Company has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs. 78,634 lakhs till March 31, 2021, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments (in respect of which collateral security by way of pledge of 37% shares of GVK Airport Holdings Limited a 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 results.

- ii. Note no. 9 to the Standalone financial results regarding GVK Energy Limited (a subsidiary company) and its subsidiaries and jointly controlled entity in which the company has investments and loans aggregating to Rs. 85,434 Lakh and financial guarantees issued by the company to the subsidiary company amounting to Rs.3100 Lakh. With respect to GVK Energy Limited, there are multiple significant uncertainties in the step-down subsidiaries and joint venture entity like (a) various receivables aggregating to Rs.10,996 Lakh from AP Transco which are refuted / subject to approvals (b) non-availability of fuel (coal / gas), (c) conclusion on outstanding application for increase in tariff and (d) compensation in relation to deallocated coal mine etc. There are also various uncertainties relating to subsidiaries and Jointly Controlled Entity of GVK Energy Limited as referred in Note 9. The Company has made total provision of Rs.34,400 Lakhs towards its investments in GVK Energy Limited till 31st March 2022 based on the valuation reports obtained. In this regard, considering the uncertainties, we are unable to ascertain whether any adjustments are required to the standalone financial results with respect to the balance amount of investments and loans aggregating to Rs. 85,434 Lakh and financial guarantees issued by the company to the subsidiary company amounting to Rs.3100 Lakh.
- iii. Note 13 to the Standalone financial results 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 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.
- iv. Note 14 to the Standalone financial results regarding the requirements of Section 96(1) of the Companies Act, 2013, the Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay its financial statements for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. The financial statements for the year ended March 31, 2020 and March 31,2021 respectively were



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approved at the AGM held on October 29, 2021, and February 25, 2022. The company has applied for condonation to the relevant authority (ies) for compounding of these non-compliance under the relevant sections of the Companies Act, 2013 and the Rules made thereunder for which approval is awaited. We are unable to comment on the impact of these non-compliances on the standalone financial results.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial results, under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our qualified opinion.

5. Material Uncertainty Related to Going Concern

We draw attention to note 6 to the Standalone financial results, which indicates that the company has incurred significant losses during the previous year and material uncertainties are faced by various projects, in which the company has made investments, given loan, provided guarantees / commitments and / or has undertaken to provide financial assistance. These events or conditions, along with other matters as set forth in aforesaid note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our Opinion is not modified in respect of this matter.

6. Emphasis of Matter

- a. We draw attention to Note 7 to the Standalone financial results regarding sale of majority holding of GVK Airport Developers Limited (GVKADL) by company to Adani Airport Holding Limited (AAHL) as per binding co-operation agreement dated August 31, 2020 and other related transaction documents. AAHL has acquired and hold the securities as per co-operation agreement at the end of the financial year. The management considered the company as beneficial owner of the Optionally Convertible Debentures (OCDs) of Rs 137,464 Lakhs held by AAHL as per co-operation agreement in view of the terms of arrangement. Accordingly, the securities held in the name of AAHL have been classified as Current Investments of company in the Standalone financial results.

- b. We draw attention to Note 12 to the statement regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company. GVK SEZ has



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

Our opinion is not modified in respect of above matters.

7. Board of Director's Responsibilities for the Standalone Financial Results

These Standalone financial results have been prepared on the basis of the standalone annual audited financial statement and has been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone financial results that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial results that gives a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Standalone financial results by the Directors of the Company, as aforesaid.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as

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applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

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

Our objectives are to obtain reasonable assurance about whether the standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone financial results.

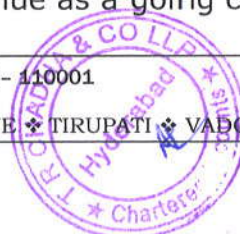
As a part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has in place adequate internal financial controls with reference to financial statement and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern.

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If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. The material uncertainty with regard to Going Concern is reported in Para 5 of our report.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



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Other Matters

9. The standalone financial results include the results for the quarters ended March 31, 2021 and March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the respective financial years.

For T R Chadha & Co LLP

Chartered Accountants

Firm Registration No. 006711N/N500028

**Aashish Gupta
(Partner)**

Membership No.

UDIN: 22097343AJTPDJ5328

Date: 27 May 2022

Place: Hyderabad



ANNEXURE I

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

Statement on Impact of Audit Qualifications for the Financial Year ended				
March 31, 2022				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
Rs In Lac				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Audited figures after adjusting for qualifications)
	1.	Turnover / Total income	9,218	9,218
	2.	Total Expenditure	3,531	3,531
	3.	Net Profit/(Loss)	5,587	5,587
	4.	Earnings Per Share	0.35	0.35
	5.	Total Assets	256,987	256,987
	6.	Total Liabilities	170,336	170,336
	7.	Net Worth	86,651	86,651
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

II.	Audit Qualification (each audit qualification separately):
	<p>Details of Audit Qualification:</p> <p>1. As discussed more fully in Note 8 to the Standalone financial results regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the company has investments and has receivables aggregating to Rs. 78,634 Lakhs and to whom the company has provided guarantees and commitments for loans aggregating to Rs. 858,478 lakhs taken by the aforesaid associate Company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,358 lakhs) as at March 31, 2022 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc. The entity's current liabilities exceeded current assets by USD 2,459 million (Rs.1,864,024 akhs) as at June 30, 2021 and has incurred net losses of USD 48 million (Rs. 35,616 lakhs) for the year ended June 30, 2021.</p> <p>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 till March 31, 2021, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments (in respect of which collateral security by way of pledge of 37% shares of GVK Airport Holdings</p>



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 results.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: Repetitive

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

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

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

2. Note no. 9 to the Standalone financial results regarding GVK Energy Limited (a subsidiary company) and its subsidiaries and jointly controlled entity in which the company has investments and loans aggregating to Rs. 85,434 Lakh and financial guarantees issued by the company to the subsidiary company amounting to Rs.3100 Lakh. With respect to GVK Energy Limited, there are multiple significant uncertainties in the step-down subsidiaries and joint venture entity like (a) various receivables aggregating to Rs.10,996 Lakh from AP Transco which are refuted / subject to approvals (b) non-availability of fuel (coal / gas), (c) conclusion on outstanding application for increase in tariff and (d) compensation in relation to deallocated coal mine etc. There are also various uncertainties relating to subsidiaries and Jointly Controlled Entity of GVK Energy Limited as referred in Note 9. The Company has made total provision of Rs.34,400 Lakhs towards its investments in GVK Energy Limited till 31st March 2022 based on the valuation reports obtained. In this regard, considering the uncertainties, we are unable to ascertain whether any adjustments are required to the standalone financial results with respect to the balance amount of investments and loans aggregating to Rs. 85,434 Lakh and financial guarantees issued by the company to the subsidiary company amounting to Rs.3100 Lakh.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: Repetitive

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

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

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



to achieve profitable operations. Pending resolution of the above uncertainties currently the impact of the same is unascertainable.

