GMR Infrastructure Limited

Corporate Office:
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November 12, 2013

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

National Stock Exchange of India Limited
Exchange Plaza
Plot no. C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

Dear Sirs,

Sub: Submission of Un-audited Financial Results accompanied by the Limited Review Report for the quarter ended September 30, 2013

Ref: Clause 41 of the Listing Agreement

Please find attached the Un-audited Financial Results accompanied by the Limited Review Report (Consolidated and Standalone) of the Company for the quarter ended September 30, 2013, approved by the Board of Directors of the Company in the meeting held on November 12, 2013.

Please take the same on record.

Thanking you,

Yours faithfully,
For GMR Infrastructure Limited

C.P. Sounderarajan
Company Secretary & Compliance Officer

Encl: as above

Regd. Office:
25/1, Skip House,
Museum Road, Bangalore 560 025

GMR Infrastructure Limited

Registered Office: 25/1, Skip House, Museum Road, Bengaluru - 560 025

PART I

Statement of unaudited consolidated financial results for the quarter and six months ended September 30, 2013

[in Rs. crore]

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2013 Unaudited	June 30, 2013 Unaudited	September 30, 2012 Unaudited	September 30, 2013 Unaudited	September 30, 2012 Unaudited	March 31, 2013 Audited
1. Income from operations						
a) Sales/ Income from operations	2,397.21	2,614.72	2,371.89	5,011.93	4,944.50	9,871.87
b) Other Operating income - Refer Note 24	21.90	20.29	26.61	42.19	55.45	102.99
Total Income from operations	**2,419.11**	**2,635.01**	**2,398.50**	**5,054.12**	**4,999.95**	**9,974.86**
2. Expenditure						
a) Revenue share paid/ payable to concessionaire grantors	462.06	471.28	374.06	933.34	665.37	1,669.48
b) Consumption of fuel	275.97	568.51	220.70	844.48	585.51	1,031.85
c) Cost of materials consumed	16.28	20.76	37.78	37.04	150.42	201.90
d) Purchase of traded goods	220.24	206.00	370.86	426.24	757.57	1,230.80
e) (Increase) or Decrease in stock in trade	(16.07)	(1.97)	(1.01)	(18.04)	(10.31)	20.70
f) Sub-contracting expenses	186.34	138.23	254.52	324.57	571.29	963.15
g) Employee benefits expenses	141.69	138.54	193.56	280.23	351.52	611.93
h) Depreciation and amortisation expenses	333.11	310.92	256.50	644.03	509.50	1,039.78
i) Utilisation fees	48.20	35.93	36.74	84.13	61.41	130.87
j) Other expenses	485.34	414.86	380.05	900.20	739.21	1,637.01
k) Foreign exchange fluctuations loss (net)	22.74	47.63	18.84	70.37	-	-
Total expenses	**2,175.90**	**2,350.69**	**2,142.60**	**4,526.59**	**4,381.49**	**8,537.47**
3. Profit/ (Loss) from operations before other income, finance costs and exceptional items (1) - (2)	**243.21**	**284.32**	**255.90**	**527.53**	**618.46**	**1,437.39**
4. Other income						
a) Foreign exchange fluctuations gain (net)	-	-	-	-	27.60	0.17
b) Other income - others	81.23	53.76	80.62	134.99	145.84	277.02
Total other income	**81.23**	**53.76**	**80.62**	**134.99**	**173.44**	**277.19**
5. Profit / (Loss) from operations before finance costs and exceptional items (3) + (4)	**324.44**	**338.08**	**336.52**	**662.52**	**791.90**	**1,714.58**
6. Finance costs	683.69	609.75	485.21	1,293.44	965.58	2,099.00
7. (Loss) / Profit after finance costs but before exceptional items (5) - (6)	**(359.25)**	**(271.67)**	**(148.69)**	**(630.92)**	**(173.68)**	**(384.42)**
8. Exceptional items						
a. Profit on dilution in a subsidiary - **Refer Note 13**	-	55.08	-	55.08	-	-
b. Profit on sale of assets held for sale - **Refer Note 11**	37.02	-	-	37.02	-	-
c. Profit on sale of a subsidiary - **Refer Note 12**	-	-	-	-	-	1,231.25
d. Loss on impairment of assets in a subsidiary - **Refer Note 11**	-	-	-	-	-	(251.37)
e. Assets write off in a subsidiary - **Refer Note 5 (a)**	-	-	-	-	-	(202.61)
9.(Loss) / Profit from ordinary activities before tax (7) ± (8)	**(322.23)**	**(216.59)**	**(148.69)**	**(538.82)**	**(173.68)**	**392.85**
10. Tax expenses	58.01	65.24	54.27	123.25	139.31	257.44
11. Net (Loss) / Profit from ordinary activities after tax and before minority interest (9-10)	**(380.24)**	**(281.83)**	**(202.96)**	**(662.07)**	**(312.99)**	**135.41**
12. Minority interest - share of (profit) / loss	(12.81)	(44.20)	23.66	(57.01)	39.39	(47.29)
13. Net (Loss) / Profit after tax and minority interest (11+12)	**(393.05)**	**(326.03)**	**(179.30)**	**(719.08)**	**(273.60)**	**88.12**
14. E B I T D A (3) + (2(h)) + (4(a))	**576.32**	**595.24**	**512.40**	**1,171.56**	**1,155.56**	**2,477.34**
15. Paid-up equity share capital (Face value - Re. 1 per share)	**389.24**	**389.24**	**389.24**	**389.24**	**389.24**	**389.24**
16. Reserves excluding revaluation reserves as per balance sheet of previous accounting year						**6,888.94**
17. Weighted average number of shares used in computing Earnings per share	**3,892,432,532**	**3,892,432,532**	**3,892,432,532**	**3,892,432,532**	**3,892,432,532**	**3,892,432,532**
18. Earnings per share - Basic and Diluted - (Rs.) (not annualised)	**(1.01)**	**(0.84)**	**(0.46)**	**(1.85)**	**(0.70)**	**0.23**

