

Tuesday, 28th May, 2024

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 (Standalone & Consolidated) for the year ended 31st March, 2024

Ref: BSE Scrip Code: 532708, NSE Scrip Code: GVKPIL.

We write further to our letter dated 20th May, 2024 and would like to further inform that the the Board of Directors of our Company at its meeting held on today i.e. Tuesday, 28th May, 2024 had considered and approved the following business:

- a) Audited Financial Statements of the company (Standalone and Consolidated) for the year ended 31st March, 2024 along with Statutory 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 of 31st March, 2024 in the format specified under SEBI (LODR) Regulations, 2015.

The Board Meeting commenced at 11:30 a.m. and concluded at 5:30 p.m.

Please acknowledge receipt of the above.

Thanks & regards,

For GVK Power & Infrastructure Ltd



T Ravi Prakash
Company Secretary & Compliance Officer.



GVK Power & Infrastructure Limited

Darshak Chambers, Plot No.32, Ground Floor
House No.1-8-303/48/32, Street No:1
Penderghast Road, Secunderabad-500003
Telangana, India
CIN: L74999TG2005PLC059013 www.gvk.com

ENERGY
TRANSPORTATION
HOSPITALITY
LIFE SCIENCES
REALTY
CSR

GVK Power & Infrastructure Limited
CIN: L74999TG2005PLC059013

Registered office: Darshak Chambers, Plot No.32, Ground Floor, Street No.1, Penderghast Road
Secunderabad - 500003, Telangana

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

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

Statement of Standalone Financial Results for the quarter and year ended March 31, 2024

(Rs. In Lakhs)

S. No.	Particulars	Quarter ended (Unaudited)			Year ended (Audited)	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
1	Income					
	Revenue from operations	260	-	250	760	1,000
2	Other income	338	341	298	1,208	786
3	Total revenue	598	341	548	1,968	1,786
4	Expenses					
	Employee benefit expenses	46	44	37	191	101
	Other expenses	215	158	221	933	973
	Impairment of Deemed investment	2,284	-	-	2,284	-
	Depreciation	2	3	(2)	11	11
	Total Expenses	2,547	205	256	3,419	1,085
5	Profit/(loss) from ordinary activities but before exceptional items (3-4)	(1,949)	136	292	(1,451)	701
6	Exceptional items	-	-	-	-	-
7	Profit/(loss) from ordinary activities (5+6)	(1,949)	136	292	(1,451)	701
8	Tax Expenses	252	91	55	343	55
9	Profit/(loss) from ordinary activities after tax (7-8)	(2,201)	45	237	(1,794)	646
10	Other comprehensive income (net of tax)	-	-	-	-	-
11	Total comprehensive income (after tax) (9+10)	(2,201)	45	237	(1,794)	646
12	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792
13	Earnings per share (EPS)					
	a) Basic (in Rs.)	(0.14)	0.00	0.02	(0.11)	0.04
	b) Diluted (in Rs.)	(0.14)	0.00	0.02	(0.11)	0.04

GVK Power & Infrastructure Limited

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



Place: Hyderabad
Date : May 28, 2024

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GVK Power & Infrastructure Limited
Standalone Statement of assets and liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2024 (Audited)	As at March 31, 2023 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	23	46
Financial assets		
Investments	102,214	94,493
Non Current tax assets (net)	444	1,196
Other non-current assets	14	14
	102,695	95,749
Current assets		
Financial assets		
Investments	143,878	147,029
Trade receivables	344	994
Cash and cash equivalents	3,936	5,076
Loans	12,626	7,257
Other financial assets	118	52
Other current assets	362	397
	161,264	160,805
Total	263,959	256,554
Equity and Liabilities		
Equity		
Equity share capital	15,792	15,792
Other equity	69,711	71,505
	85,503	87,297
Liabilities		
Non-current liabilities		
Financial liabilities		
Unearned financial guarantee liability	2,695	2,695
	2,695	2,695
Current liabilities		
Financial liabilities		
Borrowings	36,430	36,561
Trade payables		
• Total outstanding dues of micro enterprises and small ente	-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises	110	77
Other financial liabilities	139,138	129,796
Provisions	3	7
Other current liabilities	80	121
	175,761	166,562
Total liabilities	178,456	169,257
Total	263,959	256,554



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GVK Power & Infrastructure Limited
Standalone Cash flow statement

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024 (Audited)	Year ended March 31, 2023 (Audited)
1 CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax	(1,451)	701
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation expenses	11	11
Impairment of Deemed investment	2,284	
Gain on sale of current investments (net)	(640)	(492)
Interest Income	(359)	(219)
Profit on sale of Assets	(1)	(7)
Reversal of previous year expenses	(34)	(1)
Interest income on income tax and service tax refund	(126)	
Operating profit/(Loss) before working capital changes	(316)	(7)
Movement in working capital:		
Decrease/(Increase) in trade receivables	676	205
Decrease/(Increase) in other current assets	35	120
Increase/(Decrease) in trade payables, current liabilities and provisions	(234)	(800)
Cash generated from operations	161	(482)
Taxes (paid)/refund	555	(129)
Net cash generated from operating activities	716	(611)
2 CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase)/ Sale of current investments, net	3,791	(2,145)
Investments in subsidiaries/ associates/related party including share application money	(407)	(684)
Loans (given)/refunds to/from subsidiaries/related party	(5,369)	4,572
Sale/ (Purchase) of property, plant and equipment	(13)	13
Interest received	273	174
Net Cash (used in)/ generated from investing activities	(1,725)	1,930
3 CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) of short term borrowings (net)	(131)	(277)
Net Cash generated from/(used in) financing activities	(131)	(277)
Net increase/ (decrease) in Cash and Cash Equivalents	(1,140)	1,042
Cash and Cash Equivalents at the beginning of the year	5,076	4,034
Cash and Cash Equivalents at the end of the year	3,936	5,076
Components of cash and cash equivalents		
Balance with banks:		
Current accounts	3,936	5,076
Total cash and cash equivalents	3,936	5,076

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

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

Statement of Consolidated Financial Results for the quarter and year ended March 31, 2024

(Rs. in lakhs)

S. No.	Particulars	Quarter ended (Unaudited)			Year ended (Audited)	Year ended (Audited)
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
1	Income					
	Revenue from operations	6,870	13,464	18,625	108,014	212,036
2	Other income	2,355	2,018	1,760	7,499	5,870
3	Total Income	9,225	15,482	20,385	115,513	217,906
4	Expenses					
	(a) Cost of materials consumed	-	-	-	-	49,353
	(b) Employee benefit expenses	439	496	470	1,936	2,513
	(c) Finance costs	13,315	13,266	12,672	53,373	107,371
	(d) Depreciation and amortisation	5,572	5,665	6,456	22,702	39,974
	(e) Other expenses	3,351	3,170	7,504	13,414	28,378
	Total expenses	22,677	22,597	27,102	91,425	227,589
5	Profit/ (Loss) from ordinary activities but before exceptional items (3-4)	(13,452)	(7,115)	(6,717)	24,088	(9,683)
6	Exceptional items (Refer note no 9(b) & 10)	-	-	-	-	324,200
7	Profit/ (Loss) from ordinary activities (5+6)	(13,452)	(7,115)	(6,717)	24,088	314,517
8	Add: Share of profit/ (loss) from associates/ jointly controlled entities	-	(23)	(68)	(71)	(225)
9	Profit/ (Loss) before tax for the period (7+8)	(13,452)	(7,138)	(6,785)	24,017	314,292
10	Tax expense	842	589	1,727	2,896	7,184
11	Profit/ (Loss) after tax for the period (9-10)	(14,294)	(7,727)	(8,512)	21,121	307,108
12	Other comprehensive (expense)/ income	63	(12)	(39)	90	(39)
13	Total comprehensive Profit/ (Loss) for the period (11+12)	(14,231)	(7,739)	(8,551)	21,211	307,069
14	Profit/ (Loss) for the period attributable to:					
	- Owners of the Company	(10,088)	(5,929)	(3,580)	2,040	243,894
	- Non controlling interests	(4,206)	(1,798)	(4,932)	19,081	63,214
		(14,294)	(7,727)	(8,512)	21,121	307,108
15	Other comprehensive (expenses)/ income for the period attributable to:					
	- Owners of the Company	62	(12)	(47)	88	(55)
	- Non controlling interests	1	-	8	2	16
		63	(12)	(39)	90	(39)
16	Total comprehensive Profit/ (Loss) for the period attributable to:					
	- Owners of the Company	(10,026)	(5,941)	(3,627)	2,128	243,839
	- Non controlling interests	(4,205)	(1,798)	(4,924)	19,083	63,230
		(14,231)	(7,739)	(8,551)	21,211	307,069
17	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	(0.63)	(0.38)	(0.23)	0.13	15.44

GVK Power & Infrastructure Limited

Place: Hyderabad
Date : May 28, 2024

P V Prasanna Reddy
P V Prasanna Reddy
Whole Time Director



GVK Power and Infrastructure Limited
Consolidated statement of Assets and Liabilities

(Rs In Lakhs)

S.No.	Particular	As at March 31, 2024 (Audited)	As at March 31, 2023 (Audited)
	Assets		
I)	Non-current assets		
	Property, plant and equipment	351,308	373,433
	Investment Property	11,655	11,655
	Intangible assets	2	196
	Right of use asset	780	834
	Financial assets		
	Investments including in joint ventures and associates (accounted under equity method)	7,136	7,136
	Bank balances other than cash and cash equivalents	29,676	155
	Other non-current financial assets	101,049	101,048
	Deferred tax assets (net)	16,976	12,841
	Tax assets (Net)	1,640	2,392
	Other non-current assets	542	553
	Total	520,764	510,243
II)	Current Assets		
	Inventories	1,113	906
	Financial assets		
	Investments	131,859	142,993
	Trade receivables	4,908	4,803
	Cash and cash equivalents	50,458	50,808
	Loans	2,052	751
	Other financial assets	55,205	49,527
	Current tax assets	7,496	7,338
	Other current assets	7,067	1,568
	Total	260,158	258,694
	Grand Total	780,922	768,937
	Equity and Liabilities		
I)	Equity		
	Equity share capital	15,792	15,792
	Other equity	(134,041)	(130,924)
	Equity attributable to owners of the Group	(118,249)	(115,132)
II)	Non-controlling interest	174,526	160,433
	Total Equity	56,277	45,301
III)	Liabilities		
	Non-current liabilities		
	Financial Liabilities		
	Borrowings	312,805	336,404
	Other financial liabilities	12,324	12,324
	Provisions	12	5
	Deferred tax liability (net)	127	81
	Total	325,268	348,814
IV)	Current liabilities		
	Financial liabilities		
	Borrowings	147,109	147,474
	Trade payables - Total outstanding dues of:		
	- micro and small enterprises	53	42
	- other than micro and small enterprises	1,131	2,321
	Other financial liabilities	236,097	213,331
	Provisions	928	1,340
	Current tax liabilities (net)	99	1,909
	Other current liabilities	13,960	8,405
	Total	399,377	374,822
	Total Liabilities	724,645	723,636
	Grand Total	780,922	768,937



GVK Power and Infrastructure Limited

Consolidated statement of cash flow

(Rs In Lakhs)

Particulars	Year ended March 31, 2024 (Audited)	Year ended March 31, 2023 (Audited)
A. Cash Flow From Operating Activities		
Profit/(Loss) before tax for the year from Continuing operations	24,017	314,292
Adjustments for:		
Depreciation and amortisation (net)	22,702	39,974
Loss on sale / Impairment of fixed assets (net)	5	(363)
Interest expense	53,178	107,371
Exceptional item (net)	-	(324,200)
Share of loss in joint venture	71	225
Interest income	(5,201)	(3,798)
Liabilities written back/ Reversal of previous year expenses	(180)	(286)
Income from investment	(1,857)	(1,013)
Provision for doubtful debts	-	145
Advances written off	12	42
Loss on exchange fluctuation (net)/ Other non cash expenses	(99)	(40)
Provision for Periodic overlay	-	3,351
Operating Profit before Working Capital Changes	92,648	135,700
Change in operating assets and liabilities:		
Decrease/(Increase) in trade receivables	(105)	993
Decrease/(Increase) in Inventories	(207)	(92)
Decrease/(Increase) in Financial Assets loans, others, other current and noncurrent assets	(4,921)	5,511
(Decrease)/Increase in Provisions	(405)	(73)
Increase in Trade payables, other financial liabilities and current liabilities	372	35,169
Cash Generated from Operations	87,382	177,208
Taxes (paid)/refund (net)	(7,985)	(15,163)
Net Cash flow from Operating Activities (A)	79,397	162,045
B. Cash Flow From/(Used In) Investing Activities		
Proceeds/ (Purchase) of fixed assets	(950)	380
(Purchase) / proceeds from sale of current investments (net)	11,134	(11,630)
Loans (given) to / taken from related parties and others (net)	(1,301)	(1,464)
(Investment)/ Realization of bank deposits	(29,521)	-
(Fixed deposits with maturity of more than 12 months)	4,740	2,953
Interest received	4,740	2,953
Net Cash flow from/(used in) Investing Activities (B)	(15,898)	(9,761)
C. Cash Flow Used In Financing Activities		
(Repayment) of long term borrowings	(22,395)	(56,510)
(Repayment)/ Proceeds from short term Loans and advance (net)	(1,617)	(37,077)
Interest paid	(39,837)	(54,798)
Net Cash flow used in Financing Activities (C)	(63,849)	(148,385)
Net increase/(decrease) in Cash and Cash Equivalents		
- For the period from Continuing operations (A+B+C)	(350)	3,899
Cash and Cash Equivalents at the beginning of the year	50,808	55,485
Add: Upon addition and deletion of subsidiaries	-	(8,576)
Cash and Cash Equivalents at the end of the year	50,458	50,808
Components of cash and cash equivalents as per Cash Flow Statement		
Balance with banks:		
Current accounts	5,589	14,185
Deposit accounts	44,869	36,614
Cash	-	9
Total Cash and Cash Equivalents	50,458	50,808



GVK Power & Infrastructure Limited
Segment Reporting (Consolidated) for the year ended March 31, 2024

(Rs In Lakhs)

Sr No	Particulars	Year ended (Audited)	
		31.03.2024	31.03.2023
1	Segment Revenue		
	Power	109,297	169,994
	Roads	1,192	44,704
	Others	760	1,000
	Total	111,249	215,698
	Less: Inter segment revenue	3,235	3,662
	Net sales / income	108,014	212,036
2	Segment Result		
	Power	72,970	69,578
	Roads	(2,872)	21,721
	Others	(42,364)	(1,391)
	Total	27,734	89,908
	Less:		
	Interest Expense	53,382	107,373
	Add:		
	Other unallocable income net off unallocable	49,665	331,757
	Total Loss before tax	24,017	314,292
3	Capital Employed		
	(Segment Assets)		
	Power	495,027	477,608
	Roads	112,101	116,938
	Others*	147,682	151,065
	Unallocated	26,112	23,326
	Total Segment Assets	780,922	768,937
	(Segment Liabilities)		
	Power	387,895	428,114
	Roads	219,085	183,797
	Others*	117,450	109,736
	Unallocated	215	1,989
	Total Segment Liabilities	724,645	723,636
	Net Capital employed	56,277	45,301

*Others include Investment, Manpower, SEZ and Other companies

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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 ("GVKPIL" or "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 (Financial results). 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 recognized accounting practices generally accepted in India.
2. The Company carries its businesses in various segments viz., Power, Roads and others through various subsidiaries, associates, and jointly controlled entities, being special purpose vehicles exclusively formed to build and operate various infrastructure projects. The consolidated results published above present the full revenues and expenses of the Company, its subsidiaries, share of profits / (losses) of associates and jointly controlled entities (collectively "the GVKPIL Group").
3. The above published consolidated financial 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 28, 2024 and have been approved by board of directors at their meeting held on May 28, 2024 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, 2024 and March 31, 2023 and the unaudited published year-to-date figures up to December 31, 2023 and December 31, 2022 which were subjected to review by the statutory auditors.
6. As at March 31, 2024, the GVKPIL Group had accumulated losses and the GVKPIL Group has incurred losses excluding exceptional item during preceding years. The GVKPIL Group's current liabilities are in excess of current assets. Three of the subsidiary companies where the project has been terminated are following liquidation basis of accounting. The GVKPIL group has delayed/defaulted in repayments of loans and interest thereon and various loan accounts have been classified as non-performing assets by banks/ lenders including recall of loans /filing of cases under the Insolvency and Bankruptcy Code in certain cases. The Resolution professional have also been appointed in certain cases by NCLT. There are various litigations going on in the GVKPIL Group. The GVKPIL 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 /non 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, arbitration on delay of



commencement of road projects, termination of various projects etc. Various guarantees given by GVKPIL and GVK Energy Limited (GVKEL) on behalf of their subsidiaries, associates and joint controlled entity have been invoked by the lenders. These factors indicate significant doubt on going concern ability of the GVKPIL group. Notwithstanding the above, the financial statements of the GVKPIL Group have been prepared on going concern basis as management believes that the GVKPIL 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; will reach an optimal solution with non-controlling shareholders and lenders etc. as required despite current macro-economic environment challenges.