- Note 13 to the Standalone financial results 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 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.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: Repetitive

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

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

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

- Note 14 to the Standalone financial results regarding the requirements of Section 96(1) of the Companies Act, 2013, the Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay its financial statements for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. The financial statements for the year ended March 31, 2020 and March 31, 2021 respectively were approved at the AGM held on October 29, 2021, and February 25, 2022. The company has applied for condonation to the relevant authority (ies) for compounding of these non-compliance under the relevant sections of the Companies Act, 2013 and the Rules made thereunder for which approval is awaited. We are unable to comment on the impact of these non-compliances on the standalone financial results.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: Repetitive




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

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

Non holding of the Annual General Meeting (AGM)

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



III.	For GVK Power and Infrastructure Limited	
	<p><i>P. V. Prasanna Reddy</i></p>  <p>P. V .PRASANNA REDDY Whole Time Director</p>	<p><i>Balasubramanian.S</i></p> <p>Balasubramanian.S Audit Committee Chairman</p>
	<p>For T R Chadha & Co LLP</p> <p>Chartered Accountants</p> <p>Firm registration number: 006711N/N500028</p> <p><i>Aashish Gupta</i></p>  <p>Aashish Gupta Partner</p> <p>Membership No. 097343</p>	<p><i>A. Issac George</i></p> <p>A. ISSAC GEORGE Whole Time Director & CFO</p> 
	<p>Place: Hyderabad</p> <p>Date: May 27, 2022</p>	

S. No.	Particulars	Quarter ended (Unaudited)			Year ended (Audited)	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
1	Income					
	Revenue from operations	60,215	9,502	9,090	85,826	31,033
2	Other income	2,064	398	202	3,045	2,216
3	Total Income	62,279	9,900	9,292	88,871	33,249
4	Expenses					
	(a) Cost of materials consumed	14,693	-	-	14,693	-
	(b) Employee benefit expenses	790	201	219	1,417	922
	(c) Finance costs	29,726	4,012	7,138	42,070	30,527
	(d) Depreciation and amortisation	9,308	1,609	2,162	13,617	5,215
	(e) Other expenses	23,703	2,570	11,762	40,507	21,663
	Total expenses	78,220	8,392	21,281	112,304	58,327
5	Profit/ (Loss) from ordinary activities but before exceptional items (3-4)	(15,941)	1,508	(11,989)	(23,433)	(25,078)
6	Exceptional items	28,199	22,181	-	50,380	-
7	Profit/ (Loss) from ordinary activities (5-6)	12,258	23,689	(11,989)	26,947	(25,078)
8	Add: Share of profit/ (loss) from associates/ jointly controlled entities	(21)	-	-	(21)	-
9	Profit/ (Loss) before tax for the period from Continuing operations (7+8)	12,237	23,689	(11,989)	26,926	(25,078)
10	Tax expense	2,628	1,716	597	7,279	3,872
11	Profit/ (Loss) for the period from Continuing operations (9-10)	9,610	21,973	(12,586)	19,649	(28,950)
12	Profit/ (Loss) before Tax for the period from discontinued operations	-	-	(4,856)	239,850	(84,517)
13	Tax expense of discontinued operations	-	-	4,000	(4,094)	(19,766)
14	Profit/ (Loss) for the period from discontinued operations (12-13)	-	-	(8,856)	243,944	(64,751)
15	Profit/ Loss for the Period (11+14)	9,610	21,973	(21,442)	263,593	(93,701)
	Other comprehensive (expense)/income -Continuing operations	(72)	(12)	(536)	(66)	109
	Other comprehensive (expense)/income -discontinued operations	-	-	103	-	108
16	Total other comprehensive (expense)/income	(72)	(12)	(433)	(66)	217
17	Total comprehensive income for the period (15+16)	9,537	21,961	(21,875)	263,526	(93,484)
18	Profit/ (Loss) for the period attributable to:					
	- Owners of the Company					
	Profit/(Loss) for the period from Continuing operations	5,262	21,974	(12,586)	15,302	(28,666)
	Profit/(Loss) for the period from discontinued operations	-	-	(8,273)	249,234	(47,761)
	- Non controlling interests					
	Profit/(Loss) for the period from Continuing operations	4,347	(1)	-	4,345	(284)
	Profit/(Loss) for the period from discontinued operations	-	-	(583)	(5,290)	(16,990)
		9,609	21,973	(21,442)	263,591	(93,701)
19	Other comprehensive income for the period attributable to:					
	- Owners of the Company					
	Profit/(Loss) for the period from Continuing operations	(61)	(12)	(532)	(55)	109
	Profit/(Loss) for the period from discontinued operations	11	-	52	11	55
	- Non controlling interests					
	Profit/(Loss) for the period from Continuing operations	(11)	-	(4)	(11)	-
	Profit/(Loss) for the period from discontinued operations	(11)	-	51	(11)	53
		(72)	(12)	(433)	(66)	217
20	Total comprehensive income for the period attributable to:					
	- Owners of the Company					
	Profit/(Loss) for the period from Continuing operations	5,201	21,962	(13,118)	15,247	(28,557)
	Profit/(Loss) for the period from discontinued operations	11	-	(8,221)	249,245	(47,706)
	- Non controlling interests					
	Profit/(Loss) for the period from Continuing operations	4,336	(1)	(4)	4,334	(284)
	Profit/(Loss) for the period from discontinued operations	(11)	-	(532)	(5,301)	(16,937)
		9,537	21,961	(21,875)	263,525	(93,484)
21	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792
	Basic and Diluted earnings per share in Rs					
	- Continuing operations	0.33	1.39	(0.80)	0.97	(1.82)
	- Discontinuing operations	-	-	(0.52)	15.78	(3.02)
	- Total operations	0.33	1.39	(1.32)	16.75	(4.84)

Place: Hyderabad
Date : May 27, 2022



GVK Power & Infrastructure Limited

P V Prasanna Reddy

P V Prasanna Reddy
Whole Time Director



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

(Rs In Lakhs)

S.No.	Particular	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
	Assets		
I)	Non-current assets		
	Property, plant and equipment	713,041	177
	Capital work in progress	-	57,067
	Investment Property	11,655	11,655
	Goodwill	-	15,142
	Intangible assets	6,129	11,725
	Right of use asset	1,725	-
	Financial assets		
	Investments	7,136	
	Other non-current financial assets	101,194	100,983
	Deferred tax assets (net)	5,766	3,227
	Tax assets (Net)	3,774	3,764
	Other non-current assets	6,847	38,888
	Total	857,267	242,628
II)	Current Assets		
	Inventories	7,544	80
	Financial assets		
	Investments	130,385	2,125
	Trade receivables	46,712	186
	Cash and cash equivalents	55,485	6,952
	Balances with banks other than cash and cash equivalents	208	5,501
	Loans	2	35,278
	Other financial assets	50,275	9,718
	Current tax assets	4,961	7,913
	Other current assets	4,353	6,687
	Total	299,925	74,440
III)	Assets classified as held for Sale	-	1,681,035
	Grand Total	1,157,192	1,998,103



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

(Rs In Lakhs)

S.No.	Particular	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
	Equity and Liabilities		
I)	Equity		
	Equity share capital	15,792	15,792
	Other equity	(399,742)	(361,782)
	Equity attributable to owners of the Group	(383,950)	(345,990)
II)	Non-controlling interest	76,216	239,136
	Total Equity	(307,734)	(106,854)
III)	Non-current liabilities		
	Financial Liabilities		
	Borrowings	351,082	10,208
	Other financial liabilities	3,105	4,887
	Provisions	104	56
	Deferred tax liability (net)	152	-
	Total	354,443	15,151
IV)	Current liabilities		
	Financial liabilities		
	Borrowings	701,213	339,922
	Trade payables - Total outstanding dues of:		
	- micro and small enterprises	1	6
	- other than micro and small enterprises	8,338	4,318
	Other financial liabilities	393,278	61,835
	Provisions	1,464	5,172
	Current tax liabilities (net)	127	1,170
	Other current liabilities	6,062	3,485
	Total	1,110,483	415,908
V)	Liabilities clasified as held for Sale	-	1,673,898
	Grand Total	1,157,192	1,998,103



