

GVK Power & Infrastructure Limited

CIN: L74999AP2005PLC059013

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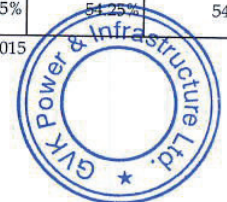
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Statement of Unaudited Standalone Financial Results for the quarter ended September 30, 2015

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2015 (Unaudited)	30.06.2015 (Unaudited)	30.09.2014 (Unaudited)	30.09.2015 (Unaudited)	30.09.2014 (Unaudited)	31.03.2015 (Audited)
<b>Part I</b>							
1	Net sales / income from operations	691	662	664	1,353	1,299	2,628
2	Expenses						
	(a) Employee benefits expense	77	72	78	149	148	299
	(b) Depreciation and amortisation expense	4	4	5	8	10	30
	(c) Operating and maintenance expenses	27	23	23	50	43	93
	(d) Expenses for manpower services	45	44	40	89	75	145
	(e) Travel and conveyance	11	9	24	20	39	70
	(f) Legal and professional charges	10	2	11	12	19	45
	(g) Printing and stationery	39	-	37	39	37	35
	(h) Rates and taxes	23	24	17	47	34	81
	(i) Communication costs	27	2	52	29	56	63
	(j) Advances written off*	-	-	-	-	-	7,590
	(k) Other expenses	76	51	26	127	47	101
	<b>Total</b>	<b>339</b>	<b>231</b>	<b>313</b>	<b>570</b>	<b>508</b>	<b>8,552</b>
3	Profit/(loss) from operations before other income, interest costs and exceptional items (1-2)	352	431	351	783	791	(5,924)
4	Other income	542	473	784	1,015	1,611	1,804
5	Profit/(loss) from ordinary activities before interest costs and exceptional items (3+4)	894	904	1,135	1,798	2,402	(4,120)
6	Interest costs	1,221	1,304	1,774	2,525	3,441	7,674
7	Loss from ordinary activities after interest costs but before exceptional items (5-6)	(327)	(400)	(639)	(727)	(1,039)	(11,794)
8	Exceptional items	-	-	-	-	-	-
9	Loss from ordinary activities before tax (7+ 8)	(327)	(400)	(639)	(727)	(1,039)	(11,794)
10	Tax expense	328	314	386	642	817	1,189
11	Loss from ordinary activities after tax (9-10)	(655)	(714)	(1,025)	(1,369)	(1,856)	(12,983)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13	Net Loss for the period (11-12)	(655)	(714)	(1,025)	(1,369)	(1,856)	(12,983)
14	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792	15,792
15	Reserve excluding Revaluation Reserve as per balance sheet						219,070
16 (i)	Earnings per share (before extraordinary items) -(not annualised)						
	a) Basic (in Rs.)	(0.04)	(0.05)	(0.06)	(0.09)	(0.12)	(0.82)
	b) Diluted (in Rs.)	(0.04)	(0.05)	(0.06)	(0.09)	(0.12)	(0.82)
16 (ii)	Earnings per share (after extraordinary items) -(not annualised)						
	a) Basic (in Rs.)	(0.04)	(0.05)	(0.06)	(0.09)	(0.12)	(0.82)
	b) Diluted (in Rs.)	(0.04)	(0.05)	(0.06)	(0.09)	(0.12)	(0.82)
<b>Part II</b>							
A	Particulars of Shareholding						
1	Public Shareholding						
	Number of shares	722,481,060	722,481,060	722,481,060	722,481,060	722,481,060	722,481,060
	% age of shareholding	45.75%	45.75%	45.75%	45.75%	45.75%	45.75%
2	Promoters and Promoter Group Shareholding						
	a) Pledged/ Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	b) Non-encumbered						
	- Number of Shares	856,729,340	856,729,340	856,729,340	856,729,340	856,729,340	856,729,340
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	54.25%	54.25%	54.25%	54.25%	54.25%	54.25%

\* Advances written off represents advance given to GVK Oil & Gas Limited, a subsidiary, written off during the previous year ended March 31, 2015



Standalone Statement of Assets and Liabilities

(Rs. in Lakhs)