7. The Company and its erstwhile subsidiary GVK Airport Developers Limited (GVK ADL) had 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 (GVK Coal) (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 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. The said security as held by AAHL will be transferred on the date when GVKPIL transfers the balance shares of GVKADL.
- (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 during the financial year ended March 31, 2022. The balance shares of GVKADL are yet to be acquired by AAHL. The management of the group considered GVKPIL as beneficial owner of the Optionally Convertible Debentures (OCDs) of Rs.137,464 Lakhs held by AAHL as per Para (ii) above in view of the terms of arrangement. Accordingly, the securities held in the name of AAHL have been classified as Current Investments of GVKPIL at Rs.137,464 Lakhs in the standalone financial statements and Rs.112, 464 Lakhs in the Consolidated financial statements.



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

The Group has provided for impairment Rs 79,048 Lakhs for full value of its investment and receivable in earlier years 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 to USD 1132.45 Million (Rs. 944,168 lakhs as at March 31, 2024) (GVKPIL itself guaranteed towards the repayment of limits which shall be lower of either 53.9% (including in respect of the Hedging Agreements if any) of all principal amounts outstanding under the finance documents or USD 692.61 Million) taken by GVK Coal part of which is collateralized by pledge of 155,587,500 (March 31, 2023: 155,587,500), 130,287,382 (March 31, 2023: 130,287,382) and 48,000,000 (March 31, 2023: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited and has also undertaken to provide financial assistance of USD 3.11 million (Rs. 2,593 lakhs) as at March 31, 2024 , with respect to which there are multiple significant uncertainties including outlook on the sector, non-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 2,624 million (Rs. 2,187,713 lakhs) as of March 31, 2024 (March 31, 2023: USD 2,845 million (Rs. 2,339,320 lakhs)) and accumulated losses as of March, 2024 is USD 1,386 million (Rs. 11,55,562 Lakh) based on audited special purpose consolidated financial statements of GVK Coal.

The GVK Coal lenders had also filed a claim in the High Court of Justice Business and Property Courts of England and Wales Commercial Courts (England Court) on November 09, 2020, and have sought to recover the amounts advanced to GVK Coal. During the current financial year 2023-24, the England court vide its order dated October 19, 2023, has crystalized the amount payable by the defendants (GVKPIL and other guarantors/ stakeholders in GVK Coal) at USD 2.19 billion including the amount towards interest.

As per legal opinion obtained by the parent company, the order dated 19th October 2023 passed by the England court is not speaking order. It has also been opined that the Order dated 19th October 2023 cannot be enforced in India and is contrary to the substantive law of India and is also in violation of the principles of natural justice.

Management has made several attempts were made by the company to have a solution with the lenders including an agreement dated March 23, 2017, wherein a non-binding framework solution was agreed upon for a settlement. Subsequently also there were several efforts to engage with the lenders to arrive at a settlement. The GVK Coal having failed to repay debt obligation, ICICI bank has invoked CG of GVKPIL on Nov 02, 2020 and demanding to pay the GVK Coal dues .

Further, one of the lenders has filed an application under Section 7 of the Insolvency and Bankruptcy Code 2016 to initiate Corporate Insolvency Resolution Process against the parent company (being guarantor for loan taken by GVK Coal) before National Company Law Tribunal, Hyderabad on July 14, 2022 and the company has filed its reply. As per the NCLT website, initially final hearing was mentioned as 24.04.2024 but the authority has partly heard the details and next hearing is scheduled on 31.05.2024. As per the GVKPIL management, petition filed by the ICICI Bank against GVKPIL is barred by Section 10A of the Code as the invocation of the Guarantee was admittedly done vide invocation of guarantee dated 02.11.2020 and as such the invocation of the guarantee on GVKPIL falls squarely within the period prescribed by Section 10A of the



code. As per 10A, no application for initiation of corporate insolvency resolution process can be filed in respect of a default that has occurred on or after 25th March, 2020 till 25th March, 2021. However, as per ICICI Bank petition, the account (GVK Coal Developers) has become NPA with all the lenders around FY 2016-17. The ultimate outcome of the same and the resultant impact of the same on the financial statements is not ascertainable and cannot be commented upon.

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 incentivized 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. The parent company has wholly own subsidiary company viz. GVK Energy Limited ('GVKEL'), certain subsidiaries and jointly controlled entity (group companies) of 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 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 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. Including the above amount of Rs 4,984 lakhs, a total of Rs 23,761 lakhs , being the due on vesting date has been paid to lenders. The nominated authority has advised in the above order to approach Coal Tribunal in respect of disputes including the compensation disallowed regarding R&R costs. The GVKCTPL has accordingly filed the appeal under sec. 27 of the Coal Mines (Special Provisions) Act, 2015 with Coal Tribunal for Rs 34,830 lakhs on August 01, 2022 and the next hearing of the case is scheduled on June 20, 2024.

Based on the internal assessment, management believes that GVKCTPL will be appropriately reimbursed for cancelled coal mine. Additionally, the fund lying-in interest-bearing account with Registrar General of the Court will be sufficient to discharge all liabilities 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) GVK Power (Goindwal Sahib) Limited ("GVKPGSL") a subsidiary company of GVKEL, has been admitted into Corporate Insolvency Resolution Process on October 10, 2022 based on petition filed by Axis Bank Ltd, one of the lenders in the consortium of GVKPGSL with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company.



Interim Resolution professional appointed by NCLT has taken possession of all assets of GVKPGSL.

Since the Group has lost the control over the GVKPGSL, the assets and liabilities of GVKPGSL were deconsolidated as at October 10, 2022 as per Ind AS 110 and a gain of Rs.343,685 Lakh is recorded in consolidated financials for the year ended March 31, 2023 as per below entry:

<u>Particulars</u>	<u>Rs Lakhs</u>
Value of assets	- 345,970
Value of liabilities	698,027
Equity share capital	126,520
Amount already recognized in consolidated FS in previous period	-134,892
Net amount recognized as exceptional gain	-343,685

During the current financial year 2023-24, the Resolution plan submitted by resolution applicant has been approved by the Hon'ble NCLT Hyderabad vide its order dated December 22, 2023. As per the said order, the secured lenders have received Rs.1,078 crores against their claims of Rs.6,585 Crores. i.e. with a deficit of Rs.5,507 Crores. The GVKEL has provided Corporate Guarantee to the lenders of GVKPGSL with respect to the amount lent by them. The lenders through security trustee (IDBI Trusteeship services limited) have invoked the corporate Guarantee. Further, during the financial year 2023-24, one of the lenders (IDBI) has filed the case against the GVKEL demanding the amount of Rs.1,494 Crores in the Hon'ble NCLT, Hyderabad and next date of hearing is fixed on July 10, 2024.

As per management, liability of Corporate Guarantor is co - extensive with the liability of the Principal Borrower. Further, as per GVKPIL management, Section 31(1) of the Code states that when a resolution plan is approved by the adjudicating authority the same is binding on all the creditors and the guarantors and all other stake holders and hence no claim is maintainable against them. Considering, the liability of the Principal Borrower stands discharged pursuant to the CIRP of the Principal Borrower, as per GVKPIL management, the liability of the Corporate Guarantor also extinguishes.

Based on internal assessment of the management there is an uncertainty on the outcome of the liability that may arise in respect of guarantee given by GVKEL. therefore no provision has been made against the likely impact of the claim against such guarantee.

- c) GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL, has been admitted into Corporate Insolvency Resolution Process (CIRP) during the current financial year 2023-24, i.e on October 20, 2023 based on petition filed by Edelweiss Asset Reconstruction Company Ltd, one of the lenders in the consortium of GVKGPL with the Hon'ble NCLT, Hyderabad and Interim Resolution professional appointed by NCLT has taken possession of all assets of GVKGPL. GVKEL has already provided for an impairment in the full value of investment in GVKGPL of Rs 51,897 Lakh.

The GVKEL has also provided Corporate Guarantee to the lenders of GVKGPL with respect to the amount lent by them. This Corporate Guarantee has not be invoked by the Lenders so far (account became NPA on 1st October 2016) and no demands have been raised on GVKEL. This Corporate Guarantee may be invoked the lenders of GVKGPL considering the default therein. In such an eventuality, GVKEL may need to reimburse the same, especially considering that the net assets of GVKGPL is negative. The extent of the liability that may arise in respect of guarantee given is presently not determinable at present and no provision has been made in this regard in relation to such liability.

- d) Uttar Pradesh Electricity Commission (UPERC) vide its order dated April 20, 2023 has approved final tariff for Multi Year Tariff (MYT) for tariff period 2019-24 based on approved project cost of Rs 406,186 Lakhs.



After evaluating the UPERC order and the based on opinion sought, Alaknanda Hydro Power Company Limited (AHPCL) has raised bills towards arrears against Uttar Pradesh Power Corporation Limited (UPPCL) for the tariff year 2019-20 to 2022-23 in previous quarter to the extent of Rs.31,916 Lakhs, UPPCL has paid entire dues in the month of July'23. UPPCL has filed an appeal in APTEL, challenging the determination of NAPAF by UPERC for the MYT 2015-19 and 2019-24. AHPCL submitted its response to UPERC under the said appeal. AHPCL also filed an application before APTEL challenging UPERC order regarding the expenditure disallowed by them while approving the project cost.

- e) AHPCL has challenged the vires of the Uttarakhand Tax on Water Used for Generation of Electricity Act, 2012 ("Water Tax Act") before the Uttarakhand High Court. On July 12, 2022, the Uttarakhand High Court directed the company and all other Hydro Electric Projects (HEPs) to pay the Water Tax commencing from August 01, 2022. AHPCL has sought the Uttarakhand High Court to modify its order dated July 12, 2022, which was denied. Pursuantly, company has paid an amount of Rs.1,371 Lakhs to Uttarakhand Water Resources Management Regulatory Commission (UWRMRC), a nodal agency being appointed under the Water Tax Act, towards demand received against water tax for the period August, 2022 to October, 2022 and also made provision for Rs.7,769 Lakhs for the period November, 2022 to March, 2024. Impact on balance sheet the quarter ended March 2024 is Rs.1,371 Lakhs and for the year (April, 2023 - March, 2024) is Rs.5,484 Lakhs.

Further, UPPCL has also filed an application before the Uttarakhand High Court which also impugns the vires of the Water Tax Act. The same is pending for adjudication along with the AHPCL appeal and other batch of appeals.

AHPCL claim for reimbursement of the payments made to UWRMRC towards water tax of Rs.1,371 Lakhs has been denied by UPPCL vide their letter dated June 16, 2023, on the ground that AHPCL has not followed the change in law provision stipulations under the PPA. Subsequently, AHPCL has filed an application before the UPERC for declaring the imposition of Water Tax as a Change in Law UPERC vide its order dt. 01 April 2024 has directed UPPCL to make interim payment against proof of payment of water tax paid by AHPCL from August, 2022 onwards and continue to make interim payment. In case Hon'ble High Court of Uttarakhand decides levy of water tax is null & void, AHPCL shall be required to be claim refund from Uttarakhand Government along with carrying cost and the same shall be released immediately to UPPCL along with such carrying cost.

- f) During the earlier years, GVK Energy Ltd. (GVKEL) and Alaknanda Hydro Power Company Limited (AHPCL) have issued debentures vide respective Trust Deed and taken loans from ECL Finance Limited, Edelweiss Asset Reconstruction Company Limited, India Credit Fund II & Ecap Equities Limited (collectively referred to as "Edelweiss"). These Debentures and Loans are also secured by pledge of shares of GVK Power (Goindwal Sahib) Limited, GVK Coal Tokisud Company Private Limited and AHPCL held by GVKEL and shares of GVKEL held by GVKPIL as investment in respective companies. The loans were further secured by Corporate Guarantee given jointly by GVKEL and GVKPIL.

Since the repayment of loan and interest was defaulted, GVKEL and AHPCL have entered into settlement agreement with Edelweiss on October 31, 2020 which resulted in settlement of principal and interest outstanding of Rs.68,730 Lakhs (GVKEL Rs.12,139 Lakhs and AHPCL Rs.56,591 Lakhs) at Rs.52,500 Lakhs (GVKEL Rs.3,800 Lakhs and AHPCL Rs.48,700 Lakhs) along with interest rate of 12.50% pa compound monthly w.e.f. September 16, 2020 till July 31, 2021, which was further extended up to March 31, 2022. AHPCL and GVKEL has made total payments of Rs.33,059 Lakhs resulting in balance payable of Rs. 27,115 Lakhs including interest till May 16, 2022 (GVK EL Rs.3,506 Lakhs and AHPCL Rs.23,609 Lakhs). AHPCL



and GVKEL has requested for further time till August 31, 2022 from Edelweiss for making balance payment and were in discussions with them.

However, Edelweiss has withdrawn the settlement agreement vide its mail dated April 11, 2022. Edelweiss has also written letter dated July 08, 2022 invoking the Corporate Guarantee issued by GVKEL and GVKPIL. Further, since GVKEL and AHCPL could not make the payment as per settlement terms, ECL Finance Limited (Edelweiss) has invoked the pledge of equity shares and transferred 46,60,11,000 Equity shares, each having face value of Rs 10, of AHPCL held by GVK Energy Limited on May 16, 2022. ECL Finance Limited will continue to hold these shares as security on behalf of Edelweiss for the loans taken/NCD issued by AHCPL & GVKEL. ECL Finance Limited reserved the right to sell the same as per the terms of the pledge agreement read with security sharing agreements.

GVKEL filed a suit before Delhi High Court on May 30, 2022, wherein GVKEL pleaded that because of the invocation and transfer of a valuable asset our liability towards the loan has been discharged and since the value of share is far in excess of the outstanding loan liability, the excess share to be returned. The Hon'ble High Court Delhi has given interim order dated May 31, 2022 wherein it is stated that while selling the shares of AHPCL by Lenders, the best offer received by them would be communicated to the GVKEL and GVKPIL as well as to the Court, and an opportunity would be given to them to match the said offer within five days. In the meanwhile, if GVKEL and GVKPIL get an offer for the aforesaid shares, they shall also inform the defendants as well as the Court. In the event GVKEL and GVKPIL are unable to match the offer of the lenders, the lenders would be free to sell the said shares at the best offer received by them. Till the time, the shares which are invoked are sold in the aforesaid manner, the lenders shall not sell any other shares that have been pledged by the GVKEL and GVKPIL with the lenders. However, the lenders shall be free to invoke the pledged shares. Next hearing of the case is scheduled on July 09, 2024.

GVKEL has transferred the liability of AHPCL in its books of account relating to Edelweiss and based on legal opinion, GVKEL has shown the discharge of the loan liability of Edelweiss against the invoked shares till a settlement is arrived at with Edelweiss. GVKEL has not accounted for the impact of the annulment of settlement since they are confident of achieving settlement with Edelweiss. However, on conservative basis, a loss on invocation and transfer of shares, amounting to Rs.19,486 Lakhs during year ended March 31, 2023 (being difference in face value of pledged shares invoked by Edelweiss and the liability of Edelweiss appearing in books of GVKEL and AHPCL as per settlement terms) has been accounted in the books of accounts and reported as an exceptional item in the standalone results of GVKEL and consolidated financial results of GVKPIL.

Due to above mentioned default in the repayment of amount due on Loan / NCDs, Edelweiss (through its debentures trustee namely Catalyst Trusteeship Limited) has also filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against GVKPIL (being the Guarantor of the Loan / NCDs) and GVKEL on October 21, 2022 and the next hearing of the case is scheduled on July 12, 2024.

Meanwhile, AHPCL, GVKEL and GVKPIL has entered into a settlement agreement with the lenders on October 09, 2023, which requires to pay Rs 33,000 Lakhs up to October 31, 2023 and simple interest @12.50% pa is payable w.e.f. 1st November 2023. The entire amount along with interest is to be paid on or before 30th November 2023 and due date further extended till Jun 30, 2024 with phased payments. On 27th February '24 the lead lender of Alaknanda Hydro Power Company Limited has approved the release of Rs 20,000 Lakhs



out of Rs 33,000 lakhs and Rs.13,000 Lakhs to be brought in by GVKPIL group and till date GVKPIL group has paid an amount of Rs 9,150 lakhs as agreed.

As per the terms of the settlement, lenders will release the securities including the transfer of 46,60,11,000 Equity shares, each having face value of Rs.10, of AHPCL to GVKEL on payment of amount due as per the settlement agreement.

- g) The parent company (GVKPIL) has assessed and based on the valuation carried out and other relevant factors including uncertainties involved, no provision is considered necessary in standalone books of accounts of GVKPIL towards the carrying value of investment in GVKEL of Rs 84,120 Lakhs (March 31, 2023 Rs.74,122 Lakhs) and Loan of Rs.10,565 Lakhs (March 31, 2023 Rs.6,497 Lakhs).
10. The parent company has wholly own subsidiary company viz. GVK Transportation Pvt. Ltd. (GVKTPL). Two of the subsidiaries of GVKTPL are facing uncertainties, detailed as below:

- a) **GVK Bagodara Vasad Expressway Private Limited (GVK BVEPL)**, a wholly owned step down subsidiary of the parent company has carried out project work towards the Concessionaire Agreement entered with Gujarat State Road Development Corporation Limited (GSRDC). During construction, there has been significant delays in fulfilling the obligations from GSRDC like providing Land required for construction, right of way, shifting of utilities etc., which has resulted in significant delays in construction. On March 27, 2018, GSRDC has issued a termination and arbitration notice as per which GSRDC has terminated the concession agreement and also has claimed an amount of Rs. 108,419 Lakhs. In response to the same, GVK BVEPL has written to GSRDC denying the claims from GSRDC and terminated the agreement. GVK BVEPL has also stated that the delay is due to the default from GSRDC. Also, GVK BVEPL has notified GSRDC that dispute settlement process will be as per the Concession Agreement.