GMR INFRASTRUCTURE LIMITED

S.R. Batliboi & Associates LLP Bengaluru

PART II

Select Information for the quarter and six months ended September 30, 2013

Particulars	Quarter ended			Six months ended		As at year ended
	September 30, 2013 Unaudited	June 30, 2013 Unaudited	September 30, 2012 Unaudited	September 30, 2013 Unaudited	September 30, 2012 Unaudited	March 31, 2013 Audited
A. PARTICULARS OF SHAREHOLDING						
1. Public Shareholding						
- Number of shares	1,101,590,935	1,103,702,750	1,104,864,250	1,101,590,935	1,104,864,250	1,103,702,750
- Percentage of shareholding	28.30%	28.36%	28.39%	28.30%	28.39%	28.36%
2. Promoters and promoter group shareholding						
a) Pledged/ Encumbered						
- Number of shares	1,427,208,239	1,115,108,239	790,664,991	1,427,208,239	790,664,991	1,026,631,555
- Percentage of shares (as % of the total shareholding of promoter and promoter group)	51.14%	39.99%	28.36%	51.14%	28.36%	36.81%
- Percentage of shares (as % of the total share capital of the Company)	36.67%	28.65%	20.31%	36.67%	20.31%	26.38%
b) Non-Encumbered						
- Number of shares	1,363,635,608	1,673,623,793	1,996,905,541	1,363,635,608	1,996,905,541	1,762,100,477
- Percentage of shares (as % of the total shareholding of promoter and promoter group)	48.86%	60.01%	71.64%	48.86%	71.64%	63.19%
- Percentage of shares (as % of the total share capital of the Company)	35.03%	42.99%	51.30%	35.03%	51.30%	45.26%

Particulars	Quarter ended September 30, 2013
B. INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	107
Disposed of during the quarter	107
Remaining unresolved at the end of the quarter	-