S. No	Particulars	As at 30.09.2015 (Unaudited)	As at 31.03.2015 ( Audited)
<b>A</b>	<b>Equity and Liabilities</b>		
1	Shareholders' funds		
	(a) Share capital	15,792	15,792
	(b) Reserves and surplus	217,701	219,070
	<b>Sub-total - Shareholders' funds</b>	<b>233,493</b>	<b>234,862</b>
2	Non-current liabilities		
	(a) Long-term borrowings	18,040	-
	<b>Sub-total - Non-current liabilities</b>	<b>18,040</b>	<b>-</b>
3	Current liabilities		
	(a) Short-term borrowings	-	46,270
	(b) Trade payables	347	236
	(c) Other current liabilities	18,282	32,228
	(d) Short term provisions	916	321
	<b>Sub-total - Current liabilities</b>	<b>19,545</b>	<b>79,055</b>
	<b>Total Equity and Liabilities</b>	<b>271,078</b>	<b>313,917</b>
<b>B</b>	<b>Assets</b>		
1	Non-current assets		
	(a) Fixed assets	71	79
	(b) Non-current investments	148,046	148,046
	(c) Deferred tax assets (net)	3	1
	(d) Long-term loans and advances	28,214	23,926
	(e) Other non-current assets	59,976	58,300
	<b>Sub-total - Non-current assets</b>	<b>236,310</b>	<b>230,352</b>
2	Current assets		
	(a) Current investments	126	30
	(b) Trade receivables	607	375
	(c) Cash and cash equivalents	1,087	891
	(d) Short-term loans and advances	30,245	80,542
	(e) Other current assets	2,703	1,727
	<b>Sub-total - Current assets</b>	<b>34,768</b>	<b>83,565</b>
	<b>Total Assets</b>	<b>271,078</b>	<b>313,917</b>





**GVK Power & Infrastructure Limited**  
Statement of Unaudited Consolidated Financial Results for the quarter ended September 30, 2015

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2015 (Unaudited)	30.06.2015 (Unaudited)	30.09.2014 (Unaudited)	30.09.2015 (Unaudited)	30.09.2014 (Unaudited)	31.03.2015 (Audited)
<b>Part I</b>							
1	Net sales / income from operations	106,832	99,903	69,876	206,735	141,143	304,965
2	Expenses						
	(a) Employee benefits expense	4,822	4,320	4,411	9,142	8,551	16,194
	(b) Depreciation and amortisation expense	20,002	18,598	19,599	38,600	37,265	70,555
	(c) Fuel cost	6,443	13,393	251	19,836	5,372	18,932
	(d) Annual fee to Airport Authority of India	25,954	25,973	22,779	51,927	44,796	93,125
	(e) Loss on disposal / write off of assets*	2,744	-	6,106	2,744	34,784	32,584
	(f) Other expenses	21,773	20,306	15,755	42,079	33,940	70,164
	<b>Total expenses</b>	<b>81,738</b>	<b>82,590</b>	<b>68,901</b>	<b>164,328</b>	<b>164,708</b>	<b>301,554</b>
3	Profit / (Loss) from operations before other income, interest costs and exceptional items (1-2)	25,094	17,313	975	42,407	(23,565)	3,411
4	Other income	4,670	1,950	2,853	6,620	5,367	8,665
5	Profit / (Loss) from ordinary activities before interest costs and exceptional items (3+4)	29,764	19,263	3,828	49,027	(18,198)	12,076
6	Interest costs**	50,494	41,087	36,455	91,581	68,552	139,846
7	Loss from ordinary activities after interest costs but before exceptional items (5-6)	(20,730)	(21,824)	(32,627)	(42,554)	(86,750)	(127,770)
8	Exceptional items	-	-	-	-	-	-
9	Loss from ordinary activities before tax (7+ 8)	(20,730)	(21,824)	(32,627)	(42,554)	(86,750)	(127,770)
10	Tax credit	(421)	(1,558)	(2,220)	(1,979)	(14,172)	(10,922)
11	Loss from ordinary activities after tax (9-10)	(20,309)	(20,266)	(30,407)	(40,575)	(72,578)	(116,848)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13	Net loss for the period (11-12)	(20,309)	(20,266)	(30,407)	(40,575)	(72,578)	(116,848)
14	Share of profit/(loss) of associates	4,308	3,807	239	8,115	(1,053)	3,220
15	Minority interest	(3,651)	(4,067)	(6,611)	(7,718)	(21,941)	(30,160)
16	Net loss after taxes, minority interest and share of profit / (loss) of associates (13+14-15)	(12,350)	(12,392)	(23,557)	(24,742)	(51,690)	(83,468)
17	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792	15,792
18	Reserve excluding Revaluation Reserve as per balance sheet						178,076
19	Earnings per share (before extraordinary items) -(not annualised)						
	a) Basic (in Rs.)	(0.79)	(0.78)	(1.49)	(1.57)	(3.27)	(5.29)
	b) Diluted (in Rs.)	(0.79)	(0.78)	(1.49)	(1.57)	(3.27)	(5.29)
	Earnings per share (after extraordinary items) -(not annualised)						
	a) Basic (in Rs.)	(0.79)	(0.78)	(1.49)	(1.57)	(3.27)	(5.29)
	b) Diluted (in Rs.)	(0.79)	(0.78)	(1.49)	(1.57)	(3.27)	(5.29)
<b>Part II</b>							
A	Particulars of Shareholding						
1	Public Shareholding						
	Number of shares	722,481,060	722,481,060	722,481,060	722,481,060	722,481,060	722,481,060
	% age of shareholding	45.75%	45.75%	45.75%	45.75%	45.75%	45.75%
2	Promoters and Promoter Group Shareholding						
	a) Pledged/ Encumbered						
	- Number of Shares	-	-	-	-	-	-
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	b) Non-encumbered						
	- Number of Shares	856,729,340	856,729,340	856,729,340	856,729,340	856,729,340	856,729,340
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	54.25%	54.25%	54.25%	54.25%	54.25%	54.25%