GVK BVEPL has approached The International Centre for Alternative Dispute Resolution (ICADR) for appointment of Arbitration Tribunal (AT). Arbitration Tribunal is constituted, and the dispute is being addressed. GSRDC has filed a claim of Rs 108,419 lakhs and GVK BVEPL has filed its statement of Defense and a counter claim of Rs.91,325 lakhs as termination payment due to GSRDC default (apart from various other claims towards Loss of Profit, Interest Payment on Debts etc.) disputing the very process of termination and are also taking other necessary legal remedies in this regard. Initially GVK BVEPL intended to bring into substitution process, however despite best efforts of GVK BVEPL, substitution process could not be completed. Meanwhile GSRDC awarded project to two different contractors. Hence GVK BVEPL is no more going concern, and the financials are prepared accordingly since financial year ended March 31, 2020.

GVK BVEPL is closely working with the lenders by explaining to them the intricacies of the project and outlining support required to give effect to the process of arbitration. Tribunal having heard arguments of both sides has given a split verdict, Justice Thakkar and Justice Panchal have rendered a combined award of Rs 41,296 Lakhs in favor of GSRDC and Justice Deepak Varma had passed a dissenting award of Rs.27,438 Lakhs in favor of the Company. Till date GVK BVEPL not yet received the signed copy of the order. Considering this split award and based on the facts, the company has filed an appeal before Commercial Court, Ahmedabad on November 20, 2023 and the matter is coming up for hearing on 20.06.2024.



All the loan accounts are non-performing assets, and the company has received recall notices from the banks and financial institutions and hence borrowing from the banks and financial intuitions are treated as current borrowings.

Based on its internal assessment, GVK BVEPL is confident that it will be able to recover the amounts spent on the project till date and is also confident that claims made by GSRDC will be struck down and accordingly management believes that it is appropriate to recognize total assets aggregating to Rs. 58,919 lakhs; comprising Rs.58,916 lakh as Other Non-Current financial assets and Rs.3 lakh as Property Plant & Equipment on March 31,2024 (March 31, 2023, Rs. 58,919 lakhs) at carrying value in the financial statements and at present there is no provision for impairment is found to be necessary.

- b) **GVK Deoli Kota Expressway Private Limited (GVK DKEPL)**, a wholly owned step-down subsidiary of the parent company. On June 25, 2019, GVK DKEPL has issued a termination notice under Article 37.2.2 of the Concession Agreement for termination on account of material breach and defaults on the part of National Highway Authority of India (NHAI) during the course of construction like providing Right of Way (ROW), shifting of utilities, obtaining approvals & clearances, alternate route & prevention of complete user fee collection etc., which has resulted in significant delays in construction of expressway. Further, GVK DKEPL has claimed a termination payment of Rs. 169,650 lakhs (apart from various other claims towards future loss, Loss of Toll Revenue, Loss suffered on account of additional overheads etc.) from NHAI as per the terms of the Concession Agreement. In response to the above notice, GVK DKEPL has received letter from NHAI dated July 03, 2019, denying the claim of GVK DKEPL stating that the termination notice issued under clause 37.2.2 is invalid as defaults alleged by GVK DKEPL are false and NHAI has not committed any material default in complying with the provisions of the Concession Agreement.

On September 12, 2019, NHAI issued a termination notice as per clause 37.2.1 of the Concession Agreement for non-fulfillment of the obligation as stated in the Concession Agreement by Concessionaire. NHAI by virtue of this notice, is deemed to have taken possession and control of the project highway along with all the equipment on or at site. After this termination notice toll plaza is deemed to have been transferred to NHAI and from September 16, 2019, onwards NHAI started collecting the toll on the project highway.

The matter is under Arbitration and the company has filed claim documents with Tribunal and NHAI has filed statement of defense and next cross examining the witness of NHAI is scheduled on July 29, 2024.

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

The Concession Agreement being the sole agreement executed by the Company, termination of the same has now resulted into liquidation basis of accounting which has been adopted in preparation of these financial statements of GVK DKEPL. GVK DKEPL has recorded receivable from NHAI after setting off toll assets and other related future liabilities, which is subject to decision and process of arbitration between Company and NHAI.

GVK DKEPL based on its internal assessment is confident that it will be able to recover the balance amount spent on the project till date including its various claims and accordingly the management believes that it is appropriate to recognize total assets aggregating to Rs.44,008 lakh; comprising Rs.43,637 lakh as Other



Non-Current assets, Rs.9 lakh as Property Plant & Equipment and Rs 362 Lakh as the Current Assets on March 31,2024 (Rs.44,008 lakh as on March 31,2023) at carrying value in the financial statements.

- c) GVKTPL has accumulated losses, and its net-worth has been fully eroded, GVKTPL has incurred a net loss during the current and previous period/ year(s) and net cash loss during the current year and the company's current liabilities exceeded its current assets as at the balance sheet date. J.C. Flowers Asset Reconstruction Pvt Ltd (Debt assigned by Yes bank) has also filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against GVKTPL on February 24, 2022, and replies filed and reserved for orders on May 29, 2024. GVKPIL has not provided any corporate guarantees for GVKTPL and its subsidiaries.

11. GVK Ratle Hydro Electric Project Private Limited (GVK Ratle), step down subsidiary of GVK Power and Infrastructure Limited has entered into a concession agreement with J&K Power Development Department (JKPDD) for construction and operation of a hydro power plant on Build, Own, Operate and Transfer model. GVK Ratle started the project development and had spent/paid advances to the tune of Rs.101,552 lakhs (till March 31,2021) on various works. However, there were significant delays in the construction of the project due to the impediments like land acquisition and execution of land, leases, issues in relation to working conditions, disturbances and law and order problems, issues under the Indus Water Treaty, issues in relation to Water charges, status of Mega Power Project and taxes such as entry tax, sales and other local taxes etc.

GVK Ratle requested for termination of project and offered for an amicable settlement. JKPDD rejected such settlement offer stating that the delays are tantamount to event of default from GVK Ratle. GVK Ratle initiated the arbitration process and Tribunal vide its order dated 11th July'20 and rectification order dated 7th September'20 had accepted the contentions of the company and had given an award of Rs.29,048 Lakhs in favor of GVK Ratle. Not satisfied with the order, GVK Ratle has filed an appeal before district court, Kishtwar on 8th December,2020 against the said award, which is challenged by JKPDD and court granted the stay on proceedings. Meanwhile, GVK Ratle has filed an appeal before Supreme Court, the supreme court stayed all proceedings before the District Court, Kishtwar until it decides the issue relating to applicability of J&K Arbitration Act, 1997, even after it was repealed by J&K State Reorganization Act, 2019. The matter is yet to be listed for hearing before the Supreme Court.

GVK Ratle had also entered into a settlement agreement with its lender on 24th November'21 and the award realized from the JKPDD will be paid to lender as per the settlement agreement. 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 and treated the amount recoverable as per award as its asset with similar amount payable to lender as its liability as per settlement agreement.

12. GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company has Investment Property having book value of Rs.11, 655 Lakh (March 31, 2023, 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, despite 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 before High Court, Telangana on October 27, 2021,



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 and the matter is yet to be listed. GVKPIL has obtained independent legal opinion based on which the outcome of the subject matter will be positive and the bank will be directed to release the documents given as security.

Enforcement Directorate (ED) had tried to provisionally attach the said Land property in view of investigation under Prevention of Money Laundering Act (PMLA). However, Hon'ble High Court of Telangana vide its order dated April 22, 2021, has stayed the proceedings of such provisional attachment of Land by issuing show Cause Notice to ED. As on day no response has been submitted and the status quo is maintained.

The matter is under litigation. Pending these litigations, the Investment Property having book value of Rs.11,655 Lakh (March 2023: Rs 11,655 Lakhs) is shown as recoverable since the Management is confident of winning the cases on merits.

13. In June 2020, Central Bureau of Investigation (CBI) has registered a First Information Report (FIR) against MIAL, its parent 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. CBI has filed a charge sheet before the Chief Metropolitan Court, Mumbai on February 09, 2023, laying as allegation under section 120B read with section 420 of IPC against MIAL, Vice Chairman & erstwhile CFO of the parent Company and four other GVKPIL group companies apart from others. The Court has granted bail to all the accused. The main issue alleged is siphoning of fund of MIAL eventually causing a loss to Airport Authority of India (AAI). Vide order dated 08.12.2023, fresh cognizance of offences in the charge sheet has been taken and accused persons have been summoned. However, the said order has been currently stayed by the Ld. Sessions Court, Mumbai in revision petitions preferred by various accused persons and therefore, the proceedings are currently stayed in the matter and matter will resume only once the stay order gets vacated by the Revision Court. The company is of the view that the case will not stand the test of scrutiny of the court and will eventually be dismissed. The company is also of the view that the charges are unsubstantiated, and no offence u/s section 420 IPC is made out as there is no loss to AAI, Government, or any Tax Authorities as alleged. 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 proceedings.

The Enforcement Directorate (ED) had also taken up the investigation under the Prevention of Money Laundering Act (PMLA) based on an FIR registered by the CBI. ED had 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. ED had filed a complaint before the City Court and Additional Session Judge, Greater Bombay under Section 45 of Prevention of Money Laundering Act, 2002 for commission of offence of Money laundering under section 3, read with section 70, Punishable u/s 4 of the Prevention of Money Laundering Act, 2002. The matter is currently at stage of adjudication of application on behalf of Accused-4 seeking supply of all the un-relied documents and un-relied statement u/s 50 PMLA and is fixed for filing reply of Enforcement Directorate on 27.06.2024.

The Audit Committee of the parent 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 with cases related to CBI and ED, the implications, if any, that may arise on the GVKPIL group can't be ascertained and would be considered in the financial statements on conclusion of the aforesaid investigation.



14. The Board of Directors has approved the scheme of amalgamation in their meeting March 23, 2022 for with regard to Amalgamation of
- GVK Airport Services Private Limited (Transferor Company)
 - GVK Power (Khadur Sahib) Private Limited (Transferor Company)
 - GVK Shivpuri Dewas Expressway Private Limited (Transferor Company)
 - Sutara Roads & Infra Limited (Transferor Company)
 - GVK Power & Infrastructure Limited (Transferee Company).

The application has been filed with National Company Law Tribunal, Hyderabad on 31st March, 2022, seeking for the dispensation of shareholders & credits meeting and same has been allowed by order dated January 09, 2023 read with order dated February 28, 2023. Subsequently, a petition was filed on June 08, 2023 for approval of the proposed scheme of amalgamation. The petition was heard before NCLT and the listing order was passed on July 04, 2023 directing the Petitioners to issue notice to the statutory authorities and also file a paper publication. Pursuant to the directions, the Petitioner companies have complied with the necessary directions and have not received any comment from any of these authorities. The NCLT asked to furnish further documents and the next date of hearing is on June 21, 2024. In view of the in ordinate delay in approval the company propose to withdraw the application of merger.

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

GVK Power & Infrastructure Limited

Place: Hyderabad
Date: May 28, 2024



P V Prasanna Reddy
P V Prasanna Reddy
Whole-Time Director

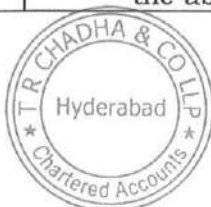


ANNEXURE I**Statement on Impact of Audit Qualifications (for audit report with disclaimer of opinion) submitted along-with Annual Audited Financial Results - (Consolidated)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024				
[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	115,513	115,513
	2.	Total Expenditure	91,496	91,496
	3.	Profit before tax	24,017	24,017
	4.	Earnings Per Share	0.13	0.13
	5.	Total Assets	780,922	780,922
	6.	Total Liabilities	724,645	724,645
	7.	Net Worth	56,277	56,277
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

Audit Qualification (each audit qualification separately):**Details of Audit Qualification (Disclaimer of opinion):****II.**

1. We draw attention to note 6 to the consolidated financial results which states that as at March 31, 2024, the GVKPIL Group had accumulated losses and the GVKPIL Group has incurred losses excluding exceptional item during preceding years. The GVKPIL Group's current liabilities are significantly in excess of current assets. Three of the subsidiary companies where the project has been terminated are following liquidation basis of accounting. The GVKPIL group has delayed/defaulted in repayments of loans and interest thereon and various loan accounts have been classified as non-performing assets by banks/ lenders including recall of loans /filing of cases under the Insolvency and Bankruptcy Code in certain cases. The Resolution professional have also been appointed in certain cases by NCLT. There are various litigations going on in the GVKPIL Group. The GVKPIL 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 / non 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, arbitration on delay of commencement of road projects, termination of various projects etc. Various guarantees given by GVKPIL and GVK Energy Limited (GVKEL) on behalf of their subsidiaries, associates and joint controlled entity have been invoked by the lenders. These factors indicate significant doubt on going concern ability of the GVKPIL group. Notwithstanding the above, the financial statements of the GVKPIL Group have been prepared on



going concern basis as management believes that the GVKPIL 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; will reach an optimal solution with non-controlling shareholders and lenders etc. as required despite current macro-economic environment challenges. Considering the various uncertainties involved as fully described in the Basis of Disclaimer section of our report, the probable impact could be material and pervasive on these consolidated financial results and that may cause significant doubt on company's ability to continue as a going concern. Accordingly, we are unable to comment that the management assumption of preparing these financial results on going concern basis is appropriate.

Type of Audit Qualification: Disclaimer of Opinion

Frequency of qualification: First time

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 believes that the GVKPIL 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 be able to win litigations, recover claims and will be able to reach an optimal solution with non-controlling shareholders and lenders etc. as required despite current challenges.

2. We draw attention to Note No 8 to the Consolidated Financial Results regarding GVK Coal Developers (Singapore) Pte. Limited, (GVK Coal Developers) (an associate) in which the GVKPIL Group has investments and has receivables aggregating to Rs.79,048 Lakhs and to whom the holding company along with others jointly and severally had given irrevocable and unconditional guarantee and commitments (CG) for loans up to aggregating to USD 1132.45 Million (Rs.9,44,168 Lakhs) (GVKPIL itself guaranteed towards the repayment of limits which shall be lower of either 53.9% (including in respect of the Hedging Agreements if any) of all principal amounts outstanding under the finance documents or USD 692.61 Million) taken by the aforesaid associate Company part of which is collateralized by pledge of 155,587,500 (March 31, 2023: 155,587,500), 130,287,382 (March 31, 2023: 130,287,382) and 48,000,000 (March 31, 2023: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited and has also undertaken to provide financial assistance of USD 3.11million (Rs.2,593 Lakhs) with respect to which there are multiple significant uncertainties including outlook on the sector, non-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 GVK Coal Developers current liabilities exceeded current assets by USD 2624 million (Rs.21,87,713 Lakhs) as of March, 2024 and accumulated losses as of March, 2024 is USD 1386 million (Rs. 11,55,562 Lakhs) based on audited special purpose consolidated financial statements of GVK Coal Developers (Singapore) Pte. Limited. The GVK Coal Developers lenders filed a claim in the High Court of Justice Business and Property Courts of

England and Wales Commercial Courts (England Court) on November 09, 2020 and have sought to recover the amounts advanced to GVK Coal Developers. During the current financial year 2023-24, the England court vide its order dated October 19, 2023 has crystalized the amount payable by the defendants (GVKPIL and other guarantors / stakeholders in GVK Coal Developers) at USD 2.19 billion including the amount towards interest.

As per legal opinion obtained by the Holding company, the order dated 19th October 2023 passed by the England court is not speaking order. It has also been opined that the Order dated 19.10.2023 cannot be enforced in India and is contrary to the substantive law of India and is also in violation of the principles of natural justice.

As per the GVKPIL management, several attempts were made by the company to have a solution with the lenders including an agreement dated March 23, 2017, wherein a non-binding framework solution was agreed upon for a settlement. Subsequently also there were several efforts to engage with the lenders to arrive at a settlement. The GVK Coal Developers having failed to repay debt obligation, ICICI bank has invoked CG of GVKPIL on Nov 02, 2020 and demanding to pay the GVK Coal Developers dues.

Further, one of the lenders has filed an application under Section 7 of the Insolvency and Bankruptcy Code 2016 to initiate Corporate Insolvency Resolution Process against the GVKPIL (being guarantor for loan taken by GVK Coal Developers) before National Company Law Tribunal, Hyderabad on July 14, 2022 and the company has filed the reply. As per the NCLT website, initially final hearing was mentioned as 24.04.2024 but the authority has partly heard the details and next hearing is scheduled on 31.05.2024. As per the GVKPIL management, petition filed by the ICICI Bank against GVKPIL is barred by Section 10A of the Code as the invocation of the Guarantee was admittedly done vide invocation of guarantee dated 02.11.2020 and as such the invocation of the guarantee on GVKPIL falls squarely within the period prescribed by Section 10A of the code. As per Section 10A, no application for initiation of corporate insolvency resolution process can be filed in respect of a default that has occurred on or after 25th March, 2020 till 25th March, 2021. However, as per ICICI Bank petition, the account (GVK Coal Developers) has become NPA with all the lenders around FY 2016-17. The ultimate outcome of the same and the resultant impact of the same on the financial statements is not ascertainable and cannot be commented upon.

GVKPIL is hopeful of achieving one time settlement with the lenders in view of its arrangement with Adani Airport Holdings Limited (AAHL) which is adequately incentivized to find solution with the lenders to get unencumbered ownership over the shares of GVK Airport Developers pledged with the lenders.