GMR Infrastructure Limited

Report on Consolidated Segment Revenue, Results and Capital Employed

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2013 Unaudited	June 30, 2013 Unaudited	September 30, 2012 Unaudited	September 30, 2013 Unaudited	September 30, 2012 Unaudited	March 31, 2013 Audited
1. Segment Revenue						
a) Airports	1,475.02	1,394.58	1,469.06	2,869.60	2,792.37	6,121.91
b) Power	663.55	932.20	644.99	1,595.75	1,391.27	2,429.50
c) Roads	160.33	164.70	106.46	325.03	211.56	517.37
d) EPC	79.91	170.89	373.74	250.80	862.99	1,453.72
e) Others	131.40	169.41	142.92	300.81	279.09	541.34
	2,510.21	2,831.78	2,737.17	5,341.99	5,537.28	11,063.84
Less: Inter Segment	91.10	196.77	338.67	287.87	537.33	1,088.98
Segment revenue from operations	**2,419.11**	**2,635.01**	**2,398.50**	**5,054.12**	**4,999.95**	**9,974.86**
2. Segment Results						
a) Airports	329.42	331.19	215.45	660.61	420.29	1,255.52
b) Power	(137.44)	(163.30)	(17.95)	(300.74)	57.61	(139.47)
c) Roads	74.16	77.49	57.35	151.65	110.58	246.89
d) EPC	(5.08)	(2.17)	12.05	(7.25)	50.80	164.69
e) Others	60.11	115.10	70.25	175.21	163.71	289.01
	321.17	358.31	337.15	679.48	802.99	1,816.64
Less: Inter Segment	32.65	49.26	53.78	81.91	92.38	245.64
Net Segment Results	**288.52**	**309.05**	**283.37**	**597.57**	**710.61**	**1,571.00**
Less: Finance costs (net)	647.77	580.72	432.06	1,228.49	884.29	1,955.42
Add/ (Less) : Exceptional items						
a. Profit on dilution in a subsidiary - **Refer Note 13**	-	55.08	-	55.08	-	-
b. Profit on sale of assets held for sale - **Refer Note 11**	37.02	-	-	37.02	-	-
c. Profit on sale of a subsidiary - **Refer Note 12**	-	-	-	-	-	1,231.25
d. Loss on impairment of assets in a subsidiary - **Refer Note 11**	-	-	-	-	-	(251.37)
e. Assets write off in a subsidiary - **Refer Note 5 (a)**	-	-	-	-	-	(202.61)
(Loss) /Profit before tax	**(322.23)**	**(216.59)**	**(148.69)**	**(538.82)**	**(173.68)**	**392.85**
3. Capital employed						
(Segment Assets - Segment Liabilities)						
a) Airports	17,209.74	16,480.28	16,269.31	17,209.74	16,269.31	15,990.68
b) Power	26,126.92	24,130.77	24,519.85	26,126.92	24,519.85	24,622.15
c) Roads	6,573.42	6,524.83	6,517.27	6,573.42	6,517.27	6,876.11
d) EPC	447.31	333.71	281.40	447.31	281.40	152.65
e) Others	12,046.47	11,715.57	11,330.00	12,046.47	11,330.00	12,059.30
	62,403.86	59,185.16	58,917.83	62,403.86	58,917.83	59,700.89
Less: Inter Segment	4,825.00	4,813.07	4,649.50	4,825.00	4,649.50	4,940.25
Unallocated Assets / (Liabilities)	(47,159.88)	(43,537.47)	(43,354.43)	(47,159.88)	(43,354.43)	(43,791.36)
Total	**10,418.98**	**10,834.62**	**10,913.90**	**10,418.98**	**10,913.90**	**10,969.28**

R. Batliboi & Associates LLP Bengaluru

Notes to unaudited consolidated financial results for the quarter and six months ended September 30, 2013

1. Consolidated Statement of Assets and Liabilities

[in Rs. crore]

Particulars	As at September 30, 2013 Unaudited	As at March 31, 2013 Audited
Equity and Liabilities		
Shareholders' funds		
Share capital	389.24	389.24
Reserves and surplus	6,193.81	6,888.94
	6,583.05	7,278.18
Preference shares issued by subsidiary companies	1,971.10	1,971.10
Minority interest	1,864.83	1,720.00
Non-current liabilities		
Long-term borrowings	34,198.92	31,633.16
Deferred tax liability (net)	62.69	55.39
Trade payables	81.30	68.57
Other long term liabilities	2,443.53	2,858.23
Long term provisions	121.81	148.84
	36,908.25	34,764.19
Current liabilities		
Short-term borrowings	5,940.76	4,856.62
Trade payables	1,124.54	1,481.59
Other current liabilities	11,666.38	11,492.21
Short-term provisions	252.70	253.10
	18,984.38	18,083.52
TOTAL	**66,311.61**	**63,816.99**
Assets		
Non-current assets		
Fixed assets	45,698.09	43,350.41
Goodwill on consolidation	3,579.24	3,163.13
Non-current investments	104.13	104.16
Deferred tax asset (net)	24.85	58.11
Long term loans and advances	3,525.87	3,477.82
Trade receivables	95.51	173.41
Other non-current assets	4,101.56	3,845.81
	57,129.25	54,172.85
Current assets		
Current investments	434.79	178.63
Inventories	358.61	270.43
Trade receivables	1,275.40	1,695.63
Cash, cash equivalents and other bank balances	3,865.76	5,134.84
Short-term loans and advances	1,197.52	879.79
Other current assets	2,050.28	1,484.82
	9,182.36	9,644.14
TOTAL	**66,311.61**	**63,816.99**

GMR INFRASTRUCTURE LIMITED

S.R. Batliboi & Associates LLP Bengaluru

2. **Consolidation and Segment Reporting**

a. GMR Infrastructure Limited ('the Company') carries on its business through various subsidiaries, joint ventures and associates (hereinafter referred to as 'the Group'), being special purpose vehicles exclusively formed to build and operate various infrastructure projects. The consolidated results have been prepared in accordance with the principles and procedures as set out in the Accounting Standard (AS) - 21 on 'Consolidated Financial Statements', AS – 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS – 27 on 'Financial Reporting of Interests in Joint Venture'.

b. The segment reporting of the Company and its Group has been prepared in accordance with AS - 17 on Segment Reporting.