\* Loss on disposal / write off of assets represents write off of capital work in progress including expenditure incurred during construction period in GVK Oil & Gas Limited, a subsidiary, loss on demolition of old T2 and disposal/ transfer of assets in Mumbai International Airport Private Limited, a subsidiary, and provision for diminution in value of investments in Seregraha Mines Limited, an associate company during the current and the corresponding previous quarter and or/ year ended March 31, 2015.

\*\* Includes prior period interest expense of Rs.290 lakhs in the previous year ended March 31, 2015.





Consolidated Statement of Assets and Liabilities

(Rs. in Lakhs)

S. No	Particulars	As at 30.09.2015 (Unaudited)	As at 31.03.2015 ( Audited)
<b>A</b>	<b>Equity and Liabilities</b>		
1	<b>Shareholders' funds</b>		
	(a) Share capital	15,792	15,792
	(b) Reserves and surplus	289,427	178,076
	<b>Sub-total - Shareholders' funds</b>	<b>305,219</b>	<b>193,868</b>
2	<b>Deferred income</b>	13,413	13,924
3	<b>Minority interest</b>	86,654	230,461
4	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	2,113,281	1,922,177
	(b) Deferred tax liabilities (net)	23,268	26,726
	(c) Trade payables	35,370	42,827
	(d) Other long-term liabilities	89,624	80,972
	(e) Long-term provisions	3,107	1,108
	<b>Sub-total - Non-current liabilities</b>	<b>2,264,650</b>	<b>2,073,810</b>
5	<b>Current liabilities</b>		
	(a) Short-term borrowings	225,978	308,757
	(b) Trade payables	31,030	32,484
	(c) Other current liabilities	405,766	416,759
	(d) Short-term provisions	11,276	15,240
	<b>Sub-total - Current liabilities</b>	<b>674,050</b>	<b>773,240</b>
	<b>Total Equity and Liabilities</b>	<b>3,343,986</b>	<b>3,285,303</b>
<b>B</b>	<b>Assets</b>		
1	<b>Non-current assets</b>		
	(a) Fixed assets	2,341,292	2,282,727
	(b) Goodwill on consolidation	115,569	116,161
	(c) Non-current investments	208,981	200,867
	(d) Deferred tax assets (net)	20	110
	(e) Long-term loans and advances	145,833	127,918
	(f) Trade receivables	-	11,141
	(g) Other non-current assets	275,826	286,117
	<b>Sub-total - Non-current assets</b>	<b>3,087,521</b>	<b>3,025,041</b>
2	<b>Current assets</b>		
	(a) Current investments	6,559	5,361
	(b) Inventories	7,345	3,990
	(c) Trade receivables	58,251	32,052
	(d) Cash and bank balances	118,317	149,551
	(e) Short-term loans and advances	26,326	36,677
	(f) Other current assets	39,667	32,631
	<b>Sub-total - Current assets</b>	<b>256,465</b>	<b>260,262</b>
	<b>Total Assets</b>	<b>3,343,986</b>	<b>3,285,303</b>