GVK Power and Infrastructure Limited

Consolidated statement of cash flow

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

	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash Flow From Operating Activities		
Profit/(Loss) before tax for the year from Continuing operations	26,926	(25,078)
Adjustments for:		
Depreciation and amortisation (net)	13,617	5,215
Loss on sale / Impairment of fixed assets (net)	18	-
Interest expense	41,495	30,150
Exceptional item (net)	(50,380)	-
Share of loss in joint venture	21	-
Interest income	(1,555)	(630)
Liabilities written back/ Reversal of previous year expenses	(291)	(1,229)
Income from investment	(770)	(173)
Provision for doubtful debts	193	963
Advances written off	8,715	9,400
Goodwill written off	15,142	3,619
Loss on exchange fluctuation (net)/ Other non cash expenses	14	205
Provision for Periodic overlay	2,992	2,672
Operating Profit before Working Capital Changes	56,137	25,114
Change in operating assets and liabilities:		
Decrease/(Increase) in trade receivables	(10,964)	(1,275)
Decrease/(Increase) in Inventories	2,064	64
Decrease/(Increase) in Financial Assets loans, others, other current and noncurrent assets	23,184	29,064
(Decrease)/Increase in Provisions	(3,808)	(11,379)
Increase in Trade payables, other financial liabilities and current liabilities	(27,601)	(609)
Cash Generated from Operations	39,012	40,979
Taxes (paid)/refund (net)	(4,697)	(3,284)
Net Cash flow from Operating Activities (A)	34,315	37,695.00
B. Cash Flow From/(Used In) Investing Activities		
Proceeds/ (Purchase) of fixed assets	(1,107)	(6)
Capital Advances	34,777	-
(Purchase) / proceeds from sale of current investments (net)	(13,375)	139
Loans (given) to / taken from related parties and others (net)	5	(9,915)
(Investment)/ Realization of bank deposits (having original maturity of more than 3 months)	5,451	(261)
Interest received	1,536	630
Net Cash flow from/(used in) Investing Activities (B)	27,287	(9,413)



GVK Power and Infrastructure Limited

Consolidated statement of cash flow

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

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



GVK Power & Infrastructure Limited

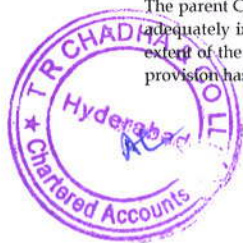
Notes for standalone & consolidated financial results

- 1 The above Statement of Standalone and Consolidated audited Financial Results and the notes of the GVK Power & Infrastructure Limited ("The Company") has been drawn up in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) rules, 2015 as amended from time to time and other accounting principles generally accepted in India. The financial results have been prepared in accordance with the recognition and measurement principles prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices generally accepted in India.
- 2 The Company carries its businesses in various segments viz., Power, Roads, Airports (Discontinuing operations) and others through various subsidiaries, associates and jointly controlled entities, being special purpose vehicles exclusively formed to build and operate various infrastructure projects. The consolidated results published above present the full revenues and expenses of the Company, its subsidiaries, share of profits / (losses) of associates and jointly controlled entities, except for airport vertical for which it is shown separately as discontinuing operations (collectively "the Group").
- 3 The above published consolidated results have been prepared in accordance with principles and procedures as set out in the IND-AS 110 on "Consolidated financial statements" and IND - AS 28 on "Investment in associate and joint venture" notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 4 The above standalone & consolidated financial results have been reviewed by the audit committee on May 27, 2022 and have been approved by board of directors at their meeting held on May 27, 2022 and have been subjected to an audit by the statutory auditors of the Company.
- 5 The figure of last quarter of the Standalone and consolidated financial results for the current year and previous year are the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and March 31, 2021 and the unaudited published year-to-date figures up to December 31, 2021 and December 31, 2020 which were subjected to review by the statutory auditors.
- 6 As at March 31, 2022, the Group had accumulated losses and the Group has incurred losses during the preceding years. The Group's current liabilities are in excess of current assets. The group has delayed repayments of loans and interest thereon and various loan accounts have been classified as non-performing by banks/ lenders. The Group has also provided guarantees and commitments and/or has undertaken to provide financial assistance on behalf of various entities and as further detailed in notes 8, 9, 10(a) and 10(b) (referring to notes on GVK Coal Developers (Singapore) Pte Limited, GVK Energy Limited, GVK Bagodara Vasad Expressway Private Limited and GVK Deoli Kota Expressway Private Limited) uncertainties are being faced by various projects such as delays in development of coal mines in an overseas project where the parent Company has provided guarantees and commitments for the borrowings, losses incurred by gas based power plant in the absence of gas- and litigations on rights to claim capacity charge, re-negotiation of terms of PPA and litigation with respect to tariff of coal based power plant, arbitration on delay of commencement of road projects, termination of various projects etc. These factors may indicate significant doubt on going concern ability of the group. Notwithstanding the above, the financial statements of the Group have been prepared on going concern basis as management believes that the Group would be able to ultimately meet its commitments, reduce debt by stake sale and the entities on whose behalf guarantees/ commitments have been extended would be able to meet their obligations. Further, the Management is confident that aforesaid entities would win litigations; obtain approvals of regulators; will reach an optimal solution with non-controlling shareholders and lenders; obtain requisite gas/coal allocation etc. as required despite current macro-economic environment challenges.
- 7 The Company and its subsidiary GVK Airport Developers Limited (GVK ADL) has entered into a binding agreement comprising a co-operation agreement and other related agreements with Adani Airport Holdings Limited (AAHL) on August 31, 2020 and subsequent dates. This includes acquisition of the debt by AAHL from various lenders of GVKADL with a view to release pledge on certain shares of GVK Airport Holdings Limited (GVKAHL) and with an ability for AAHL to convert the acquired debt from the lenders of GVKADL to equity so as to acquire equity interest in Mumbai International Airport Limited (MIAL) and also acquiring Company's equity and other instruments in GVKADL and also possible acquisition/ settlement of debt of GVK Coal Developers (Singapore) Pte Ltd (with a view to release pledge on remaining shares of GVKAHL). AAHL has since acquired the debt of GVKADL from lenders and has converted the same to equity acquiring controlling interest in GVKADL on July 13, 2021. Consequently GVKADL, Bangalore Airport & Infrastructure Developers Limited (BAIDL), GVKAHL, MIAL and Navi Mumbai International Airport Limited (NMIAL) are no longer subsidiaries of the Company from July 13, 2021. The company has recognised a profit of Rs.4,576 Lakh in the standalone financials on account of transfer of Equity shares and a gain of Rs 2,336 Lakhs on account of fair value of balance of the investment held in GVKADL. In the consolidated financial statements, profit from the discontinued operations of Rs.243,944 lakhs have been recognised for the year ended March 31, 2022 as per treatment prescribed in IndAS 105 on this account.
The broad contours of the co-operation and related agreements is detailed below:
(i) Acquisition of debt and related accrued interest with carrying value in the financial statements of GVKADL of Rs. 255,107 lakhs by AAHL.
(ii) AAHL acquiring certain securities of Sutara Roads & Infra Limited, a subsidiary of the Company and another Company of the promoter group to be used exclusively for financial support of any of its affiliates and affiliates of GVKPIL post the date of co-operation agreement.
(iii) Acquiring equity of Rs. 30,000 lakhs and other instruments of Rs. 100,000 lakhs held by GVKPIL and its subsidiary in GVKADL by AAHL to be settled by transfer of securities held by AAHL referred to in (ii) above.
(iv) GVKPIL and AAHL have also agreed on certain steps to be taken in respect of lenders of GVK Coal.
GVKPIL has sold its majority holding in GVKADL to AAHL and AAHL has acquired and hold the securities as per Para (ii) above at the end of the financial year. The management of the group considered GVKPIL as beneficial owner of the Optionally Convertible Debentures (OCDs) of Rs.137,464 Lakhs held by AAHL as per Para (ii) above in view of the terms of arrangement. Accordingly, the securities held in the name of AAHL have been classified as Current Investments of GVKPIL at Rs.137464 Lakhs in the standalone financial statements and Rs.111,196 Lakhs in the Consolidated financial statements
The full financial effect of the above cannot be estimated as certain aspects of the transaction including settlement with GVK Coal lenders are yet to be concluded.