While the GVKPIL Group has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs.79,048 Lakhs, no provision has been made towards the Corporate Guarantee and commitments issued by GVKPIL. Considering the various uncertainties and complexities involved as mentioned above, we are unable to comment on the viability of the GVK Coal project and the additional provision that may be required concerning the aforementioned guarantees and commitments made by the GVKPIL and the resultant impact of the same on these consolidated financial results.

Type of Audit Qualification: Disclaimer of 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 provision of the entire investment and receivables. It has also engaged with lenders and made several attempts to have an amicable solution. In this regard attention is being drawn to the agreement entered on 23rd March 2017, wherein a non-binding framework solution was arrived at between the lenders and the company. Subsequently the company has also corresponded and followed up with the lenders to arrive at the amicable settlement. The last communication with the lender was on 12th Jan, 2021 wherein a revised offer was made. Any further provision cannot be estimated due to significant uncertainties including fluctuating coal prices, concluding an appropriate solution with various stakeholders by GVK Coal and of settlement with lenders which is typical to such negotiations.

3. We draw attention to Note 9(b) to the consolidated financial results regarding Deconsolidation of assets and liabilities of GVK Power (Goindwal Sahib) Limited ("GVKPGSL"), a step down subsidiary of the Holding Company with effect from 10th October 2022, as the same has been admitted into Corporate Insolvency Resolution Process on October 10, 2022 based on petition filed by Axis Bank Ltd, one of the lenders in the consortium of GVKPGSL with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the GVKPGSL. Interim Resolution professional appointed by NCLT had taken possession of all assets of GVKPGSL. Since the GVKPIL Group loss the control over the GVKPGSL, the assets and liabilities of GVKPGSL have been deconsolidated as at October 10, 2022 as required u/s Para 25 of Ind AS 110 Consolidated Financial Statements, which has resulted in a net gain of Rs.343,685 Lakh as disclosed as Exception Items in the Consolidated Financial Results during the year ended 31st March 2023.

During the current financial year 2023-24, the Resolution plan submitted by resolution applicant has been approved by the Hon'ble NCLT Hyderabad vide its order dated 22.12.2023. As per the said order, the secured lenders have received Rs.1,078 crores against their claims of Rs.6,585 Crores. i.e. with a deficit of Rs.5,507 Crores. The GVKEL has provided Corporate Guarantee to the lenders of GVKPGSL with respect to the amount lent by them. Lenders through its security trustee (IDBI Trusteeship services limited) have invoked the corporate Guarantee. Further, during the financial year 2023-24, one of the lenders (IDBI) has filed the case against the GVKEL demanding the amount of Rs.1,494 Crores in the Hon'ble NCLT, Hyderabad and next date of hearing is fixed on July 10, 2024. No provision has been made by GVKEL against these Corporate Guarantees.

As per GVKPIL management, liability of Corporate Guarantor is co - extensive with the liability of the Principal Borrower. Further, as per GVKPIL management, Section 31(1) of the Code states that when a resolution plan is approved by the adjudicating authority the same is binding on all the creditors and the guarantors and all other stake holders and hence no claim is maintainable against them. Considering, the liability of the Principal Borrower stands discharged pursuant to the CIRP of the Principal Borrower, as per GVKPIL management, the liability of the Corporate Guarantor also extinguishes.

The contention of the management is subject to interpretation and there are different judgements on the same. Further, as per the Corporate Guarantee agreement, the liability of the guarantor under this guarantee shall not be affected by:

- Any change in constitution, ownership or corporate existence of the borrower or any absorption, merger, or amalgamation of the borrower with any other company
- Any insolvency, liquidation, bankruptcy or similar situation proceeding in

respect of the borrower

Accordingly, there is an uncertainty on the final outcome of the same and the extent of the liability that may arise in respect of guarantee given by GVKEL is presently not ascertainable. In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying consolidated financial results.

Type of Audit Qualification: Disclaimer of 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 of GVKPIL Group has contested the claim of the lender under the corporate guarantee and is confident that the proceeding instituted by the lender would be rendered infructuous.

Hence, the impact of the same is unascertainable.

4. We draw attention to Note No. 9(c) to the consolidated financial results as per which GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL has been admitted into Corporate Insolvency Resolution Process (CIRP) during the current financial year 2023-24, i.e on October 20, 2023, based on petition filed by Edelweiss Asset Reconstruction Company Ltd, one of the lenders in the consortium of GVKGPL with the Hon'ble NCLT, Hyderabad and Interim Resolution professional appointed by NCLT has taken possession of all assets of GVKGPL. GVKEL has already provided for an impairment for the full value of investment in GVKGPL of Rs 51,897 Lakh.

The GVKEL has also provided Corporate Guarantee to the lenders of GVKGPL with respect to the amount lent by them. This Corporate Guarantee has not been invoked by lenders so far (account became NPA on 1st October 2016) and no demands have been raised on GVKEL. This Corporate Guarantee may however be invoked by the Lenders of GVKGPL considering the default therein and Insolvency proceedings undergoing in GVKGPL. In such an eventuality, GVKEL may need to reimburse the same, especially considering that the net assets of GVKGPL is negative. The extent of the liability that may arise in respect of guarantee given is not determinable at present and no provision has been made in this regard in relation to such liability. In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying consolidated financial results.

Type of Audit Qualification: Disclaimer of 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:

GVKGPL has been admitted into Corporate Insolvency Resolution Process (CIRP) during the current financial year 2023-24, i.e on October 20, 2023. The company has already provided for the impairment of its investment. GVKGPL has claims, receivables and project assets which are sufficient to cover the majority of the lenders outstandings.

Hence, the impact of the same is unascertainable.

5. We draw attention to the following matters disclosed in Note 10(a) to the consolidated financial results regarding the financial statements of GVK Bagodara Vasad Expressway Private Limited (GVKBVEPL), a step-down subsidiary of the holding company:

The project of the GVKBVEPL was terminated by Gujarat State Road Development Corporation (GSRDC) by referring the defaults of the Concessionaire. Consequent to the termination of the project, GVKBVEPL has accounted cost incurred on the project of Rs.58,904 Lakh as amount receivable from the GSRDC as management has represented that the project of the GVKBVEPL was terminated due to the reasons attributable to the GSRDC. GVKBVEPL has disputed the termination notice and invoked Arbitration in terms of provisions of concession agreement. Tribunal having heard arguments of both sides has given a split verdict during the financial year 2023-24, dated 11th August 2023. Two out of three Judges have passed a combined award dated 11th August 2023 of Rs.41,296 Lakhs (Net) in favor of GSRDC and one Judge has passed a dissenting award dated 11th August 2023 of Rs.27,438 Lakhs (Net) in favor of the GVKBVEPL. Considering this split award and based on the facts and legal opinion obtained, the GVKBVEPL has filed an appeal before Commercial Court Ahmedabad and the matter is coming up for hearing on 20.06.2024. As per the management till date no signed order has been served on them. Accordingly, GVKBVEPL has not made any provision on recoverability of Rs.58,904 Lakhs and also with respect to amount decreed to be payable to GSRDC of Rs.41,296 Lakhs. There is an uncertainty on the final outcome of the same and the extent of the liability that may arise in respect of aforesaid matter is presently not ascertainable. In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying consolidated financial results.

All the loan accounts are non-performing assets and the GVKBVEPL has received recalled notices from the banks and financial institutions and hence borrowing from the banks and financial intuitions are treated as current borrowings. Balances of borrowings (including interest accrued thereon) from lenders amounting to Rs.940,26 lakhs as at March 31, 2024 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 and penal interest/ penal charges) as presented in Consolidated financial statements.

The above issues are reported as Qualification by the auditors as well in the audit report on the standalone financial statements of GVK Bagodara vasad expressway Pvt Ltd, subsidiary of GVKTPL vide their audit report dated April 29, 2024.

Type of Audit Qualification: Disclaimer of 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 to the defaults of the Concessionaire. Consequent to the termination of the project, the 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. The company has disputed the termination notice and invoked arbitration in terms of the provisions of the concession

agreement. The signed copy of the order has not been received. The company has filed an appeal before Commercial Court, Ahmedabad on November 20, 2023. Management is confident that GVK has a good case. Hence, the impact of the same is unascertainable.

6. As discussed in detailed in Note 9(f) to the consolidated financial results regarding annulment of settlement by Edelweiss with respect to their loans / NCDs to GVKEL and Alaknanda Hydro Power Company Limited (AHPCL), non-accounting of estimated increase in liability on account of annulment of settlement terms by Edelweiss (amount not ascertained), invocation and transfer by Edelweiss of 46,60,11,000 Equity shares of AHPCL held by GVKEL of Rs.10 each, recording of exceptional loss of Rs.19,486 lakhs during the year ended March 31, 2023 by GVKEL on account of invocation of pledged shares and transfer by Edelweiss (being difference in face value of pledged shares invoked by Edelweiss and the liability of Edelweiss appearing in books of GVKEL and AHPCL), recording of discharge of liability of Edelweiss pending legal suit before Hon'ble Delhi High Court, wherein GVKEL pleaded that as a consequence of the invocation and transfer of a valuable asset, GVKEL liability towards the loan has been discharged and since the value of share is far in excess of the outstanding loan liability, the excess share to be returned. Next hearing of the case is scheduled on July 09, 2024.

Due to above mentioned default in the repayment of amount due on Loan / NCDs, ECL Finance Limited, Edelweiss Asset Reconstruction Company Limited, India Credit Fund II & Ecap Equities Limited (collectively referred to as "Edelweiss") (through its debentures trustee namely Catalyst Trusteeship Limited) has filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company and GVK Energy Ltd. on October 21, 2022, the company has filed its replies and next hearing of the case is scheduled on July 12, 2024.

Meanwhile, during the current financial year 2023-24, AHPCL, GVKEL and GVKPIL has entered into another settlement agreement with the lenders on October 09, 2023, which requires to pay Rs 330 Crores and simple interest @12.50% pa is payable w.e.f. 1st November 2023. The entire amount along with interest is to be paid on or before 30th November 2023. The GVKPIL Group could not comply with the settlement terms and requested for extension of time to Edelweiss and they have extended the time till 30th Jun'2024 with phased payments. On 27th February'24 the lead lender of Alaknanda Hydro Power Company Limited has approved the release of Rs 200 Crores out of Rs 330 Crores to be paid and Rs.130 Crores to be brought in by GVKPIL group. Till date GVKPIL group has paid an amount of Rs 91.50 Crores out of Rs 130 Crores to be brought in by them. There are delays in payment of this phased amount as well. In case of failure to comply with any of the terms and conditions specified, this settlement shall stand revoked without any notice and the original dues payable by the GVKPIL Group /Borrower shall be reinstated and lender shall be entitled to recover the total dues together with applicable interest. Management has represented that they can make remaining payment and waiting for approval of all lenders of AHPCL. In view of the same, we are unable to comment on the accounting done in this regard in books of account and the ultimate impact of the same including of the invocation of the settlement offer by Edelweiss, invocation of pledged shares of AHPCL by Edelweiss, invocation of corporate guarantee issued by the GVKPIL and GVKEL and impact of the proceedings in the NCLT, if any on the consolidated financial results till the payment of dues as per settlement agreement.

Further, in the light of the above, we are unable to comment upon consequential

impact, if any, arising out of the same in the accompanying consolidated financial results including with respect to the balance amount of investments, loans and trade receivables of GVKEL aggregating to Rs.94,961 Lakhs in books of GVKPIL.

Type of Audit Qualification: Disclaimer of 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 confident that the settlement with the lender will be successfully completed. Hence, there is no impact.

7. As discussed in detailed in Note 9(a) to the Consolidated Financial Results regarding GVK Coal (Tokisud) Private Limited ("GVKCTPL"), a step-down subsidiary of the Holding Company. The Hon'ble Supreme Court of India had deallocated dedicated coal mine allotted to GVK Power (Goindwal Sahib) Limited (GVKPGSL). GVKCTPL, a subsidiary company of GVKEL and mine operator was offered 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 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 GVKCTPL has accordingly filed the appeal under sec. 27 of the Coal Mines (Special Provisions) Act, 2015 with Coal Tribunal for Rs 34,830 lakhs on August 01, 2022 and the next hearing of the case is scheduled on June 20, 2024.

The GVKEL, holding company, has given corporate guarantee for the loan taken by the GVKCTPL for which no provision has been made at present considering the uncertainties. In the light of the above, we are unable to comment on the recoverability of assets with carrying value of Rs.6,015 Lakhs and the liability to be provided towards the Corporate Guarantee issued together with consequential impact, if any, arising out of the same in these accompanying consolidated financial results.

Type of Audit Qualification: Disclaimer of 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. Including the above amount of Rs 4,984 lakhs, a total of Rs 23,761 lakhs , being the due on vesting date has been paid to lenders. The company has accordingly filed the appeal under sec. 27 of the Coal Mines (Special Provisions) Act, 2015 with Coal Tribunal for a claim of Rs 34,830 lakhs on August 01, 2022 and the next hearing of the case is scheduled on June 22, 2023.

Hence, the impact of the same is unascertainable.

8. We draw attention to the note 10 (b) which states that the GVK Deoli Kota Expressway Private Limited (GVK DKEPL), a wholly owned step-down subsidiary of the parent company on June 25, 2019, has issued a termination notice under Article 37.2.2 of the Concession Agreement for termination on account of material breach and defaults on the part of National Highway Authority of India (NHAI) during the course of construction like providing Right of Way (ROW), shifting of utilities, obtaining approvals & clearances, alternate route & prevention of complete user fee collection etc., which has resulted in significant delays in construction of expressway.

On September 12, 2019, NHAI issued a termination notice as per clause 37.2.1 of the Concession Agreement for non-fulfillment of the obligation as stated in the Concession Agreement by Concessionaire. NHAI by virtue of this notice, is deemed to have taken possession and control of the project highway along with all the equipment on or at site. After this termination notice toll plaza is deemed to have been transferred to NHAI and from September 16, 2019, onwards NHAI started collecting the toll on the project highway.

The matter is under Arbitration and the company has filed claim documents with Tribunal and NHAI has filed statement of defense and next cross examining the witness of NHAI is scheduled on July 29, 2024.

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

The Concession Agreement being the sole agreement executed by the Company, termination of the same has now resulted into liquidation basis of accounting which has been adopted in preparation of these financial statements of GVK DKEPL. The company has recorded receivable from NHAI after setting off toll assets and other related future liabilities, which is subject to decision and process of arbitration between Company and NHAI.

GVK DKEPL based on its internal assessment is confident that it will be able to recover the balance amount spent on the project till date including its various claims and accordingly the management believes that it is appropriate to recognize total assets aggregating to Rs.44,008 lakh; comprising Rs.43,637 lakh as Other Non-Current assets, Rs.9 lakh as Property Plant & Equipment and Rs 362 Lakh as the Current Assets on December 31,2023 (Rs.44,008 lakh as on March 31,2023) at carrying value in the financial statements. Considering the litigation and uncertainties, we are not in a position to comment on the recoverability of these assets as well as claims made by respective parties.

The auditors of GVKDEPL have given an EOM in this regard in their audit report dated 29th April 2024.

Type of Audit Qualification: Disclaimer of Opinion

Frequency of qualification: First time

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 confident that it will be able to recover the claim amount from NHAI. The matter is sub-judice before Hon'ble Arbitral Tribunal.

Hence, the impact of the same is unascertainable.

9. 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 by us including complete copy of the Enforcement Directorate complaint. CBI has filed a charge sheet before the Chief Metropolitan Court, Mumbai on February 09, 2023, laying as allegation under section 120B read with section 420 of IPC against Mumbai International Airport Limited (MIAL), Vice Chairman & erstwhile CFO of the Holding Company and four other GVKPIL group companies apart from others. The Court has granted bail to all the accused. The main issue alleged is siphoning of fund of MIAL eventually causing a loss to Airport Authority of India (AAI). Vide order dated 08.12.2023, fresh cognizance of offences in the chargesheet has been taken and accused persons have been summoned. However, the said order has been currently stayed by the Ld. Sessions Court, Mumbai in revision petitions preferred by various accused persons and therefore, the proceedings are currently stayed in the matter and matter will resume only once the stay order gets vacated by the Revision Court. The company is of the view that the case will not stand the test of scrutiny of the court and will eventually be dismissed. The company is also of the view that the charges are unsubstantiated and no offence u/s section 420 IPC is made out as there is no loss to AAI, Government, or any Tax Authorities as alleged.

In addition to be above, the Enforcement Directorate (ED) had also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. ED had 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. ED had filed a complaint before the City Court and Additional Session Judge, Greater Bombay under Section 45 of Prevention of Money Laundering

Act, 2002 for commission of offence of Money laundering under section 3, read with section 70, Punishable u/s 4 of the Prevention of Money Laundering Act, 2002. The matter is currently at stage of adjudication of application on behalf of Accused-4 seeking supply of all the unrelayed documents and unrelayed statement u/s 50 PMLA and is fixed for filing reply of Enforcement Directorate on 27.06.2024.

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 with cases related to CBI and ED, the implications, if any, that may arise on the GVKPIL group can't be ascertained and the impact if any of the same on the consolidated financial results cannot be commented upon.

Type of Audit Qualification: Disclaimer of Opinion

Frequency of qualification: Repetitive

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







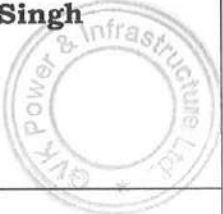
Management's estimation on the impact of audit qualification: Not Applicable

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

Investigations by various agencies are completed and charge sheet filed. The ultimate outcome is subject to Judicial scrutiny and hence the impact of the same is not ascertainable.