The business segments of the Group comprise of the following:

Segment	Description of Activity
Airports	Development and operation of airports
Power	Generation of power, mining and exploration and provision of related services
Roads	Development and operation of roadways
EPC	Handling of engineering, procurement and construction solutions in the infrastructure sector
Others	Urban infrastructure and other residual activities

c. Investors can view the standalone results of the Company on the Company's website www.gmrgroup.in or on the websites of BSE (www.bseindia.com) or NSE (www.nse-india.com).

3. The Company along with its subsidiary has an investment of Rs. 516.65 crore in its jointly controlled entity Istanbul Sabiha Gokcen Uluslararasi Havalimani Yatirim Yapim Ve Isletme Anonim Sirketi ('ISG') as at September 30, 2013. The Group's share of ISG's accumulated losses / negative reserves amounts to Rs. 424.10 crore (excluding debit balance of foreign currency translation reserve of Rs. 122.11 crore), thereby resulting in erosion of entire net worth of ISG as at September 30, 2013. Based on ISG's business plan, the management of the Group is confident that ISG will be able to generate sufficient profits in future years and would meet its financial obligations as they arise.

4. The Group has an investment of Rs. 349.76 crore (including loans of Rs. 110.17 crore, share application money pending allotment of Rs. 23.00 crore and investment in equity / preference shares of Rs. 216.59 crore made by the Company and its subsidiaries) in GMR Ambala Chandigarh Expressways Private Limited ('GACEPL'), a subsidiary of the Company. GACEPL has been incurring losses since the commencement of commercial operations. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration. Based on an internal assessment and a legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly, the management of the Group is of the view that the carrying value of net assets of Rs. 236.21 crore (after providing for losses till date of Rs. 113.55 crore) as regards investment in GACEPL as at September 30, 2013 is appropriate. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review Report in this regard.

GMR INFRASTRUCTURE LIMITED

R. Batliboi & Associates LLP Bengaluru

5. a) GMR Male International Airport Private Limited ('GMIAL'), a subsidiary of the Company, entered into an agreement on June 28, 2010 with Maldives Airports Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT'), Republic of Maldives for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport for a period of 25 years ('the Concession Agreement'). On November 27, 2012 MACL and MoFT issued notices to GMIAL stating that the concession agreement was void ab initio and that neither MoFT nor MACL had authority under the laws of Maldives to enter into the agreement. It was also stated that MACL would take over the possession and control of Male International Airport within 7 days of the said letter.

Though GMIAL denied that the contract was void ab initio, MACL took over the possession and control of the Male International Airport and GMIAL vacated the airport effective December 8, 2012. This has resulted in the GMIAL's principal activity becoming impossible from the date of takeover. The matter is currently under arbitration and the procedural meeting was held on April 10, 2013. The Government of Maldives ('GoM') and MACL served their statement of case on May 17, 2013 to which GMIAL and the GMR-Malaysia Airports Holdings Berhad ('GMR-MAHB') consortium served their defence and counterclaim on June 21, 2013. GoM and MACL have served a reply and defence to counterclaim on July 12, 2013. GMIAL is in the process of seeking remedies under the aforesaid concession agreement and the outcome of the arbitration is uncertain as at September 30, 2013. In view of the aforesaid matter, GMIAL continues to reflect assets amounting to Rs. 1,458.82 crore (USD 23.08 crore) including claim recoverable Rs. 1,083.84 crore (USD 17.14 crore) at their carrying values as at September 30, 2013, net of assets written off of Rs. 202.61 crore during the year ended March 31, 2013. Such assets written off were disclosed as an exceptional item in the financial results of the Group for the year ended March 31, 2013. The outcome of the arbitration is uncertain as at September 30, 2013. GMIAL's ability to continue its future business operations is solely dependent on the outcome of arbitration and / or a negotiated settlement. However financial statements of GMIAL as at and for the quarter ended September 30, 2013 have been prepared and accordingly consolidated on a going concern basis.