- 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 Rs 79,048 Lakhs for full value of its investment and receivable in the absence of any certainty of realization either by use or from the settlement that may be reached.
The Group has also given guarantees and commitments for loans amounting Rs. 858,478 lakhs (March 31, 2021: Rs. 827,149 lakhs) taken by GVK Coal as at March 31, 2022 part of which is collateralized by the pledge of 37% shares of GVK Airport Holdings Limited, and has also undertaken to provide financial assistance of USD 3.11 million (Rs. 2,358 lakhs) as at March 31, 2022, an entity whose current liabilities exceeds current assets by USD 2,459 million (Rs. 1,864,024 lakhs) as at June 30, 2021 and the entity has also incurred net losses of USD 48 Million (Rs.35,616 Lakh) for the year ended June 30, 2021 (June 30, 2020: USD 317 Million (Rs.236,200 Lakh)) based on the unaudited financial statements. GVK Coal is witnessing various material uncertainties. The prices of the coal have fallen since GVK coal had acquired a stake in the coal mines. GVK Coal has not been able to achieve financial closure resulting in delays in commencement of mine development activity when compared to scheduled date, delays in entering into definitive agreements for port and rail development and agreement for sale of coal and also necessary environmental and regulatory clearances. There are also uncertainties arising from COVID. Further, all the lenders of GVK Coal have classified the loan as non-performing and the lenders had an option to curtail the rights of the parent company on various assets either on October 2015 or every year thereafter.

The lenders have since filed a claim in the High Court of Justice Business and Property Courts of England and Wales Commercial Courts on November 09, 2020 and have sought to recover the amounts advanced to GVK Coal. Under the interim solution undertaken by the lenders dated March 23, 2017, the respective arguments of the lenders and the parent Company were filed with the court and an order has been pronounced which entails start of the trial on June 13, 2022.

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



9 Till 3rd February 2022, GVK Energy Ltd (GVKEL) has been considered as jointly controlled entity under IND - AS 28 "Investment in associate and joint venture", based on the protective rights available to the other investors of GVKEL. As on 4th February 2022, the parent company (GVKPIL) has acquired the control over the operations of GVKEL from those Investors as per the Termination Agreement dated 3rd February 2022 resulting in relinquishment of protective rights available to investors. GVKPIL has also bought 11,72,46,622 shares of GVKEL from those Investors under this agreement. Accordingly, GVKEL and its group companies (Energy group) are considered as Subsidiary of the GVKPIL w.e.f. 4th February 2022 and the consolidated financial results include the financial transaction of Energy group as per IND-AS 110 "Consolidated Financial Statements" w e f 4th February 2022.

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

a) The Hon'ble Supreme Court of India had deallocated dedicated coal mine allotted to GVK Power (Goindwal Sahib) Limited (GVKPGSL). GVK Coal (Tokisud) Private Limited (GVKCTPL), a subsidiary company of GVKEL and mine operator was offered of a compensation by the Nominated Authority of Rs. 11,129 Lakhs as against carrying value of assets of Rs. 31,113 Lakhs as at March 31, 2017. GVKCTPL had appealed against the said order in the Hon'ble High Court of Delhi. The aforesaid court vide its order dated March 09,2017, directed GVKCTPL to submit its claim to the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015. Subsequently GVKCTPL submitted its claim for the balance amount of Rs. 19,882 Lakhs to the aforesaid authority. The GVKEL has also given corporate guarantee for the loan taken by GVKCTPL. The nominated authority under the Ministry of Coal vide its order dated 16th March 2022 has further approved and released compensation of Rs.13,867 lakhs. Out of this an amount of Rs.8,883 lakhs have been deposited by nominated authority in interest bearing account with Registrar General of the Court as per the directions of the high court of Delhi dated 11th April 2022 and an amount of Rs.4,984 lakhs have been paid to lenders by nominated authority towards the balance dues payable as per the claims made by the lenders as on the date of vesting orders less the amount already paid to the lenders. Nominated authority has advised in the above order to approach Coal Tribunal in respect of disputes including the compensation disallowed with regard to R&R costs.

Management believes that GVKCTPL will be appropriately reimbursed for cancelled coal mine and accordingly no provision is required towards corporate guarantee given by GVKEL for loan taken by GVKCTPL and carrying value (Balance of claims) of Rs 6,015 Lakhs .

b) Uncertainty is being faced by coal based Thermal Power plant with carrying value of assets aggregating to Rs. 381,412 lakhs (March 31, 2021: Rs. 380,291 lakhs) of GVK Power (Goindwal Sahib) Limited ('GVKPGSL'), subsidiary company of GVKEL, due to uncertainty in supply of fuel consequent to the Hon'ble Supreme Court of India had deallocated dedicated coal mine allotted to GVKPGSL. Management had filed petition with Punjab State Electricity Regulatory Commission (PSERC) for re-negotiation of terms of power purchase agreement claiming force majeure and change in law as envisaged under Power Purchase Agreement. It had also applied for the approval of completed capital cost and determination of final tariff for the Project.

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

PSERC had approved the capital cost only of Rs 3,05,837 Lakhs on January 17, 2022 against the claim of Rs 4,49,106 Lakhs. PSERC has also not allowed complete pass through of cost on account of fuel. Aggrieved with the above order, the company has preferred an appeal against the said order before Appellate Tribunal for Electricity (APTEL).

The GVKPGSL has defaulted on repayment of dues to lenders. One of the lenders in the consortium of GVKPGSL has filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company and orders are reserved on April 27, 2022.

Further based on the valuation performed, GVK Energy has made a provision for diminution of investments to the extent of Nil & Rs. 108,210 lakhs during the year ended March 31, 2022 & March 31, 2021 respectively in its standalone financial statements towards investments in GVKPGSL.

Management is actively looking to implement the resolution plan with the lenders. Accordingly, management believes that no provision is required to be made to the assets carrying value of Rs. 381,412 Lakhs.

c) There has been uncertainty regarding supplies/availability of gas to power plant of GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL. The company has incurred losses of Rs. 37,439 Lakhs during the year ended March 31, 2022 (March 31, 2021: Rs. 32,940 Lakhs). The lenders have classified the loan balances of the company as Non-Performing Assets. The GVKGPL is confident that Government of India will continue to take necessary steps/initiatives to improve the situation of natural gas. However, in the interim the GVKGPL is working with the lenders for one-time settlement proposal wherein the loans would be settled at the value of the plant to be realised on its sale to AP DISCOM. Further, Management, based on its rights under power purchase agreement to recover capacity charges and in view of installing alternate fuel equipment and on the basis of aforesaid discussions, believes that the GVKGPL continues to be in operation in foreseeable future despite continued losses or will be able to amicably settle the loan liability as part of one-time settlement proposal. The GVKEL has also given corporate guarantee for the loan taken by GVKGPL. The GVKEL believes that no provision for impairment/diminution is required towards carrying value of assets aggregating to Rs. 82,799 Lakhs of GVKGPL and also no provision towards corporate guarantee given by GVKEL to GVKGPL is necessary.