**Segment Reporting (Consolidated)**

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2015 (Unaudited)	30.06.2015 (Unaudited)	30.09.2014 (Unaudited)	30.09.2015 (Unaudited)	30.09.2014 (Unaudited)	31.03.2015 (Audited)
<b>1</b>	<b>Segment Revenue</b>						
	Power						
	Roads	31,119	24,293	3,208	55,412	10,624	29,040
	Airports	8,260	8,138	7,388	16,398	14,442	29,983
	Others	67,453	67,472	59,280	134,925	116,077	245,942
	<b>Total</b>	<b>314</b>	<b>314</b>	<b>314</b>	<b>628</b>	<b>627</b>	<b>1,254</b>
	Less: Inter segment revenue	107,146	100,217	70,190	207,363	141,770	306,219
	<b>Net sales / income from operations</b>	<b>314</b>	<b>314</b>	<b>314</b>	<b>628</b>	<b>627</b>	<b>1,254</b>
		<b>106,832</b>	<b>99,903</b>	<b>69,876</b>	<b>206,735</b>	<b>141,143</b>	<b>304,965</b>
<b>2</b>	<b>Segment Result</b>						
	Power						
	Roads	13,788	2,191	(2,638)	15,979	(5,011)	(9,819)
	Airports	4,452	4,992	4,650	9,444	9,383	16,016
	Others	9,404	10,017	4,496	19,421	(22,613)	4,543
	Unallocated	(2,549)	113	(5,533)	(2,436)	(5,324)	(7,329)
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Less: Inter segment elimination	25,095	17,313	975	42,408	(23,565)	3,411
	<b>Total</b>	<b>25,095</b>	<b>17,313</b>	<b>975</b>	<b>42,408</b>	<b>(23,565)</b>	<b>3,411</b>
	Less:						
	Interest expense	50,494	41,087	36,455	91,581	68,552	139,846
	<b>Add:</b>						
	Other unallocable income net off unallocable expenditure	4,669	1,950	2,853	6,619	5,367	8,665
	<b>Total profit/ (loss) before tax</b>	<b>(20,730)</b>	<b>(21,824)</b>	<b>(32,627)</b>	<b>(42,554)</b>	<b>(86,750)</b>	<b>(127,770)</b>
<b>3</b>	<b>Capital Employed</b>						
	(Segment Assets- Segment Liabilities)						
	Power	1,330,371	1,311,813	1,199,933	1,330,371	1,199,933	1,261,123
	Roads	183,069	177,967	208,346	183,069	208,346	177,056
	Airports	1,013,165	996,889	1,012,566	1,013,165	1,012,566	994,771
	Others*	18,888	22,012	23,759	18,888	23,759	22,174
	Unallocated	(2,240,274)	(2,327,223)	(2,221,991)	(2,240,274)	(2,221,991)	(2,261,256)
	<b>Total Capital Employed</b>	<b>305,219</b>	<b>181,458</b>	<b>222,613</b>	<b>305,219</b>	<b>222,613</b>	<b>193,868</b>

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

**Notes**

1. Pursuant to the Clause 41 of the Listing Agreement, the Company opted to publish only the consolidated results of the Company. The company carries its business in business segments viz., Power, Roads, Airports and others through various subsidiaries, associates and joint venture, 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 of associates and proportionate revenue and expenses of joint venture. Investors can view the stand alone results of the Company on the Company's website www.gvk.com or on the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com).

2. The above published consolidated results have been prepared in accordance with the principles and procedures as set out in the Accounting Standard - 21 on 'Consolidated Financial Statements', Accounting Standard - 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements', and Accounting Standard - 27 on 'Financial reporting of interests in joint ventures' on notified by specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

3. Financial results of GVK Power & Infrastructure Limited (Standalone Information)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2015 (Unaudited)	30.06.2015 (Unaudited)	30.09.2014 (Unaudited)	30.09.2015 (Unaudited)	30.09.2014 (Unaudited)	31.03.2015 (Audited)
Revenues	691	662	664	1,353	1,299	2,628
Loss before tax	(327)	(400)	(639)	(727)	(1,039)	(11,794)
Loss after tax	(655)	(714)	(1,025)	(1,369)	(1,856)	(12,983)