10. We draw attention to Note 12 to the consolidated financial results regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company. GVK SEZ has Investment Property having book value of Rs.11,655 Lakh as on 31st March 2024. GVK SEZ stood as a Guarantor and mortgaged its land having book value as mentioned above (admeasuring 2,506.25 Acres) to Syndicate Bank (since merged with Canara Bank) on account of loans taken by the GVKPIL (the Holding Company). GVKPIL has since repaid the loan taken from Canara Bank and the bank has also acknowledged the same. However, Canara bank has not issued a no due certificate and has not returned the original title documents by exercising 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 GVKPIL. GVKPIL and GVK SEZ have jointly filed writ petition before High Court, Telangana on October 27, 2021, 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 and the matter is yet to be listed. GVKPIL has obtained independent legal opinion based on which the outcome of the subject matter will be positive and the bank will be directed to release the documents given as security. 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 vide its order dated April 22, 2021 has stayed the proceedings by issuing Show Cause Notice to ED. As on March 31, 2024, the status remains the same. The matter is under litigation. Pending these litigations, the impact of the same on the GVKPIL Group is not determinable.

	<p>Type of Audit Qualification: Disclaimer of Opinion</p> <p>Frequency of qualification: First time</p> <p>For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>Management's estimation on the impact of audit qualification: Not Applicable If management is unable to estimate the impact, reasons for the same:</p> <p>At present the matter is subject to Judicial scrutiny and hence the impact of the same is not ascertainable.</p>
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III.	For GVK Power and Infrastructure Limited	
	<p> P. V .Prasanna Reddy Whole Time Director</p> <p style="text-align: center;"></p>	<p> N. Anil Kumar Reddy Audit Committee Chairman</p>
	<p>For T R Chadha & Co LLP Chartered Accountants Firm registration number: 006711N/N500028</p> <p> Sheshu Samudrala Partner Membership No. 235031</p> <p style="text-align: center;"></p>	<p> Sanjeev Kumar Singh CFO</p> <p style="text-align: right;"></p>
<p>Place: Hyderabad Date: May 28, 2024</p>		

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

Statement on Impact of Audit Qualifications for the Financial Year ended				
March 31, 2024				
[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	1,968	1,968
	2.	Total Expenditure	3,419	3,419
	3.	Profit Before Tax	(1,451)	(1,451)
	4.	Earnings Per Share	(0.11)	(0.11)
	5.	Total Assets	263,959	263,959
	6.	Total Liabilities	178,456	178,456
	7.	Net Worth	85,503	85,503
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

II.	Audit qualification (each audit qualification separately):
	Details of Audit Qualification (Disclaimer of opinion):
	<p>1. We draw attention to note 6 to the standalone financial results which states that as at March 31, 2024, the company, its subsidiaries, associates and Joint Control Entity has incurred losses excluding exceptional item during preceding years. The Company's current liabilities are significantly in excess of current assets. Three of the subsidiary companies where the project has been terminated are following liquidation basis of accounting. The subsidiaries, associates and Joint Control Entity have delayed/defaulted in repayments of loans and interest thereon and various loan accounts have been classified as non-performing assets by banks/lenders including recall of loans /filing of cases under the Insolvency and Bankruptcy Code in certain cases. The Resolution professional have also been appointed in certain subsidiaries/joint control entities by NCLT. There are various litigations going on in the GVKPIL. The GVKPIL 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 and 9 (referring to notes on GVK Coal Developers (Singapore) Pte Limited, GVK Energy Limited) uncertainties are being faced by various projects such as delays / non development of coal mines in an overseas project where the 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 etc. Various guarantees given by GVKPIL and GVK Energy Limited (GVKEL) on behalf of their</p>

subsidiaries, associates and joint controlled entity have been invoked by the lenders. These factors indicate significant doubt on going concern ability of the GVKPIL. Notwithstanding the above, the financial statements of the GVKPIL have been prepared on going concern basis as management believes that the GVKPIL 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; will reach an optimal solution with non-controlling shareholders and lenders etc. as required despite current macro-economic environment challenges. Considering the various uncertainties involved as fully described in the Basis of Disclaimer section of our report, the probable impact could be material and pervasive on these standalone financial results and that may cause significant doubt on company's ability to continue as a going concern. Accordingly, we are unable to comment that the management assumption of preparing these financial results on going concern basis is appropriate.

Type of Audit Qualification: Disclaimer of Opinion

Frequency of qualification: First time

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 believes that the GVKPIL 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 be able to win litigations, recover claims and will be able to reach an optimal solution with non-controlling shareholders and lenders etc. as required despite current challenges.

2. We draw attention to Note No 8 to the standalone financial results regarding GVK Coal Developers (Singapore) Pte. Limited, (GVK Coal Developers) (an associate) in which the GVKPIL has investments and has receivables aggregating to Rs.79,048 Lakhs and to whom the company along with others jointly and severally had given irrevocable and unconditional guarantee and commitments for loans aggregating to USD 1132.45 Million (Rs.9,44,168 Lakhs) (GVKPIL itself guaranteed towards the repayment of limits which shall be lower of either 53.9% (including in respect of the Hedging Agreements if any) of all principal amounts outstanding under the finance documents or USD 692.61 Million) taken by the aforesaid associate Company part of which is collateralized by pledge of 155,587,500 (March 31, 2023: 155,587,500), 130,287,382 (March 31, 2023: 130,287,382) and 48,000,000 (March 31, 2023: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited and has also undertaken to provide financial assistance of USD 3.11million (Rs.2,593 Lakhs) with respect to which there are multiple significant uncertainties including outlook on the sector, non-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 GVK Coal Developers current liabilities exceeded current assets by USD 2624 million (Rs.21,87,713 Lakhs) as of March, 2024 and accumulated losses as of March, 2024 is USD 1386 million (Rs. 11,55,562 Lakhs) based on audited special purpose consolidated financial statements of GVK Coal Developers (Singapore) Pte. Limited. The GVK Coal Developers lenders filed a claim in the High Court of Justice Business and Property Courts of England and Wales Commercial Courts (England Court) on November 09

2020 and have sought to recover the amounts advanced to GVK Coal Developers. During the current financial year 2023-24, the England court vide its order dated October 19, 2023 has crystallized the amount payable by the defendants (GVKPIL and other guarantors / stakeholders in GVK Coal Developers) at USD 2.19 billion including the amount towards interest.

As per legal opinion obtained by the company, the order dated 19th October 2023 passed by the England court is not speaking order. It has also been opined that the Order dated 19.10.2023 cannot be enforced in India and is contrary to the substantive law of India and is also in violation of the principles of natural justice.

As per the GVKPIL management, several attempts were made by the company to have a solution with the lenders including an agreement dated March 23, 2017, wherein a non-binding framework solution was agreed upon for a settlement. Subsequently also there were several efforts to engage with the lenders to arrive at a settlement. The GVK Coal Developers having failed to repay debt obligation, ICICI bank has invoked CG of GVKPIL on Nov 02, 2020 and demanding to pay the GVK Coal Developers dues. Further, one of the lenders has filed an application under section 7 of the Insolvency and Bankruptcy Code 2016 to initiate Corporate Insolvency Resolution Process against the GVKPIL (being guarantor for loan taken by GVK Coal Developers) before National Company Law Tribunal, Hyderabad on July 14, 2022 and the company has filed the reply. As per the NCLT website, initially final hearing was mentioned as 24.04.2024 but the authority has partly heard the details and next hearing is scheduled on 31.05.2024.

As per the GVKPIL management, petition filed by the ICICI Bank against GVKPIL is barred by Section 10A of the Code as the invocation of the Guarantee was admittedly done vide invocation of guarantee dated 02.11.2020 and as such the invocation of the guarantee on GVKPIL falls squarely within the period prescribed by Section 10A of the code. As per Section 10A, no application for initiation of corporate insolvency resolution process can be filed in respect of a default that has occurred on or after 25th March 2020 till 25th March, 2021. However, as per ICICI Bank petition, the account (GVK Coal Developers) has become NPA with all the lenders around FY 2016-17. The ultimate outcome of the same and the resultant impact of the same on the financial statements is not ascertainable and cannot be commented upon.

GVKPIL is hopeful of achieving one time settlement with the lenders in view of its arrangement with Adani Airport Holdings Limited (AAHL) which is adequately incentivized to find solution with the lenders to get unencumbered ownership over the shares of GVK Airport Developers pledged with the lenders.

While the GVKPIL has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs.79,048 Lakhs, no provision has been made towards the Corporate Guarantee issued by GVKPIL. Considering the various uncertainties and complexities involved as mentioned above, we are unable to comment on the viability of the GVK Coal project and the additional provision that may be required concerning the aforementioned guarantees and commitments made by the GVKPIL and the resultant impact of the same on these standalone financial results.

Type of Audit Qualification: Disclaimer of 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 provision of the entire investment and receivables. It has also engaged with lenders and made several attempts to have an amicable solution. In

this regard attention is being drawn to the agreement entered on 23rd March 2017, wherein a non-binding framework solution was arrived at between the lenders and the company. Subsequently the company has also corresponded and followed up with the lenders to arrive at the amicable settlement. The last communication with the lender was on 12th Jan, 2021 wherein a revised offer was made. Any further provision cannot be estimated due to significant uncertainties including fluctuating coal prices, concluding an appropriate solution with various stakeholders by GVK Coal and of settlement with lenders which is typical to such negotiations.

3. The company (GVKPIL) has subsidiary company GVK Energy limited (GVKEL). The company assessed 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 in GVKEL of Rs 841.20 Crores and Loan and trade receivables of Rs.108.41 Crores though certain subsidiaries and joint ventures of GVKEL are facing uncertainties, detailed as below:
 - a) We draw attention to Note 9(b) to the standalone financial results regarding Deconsolidation of assets and liabilities of GVK Power (Goindwal Sahib) Limited ("GVKPGSL"), a step down subsidiary of GVKPIL with effect from 10th October 2022, as the same has been admitted into Corporate Insolvency Resolution Process on October 10, 2022 based on petition filed by Axis Bank Ltd, one of the lenders in the consortium of GVKPGSL with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the GVKPGSL. Interim Resolution professional appointed by NCLT has taken possession of all assets of GVKPGSL.

During the current financial year 2023-24, the Resolution plan submitted by resolution applicant has been approved by the Hon'ble NCLT Hyderabad vide its order dated 22.12.2023. As per the said order, the secured lenders have received Rs.1,078 crores against their claims of Rs.6,585 Crores. i.e. with a deficit of Rs.5,507 Crores. The GVKEL has provided Corporate Guarantee to the lenders of GVKPGSL with respect to the amount lent by them. Lenders through its security trustee (IDBI Trusteeship services limited) have invoked the corporate Guarantee. Further, during the financial year 2023-24, one of the lenders (IDBI) has filed the case against the GVKEL demanding the amount of Rs.1,494 Crores in the Hon'ble NCLT, Hyderabad and next date of hearing is fixed on July 10, 2024. No provision has been made by GVKEL against these Corporate Guarantees.

As per GVKPIL management, liability of Corporate Guarantor is co - extensive with the liability of the Principal Borrower. Further, as per GVKPIL management, Section 31(1) of the Code states that when a resolution plan is approved by the adjudicating authority the same is binding on all the creditors and the guarantors and all other stake holders and hence no claim is maintainable against them. Considering, the liability of the Principal Borrower stands discharged pursuant to the CIRP of the Principal Borrower, as per the GVKPIL management, the liability of the Corporate Guarantor also extinguishes.

The contention of the management is subject to interpretation and there are different judgements on the same. Further, as per the Corporate Guarantee agreement, the liability of the guarantor under this guarantee shall not be affected by:

- Any change in constitution, ownership or corporate existence of the borrower or any absorption, merger, or amalgamation of the borrower with any other company
- Any insolvency, liquidation, bankruptcy or similar situation proceeding in respect of the borrower

Accordingly, there is an uncertainty on the final outcome of the same and the

extent of the liability that may arise in respect of guarantee given by GVKEL is presently not ascertainable. In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying standalone financial results.

- b) We draw attention to Note No. 9(c) to the standalone financial results as per which GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL has been admitted into Corporate Insolvency Resolution Process (CIRP) during the current financial year 2023-24, i.e on October 20, 2023, based on petition filed by Edelweiss Asset Reconstruction Company Ltd, one of the lenders in the consortium of GVKGPL with the Hon'ble NCLT, Hyderabad and Interim Resolution professional appointed by NCLT has taken possession of all assets of GVKGPL. GVKEL has already provided for an impairment for the full value of investment in GVKGPL of Rs 51,897 Lakh.

The GVKEL has also provided Corporate Guarantee to the lenders of GVKGPL with respect to the amount lent by them. This Corporate Guarantee has not been invoked by lenders so far (account became NPA on 1st October 2016) and no demands have been raised on GVKEL. This Corporate Guarantee may however be invoked by the Lenders of GVKGPL considering the default therein and Insolvency proceedings undergoing in GVKGPL. In such an eventuality, GVKEL may need to reimburse the same, especially considering that the net assets of GVKGPL is negative. The extent of the liability that may arise in respect of guarantee given is not determinable at present and no provision has been made in this regard in relation to such liability.

In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying standalone financial results.

- c) As discussed in detailed in Note 9(f) to the standalone financial results regarding annulment of settlement by Edelweiss with respect to their loans / NCDs to GVKEL and Alaknanda Hydro Power Company Limited (AHPCL), non-accounting of estimated increase in liability on account of annulment of settlement terms by Edelweiss (amount not ascertained), invocation and transfer by Edelweiss of 46,60,11,000 Equity shares of AHPCL held by GVKEL of Rs.10 each, recording of exceptional loss of Rs.19,486 lakhs during the year ended March 31, 2023 by GVKEL on account of invocation of pledged shares and transfer by Edelweiss (being difference in face value of pledged shares invoked by Edelweiss and the liability of Edelweiss appearing in books of GVKEL and AHPCL), recording of discharge of liability of Edelweiss pending legal suit before Hon'ble Delhi High Court, wherein GVKEL pleaded that as a consequence of the invocation and transfer of a valuable asset, GVKEL liability towards the loan has been discharged and since the value of share is far in excess of the outstanding loan liability, the excess share to be returned. Next hearing of the case is scheduled on July 09, 2024.

Due to above mentioned default in the repayment of amount due on Loan / NCDs, ECL Finance Limited, Edelweiss Asset Reconstruction Company Limited, India Credit Fund II & Ecap Equities Limited (collectively referred to as "Edelweiss") (through its debentures trustee namely Catalyst Trusteeship Limited) has filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company and GVK Energy Ltd. on October 21, 2022, the company has filed its replies and next hearing of the case is scheduled on July 12, 2024.

Meanwhile, during the current financial year 2023-24, AHPCL, GVKEL and GVKPIL has entered into another settlement agreement with the lenders on

October 09, 2023, which requires to pay Rs 330 Crores and simple interest @12.50% pa is payable w.e.f. 1st November 2023. The entire amount along with interest is to be paid on or before 30th November 2023. The GVKPIL Group could not comply with the settlement terms and requested for extension of time to Edelweiss and they have extended the time till 30th Jun'2024 with phased payments. On 27th February'24 the lead lender of Alaknanda Hydro Power Company Limited has approved the release of Rs 200 Crores out of Rs 330 Crores to be paid and Rs.130 Crores to be brought in by GVKPIL group. Till date GVKPIL group has paid an amount of Rs 91.5 Crores out of Rs 130 Crores to be brought in by them. There are delays in payment of this phased amount as well. In case of failure to comply with any of the terms and conditions specified, this settlement shall stand revoked without any notice and the original dues payable by the GVKPIL Group /Borrower shall be reinstated and lender shall be entitled to recover the total dues together with applicable interest. Management has represented that they can make remaining payment and waiting for approval of all lenders of AHPCL. In view of the same, we are unable to comment on the accounting done in this regard in books of account and the ultimate impact of the same including of the invocation of the settlement offer by Edelweiss, invocation of pledged shares of AHCPL by Edelweiss, invocation of corporate guarantee issued by the GVKPIL and GVKEL and impact of the proceedings in the NCLT, if any on the standalone financial results till the payment of dues as per settlement agreement.

Further, in the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying standalone financial results with respect to the balance amount of investments, loans and trade receivables of GVKEL, aggregating to Rs.94,961 Lakhs in the books of GVKPIL.

Type of Audit Qualification: Disclaimer of 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 various approvals. Management is confident that it will be able to settle the matters amicably and ultimately able to achieve profitable operations. Pending resolution of the above uncertainties, currently the impact of the same is unascertainable.

4. 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 by us including complete copy of the Enforcement Directorate complaint. CBI has filed a charge sheet before the Chief Metropolitan Court, Mumbai on February 09, 2023, laying as allegation under section 120B read with section 420 of IPC against Mumbai International Airport Limited (MIAL), Vice Chairman & erstwhile CFO of the Company and four other GVKPIL group companies apart from others. The Court has granted bail to all the accused. The main issue alleged is siphoning of fund of MIAL eventually causing a loss to Airport Authority of India (AAI). Vide order dated 08.12.2023, fresh cognizance of offences in the chargesheet has been taken again and accused persons have been summoned. However, the said order has been currently stayed by the Ld.

Sessions Court, Mumbai in revision petitions preferred by various accused persons and therefore, the proceedings are currently stayed in the matter and matter will resume only once the stay order gets vacated by the Revision Court. The company is of the view that the case will not stand the test of scrutiny of the court and will eventually be dismissed. The company is also of the view that the charges are unsubstantiated and no offence u/s section 420 IPC has been made out as there is no loss to AAI, Government, or any Tax Authorities as alleged.