Trade receivables of GVK Gautami Power Limited, includes outstanding minimum alternate tax amounts claims for reimbursement under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2009-10 to 2010-11, aggregating to Rs. 1,500 Lakhs (March 31, 2021: Rs. 1,500 Lakhs) which has been disputed by AP Transco/subject to approvals.

d) There has been uncertainty regarding supplies/availability of gas to power plant of GVK Industries Limited (GVKIL), subsidiary company of GVKEL. The company has made losses of Rs.14,767 Lakhs for the year ended March 31, 2022 (March 31, 2021: Rs. 13,572 Lakhs). The lenders have taken possession of immovable and other properties of the entity and have subsequently sold some immovable and moveable assets, exercising the powers of Sec 13(4) of the SARFAESI Act. The facts have been recorded in the minutes of the JLM held on 31st March, 2022. In the light of the above events the group has reassessed its control over the subsidiary as at March 31,2022 and has concluded that it has lost control over GVKIL. Consequently, the assets and liabilities of the subsidiary have been deconsolidated, as at the balance sheet date(March 31, 2022), as required as per Para 25 of the Ind AS 110 Consolidated Financial Statements.

The assets and liabilities deconsolidated as at the balance sheet date are as follows:

Value of assets as at 31-03-2022	-51,555 lakhs
Value of liabilities as at 31-03-2022	92,791 lakhs
Equity Share Capital as at 31-03-2022	24,480 lakhs
Amount already recognised in consolidated FS in previous year	<u>-37,518 lakhs</u>
Net amount recognised as exceptional gain	28,198 lakhs

Also, subsequently The Hon'ble NCLT, Hyderabad vide its Order dated 21st April 2022, has admitted the petition filed by a financial creditor against the company and has ordered the commencement of the Corporate Insolvency Resolution Process (CIRP) and appointed the Interim Resolution Professional (IRP) for carrying out the process.

e) The parent company (GVKPIL) has assessed and based on the valuation carried out and other relevant factors, no provision is considered necessary in standalone books of accounts of GVKPIL towards the carrying value of investment of Rs 74,122 Lakhs (March 31, 2021 Rs.73923 Lakhs).

f) GVKPIL has also given corporate guarantee of Rs 3,100 Lakhs (March, 2021 Rs. 3,100 Lakhs) to GVKEL. The management believes that no provision for corporate guarantees given by GVKPIL to GVKEL is required considering the overall evaluation of the Subsidiary company.

10 The company has wholly own subsidiary company viz. GVK Transportation Pvt. Ltd. (GVKTPL). Two of the subsidiaries of GVKTPL are facing uncertainties, detailed as below:



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

The Enforcement Directorate (ED) has also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. ED has filed a complaint in April 2021 on the same matters against the above mentioned parties and some of the subsidiaries, joint ventures and step down subsidiaries of the Company, their directors and officers, and the concerned parties are cooperating with the investigating agencies.

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

Various companies that are part of GVK group and its associates have received notices under Section 206(5) and Section 207 of the Companies Act, 2013 during the earlier years to which the Companies have provided responses and further notices have also been received in December 2020 that have been responded to.

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

14 As per the requirements of Section 96(1) of the Companies Act, 2013, the Parent Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay its financial statements for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. The financial statements for the year ended March 31, 2020 and March 31, 2021 respectively were approved at the AGM held on October 29, 2021, and 25th February 2022 respectively. The company has applied for condonation to the relevant authority (ies) for compounding of these non-compliance under the relevant sections of the Companies Act, 2013 and the Rules made thereunder for which approval is awaited.

As per the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the parent Company has defaulted and submitted its audited accounts for year the ended March 2020, March 2021 and the quarter ended June 30, 2020, Sept 30, 2020, December 31, 2020, June 30, 2021 and September 30, 2021 to the Exchanges with delays.

15 The Board of Directors has approved the scheme of amalgamation in their meeting 23rd March, 2022 for with regard to Amalgamation of

- GVK Airport Services Private Limited (Transferor Company -1),
- GVK Power (Khadur Sahib) Private Limited (Transferor Company -2),
- GVK Shivpuri Dewas Expressway Private Limited (Transferor Company -3),
- Sutara Roads & Infra Limited (Transferor Company -3)
- GVK Power & Infrastructure Limited (Transferee Company)

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

Place: Hyderabad
Date : May 27, 2022



GVK Power & Infrastructure Limited

P V Prasanna Reddy

P V Prasanna Reddy
Whole-Time Director



GVK Power & Infrastructure Limited
Segment Reporting (Consolidated) for the Year ended March 31, 2022

(Rs In Lakhs)

Sr No	Particulars	Year ended	
		31.03.2022 (Audited)	31.03.2021 (Audited)
1	Segment Revenue		
	Power	50,348	-
	Roads	35,487	31,045
	Others	1,007	2,075
	Unallocated	-	-
	Total	86,842	33,120
	Less: Inter segment revenue	1,016	2,087
	Net sales / income from Continuing operations	85,826	31,033
	Net sales / income from Discontinued operations	33,851	160,220
2	Segment Result		
	Power	22,601	(5,082)
	Roads	7,831	18,252
	Others	(13,503)	(6,316)
	Total	16,929	6,854
	Less:		
	Interest Expense	42,070	30,527
	Add:		
	Other unallocable income net off unallocable expenditure	52,067	(1,405)
	Total Loss before tax Continuing operations	26,926	(25,078)
	Total Loss before tax Discontinuing operations	239,850	(84,517)
3	Capital Employed		
	(Segment Assets)		
	Power	869,273	101,602
	Roads	109,451	121,962
	Others*	177,995	47,538
	Unallocated	473	45,966
	Total Segment Assets	1,157,192	317,068
	Assets classified as held for Sale	-	1,681,035
	(Segment Liabilities)		
	Power	1,165,727	123,992
	Roads	176,984	299,846
	Others*	110,813	2,207
	Unallocated	11,401	5,014
	Total Segment Liabilities	1,464,925	431,059
	Liabilities classified as held for Sale	-	1,673,898
	Net Capital employed	(307,733)	(113,991)
	Net Capital employed - classified as held for Sale	-	7,137

*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, addition and deletion of GVK Energy Ltd & its subsidiaries.



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Independent Auditor's Review Report on Consolidated 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 audited the consolidated financial results of **GVK Power & Infrastructure Limited ('GVKPIL' or 'the Holding Company')** and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and Joint Control Entity for the quarter and year ended 31 March, 2022 and the consolidated statement of assets and liabilities and the consolidated cash flow statement as at and for the quarter and year ended on that date, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, associates and Joint Control Entity, the aforesaid consolidated financial results:
 - i. include the annual financial results of the entities referred in para 3 below of this report;
 - ii. presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard except the indeterminate effects / possible effects of the matters referred in Basis of Qualification paragraph below; and
 - iii. except for the indeterminate effects / possible effects of the matters referred to in basis for Qualified Opinion paragraph below, give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of profits after tax and other comprehensive loss and other financial information of the group, its associates and Joint Control Entity for the quarter and year ended 31 March, 2022 and the consolidated statement of assets and liabilities and the consolidated cash flow statement as at and for the quarter and year ended on that date.
3. The consolidated financial results include the results of the following entities:

Subsidiary entities including step down subsidiaries:

- i. GVK Airport International Pte. Ltd, Singapore
- ii. PT GVK Services, Indonesia
- iii. GVK Airport Services Private Limited
- iv. Sutara Roads and Infrastructure Private Limited
- v. GVK Shivpuri Dewas Expressway Private Limited
- vi. GVK Developmental Projects Private Limited



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- vii. GVK Rattle Hydro Electric Project Private Limited
- viii. GVK Perambalur SEZ Private Limited
- ix. GVK Power (Khadur Sahib) Limited
- x. GVK Transportation Private Limited
- xi. GVK Jaipur Expressway Private Limited (Step down Subsidiary)
- xii. GVK Deoli Kota Expressway Private Limited (Step down Subsidiary)
- xiii. GVK Bagodara Vasad Expressway Private Limited (Step down Subsidiary)
- xiv. GVK Energy Limited
- xv. Alaknanda Hydro Power Company Limited (Step down Subsidiary)
- xvi. GVK Coal (Tokisud) Company Private Limited (Step down Subsidiary)
- xvii. GVK Power (Goindwal Sahib) Limited (Step down Subsidiary)
- xviii. GVK Industries Limited (Step down Subsidiary)

Joint Control Entity

- i. GVK Gautami Power Limited (JCE of Subsidiary)

Associate Companies:

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

4. **Basis of Qualified Opinion**

We draw your attention to the following matters:

- a. As discussed more fully in Note 8 to the Consolidated Financial Results regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the Group has investments and has receivables aggregating to Rs.79,048 Lakhs and to whom the holding company has provided guarantees and commitments for loans aggregating to Rs. 858,478 lakhs taken by the aforesaid associate Company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,358 lakhs) as at March 31, 2022 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc. The entity's current liabilities exceeded current assets by USD 2,459 million (Rs.1,864,024 akhs) as at June 30, 2021 and has incurred net losses of USD 48 million (Rs. 35,616 lakhs) for the year ended June 30, 2021.