4. With respect to exploration activity undertaken by GVK Oil & Gas Limited, wholly owned subsidiary of the Company, a notice of termination has been submitted to the Ministry of Petroleum and Natural Gas under the Production Sharing Contract. Management based on legal advice believes that the subsidiary will be able to recover costs incurred and accordingly believes that no adjustment is required to carrying value of assets of Rs.7,925 lakhs (September 30, 2014: Rs.12,692 lakhs) (March 31, 2015: Rs.10,725 lakhs)/investments and advances aggregating to Rs. 10,161 lakhs (September 30, 2014: Rs.17,753 lakhs) (March 31, 2015: Rs.10,161 lakhs). The auditors of the Company have not expressed an opinion on the carrying value of investments and advances in their limited review report for the quarter.





5. The Hon'ble Supreme Court of India has de-allocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company and Nominated Authority has offered compensation of Rs. 11,129 lakhs as against carrying value of assets of Rs. 37,225 lakhs (March 31, 2015: Rs.35,575 lakhs). Management believes that the subsidiary company will be appropriately reimbursed for cancelled coal mine accordingly no provision is required to be made to carrying value of assets. The auditors of the Company have not expressed an opinion on the recoverability of assets together with consequential impact if any, in their limited review report for the quarter.

6. Certain subsidiaries of GVK Energy Limited, subsidiary company are facing uncertainties as detailed below:

a) There has been uncertainty regarding supplies/availability of gas to power generating plants and power projects under construction of the Group. Further, subsidiaries engaged in this business have made losses of Rs.5,964 lakhs (September 30, 2014: Rs. 6,287 lakhs) in aforementioned quarters. Management has received additional term loans till March 31, 2015 and is in the process of applying for further additional term loans from lenders. Management is also confident of obtaining the requisite gas allocation and based on rights under power purchase agreement and legal advice is confident of recovering fixed charges and accordingly believes fixed assets with carrying value of Rs.205,722 lakhs (September 30, 2014: Rs.222,691 lakhs) (March 31, 2015: Rs. 211,907 lakhs) are recoverable in normal course of business.

b) Uncertainty is faced by coal plant with carrying value of Rs. 412,374 lakhs (March 31, 2015: Rs. 388,986 lakhs) of subsidiary company towards supply of fuel. Management has obtained coal linkage for six months, tied up for importing coal and is mulling other options such as, obtaining coal linkage locally and has filed petition with Punjab State Electricity Regulatory Commission for re- negotiation of terms of power purchase agreement such as rate revision, approval for using imported coal etc. claiming force majeure and change in law as envisaged under Power Purchase Agreement. Management based on legal advise believes that cancellation of coal mine will not impact the operations of the upcoming power project and accordingly believes that fixed assets of the subsidiary company aggregating to Rs. 412,374 lakhs are recoverable in the normal course of the business.

The auditors of the Company have drawn an Emphasis of Matter paragraph on the carrying value of investment amounting to Rs.108,323 lakhs (September 30, 2014: Rs.108,323 lakhs) (March 31, 2015: Rs.108,323 lakhs) in their limited review report for the quarter.

7. GVKPIL had made application for waiver of excess managerial remuneration amounting to Rs. 21 lakhs for the year ended March 31, 2013 paid to a director in excess of limits prescribed under Schedule XIII of the Companies Act, 1956. The auditors of the Company have drawn an Emphasis of Matter paragraph in their limited review report for the quarter.

8. The Company has made investments aggregating to Rs. 34,689 lakhs (March 31, 2015: Rs.33,318 lakhs) by way of advances, subscription of shares and share application money and provided guarantees and commitments aggregating to Rs.686,344 lakhs (March 31, 2015: Rs. 653,448 lakhs) to lenders of GVK Coal Singapore Pte Limited (GVK Coal), an entity in which Company owns 10%. GVK Coal has borrowed Rs.686,344 lakhs (March 31, 2015:Rs. 653,448 lakhs) against the aforesaid guarantees and commitments. GVK Coal is currently under development phase and is making losses and its current liabilities exceed current assets by USD 885 million (Rs. 564,711 lakhs) (March 31, 2015: USD 885 million, Rs.564,711 lakhs) based on audited financial statements for the year ended June 30, 2014. In addition to aforesaid commitments, the Company has also given assurance for financial assistance, if required. The prices of the coal have significantly fallen since GVK coal had acquired stake in the coal mines. GVK coal is also in discussion with non-controlling shareholders to realign the option exercise dates and additional funding from potential investors. Management believes that GVK Coal would be able to establish profitable operations, meet its obligations and it's current liabilities being in excess of current assets is temporary situation and will not impact ability of the Company to continue in operation in foreseeable future and accordingly will not have any material adverse impact upon operations and cash flows of the Company. The auditors of the Company have drawn an Emphasis of Matter paragraph in their limited review report for the quarter.