In addition to be above, the Enforcement Directorate (ED) had also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. ED had 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. ED had filed a complaint before the City Court and Additional Session Judge, Greater Bombay under Section 45 of Prevention of Money Laundering Act, 2002 for commission of offence of Money laundering under section 3, read with section 70, Punishable u/s 4 of the Prevention of Money Laundering Act, 2002. The matter is currently at stage of adjudication of application on behalf of Accused-4 seeking supply of all the unrelayed documents and unrelayed statement u/s 50 PMLA and is fixed for filing reply of Enforcement Directorate on 27.06.2024.

The Audit Committee of the 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 with cases related to CBI and ED, the implications, if any, that may arise on the GVKPIL can't be ascertained and the impact if any of the same on the standalone financial results cannot be commented upon.

Type of Audit Qualification: Disclaimer of Opinion

Frequency of qualification: Repetitive

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

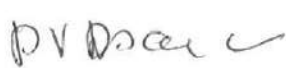


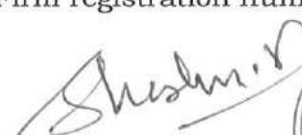


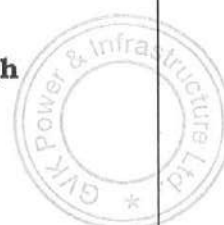
Management's estimation on the impact of audit qualification: Not Applicable

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

Investigations by various agencies are completed and charge sheets filed. The ultimate outcome is subject to Judicial scrutiny and hence the impact of the same is not ascertainable.

5. We draw attention to Note 12 to the standalone financial results regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company. GVK SEZ has Investment Property having book value of Rs.11,655 Lakh as on 31st March 2024. GVK SEZ stood as a Guarantor and mortgaged its land having book value as mentioned above (admeasuring 2,506.25 Acres) to Syndicate Bank (since merged with Canara Bank) on account of loans taken by GVKPIL. GVKPIL has since repaid the loan taken from Canara Bank and the bank has also acknowledged the same. However, Canara bank has not issued a no due certificate and has not returned the original title documents by exercising 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 GVKPIL. GVKPIL and GVK SEZ have jointly filed writ petition before High Court, Telangana on October 27, 2021, 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

	<p>Guarantee extended by the GVK SEZ and the matter is yet to be listed. GVKPIL has obtained independent legal opinion based on which the outcome of the subject matter will be positive and the bank will be directed to release the documents given as security. 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 vide its order dated April 22, 2021 has stayed the proceedings by issuing Show Cause Notice to ED. As on March 31, 2024, the status remains the same. The matter is under litigation. Pending these litigations, the recoverability of the investments made by GVKPIL in GVKSEZ of Rs.10,920 Lakhs is not determinable.</p> <p>Type of Audit Qualification: Disclaimer of Opinion</p> <p>Frequency of qualification: First time</p> <p>For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>Management's estimation on the impact of audit qualification: Not Applicable If management is unable to estimate the impact, reasons for the same:</p> <p>At present the matter is subject to Judicial scrutiny and hence the impact of the same is not ascertainable.</p>
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<p>III.</p>	<p>For GVK Power and Infrastructure Limited</p>	
	 <p>P. V .Prasanna Reddy Whole Time Director</p> 	 <p>N. Anil Kumar Reddy Audit Committee Chairman</p>
	<p>For T R Chadha & Co LLP Chartered Accountants Firm registration number: 006711N/N500028</p>  <p>Sheshu Samudrala Partner Membership No. 235031</p> 	 <p>Sanjeev Kumar Singh CFO</p> 
<p>Place: Hyderabad Date: May 28, 2024</p>		



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**

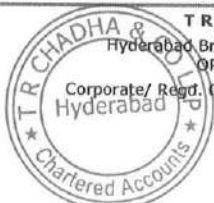
Disclaimer of Opinion

1. We were engaged to audit the accompanying standalone financial results of **GVK Power & Infrastructure Limited ('the Company'/'GVKPIL')** for the quarter and year ended March 31, 2024 (the "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. We do not express an opinion on the accompanying financial results of the entity. Because of the significance of the matters involving uncertainties, described in the "Basis of Disclaimer of opinion" section of our report, notwithstanding having obtained sufficient appropriate audit evidence regarding most of the individual uncertainties, it is not possible for us to form an opinion on the financial results due to the potential interaction of the uncertainties and their possible cumulative effect on the standalone financial results.

3. Basis of Disclaimer of Opinion

We draw your attention to following notes of the standalone financial results:

- i. We draw attention to note 6 to the standalone financial results which states that as at March 31, 2024, the company, its subsidiaries, associates and Joint Control Entity has incurred losses excluding exceptional item during preceding years. The Company's current liabilities are significantly in excess of current assets. Three of the subsidiary companies where the project has been terminated are following liquidation basis of accounting. The subsidiaries, associates and Joint Control Entity have delayed/defaulted in repayments of loans and interest thereon and various loan accounts have been classified as non-performing assets by banks/ lenders including recall of loans /filing of cases under the Insolvency and Bankruptcy Code in certain cases. The Resolution professional have also been appointed in certain subsidiaries/joint control entities by NCLT. There are various litigations going on. The GVKPIL 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 and 9 (referring to notes on GVK Coal Developers (Singapore) Pte Limited, GVK Energy Limited) uncertainties are being faced by various projects such as delays / non development of coal mines in an overseas project where the 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 etc. Various guarantees given by GVKPIL and GVK Energy Limited (GVKEL) on behalf of their subsidiaries, associates and joint controlled entity have been invoked by the lenders. These factors indicate significant doubt on going concern ability of the GVKPIL. Notwithstanding the above, the financial statements





of the GVKPIL have been prepared on going concern basis as management believes that the GVKPIL 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; will reach an optimal solution with non-controlling shareholders and lenders etc. as required despite current macro-economic environment challenges. Considering the various uncertainties involved as fully described in the Basis of Disclaimer section of our report, the probable impact could be material and pervasive on these standalone financial results and that may cause significant doubt on company's ability to continue as a going concern. Accordingly, we are unable to comment that the management assumption of preparing these financial results on going concern basis is appropriate.

- ii. We draw attention to Note No 8 to the standalone financial results regarding GVK Coal Developers (Singapore) Pte. Limited, (GVK Coal Developers) (an associate) in which the GVKPIL has investments and has receivables aggregating to Rs.79,048 Lakhs and to whom the company along with others jointly and severally had given irrevocable and unconditional guarantee and commitments for loans aggregating to USD 1132.45 Million (Rs.9,44,168 Lakhs) (GVKPIL itself guaranteed towards the repayment of limits which shall be lower of either 53.9% (including in respect of the Hedging Agreements if any) of all principal amounts outstanding under the finance documents or USD 692.61 Million) taken by the aforesaid associate Company part of which is collateralized by pledge of 155,587,500 (March 31, 2023: 155,587,500), 130,287,382 (March 31, 2023: 130,287,382) and 48,000,000 (March 31, 2023: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited and has also undertaken to provide financial assistance of USD 3.11million (Rs.2,593 Lakhs) with respect to which there are multiple significant uncertainties including outlook on the sector, non-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 GVK Coal Developers current liabilities exceeded current assets by USD 2624 million (Rs.21,87,713 Lakhs) as of March, 2024 and accumulated losses as of March, 2024 is USD 1386 million (Rs. 11,55,562 Lakhs) based on audited special purpose consolidated financial statements of GVK Coal Developers (Singapore) Pte. Limited. The GVK Coal Developers lenders filed a claim in the High Court of Justice Business and Property Courts of England and Wales Commercial Courts (England Court) on November 09, 2020 and have sought to recover the amounts advanced to GVK Coal Developers. During the current financial year 2023-24, the England court vide its order dated October 19, 2023 has crystalized the amount payable by the defendants (GVKPIL and other guarantors / stakeholders in GVK Coal Developers) at USD 2.19 billion including the amount towards interest.

As per legal opinion obtained by the company, the order dated 19th October 2023 passed by the England court is not speaking order. It has also been opined that the Order dated 19.10.2023 cannot be enforced in India and is contrary to the substantive law of India and is also in violation of the principles of natural justice.

As per the GVKPIL management, several attempts were made by the company to have a solution with the lenders including an agreement dated March 23, 2017, wherein a non-binding framework





solution was agreed upon for a settlement. Subsequently also there were several efforts to engage with the lenders to arrive at a settlement.

The GVK Coal Developers having failed to repay debt obligation, ICICI bank has invoked CG of GVKPIL on Nov 02, 2020 and demanding to pay the GVK Coal Developers dues.

Further, one of the lenders has filed an application under section 7 of the Insolvency and Bankruptcy Code 2016 to initiate Corporate Insolvency Resolution Process against the GVKPIL (being guarantor for loan taken by GVK Coal Developers) before National Company Law Tribunal, Hyderabad on July 14, 2022 and the company has filed the reply. As per the NCLT website, initially final hearing was mentioned as 24.04.2024 but the authority has partly heard the details and next hearing is scheduled on 31.05.2024.

As per the GVKPIL management, petition filed by the ICICI Bank against GVKPIL is barred by Section 10A of the Code as the invocation of the Guarantee was admittedly done vide invocation of guarantee dated 02.11.2020 and as such the invocation of the guarantee on GVKPIL falls squarely within the period prescribed by Section 10A of the code. As per Section 10A, no application for initiation of corporate insolvency resolution process can be filed in respect of a default that has occurred on or after 25th March, 2020 till 25th March, 2021. However, as per ICICI Bank petition, the account (GVK Coal Developers) has become NPA with all the lenders around FY 2016-17. The ultimate outcome of the same and the resultant impact of the same on the financial statements is not ascertainable and cannot be commented upon.

GVKPIL is hopeful of achieving one time settlement with the lenders in view of its arrangement with Adani Airport Holdings Limited (AAHL) which is adequately incentivized to find solution with the lenders to get unencumbered ownership over the shares of GVK Airport Developers pledged with the lenders.

While the GVKPIL has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs.79,048 Lakhs, no provision has been made towards the Corporate Guarantee issued by GVKPIL. Considering the various uncertainties and complexities involved as mentioned above, we are unable to comment on the viability of the GVK Coal project and the additional provision that may be required concerning the aforementioned guarantees and commitments made by the GVKPIL and the resultant impact of the same on these standalone financial results.

- iii. The company (GVKPIL) has subsidiary company GVK Energy limited (GVKEL). The company assessed 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 in GVKEL of Rs 841.20 Crores and Loan and trade receivables of Rs.108.41 Crores though certain subsidiaries and joint ventures of GVKEL are facing uncertainties, detailed as below:
- a) We draw attention to Note 9(b) to the standalone financial results regarding GVK Power (Goindwal Sahib) Limited ("GVKPGSL"), a step down subsidiary of GVKPIL upto 9th October 2022, as the same has been admitted into Corporate Insolvency Resolution Process on October 10, 2022 based on petition filed by Axis Bank Ltd, one of the lenders in the consortium of GVKPGSL with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the GVKPGSL. Interim Resolution professional appointed by NCLT has taken possession of all assets of GVKPGSL.





During the current financial year 2023-24, the Resolution plan submitted by resolution applicant has been approved by the Hon'ble NCLT Hyderabad vide its order dated 22.12.2023. As per the said order, the secured lenders have received Rs.1,078 crores against their claims of Rs.6,585 Crores. i.e. with a deficit of Rs.5,507 Crores. The GVKEL has provided Corporate Guarantee to the lenders of GVKPGSL with respect to the amount lent by them. Lenders through its security trustee (IDBI Trusteeship services limited) have invoked the corporate Guarantee. Further, during the financial year 2023-24, one of the lenders (IDBI) has filed the case against the GVKEL demanding the amount of Rs.1,494 Crores in the Hon'ble NCLT, Hyderabad and next date of hearing is fixed on July 10, 2024. No provision has been made by GVKEL against these Corporate Guarantees.

As per GVKPIL management, liability of Corporate Guarantor is co - extensive with the liability of the Principal Borrower. Further, as per GVKPIL management, Section 31(1) of the Code states that when a resolution plan is approved by the adjudicating authority the same is binding on all the creditors and the guarantors and all other stake holders and hence no claim is maintainable against them. Considering, the liability of the Principal Borrower stands discharged pursuant to the CIRP of the Principal Borrower, as per the GVKPIL management, the liability of the Corporate Guarantor also extinguishes.

The contention of the management is subject to interpretation and there are different judgements on the same. Further, as per the Corporate Guarantee agreement, the liability of the guarantor under this guarantee shall not be affected by:

- Any change in constitution, ownership or corporate existence of the borrower or any absorption, merger, or amalgamation of the borrower with any other company
- Any insolvency, liquidation, bankruptcy or similar situation proceeding in respect of the borrower

Accordingly, there is an uncertainty on the final outcome of the same and the extent of the liability that may arise in respect of guarantee given by GVKEL is presently not ascertainable. In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying standalone financial results.

- b) We draw attention to Note No. 9(c) to the standalone financial results as per which GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL has been admitted into Corporate Insolvency Resolution Process (CIRP) during the current financial year 2023-24, i.e on October 20, 2023, based on petition filed by Edelweiss Asset Reconstruction Company Ltd, one of the lenders in the consortium of GVKGPL with the Hon'ble NCLT, Hyderabad and Interim Resolution professional appointed by NCLT has taken possession of all assets of GVKGPL. GVKEL has already provided for an impairment for the full value of investment in GVKGPL of Rs 51,897 Lakh.

The GVKEL has also provided Corporate Guarantee to the lenders of GVKGPL with respect to the amount lent by them. This Corporate Guarantee has not been invoked by lenders so far (account became NPA on 1st October 2016) and no demands have been raised on GVKEL. This Corporate Guarantee may however be invoked by the Lenders of GVKGPL considering the default therein and Insolvency proceedings undergoing in GVKGPL. In such an eventuality, GVKEL may need to reimburse the same, especially considering that the net assets of GVKGPL is negative. The extent of the liability that may arise in respect of guarantee given is not determinable at present and no provision has been made in this regard in relation to such liability.





In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying standalone financial results.

- c) As discussed in detailed in Note 9(f) to the standalone financial results regarding annulment of settlement by Edelweiss with respect to their loans / NCDs to GVKEL and Alaknanda Hydro Power Company Limited (AHPCL), non-accounting of estimated increase in liability on account of annulment of settlement terms by Edelweiss (amount not ascertained), invocation and transfer by Edelweiss of 46,60,11,000 Equity shares of AHPCL held by GVKEL of Rs.10 each, recording of exceptional loss of Rs.19,486 lakhs during the year ended March 31, 2023 by GVKEL on account of invocation of pledged shares and transfer by Edelweiss (being difference in face value of pledged shares invoked by Edelweiss and the liability of Edelweiss appearing in books of GVKEL and AHPCL), recording of discharge of liability of Edelweiss pending legal suit before Hon'ble Delhi High Court, wherein GVKEL pleaded that as a consequence of the invocation and transfer of a valuable asset, GVKEL liability towards the loan has been discharged and since the value of share is far in excess of the outstanding loan liability, the excess share to be returned. Next hearing of the case is scheduled on July 09, 2024.

Due to above mentioned default in the repayment of amount due on Loan / NCDs, ECL Finance Limited, Edelweiss Asset Reconstruction Company Limited, India Credit Fund II & Ecap Equities Limited (collectively referred to as "Edelweiss") (through its debentures trustee namely Catalyst Trusteeship Limited) has filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company and GVK Energy Ltd. on October 21, 2022, the company has filed its replies and next hearing of the case is scheduled on July 12, 2024.

Meanwhile, during the current financial year 2023-24, AHPCL, GVKEL and GVKPIL has entered into another settlement agreement with the lenders on October 09, 2023, which requires to pay Rs 330 Crores and simple interest @12.50% pa is payable w.e.f. 1st November 2023. The entire amount along with interest is to be paid on or before 30th November 2023. The GVKPIL Group could not comply with the settlement terms and requested for extension of time to Edelweiss and they have extended the time till 30th Jun'2024 with phased payments. On 27th February'24 the lead lender of Alaknanda Hydro Power Company Limited has approved the release of Rs 200 Crores out of Rs 330 Crores to be paid and Rs.130 Crores to be brought in by GVKPIL group. Till date GVKPIL group has paid an amount of Rs 91.5 Crores out of Rs 130 Crores to be brought in by them. There are delays in payment of this phased amount as well. In case of failure to comply with any of the terms and conditions specified, this settlement shall stand revoked without any notice and the original dues payable by the GVKPIL Group /Borrower shall be reinstated and lender shall be entitled to recover the total dues together with applicable interest. Management has represented that they can make remaining payment and waiting for approval of all lenders of AHPCL. In view of the same, we are unable to comment on the accounting done in this regard in books of account and the ultimate impact of the same including of the invocation of the settlement offer by Edelweiss, invocation of pledged shares of AHPCL by Edelweiss, invocation of corporate guarantee issued by the GVKPIL and GVKEL and impact of the proceedings in the NCLT, if any on the standalone financial results till the payment of dues as per settlement agreement.

Further, in the light of the above para iii (a), (b) and (c), we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying standalone financial results with respect to the balance amount of investments, loans and trade receivables of GVKEL, aggregating to Rs.94,961 Lakhs in the books of GVKPIL.