In this regard, while the Group has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs. 79048 lakhs till March 31, 2021, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments (in respect of which collateral security by way of pledge of 37% shares of GVK Airport Holdings Limited a 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 results.



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b. The following qualifications included in the audit opinion on the consolidated financial results of GVK Energy Limited (GVKEL), a subsidiary of the Holding Company for the year ended March 31, 2022 issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated May 23, 2022 is reproduced by us as under:

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

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

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

Refer Note 9(a) to the consolidated financial results.

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

"We draw attention to Note * to the financial statements, regarding revision in tariff. The matters relating to Power Purchase Agreement pending with Punjab State Power Corporation Limited ("PSCPL") on account of uncertainty in revision in tariff, considering enhanced project cost and differential coal procurement cost and other components mentioned in aforesaid note. In view of the factors detailed in the said note and pending confirmation of dues from PSCPL as on reporting date and outcome of such matters we are unable to comment on provision, if any, is required against the said matters. " The said notes in the financial statements of the subsidiary are included as Note no *to the accompanying consolidated financial statements."



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

Note * is included as Note 9(b) to the consolidated financial results.

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

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

Pending resolution of the uncertainties/ approvals towards supplies/ availability of gas, recovery of capacity charges and approval of one time settlement proposal with lenders, we are unable to comment upon the recoverability of assets with carrying value amounting to Rs.82,799 lakhs and the provision, if any, required for the corporate guarantee given to the jointly controlled entity, together with consequential impact, if any, arising out of the same on these accompanying consolidated financial statements.”

Note * is included as Note 9(c) to the consolidated financial results.

- iv. In GVK Gautami Power Limited, regarding outstanding minimum alternate tax amounts claims for reimbursement under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2009-10 to 2010-11, aggregating to Rs. 1,500 Lakhs (March 31,2021: Rs. 1,500 Lakhs) which has been disputed by AP Transco/are subject to approvals. we are unable to comment upon the recoverability of these receivables together with consequential impact, if any, arising out of the same in these accompanying consolidated financial statements. Refer Note no * to the consolidated financial statements.

Refer note 9 (c) to the consolidated financial results

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As referred in Note 9(e) to the consolidated financial results, in the light of the note 9 (a) to Note 9 (c) above, we are unable to comment on the extent of the provisions, if any, required for the corporate guarantee given by Holding Company to GVKEL amounting to Rs.3,100 Lakhs. The impact of this matter on the Consolidated Financial results is presently not ascertainable.

- c. The following matters are included in the audit opinion on the financial statements of GVK Bagodara Vasad Expressway Private Limited, a step-down subsidiary of the holding company issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated May 10, 2022, is reproduced by us as under:
- i. "The project of the company was terminated by GSRDC by referring the defaults of the Concessionaire. Consequent to the termination of the project, Company has accounted, cost incurred on the project Rs.589,04,20,918/- as amount receivable from the GSRDC as management has represented that the project of the company was terminated due to the reasons attributable to the GSRDC. Company has disputed the termination notice and invoked Arbitration in terms of provisions of concession agreement. The matter is sub-judice before hon'ble Arbitral Tribunal. We are unable to comment upon its recoverability in the absence of availability of related convincing audit evidence as to its recoverability.
- iii. Balances of borrowings (including interest accrued thereon) from lender amounting to Rs. 818,53,80,999/- as at 31st March 2022 as per books of accounts are unconfirmed. In absence of such confirmations, we are unable to comment on the appropriateness of carrying amount of borrowing (along with interest accrued thereon) as presented in Balance sheet, "

Considering the above matters reported by the Component Auditor and other details as given in Note 10 (a) to the consolidated financial results, we are unable to comment towards the recoverability of total assets aggregating to Rs. 58,919 Lakh and the impact on the liabilities as appearing in the Consolidated Financial results related to this step-down subsidiary.

- d. Note 13 to the consolidated financial results regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds, money laundering and other matters, pending completion of which and non-provision of certain related information sought from the holding company including complete copy of the Enforcement Directorate complaint, we are unable to comment on the effect thereof on the consolidated financial results including prior year comparatives considering allegations over GVK Group.
- e. Note 14 to the consolidated financial results regarding the requirements of Section 96(1) of the Companies Act, 2013, the Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay its financial statements for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. The financial statements for the year ended March 31, 2020 and March 31, 2021 respectively were approved at the AGM held on October 29, 2021, and February 25, 2022. The company has applied for condonation to the relevant authority (ies) for compounding of these non-compliance under the relevant sections of the Companies Act, 2013 and the Rules made thereunder for which approval is awaited.

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

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

6. Emphasis of Matter

a. We draw attention to Note 7 to the consolidated financial results regarding sale of majority holding of GVK Airport Developers Limited (GVKADL) by company to Adani Airport Holding Limited (AAHL) as per binding co-operation agreement dated August 31, 2020 and other related transaction documents. AAHL has acquired and hold the securities as per co-operation agreement at the end of the financial year. The management considered the company as beneficial owner of the Optionally Convertible Debentures (OCDs) of Rs 119,664 Lakhs held by AAHL as per co-operation agreement in view of the terms of arrangement. Accordingly, the securities held in the name of AAHL have been classified as Current Investments of company in the consolidated financial results.

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

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

Note * is included in Note 9(d) of the consolidated financial results.

c. We draw your attention to the following paragraph included in the audit opinion on the standalone financial statement of GVK Deoli Kota Expressway Private Limited, a stepdown subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its review report dated May 10, 2022.



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- i. "Note * and * to the Ind AS financial statements, which explains the reason for preparation of this financial statements on realization basis assuming the Company is no longer a going concern. The Company has recorded receivable from NHAI of Rs. 881.63 crores after setting off toll assets and other related future liabilities, which is subject to decision and process of arbitration between Company and NHAI.
- ii. Note * to the Ind AS financial statements, which states that the Company has defaulted in Repayment of principal amount and payment of interest on such term loans taken from consortium of banks & financial institution. As a result, the lenders have classified the term loans as Non-Performing Asset and have recalled the entire facilities extended to the Company and outstanding on March 31, 2022. As a result of that, the term loans have become repayable on demand and as lenders have classified Company's borrowing facility as NPA, Company has not received borrowing statements and confirmation of borrowing balances from lenders and not made available to us. The matter is pending before Arbitration

Our opinion is not modified in respect of these matters"

Note * is included as Note 10(a) to the consolidated financial results.