9. The above financial results have been reviewed by the Audit Committee on November 09, 2015 and taken on record by the Board of Directors at its meeting held on November 10, 2015. The auditors of the Company have performed review of unconsolidated financial statements only.

10. Information on investor's complaints for the quarter ended September 30, 2015:

Number of Complaints	No's
Opening balance	-
Received	98
Resolved	98
Closing balance	-

11. Figures for the previous year/period have been regrouped / rearranged/recasted wherever necessary.

GVK Power & Infrastructure Limited



*S. V. K.*

Dr. G V Krishna Reddy  
Chairman & Managing Director

Place: Hyderabad  
Date : November 10, 2015



## Limited Review Report

**Review Report to  
The Board of Directors  
GVK Power & Infrastructure Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of GVK Power & Infrastructure Limited ('the Company') for the quarter ended September 30, 2015 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We have not reviewed or audited the accompanying consolidated financial results for the quarter ended September 30, 2015 and accordingly, we do not express any review or audit opinion on the said consolidated financial results.
4. As discussed more fully in Note 4 of the accompanying financial results, termination notice has been served by a subsidiary involved in oil & gas activity on Ministry of Petroleum and Natural Gas (Ministry) for termination of productions sharing contract. The Management believes that Ministry will reimburse the said subsidiary for costs incurred by it and accordingly no adjustment is required to carrying value of investments and advances aggregating to Rs. 10,161 lakhs. However, in the absence of sufficient appropriate evidence in this regard, we are unable to comment upon recoverability of such advances and investment together with consequential impact, if any, arising out of the same in these Company's financial results. Our limited review report for previous quarter was qualified in respect of this matter.
5. As discussed more fully in Note 5 to the accompanying financial results, the Hon'ble Supreme Court of India has de-allocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary of one of the subsidiaries and Nominated Authority has offered compensation of Rs. 11,129 lakhs as against carrying value of assets of Rs. 37,225 lakhs in books of subsidiary. In the absence of appropriate evidence, we are unable to comment upon recoverability of assets together with consequential impact, if any, arising out of the same in these accompanying financial results. Our limited review report for previous quarter was qualified in respect of this matter.
6. We draw attention to:
  - a. Note 7 of financial results regarding application made by company for the waiver of excess managerial remuneration for the year's ended March 31, 2013 amounting to Rs. 21 lakhs paid to a director in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956.



# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- b. Note 8 of financial results, regarding GVK Coal Singapore Pte. Limited whose net liabilities exceeds net assets by USD 885 million (Rs. 564,711 lakhs) as at June 30, 2014 and in which the Company has made investments of Rs. 34,689 lakhs and provided guarantees and commitments for loans of Rs. 686,344 lakhs borrowed by GVK Coal Singapore Pte. Limited as at September 30, 2015.
- c. Note 6 of financial results, material uncertainties are being faced by subsidiaries of GVK Energy Limited, one of the subsidiaries of the Company, in which the Company has an investment of Rs. 108,323 lakhs as detailed below:
  - i. Uncertainty towards supplies/availability of natural gas to gas based power generating plants and power projects under construction of subsidiary companies of subsidiary company, GVK Energy Limited.
  - ii. Uncertainty towards availability of fuel and regulatory approvals faced by coal plant under construction of subsidiary company of GVK Energy Limited.

The ultimate outcome of the above matters cannot presently be determined, pending approvals, acceptances, notification, legal interpretations and resolution of uncertainty around availability of gas, coal and coal prices, as referred to in the relevant notes to the financial results referred above, accordingly no provision for any liability and/or adjustment that may result has been made in the financial results. Our opinion is not qualified in respect of the aforesaid matters.

7. Based on our review conducted as above, except for the possible effects of the our observations 4 & 5, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W



per Vikas Kumar Pansari  
Partner

Membership No.: 093649

Place: Hyderabad

Date: November 10, 2015