- iv. 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 by us including complete copy of the Enforcement Directorate complaint. CBI has filed a charge sheet before the Chief Metropolitan Court, Mumbai on February 09, 2023, laying as allegation under section 120B read with section 420 of IPC against Mumbai International Airport Limited (MIAL), Vice Chairman & erstwhile CFO of the Company and four other GVKPIL group companies apart from others. The Court has granted bail to all the accused. The main issue alleged is siphoning of fund of MIAL eventually causing a loss to Airport Authority of India (AAI). Vide order dated 08.12.2023, fresh cognizance of offences in the chargesheet has been taken again and accused persons have been summoned. However, the said order has been currently stayed by the Ld. Sessions Court, Mumbai in revision petitions preferred by various accused persons and therefore, the proceedings are currently stayed in the matter and matter will resume only once the stay order gets vacated by the Revision Court. The company is of the view that the case will not stand the test of scrutiny of the court and will eventually be dismissed. The company is also of the view that the charges are unsubstantiated and no offence u/s section 420 IPC has been made out as there is no loss to AAI, Government, or any Tax Authorities as alleged.

In addition to be above, the Enforcement Directorate (ED) had also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. ED had 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. ED had filed a complaint before the City Court and Additional Session Judge, Greater Bombay under Section 45 of Prevention of Money Laundering Act, 2002 for commission of offence of Money laundering under section 3, read with section 70, Punishable u/s 4 of the Prevention of Money Laundering Act, 2002. The matter is currently at stage of adjudication of application on behalf of Accused-4 seeking supply of all the unrelayed documents and unrelayed statement u/s 50 PMLA and is fixed for filing reply of Enforcement Directorate on 27.06.2024.

The Audit Committee of the Company, based on the legal advice received by the Audit committee of Mumbai International Airport Limited (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 with cases related to CBI and ED, the implications, if any, that may arise on the GVKPIL can't be ascertained and the impact if any of the same on the standalone financial results cannot be commented upon.

- v. We draw attention to Note 12 to the standalone financial results regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company. GVK SEZ has Investment Property having book value of Rs.11,655 Lakh as on 31st March 2024. GVK SEZ stood as a Guarantor and mortgaged its land having book value as mentioned above (admeasuring 2,506.25 Acres) to Syndicate Bank (since merged with Canara Bank) on account of loans taken by GVKPIL. GVKPIL has since repaid the loan taken from Canara Bank and the bank has also acknowledged the same. However, Canara bank has not issued a no due certificate and has not returned the original title documents by exercising 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 GVKPIL. GVKPIL and GVK SEZ have jointly filed writ petition before High Court, Telangana on October 27, 2021, 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 and the matter is yet to be listed. GVKPIL has obtained independent legal opinion based on which the outcome of the subject matter will be positive and the bank will be directed to release the documents given as security. 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 vide its order dated April 22, 2021 has stayed the proceedings by issuing Show Cause Notice to ED. As on March 31, 2024, the status remains the same. The matter is under litigation. Pending these litigations, the recoverability of the investments made by GVKPIL in GVKSEZ of Rs.10,920 Lakhs is not determinable.

4. Emphasis of Matter

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.112,464 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. These investments in OCDs made by AAHL are yet to be transferred in the name of the company.

5. Board of Director's Responsibilities for the Standalone financial results

These Standalone financial results have been prepared on the basis of the 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 applicable, matters related

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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.

6. Auditor's Responsibilities for the Audit of the Standalone financial results

Our responsibility is to conduct an audit of the Company's financial results in accordance with Standards on Auditing and to issue an auditor's report. However, because of the significance of the matters involving uncertainties, described in the "Basis of Disclaimer of opinion" section of our report, notwithstanding having obtained sufficient appropriate audit evidence regarding each most of the individual uncertainties, it is not possible for us to form an opinion on the financial results due to the potential interaction of the uncertainties and their possible cumulative effect on the financial results.

We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) and the provisions of Companies Act 2013 that are relevant to our audit of the financial results in India under the Companies Act 2013 and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies Act 2013.

7. Other Matters

The Standalone financial results include the results for the quarter ended March 31, 2024 being the balancing figures between the audited figures in respect of full financial year and the Published unaudited year to date of figures up to third quarter of current financial year which were subject to limited review by us, as required under Listing Regulations.

For T R Chadha & Co LLP,
Chartered Accountants

FRN: -06711N\N500028




Sheshu Samudrala
(Partner)

Membership No-235031

UDIN: 24235031BKCTTW3971

Date: 28.05.2024

Place: Hyderabad



Auditor's Report on Consolidated 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**

Disclaimer of Opinion

1. We were engaged to audit the accompanying consolidated financial results of **GVK Power & Infrastructure Limited ('the Company' 'GVKPIL' 'Entity' 'Holding Company')** and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the GVKPIL Group"), its associates and joint ventures for the quarter and year ended March 31, 2024 (the "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. We do not express an opinion on the accompanying financial results of the entity. Because of the significance of the matters involving uncertainties, described in the "Basis of Disclaimer of opinion" section of our report, notwithstanding having obtained sufficient appropriate audit evidence regarding most of the individual uncertainties, it is not possible for us to form an opinion on the financial results due to the potential interaction of the uncertainties and their possible cumulative effect on the consolidated financial results.
3. The statement also includes the results of the following entities:

Subsidiary entities including step down subsidiaries:

- i. GVK Airport International Pte. Ltd, Singapore (up to 4th September 2023)
- 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
- vii. GVK Ratle 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 (Subsidiary up to 10th October 2022)

Joint Control Entity

- i. GVK Gautami Power Limited (JCE of Subsidiary up to October 20,2023)



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Associate Companies:

- i. Seregraha Mines Limited (up to 10th October 2022)
- ii. GVK Coal Developers (Singapore) Pte Ltd

4. Basis of Disclaimer of Opinion

We draw your attention to following notes of the Consolidated financial results:

- i. We draw attention to note 6 to the consolidated financial results which states that as at March 31, 2024, the GVKPIL Group had accumulated losses and the GVKPIL Group has incurred losses excluding exceptional item during preceding years. The GVKPIL Group's current liabilities are significantly in excess of current assets. Three of the subsidiary companies where the project has been terminated are following liquidation basis of accounting. The GVKPIL group has delayed/defaulted in repayments of loans and interest thereon and various loan accounts have been classified as non-performing assets by banks/ lenders including recall of loans /filing of cases under the Insolvency and Bankruptcy Code in certain cases. The Resolution professional have also been appointed in certain cases by NCLT. There are various litigations going on in the GVKPIL Group. The GVKPIL 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 / non 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, arbitration on delay of commencement of road projects, termination of various projects etc. Various guarantees given by GVKPIL and GVK Energy Limited (GVKEL) on behalf of their subsidiaries, associates and joint controlled entity have been invoked by the lenders. These factors indicate significant doubt on going concern ability of the GVKPIL group. Notwithstanding the above, the financial statements of the GVKPIL Group have been prepared on going concern basis as management believes that the GVKPIL 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; will reach an optimal solution with non-controlling shareholders and lenders etc. as required despite current macro-economic environment challenges. Considering the various uncertainties involved as fully described in the Basis of Disclaimer section of our report, the probable impact could be material and pervasive on these consolidated financial results and that may cause significant doubt on company's ability to continue as a going concern. Accordingly, we are unable to comment that the management assumption of preparing these financial results on going concern basis is appropriate.
- ii. We draw attention to Note No 8 to the Consolidated Financial Results regarding GVK Coal Developers (Singapore) Pte. Limited, (GVK Coal Developers) (an associate) in which the GVKPIL Group has investments and has receivables aggregating to Rs.79,048 Lakhs and to whom the holding company along with others jointly and severally had given irrevocable and unconditional guarantee and commitments (CG) for loans up to aggregating to USD 1132.45 Million (Rs.9,44,168 Lakhs) (GVKPIL itself guaranteed towards the repayment of limits which



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shall be lower of either 53.9% (including in respect of the Hedging Agreements if any) of all principal amounts outstanding under the finance documents or USD 692.61 Million) taken by the aforesaid associate Company part of which is collateralized by pledge of 155,587,500 (March 31, 2023: 155,587,500), 130,287,382 (March 31, 2023: 130,287,382) and 48,000,000 (March 31, 2023: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited and has also undertaken to provide financial assistance of USD 3.11million (Rs.2,593 Lakhs) with respect to which there are multiple significant uncertainties including outlook on the sector, non-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 GVK Coal Developers current liabilities exceeded current assets by USD 2624 million (Rs.21,87,713 Lakhs) as of March, 2024 and accumulated losses as of March, 2024 is USD 1386 million (Rs. 11,55,562 Lakhs) based on audited special purpose consolidated financial statements of GVK Coal Developers (Singapore) Pte. Limited. The GVK Coal Developers lenders filed a claim in the High Court of Justice Business and Property Courts of England and Wales Commercial Courts (England Court) on November 09, 2020 and have sought to recover the amounts advanced to GVK Coal Developers. During the current financial year 2023-24, the England court vide its order dated October 19, 2023 has crystalized the amount payable by the defendants (GVKPIL and other guarantors / stakeholders in GVK Coal Developers) at USD 2.19 billion including the amount towards interest.

As per legal opinion obtained by the Holding company, the order dated 19th October 2023 passed by the England court is not speaking order. It has also been opined that the Order dated 19.10.2023 cannot be enforced in India and is contrary to the substantive law of India and is also in violation of the principles of natural justice.

As per the GVKPIL management, several attempts were made by the company to have a solution with the lenders including an agreement dated March 23, 2017, wherein a non-binding framework solution was agreed upon for a settlement. Subsequently also there were several efforts to engage with the lenders to arrive at a settlement.

The GVK Coal Developers having failed to repay debt obligation, ICICI bank has invoked CG of GVKPIL on Nov 02, 2020 and demanding to pay the GVK Coal Developers dues.

Further, one of the lenders has filed an application under Section 7 of the Insolvency and Bankruptcy Code 2016 to initiate Corporate Insolvency Resolution Process against the GVKPIL (being guarantor for loan taken by GVK Coal Developers) before National Company Law Tribunal, Hyderabad on July 14, 2022 and the company has filed the reply. As per the NCLT website, initially final hearing was mentioned as 24.04.2024 but the authority has partly heard the details and next hearing is scheduled on 31.05.2024. As per the GVKPIL management, petition filed by the ICICI Bank against GVKPIL is barred by Section 10A of the Code as the invocation of the Guarantee was admittedly done vide invocation of guarantee dated 02.11.2020 and as such the invocation of the guarantee on GVKPIL falls squarely within the period prescribed by Section 10A of the code. As per Section 10A, no application for initiation of corporate insolvency resolution process can be filed in respect of a default that has occurred on or after 25th March, 2020 till 25th March, 2021. However, as per ICICI Bank petition, the account (GVK Coal Developers) has become NPA with all the lenders around FY 2016-17. The ultimate outcome of the same and the resultant impact of the same on the financial statements is not ascertainable and cannot be commented upon.





GVKPIL is hopeful of achieving one time settlement with the lenders in view of its arrangement with Adani Airport Holdings Limited (AAHL) which is adequately incentivized to find solution with the lenders to get unencumbered ownership over the shares of GVK Airport Developers pledged with the lenders.

While the GVKPIL Group has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs.79,048 Lakhs, no provision has been made towards the Corporate Guarantee and commitments issued by GVKPIL. Considering the various uncertainties and complexities involved as mentioned above, we are unable to comment on the viability of the GVK Coal project and the additional provision that may be required concerning the aforementioned guarantees and commitments made by the GVKPIL and the resultant impact of the same on these consolidated financial results.

- iii. We draw attention to Note 9(b) to the consolidated financial results regarding Deconsolidation of assets and liabilities of GVK Power (Goindwal Sahib) Limited ("GVKPGSL"), a step down subsidiary of the Holding Company with effect from 10th October 2022, as the same has been admitted into Corporate Insolvency Resolution Process on October 10, 2022 based on petition filed by Axis Bank Ltd, one of the lenders in the consortium of GVKPGSL with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the GVKPGSL. Interim Resolution professional appointed by NCLT had taken possession of all assets of GVKPGSL. Since the GVKPIL Group loss the control over the GVKPGSL, the assets and liabilities of GVKPGSL have been deconsolidated as at October 10, 2022 as required u/s Para 25 of Ind AS 110 Consolidated Financial Statements, which has resulted in a net gain of Rs.343,685 Lakh as disclosed as Exception Items in the Consolidated Financial Results during the year ended 31st March 2023.

During the current financial year 2023-24, the Resolution plan submitted by resolution applicant has been approved by the Hon'ble NCLT Hyderabad vide its order dated 22.12.2023. As per the said order, the secured lenders have received Rs.1,078 crores against their claims of Rs.6,585 Crores. i.e. with a deficit of Rs.5,507 Crores. The GVKEL has provided Corporate Guarantee to the lenders of GVKPGSL with respect to the amount lent by them. Lenders through its security trustee (IDBI Trusteeship services limited) have invoked the corporate Guarantee. Further, during the financial year 2023-24, one of the lenders (IDBI) has filed the case against the GVKEL demanding the amount of Rs.1,494 Crores in the Hon'ble NCLT, Hyderabad and next date of hearing is fixed on July 10, 2024. No provision has been made by GVKEL against these Corporate Guarantees.

As per GVKPIL management, liability of Corporate Guarantor is co - extensive with the liability of the Principal Borrower. Further, as per GVKPIL management, Section 31(1) of the Code states that when a resolution plan is approved by the adjudicating authority the same is binding on all the creditors and the guarantors and all other stake holders and hence no claim is maintainable against them. Considering, the liability of the Principal Borrower stands discharged pursuant to the CIRP of the Principal Borrower, as per GVKPIL management, the liability of the Corporate Guarantor also extinguishes.

The contention of the management is subject to interpretation and there are different judgements on the same. Further, as per the Corporate Guarantee agreement, the liability of the guarantor under this guarantee shall not be affected by:

- Any change in constitution, ownership or corporate existence of the borrower or any absorption, merger, or amalgamation of the borrower with any other company



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- Any insolvency, liquidation, bankruptcy or similar situation proceeding in respect of the borrower

Accordingly, there is an uncertainty on the final outcome of the same and the extent of the liability that may arise in respect of guarantee given by GVKEL is presently not ascertainable. In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying consolidated financial results.

- iv. We draw attention to Note No. 9(c) to the consolidated financial results as per which GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL has been admitted into Corporate Insolvency Resolution Process (CIRP) during the current financial year 2023-24, i.e on October 20, 2023, based on petition filed by Edelweiss Asset Reconstruction Company Ltd, one of the lenders in the consortium of GVKGPL with the Hon'ble NCLT, Hyderabad and Interim Resolution professional appointed by NCLT has taken possession of all assets of GVKGPL. GVKEL has already provided for an impairment for the full value of investment in GVKGPL of Rs 51,897 Lakh.

The GVKEL has also provided Corporate Guarantee to the lenders of GVKGPL with respect to the amount lent by them. This Corporate Guarantee has not been invoked by lenders so far (account became NPA on 1st October 2016) and no demands have been raised on GVKEL. This Corporate Guarantee may however be invoked by the Lenders of GVKGPL considering the default therein and Insolvency proceedings undergoing in GVKGPL. In such an eventuality, GVKEL may need to reimburse the same, especially considering that the net assets of GVKGPL is negative. The extent of the liability that may arise in respect of guarantee given is not determinable at present and no provision has been made in this regard in relation to such liability. In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying consolidated financial results.

- v. We draw attention to the following matters disclosed in Note 10(a) to the consolidated financial results regarding the financial statements of GVK Bagodara Vasad Expressway Private Limited (GVKBVEPL), a step-down subsidiary of the holding company:

- a) The project of the GVKBVEPL was terminated by Gujarat State Road Development Corporation (GSRDC) by referring the defaults of the Concessionaire. Consequent to the termination of the project, GVKBVEPL has accounted cost incurred on the project of Rs.58,904 Lakh as amount receivable from the GSRDC as management has represented that the project of the GVKBVEPL was terminated due to the reasons attributable to the GSRDC. GVKBVEPL has disputed the termination notice and invoked Arbitration in terms of provisions of concession agreement. Tribunal having heard arguments of both sides has given a split verdict during the financial year 2023-24, dated 11th August 2023. Two out of three Judges have passed a combined award dated 11th August 2023 of Rs.41,296 Lakhs (Net) in favor of GSRDC and one Judge has passed a dissenting award dated 11th August 2023 of Rs.27,438 Lakhs (Net) in favor of the GVKBVEPL. Considering this split award and based on the facts and legal opinion obtained, the GVKBVEPL has filed an appeal before Commercial Court Ahmedabad and the matter is coming up for hearing on 20.06.2024. As per the management till date no signed order has been served on them. Accordingly, GVKBVEPL has not made any provision on recoverability of Rs.58,904 Lakhs and also with respect to amount decreed to be payable to GSRDC of Rs.41,296 Lakhs. There is an uncertainty on the final outcome of the same and the extent of the liability that may arise in respect of aforesaid matter is presently not ascertainable. In the light of the





above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying consolidated financial results.

- b) All the loan accounts are non-performing assets and the GVKBVEPL has received recalled notices from the banks and financial institutions and hence borrowing from the banks and financial intuitions are treated as current borrowings. Balances of borrowings (including interest accrued thereon) from lenders amounting to Rs.940,26 lakhs as at March 31, 2024 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 and penal interest/ penal charges) as presented in Consolidated financial statements.

The above issues are reported as Qualification by the auditors as well in the audit report on the standalone financial statements of GVK Bagodara vasad expressway Pvt Ltd, subsidiary of GVKTPL vide their audit report dated April 29, 2024.