- d. We draw your attention to the following matter included as an Emphasis of matter paragraph in the audit opinion on the standalone financial statements of GVK Ratle Hydro Electric Project Private Limited, the stepdown subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide their report dated May 12, 2022, reproduced by us as under:

"We refer to note * of the accompanying financial statement, the company (G V K Ratle) entered into a concession agreement with J&K Power Development Department construction and operation of a hydro power plant on Build, Own, Operate and Transfer model. There has been a significant delay in the construction of the project due to the impediments like land acquisition and execution of land leases, issues in relation to working conditions, disturbances and law and order problems, issues under the Indus Water Treaty, issues in relation to Water charges, status of Mega Power Project and taxes such as entry tax, sales and other local taxes etc., G V K Ratle has offered for an amicable settlement and requested for the termination of concession agreement, but JKPDD rejected such settlement stating that the delays tantamount to event of default from G V K Ratle. Subsequent to this, G V K Ratle had initiated the arbitration process.

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

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

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Note * is included as note 11 of the consolidated financial results.

- e. We draw your attention to Note 12 to the statement regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company of the Holding Company, regarding the company (GVK SEZ) stood as a Guarantor and mortgaged its land admeasuring 2,506.25 Acres to Syndicate Bank (since merged with Canara Bank) on account of loans taken by GVKPIL (the Parent Company). GVKPIL has since repaid the loan taken from Canara Bank and the bank has also acknowledged the same. However, in spite of the same, Canara bank has not issued a no due certificate and has not returned the original title documents. The Canara Bank has exercised the right of general lien under section 171 of Indian Contract Act, 1872 and has enforced general lien over the title deeds in the name of GVK SEZ for liabilities of GVK Coal (Singapore PTE Ltd, an associate of GVK PIL. GVK PIL and GVK SEZ have jointly filed writ petition stating that Bank exercising of general lien under section 17 I of the Indian contract Act, 1872 is wholly misconceived and illegal and contrary to the terms of Guarantee extended by the GVK SEZ. Further, Enforcement Directorate (ED) has provisionally attached the said Land property in view of investigation under Prevention of Money Laundering Act (PMLA). However, Hon'ble High Court of Telangana has stayed the proceedings by issuing Show Cause Notice to ED.

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

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

7. Material Uncertainty Related to Going Concern

We draw attention to note 6 to the consolidated financial results, which indicates that the Group, its associates and Joint Control Entity has incurred significant losses in previous years, current liabilities are significantly higher than current assets, has defaulted in repayment of loan and interest payments and material uncertainties including termination of projects, are faced by various projects being executed by the Group, its associates and Joint Control Entity, in which the Group has made investments, and / or provided guarantees/ commitments and / or has undertaken to provide financial assistance. These events or conditions, along with other matters as set forth in aforesaid note, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

8. Management's and Board of Directors' Responsibility for the Consolidated Financial Results

These consolidated financial results which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been compiled from the consolidated annual audited financial statements. The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of the consolidated financial results that gives a true and fair view of the net Profit and other comprehensive income and other financial information of the Group including its associates and Joint Control Entity in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act read with Companies

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(Indian Accounting Standards) Rule, 2015 and other accounting principles generally accepted in India and in compliance with regulation 33 of the Listing Regulations including relevant Circulars issued by SEBI from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors/Management of the Companies included in the Group and of its associates and Joint Control Entity are also responsible for overseeing the company's financial reporting process of the companies included in the Group and of its associates and Joint Control Entity.

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

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

As part of an audit in accordance with SAs specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, under section 143(3)(i) of the Act we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial results, including the disclosures, and whether the Consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information/financial statements of the entities within the Group and its associates and Joint Control Entity to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with the SEBI circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.



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10. Other Matters

- i. We did not audit the annual financial results of 17 subsidiaries included in the consolidated financial results, whose annual financial results reflect (before adjustments for consolidation) total assets of Rs. 1,544,565 lakhs and net assets of Rs. (-) 30,991 lakhs as at March 31, 2022, total revenues of Rs. 88,234 lakhs, total net Profit after tax of Rs. 17,333 lakhs, and total comprehensive loss of Rs. (-) 8,869 lakhs for the for the year ended March 31, 2022, and cash inflows flows (net) of Rs. 4,113 lakhs for the year ended March 31, 2022, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss after tax of Rs. (-) 21 lakhs and total comprehensive income of Rs. Nil lakhs for the year ended March 31, 2022 respectively, as considered in the consolidated financial results, in respect of one Joint Control Entity, whose financial statements have not been audited by us. These consolidated financial results have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and Joint Control Entity, is based solely on the audit reports of the other auditors and the procedures performed by us as stated in paragraph 9 above.
- ii. The consolidated financial results don't include the financial results in respect of two associates. According to the information and explanations given to us by the Management, this financial information is not material to the Group.
- iii. Our opinion on the consolidated Financial Results is not modified in respect of the matter as described in para 10 (i) and (ii) above with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Board of Directors.
- iv. The Consolidated Financial results includes the results for the quarters ended March 31, 2022 and March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the respective financial years.

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

For T R Chadha & Co LLP

Chartered Accountants

Firm Registration No. 006711N/N500028

Aashish Gupta
(Partner)

Membership No. 097343

UDIN: 22097343AJTPIA4886

Date: 27th May, 2022

Place: Hyderabad



ANNEXURE I

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
Rs In Lakhs				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (Audited figures after adjusting for qualifications)
	1.	Turnover / Total income	88,871	88,871
	2.	Total Expenditure	112,304	112,304
	3.	Net Profit/(Loss)	263,526	263,526
	4.	Earnings Per Share	16.75	16.75
	5.	Total Assets	1,157,192	1,157,192
	6.	Total Liabilities	1,464,926	1,464,926
	7.	Net Worth	(307,734)	(307,734)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

	<p>Audit Qualification (each audit qualification separately):</p> <p>Details of Audit Qualification:</p> <p>1. As discussed more fully in Note 8 to the Consolidated Financial Results regarding GVK Coal Developers (Singapore) Pte. Limited, (an associate) in which the Group has investments and has receivables aggregating to Rs.79,048 Lakhs and to whom the holding company has provided guarantees and commitments for loans aggregating to Rs. 858,478 lakhs taken by the aforesaid associate Company and has undertaken to provide financial assistance of USD 3.11 million (Rs. 2,358 lakhs) as at March 31, 2022 with respect to which there are multiple significant uncertainties including outlook on the sector including those arising from COVID, achieving of financial closure and clearances for the project, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc. The entity's current liabilities exceeded current assets by USD 2,459 million (Rs.1,864,024 akhs) as at June 30, 2021 and has incurred net losses of USD 48 million (Rs. 35,616 lakhs) for the year ended June 30, 2021.</p> <p>In this regard, while the Group has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs. 79048 lakhs till March 31, 2021, we are unable to comment on the viability of the project and of the provision that may be required in relation to the aforementioned guarantees and commitments (in respect of which collateral security by way of pledge of 37% shares of GVK Airport Holdings Limited a 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 results</p>
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Type of Audit Qualification: Qualified Opinion

Frequency of qualification: Repetitive

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

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

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

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

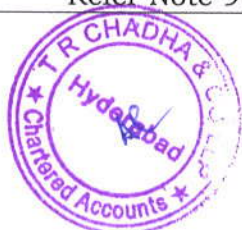
2. The following qualifications included in the audit opinion on the consolidated financial results of GVK Energy Limited (GVKEL), a subsidiary of the Holding Company for the year ended March 31, 2022 issued by an independent firm of Chartered Accountants (Independent auditor) vide its report dated May 23, 2022 is reproduced by us as under:

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

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

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

Refer Note 9(a) to the consolidated financial results.



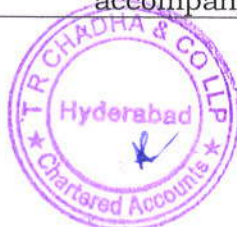
- ii. The auditors of GVK Power (Goindwal Sahib) Limited, subsidiary of the Holding Company vide their audit report dated May 5, 2022, have qualified the audit report which is reproduced as below:

"We draw attention to Note * to the financial statements, regarding revision in tariff. The matters relating to Power Purchase Agreement pending with Punjab State Power Corporation Limited ("PSCPL") on account of uncertainty in revision in tariff, considering enhanced project cost and differential coal procurement cost and other components mentioned in aforesaid note. In view of the factors detailed in the said note and pending confirmation of dues from PSCPL as on reporting date and outcome of such matters we are unable to comment on provision, if any, is required against the said matters. " The said notes in the financial statements of the subsidiary are included as Note no *to the accompanying consolidated financial statements."

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

Note * is included as Note 9(b) to the consolidated financial results.

- iii. The auditors of GVK Gautami Power Limited, Jointly controlled entity vide their audit reports dated May 10,2022 have qualified the audit reports which are reproduced as below: "We draw attention to note * to the Ind AS financial statements, regarding uncertainty of availability of natural gas faced by the Company. However, based on the initiatives taken by Government of India through import of liquefied natural gas at an affordable price by withdrawing custom duty and requesting oil companies to reduce the conversion charges of liquid gas to natural gas and requesting Gas Authority of India Limited ("GAIL") to reduce the transportation charges and waiving Goods and Service Tax on transportation of natural gas) and the order of Central Electricity Regulatory Commission ("CERC") with regard to capacity charges payable by States Power Distribution Companies ("DISCOMs"). However, due to following initiatives taken by Government of India (i) Import of liquified natural gas at an affordable price and withdrawing customs duty on such imports, (ii) requesting oil companies to reduce commission charges of liquid gas to natural gas, (iii) requesting Gas Authority of India Limited ("GAIL") to reduce transportation charges and waiving Goods and Services Tax on transportation of natural gas and (iv) requesting Central Electricity Regulatory Commission ("CERC") to grant reasonable capacity charges by State Power Distribution Companies (DISCOMs), the management is of the opinion of achieving the position to settle the loans through recovery of capacity charges. In view of the above, provision for impairment of Property, plant and equipment is not considered. The said note in the financial statements of the subsidiary is included as Note no * to the accompanying consolidated financial statements.



Pending resolution of the uncertainties/ approvals towards supplies/ availability of gas, recovery of capacity charges and approval of one time settlement proposal with lenders, we are unable to comment upon the recoverability of assets with carrying value amounting to Rs.82,799 lakhs and the provision, if any, required for the corporate guarantee given to the jointly controlled entity, together with consequential impact, if any, arising out of the same on these accompanying consolidated financial statements.”

Note * is included as Note 9(c) to the consolidated financial results.

- iv. In GVK Gautami Power Limited, regarding outstanding minimum alternate tax amounts claims for reimbursement under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2009-10 to 2010-11, aggregating to Rs. 1,500 Lakhs (March 31,2021: Rs. 1,500 Lakhs) which has been disputed by AP Transco/are subject to approvals. we are unable to comment upon the recoverability of these receivables together with consequential impact, if any, arising out of the same in these accompanying consolidated financial statements. Refer Note no * to the consolidated financial statements. “

Refer note 9 (c) to the consolidated financial results

As referred in Note 9(e) to the consolidated financial results, in the light of the note 9 (a) to Note 9 (c) above, we are unable to comment on the extent of the provisions, if any, required for the corporate guarantee given by Holding Company to GVKEL amounting to Rs.3,100 Lakhs. The impact of this matter on the Consolidated Financial results is presently not ascertainable.

Type of Audit Qualification: Qualified Opinion

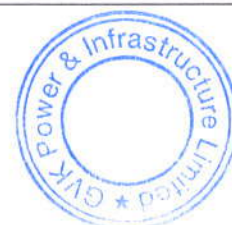
Frequency of qualification: Repetitive

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

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

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

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



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

The subsidiary, GVK Energy Limited is confident that the Government of India will take necessary steps/initiatives to improve the situation of natural gas. In the interim, these group company (GVKGPL) are working with the lenders for a one time settlement proposal wherein the loans would be settled at the value of the plant to be realised on its sale to APDISCOM.

Hence, the impact of the same is unascertainable.

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

i. "The project of the company was terminated by GSRDC by referring the defaults of the Concessionaire. Consequent to the termination of the project, Company has accounted, cost incurred on the project Rs.589,04,20,918/- as amount receivable from the GSRDC as management has represented that the project of the company was terminated due to the reasons attributable to the GSRDC. Company has disputed the termination notice and invoked Arbitration in terms of provisions of concession agreement. The matter is sub-judice before hon'ble Arbitral Tribunal. We are unable to comment upon its recoverability in the absence of availability of related convincing audit evidence as to its recoverability.

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

Considering the above matters reported by the Component Auditor and other details as given in Note 10 (a) to the consolidated financial results, we are unable to comment towards the recoverability of total assets aggregating to Rs. 58,919 Lakh and the impact on the liabilities as appearing in the Consolidated Financial results related to this step-down subsidiary.

Type of Audit Qualification: Qualified Opinion

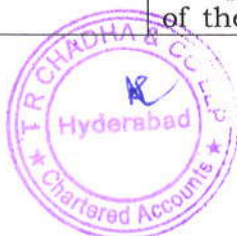
Frequency of qualification: Repetitive

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

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

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

The project of the Company was terminated by GSRDC by referring the defaults of the Concessionaire. Consequent to the termination of the project, Company



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

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

4. Note 13 to the consolidated financial results regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds, money laundering and other matters, pending completion of which and non-provision of certain related information sought from the holding company including complete copy of the Enforcement Directorate complaint, we are unable to comment on the effect thereof on the consolidated financial results including prior year comparatives considering allegations over GVK Group.

Type of Audit Qualification: Qualified Opinion

Frequency of qualification: Repetitive

**For Audit Qualification(s) where the impact is not quantified by the auditor:
Management's estimation on the impact of audit qualification:** Not Applicable
If management is unable to estimate the impact, reasons for the same:

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

5. Note 14 to the consolidated financial results regarding the requirements of Section 96(1) of the Companies Act, 2013, the Company was required to hold its Annual General Meeting (AGM) at which the Board of Directors were to lay its financial statements for the year ended March 31, 2020 by December 31, 2020 and for the year ended March 31, 2021 by November 30, 2021. The financial statements for the year ended March 31, 2020 and March 31, 2021 respectively were approved at the AGM held on October 29, 2021, and February 25, 2022. The company has applied for condonation to the relevant authority (ies) for compounding of these non-compliance under the relevant sections of the Companies Act, 2013 and the Rules made thereunder for which approval is awaited.

Type of Audit Qualification: Qualified Opinion



Frequency of qualification: Repetitive

**For Audit Qualification(s) where the impact is not quantified by the auditor:
Management's estimation on the impact of audit qualification:** Not Applicable
If management is unable to estimate the impact, reasons for the same:

Non holding of the Annual General Meeting (AGM)

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



III.	For GVK Power and Infrastructure Limited	
<p><i>P. V. Prasanna Reddy</i></p> <p>P. V .PRASANNA REDDY Whole Time Director</p> 	<p><i>Balasubramanian.S</i></p> <p>Balasubramanian.S Audit Committee Chairman</p>	
<p>For T R Chadha & Co LLP Chartered Accountants Firm registration number: 006711N/N500028</p> <p><i>Aashish Gupta</i></p> <p>Aashish Gupta Partner Membership No. 097343 Place: Hyderabad Date: May 27, 2022</p> 	<p><i>A. Issac George</i></p> <p>A. ISSAC GEORGE Whole Time Director & CFO</p> 