- vi. As discussed in detailed in Note 9(f) to the consolidated financial results regarding annulment of settlement by Edelweiss with respect to their loans / NCDs to GVKEL and Alaknanda Hydro Power Company Limited (AHPCL), non-accounting of estimated increase in liability on account of annulment of settlement terms by Edelweiss (amount not ascertained), invocation and transfer by Edelweiss of 46,60,11,000 Equity shares of AHPCL held by GVKEL of Rs.10 each, recording of exceptional loss of Rs.19,486 lakhs during the year ended March 31, 2023 by GVKEL on account of invocation of pledged shares and transfer by Edelweiss (being difference in face value of pledged shares invoked by Edelweiss and the liability of Edelweiss appearing in books of GVKEL and AHPCL), recording of discharge of liability of Edelweiss pending legal suit before Hon'ble Delhi High Court, wherein GVKEL pleaded that as a consequence of the invocation and transfer of a valuable asset, GVKEL liability towards the loan has been discharged and since the value of share is far in excess of the outstanding loan liability, the excess share to be returned. Next hearing of the case is scheduled on July 09, 2024.

Due to above mentioned default in the repayment of amount due on Loan / NCDs, ECL Finance Limited, Edelweiss Asset Reconstruction Company Limited, India Credit Fund II & Ecap Equities Limited (collectively referred to as "Edelweiss") (through its debentures trustee namely Catalyst Trusteeship Limited) has filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company and GVK Energy Ltd. on October 21, 2022, the company has filed its replies and next hearing of the case is scheduled on July 12, 2024.

Meanwhile, during the current financial year 2023-24, AHPCL, GVKEL and GVKPIL has entered into another settlement agreement with the lenders on October 09, 2023, which requires to pay Rs 330 Crores and simple interest @12.50% pa is payable w.e.f. 1st November 2023. The entire amount along with interest is to be paid on or before 30th November 2023. The GVKPIL Group could not comply with the settlement terms and requested for extension of time to Edelweiss and they have extended the time till 30th Jun'2024 with phased payments. On 27th February'24 the lead lender of Alaknanda Hydro Power Company Limited has approved the release of Rs 200 Crores out of Rs 330 Crores to be paid and Rs.130 Crores to be brought in by GVKPIL group. Till date GVKPIL group has paid an amount of Rs 91.50 Crores out of Rs 130 Crores to be brought in by them. There are delays in payment of this phased amount as well. In case of failure to comply with any of the terms and conditions specified, this settlement shall stand revoked without any notice and the original dues payable





by the GVKPIL Group /Borrower shall be reinstated and lender shall be entitled to recover the total dues together with applicable interest. Management has represented that they can make remaining payment and waiting for approval of all lenders of AHPCL. In view of the same, we are unable to comment on the accounting done in this regard in books of account and the ultimate impact of the same including of the invocation of the settlement offer by Edelweiss, invocation of pledged shares of AHCPL by Edelweiss, invocation of corporate guarantee issued by the GVKPIL and GVKEL and impact of the proceedings in the NCLT, if any on the consolidated financial results till the payment of dues as per settlement agreement.

Further, in the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying consolidated financial results including with respect to the balance amount of investments, loans and trade receivables of GVKEL aggregating to Rs.94,961 Lakhs in books of GVKPIL.

- vii. As discussed in detailed in Note 9(a) to the Consolidated Financial Results regarding GVK Coal (Tokisud) Private Limited ("GVKCTPL"), a step-down subsidiary of the Holding Company. The Hon'ble Supreme Court of India had deallocated dedicated coal mine allotted to GVK Power (Goindwal Sahib) Limited (GVKPGSL). GVKCTPL, a subsidiary company of GVKEL and mine operator was offered 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 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. Including the above amount of Rs 4,984 lakhs , a total of Rs 23,761 Lakhs , being the due on vesting date has been 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 GVKCTPL has accordingly filed the appeal under sec. 27 of the Coal Mines (Special Provisions) Act, 2015 with Coal Tribunal for Rs 34,830 lakhs on August 01, 2022 and the next hearing of the case is scheduled on June 20, 2024.

The GVKEL, holding company, has given corporate guarantee for the loan taken by the GVKCTPL for which no provision has been made at present considering the uncertainties. In the light of the above, we are unable to comment on the recoverability of assets with carrying value of Rs.6,015 Lakhs and the liability to be provided towards the Corporate Guarantee issued together with consequential impact, if any, arising out of the same in these accompanying consolidated financial results.

- viii. We draw attention to the note 10 (b) which states that the GVK Deoli Kota Expressway Private Limited (GVK DKEPL), a wholly owned step-down subsidiary of the parent company on June 25, 2019, has issued a termination notice under Article 37.2.2 of the Concession Agreement for termination on account of material breach and defaults on the part of National Highway Authority of India (NHAI) during the course of construction like providing Right of Way (ROW),



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shifting of utilities, obtaining approvals & clearances, alternate route & prevention of complete user fee collection etc., which has resulted in significant delays in construction of expressway.

On September 12, 2019, NHAI issued a termination notice as per clause 37.2.1 of the Concession Agreement for non-fulfillment of the obligation as stated in the Concession Agreement by Concessionaire. NHAI by virtue of this notice, is deemed to have taken possession and control of the project highway along with all the equipment on or at site. After this termination notice toll plaza is deemed to have been transferred to NHAI and from September 16, 2019, onwards NHAI started collecting the toll on the project highway.

The matter is under Arbitration and the company has filed claim documents with Tribunal and NHAI has filed statement of defense and next cross examining the witness of NHAI is scheduled on July 29, 2024.

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

The Concession Agreement being the sole agreement executed by the Company, termination of the same has now resulted into liquidation basis of accounting which has been adopted in preparation of these financial statements of GVK DKEPL. The company has recorded receivable from NHAI after setting off toll assets and other related future liabilities, which is subject to decision and process of arbitration between Company and NHAI.

GVK DKEPL based on its internal assessment is confident that it will be able to recover the balance amount spent on the project till date including its various claims and accordingly the management believes that it is appropriate to recognize total assets aggregating to Rs.44,008 lakh; comprising Rs.43,637 lakh as Other Non-Current assets, Rs.9 lakh as Property Plant & Equipment and Rs 362 Lakh as the Current Assets on December 31,2023 (Rs.44,008 lakh as on March 31,2023) at carrying value in the financial statements. Considering the litigation and uncertainties, we are not in a position to comment on the recoverability of these assets as well as claims made by respective parties.

The auditors of GVKDEPL have given an EOM in this regard in their audit report dated 29th April 2024.

- ix. 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 by us including complete copy of the Enforcement Directorate complaint. CBI has filed a charge sheet before the Chief Metropolitan Court, Mumbai on February 09, 2023, laying as allegation under section 120B read with section 420 of IPC against Mumbai International Airport Limited (MIAL), Vice Chairman & erstwhile CFO of the Holding Company and four other GVKPIL group companies apart from others. The Court has granted bail to all the accused. The main issue alleged is siphoning of fund of MIAL eventually causing a loss to Airport Authority of India (AAI). Vide order dated 08.12.2023, fresh





cognizance of offences in the chargesheet has been taken and accused persons have been summoned. However, the said order has been currently stayed by the Ld. Sessions Court, Mumbai in revision petitions preferred by various accused persons and therefore, the proceedings are currently stayed in the matter and matter will resume only once the stay order gets vacated by the Revision Court. The company is of the view that the case will not stand the test of scrutiny of the court and will eventually be dismissed. The company is also of the view that the charges are unsubstantiated and no offence u/s section 420 IPC is made out as there is no loss to AAI, Government, or any Tax Authorities as alleged.

In addition to be above, the Enforcement Directorate (ED) had also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. ED had 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. ED had filed a complaint before the City Court and Additional Session Judge, Greater Bombay under Section 45 of Prevention of Money Laundering Act, 2002 for commission of offence of Money laundering under section 3, read with section 70, Punishable u/s 4 of the Prevention of Money Laundering Act, 2002. The matter is currently at stage of adjudication of application on behalf of Accused-4 seeking supply of all the unrelayed documents and unrelayed statement u/s 50 PMLA and is fixed for filing reply of Enforcement Directorate on 27.06.2024.

The Audit Committee of the Holding Company, based on the legal advice received by the Audit committee of Mumbai International Airport Limited (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 with cases related to CBI and ED, the implications, if any, that may arise on the GVKPIL group can't be ascertained and the impact if any of the same on the consolidated financial results cannot be commented upon.

- x. We draw attention to Note 12 to the consolidated financial results regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company. GVK SEZ has Investment Property having book value of Rs.11,655 Lakh as on 31st March 2024. GVK SEZ stood as a Guarantor and mortgaged its land having book value as mentioned above (admeasuring 2,506.25 Acres) to Syndicate Bank (since merged with Canara Bank) on account of loans taken by the GVKPIL (the Holding Company). GVKPIL has since repaid the loan taken from Canara Bank and the bank has also acknowledged the same. However, Canara bank has not issued a no due certificate and has not returned the original title documents by exercising 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 GVKPIL. GVKPIL and GVK SEZ have jointly filed writ petition before High Court, Telangana on October 27, 2021, 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 and the matter is yet to be listed. GVKPIL has obtained independent legal opinion based on which the outcome of the subject matter will be positive and the bank will be directed to release the documents given as security. 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 vide its order dated April 22, 2021 has stayed the proceedings by issuing Show Cause Notice to ED. As on March 31, 2024, the status remains the same. The matter is under litigation. Pending these litigations, the impact of the same on the GVKPIL Group is not determinable.

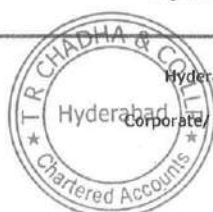




5. Emphasis of Matter

- i. 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.112,464 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 consolidated financial results. These investments in OCDs made by AAHL are yet to be transferred in the name of the company.
- ii. We draw attention to Note No 9(d) and 9(e) of the consolidated financial results regarding the financial statements of Alaknanda Hydro Power Company Ltd, a stepdown subsidiary of the Holding Company, the following matters:
 - a) As per Note 9(d) to the consolidated financial results, regarding Uttar Pradesh Power Corporation Limited (UPPCL) appeal before Appellate Tribunal for Electricity (APTEL) challenging UPERC's determination of Normative Annual Plant Availability Factor (NAPAF) for Multi Year Tariff (MYT) for the years 2015-19 and 2019-24. The AHPCL has submitted its responses to APTEL against the said appeal. Accordingly, in the opinion of the management the appeal filed by UPPCL is not tenable and no provision is required in this regard.
 - b) Note no 9 (e) to the statement, regarding recoverability of reimbursement of water tax based on management legal assessment with respect to (i) applicability of water tax on water drawn for generation of electricity as demanded by Uttarakhand water resources management regulatory commission ("UWRMRC") as per provisions of the Uttarakhand water management and regulatory act, 2013 and (ii) claiming the same from Uttar Pradesh power corporation limited ("UPPCL") as reimbursement under change in law by amending power purchasing agreement with UPPCL("PPA") for the period August,2022 to March,2024. The claim made by the AHPCL for the period august,2022 to October ,2022 is not accepted by UPPCL vide their letter dated June 16,2023 on the ground that the AHPCL has not followed the change in law provision & stipulations under the PPA and the AHPCL's application before UPERC for amendment to PPA for reimbursement of water tax under the provisions of change in law. UPERC vide its order dt.01 April, 2024 has directed UPPCL to make interim payment against proof of payment of water tax paid by AHPCL from August, 2022 onwards and continue to make interim payment. In case Hon'ble High Court of Uttarakhand decides levy of water tax is null & void, AHPCL shall be required to be claim refund from Uttarakhand Government along with carrying cost and the same shall be released to UPPCL along with such carrying cost.
- iii. We draw your attention to note no.11 of Consolidated Financial Results, regarding GVK Ratle Hydro Electric Project Private Limited (GVK Ratle), a subsidiary of the holding company, GVK

The issue above is reported as Emphasis of Matter by the auditors in their audit report on the standalone financial statements of Alaknanda Hydro Power Company Ltd. (AHPCL), subsidiary of GVKEL vide their audit report dated April 24, 2024.





Ratle had entered into a concession agreement with J&K Power Development Department (JKPDD) for construction and operation of a hydro power plant on Build, Own, Operate and Transfer model. GVK Ratle started the project development and had spent/paid advances to the tune of Rs.101,552 lakhs (till March 31,2021) on various works. However, there were significant delays in the construction of the project due to the impediments like land acquisition and execution of land, leases, issues in relation to working conditions, disturbances and law and order problems, issues under the Indus Water Treaty, issues in relation to Water charges, status of Mega Power Project and taxes such as entry tax, sales and other local taxes etc.

GVK Ratle requested for termination of project and offered for an amicable settlement. JKPDD rejected such settlement offer stating that the delays tantamount to event of default from GVK Ratle. GVK Ratle had initiated the arbitration process and Tribunal vide its order dated 11th July'20 and rectification order dated 7th September'20 had accepted the contentions of GVK Ratle and had given an award of Rs.29,048 Lakhs in favor of GVK Ratle. Not satisfied with the order, GVK Ratle has filed an appeal before district court, Kishtwar on 8th December,2020 against the said award, which is challenged by JKPDD and court granted the stay on proceedings. Meanwhile, GVK Ratle has filed an appeal before Supreme Court, the supreme court stayed all proceedings before the District Court, Kishtwar until it decides the issue relating to applicability of J&K Arbitration Act, 1997, even after it was repealed by J&K State Reorganization Act, 2019. The matter is yet to be listed for hearing before the Supreme Court.

GVK Ratle had also entered into a settlement agreement with its lender on 24th November'21 and the award realized from the JKPDD will be paid to lender as per the settlement agreement. Considering the fact of termination of the project and settlement with the lenders, the GVK Ratle has adopted the liquidation basis of accounting in preparation of these financial statements and treated the amount recoverable as per award as its asset with similar amount payable to lender as its liability as per settlement agreement.

Similar matter has been included as an Emphasis of matter paragraph (EOM) in the audit report on the standalone financial statements of GVK Ratle Hydro Electric Project Private Limited, the stepdown subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide their report dated April 25, 2024.

- iv. We draw attention to the following matters disclosed in Note 10(c) to the consolidated financial results regarding the financial statements of GVK Transportation Private Ltd (GVKTPL), subsidiary of the holding company which states that GVKTPL has given the corporate guarantee to the lender (Yes Bank Ltd.) who has assigned the debt to J.C. Flowers Asset Reconstruction Pvt Ltd. Due to above default in repayment of loan by GVKDKEPL, J.C. Flowers Asset Reconstruction Pvt Ltd, has invoked the corporate guarantee and filed the petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against GVKTPL on February 24, 2022 and the next hearing of the case is scheduled on May 29, 2024 for orders.

6. Board of Director's Responsibilities for the Consolidated financial results

These Consolidated financial results have been prepared on the basis of the 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 Consolidated financial results that gives a true and fair view of the net profit/loss and other comprehensive income and the financial information of the Company in accordance with the



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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 Consolidated 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 consolidated financial results by the Directors of the Company, as aforesaid.

In preparing the Consolidated financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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.

7. Auditor's Responsibilities for the Audit of the Consolidated financial results

Our responsibility is to conduct an audit of the Company's financial results in accordance with Standards on Auditing and to issue an auditor's report. However, because of the significance of the matters involving uncertainties, described in the "Basis of Disclaimer of opinion" section of our report, notwithstanding having obtained sufficient appropriate audit evidence regarding each most of the individual uncertainties, it is not possible for us to form an opinion on the financial results due to the potential interaction of the uncertainties and their possible cumulative effect on the financial results.

We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) and the provisions of Companies Act 2013 that are relevant to our audit of the financial results in India under the Companies Act 2013 and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies Act 2013.

8. Other Matters

We did not audit annual financial results of 14 subsidiaries included in the consolidated audited financial results, whose annual financial reflects (before adjustments for consolidation) total assets of Rs. 9,49147 Lakhs and net assets (total equity) of Rs.2,26954 Lakhs as at March 31, 2024, revenues from operations of Rs.1,08,011 Lakhs, total net loss after tax of Rs.19,213 Lakhs and total comprehensive loss of Rs.19,124 Lakhs, for the year ended March 31, 2024, respectively, as considered in the consolidated financial results. These annual financial statements have been audited by respective auditors. The Independent Auditors reports on financial statements /financial information of these entities have been furnished to us and our opinion on the consolidated financial results in so far as it relates to the amounts and



T R Chadha & Co LLP

Chartered Accountants





disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us as stated in paragraph above.

The consolidated audited financial results include the GVKPIL group's share of one associate, whose interim financial results reflect (before adjustments for consolidation) GVKPIL Group's share of profit of Rs. 2,46,903.47 Lakhs (USD 296.14 Million) for nine months ended March 31, 2024 which is adjusted against the previous losses.

Because of the matters involving uncertainties, described in the "Basis of Disclaimer of opinion" section of our report, we are unable to comment on the resultant impact on the consolidated financial results in respect of above matters with respect to our reliance on the work done and the reports of the other auditors.

The consolidated financial results include the results for the quarter ended March 31, 2024 being the balancing figures between the audited figures in respect of full financial year and the Published unaudited year to date of figures up to third quarter of current financial year which were subject to limited review by us, as required under Listing Regulations.

For T R Chadha & Co LLP,
Chartered Accountants
FRN: -06711NIN500028

Sheshu Samudrala
(Partner)
Membership No-235031
UDIN: 24235031BKCTTX8920

Date: 28.05.2024
Place: Hyderabad