Further, GMIAL has executed work construction contracts with GADL International Limited ('GADL') and other service providers for rehabilitation, expansion, modernization of Male International Airport. Pursuant to aforesaid takeover of airport, GMIAL has terminated the contracts with GADL and these service providers. As per the terms of contracts, in the event of discontinuation of construction, GMIAL is required to pay termination payment to the service providers. GMIAL has received claims of around USD 8.00 crore as at September 30, 2013 from GADL and other service providers. However, no such claims relating to the termination of contracts have been recognised as at September 30, 2013 since the amounts payable are not certain.

Based on an internal assessment and a legal opinion obtained by GMIAL, the management of the Group is confident of proving that the concession agreement was not void ab initio and that GMIAL would be entitled for compensation under the concession agreement atleast to the extent of the carrying value of the assets taken over by the GoM / MACL and the subsequent expenditure incurred by GMIAL and accordingly the accompanying consolidated financial results of the Group do not include any adjustments that might result from the outcome of this uncertainty. The statutory auditors of the Company have modified their limited review report in this regard.

The results of GMIAL do not reflect results of the airport operations post December 7, 2012. The details of its results consolidated till quarter ended September 30, 2013 are as follows:

(in Rs. crore)

	Quarter ended September 30, 2013	Quarter ended June 30, 2013	Quarter ended September 30, 2012	Half Year ended September 30, 2013	Half Year ended September 30, 2012	Year ended March 31, 2013
Total income	0.97	0.33	371.48	1.30	662.87	978.35
Profit/ (loss) after tax and minority interest (before consolidation adjustments)	(16.90)	(9.21)	26.69	(26.11)	65.46	(57.35)

5. b) GADL, a subsidiary of the Company, is registered in the Republic of Maldives for upgrading of existing terminal and construction of new terminal at the Male International Airport. As per the work construction contract dated October 25, 2010 entered into with GMIAL, the expected substantial completion date of the construction was July 01, 2014, and GADL's registration in the Republic of Maldives is valid till December 31, 2016. However, pursuant to the takeover of Male International Airport by MACL, GMIAL has terminated the work construction contract with GADL on December 10, 2012. These conditions indicate the existence of a material uncertainty about the going concern of GADL which is fully dependent on the outcome of the arbitration process between GMIAL and GoM and MACL. However, the financial statements of GADL as at and for the period ended September 30, 2013 has been prepared and accordingly consolidated on a going concern basis. The statutory auditors of the Company have modified their Limited Review Report in this regard.

6. GMR Kishangarh Udaipur Ahmedabad Expressways Limited, a subsidiary of the Company ('GKUAEL'), had entered into a Concession Agreement with National Highways Authority of India ('NHAI') on November 30, 2011 for six laning of Kishangarh-Udaipur-Ahmedabad section of National Highways 79A, 79, 76 and 8. Pursuant to non-fulfillment of mandatory 'conditions precedent' specified under the Concession Agreement within the due date, GKUAEL has issued a notice to NHAI dated December 21, 2012 of its intention to terminate the Concession Agreement. In response, NHAI vide their letter dated January 1, 2013 termed the notice not maintainable both in law and in facts. Further, NHAI in their letter dated January 17, 2013 to GKUAEL had also indicated of making good the alleged defaults of NHAI within the cure period of 90 days. Further, the management of the Group has submitted the proposal for the continuance of the project subject to certain modifications in the financial and other terms in the Concession Agreement and is confident of obtaining approval of these modifications by NHAI.

   The Company along with its subsidiary has made an investment of Rs. 718.82 crore in GKUAEL (including loans of Rs. 18.82 crore and investment in equity shares of Rs. 700.00 crore made by the Company and its subsidiaries), which is primarily utilized towards payment of mobilization advance of Rs. 590.00 crore to its EPC contractors and Rs. 120.81 crore (including Rs. 3.78 crore during the quarter ended September 30, 2013) towards indirect expenditure attributable to the project and borrowing costs ('project expenses'). The management of the Group is confident of recovering the aforesaid mobilisation advance and does not anticipate any compensation to be payable to NHAI in view of the aforesaid dispute and continue to carry such project expenses as capital work in progress pending satisfactory resolution of the matter. The statutory auditors of the Company have modified their Limited Review Report in this regard.

7. During the quarter ended June 30, 2013, GMR Infrastructure Mauritius Limited ('GIML), a subsidiary of the Company, has granted an interest bearing unsecured inter corporate loan of USD 11.50 crore to an overseas subsidiary of GMR Holdings Private Limited ('GHPL'), the Ultimate Holding Company of the Group. During the quarter ended September 30, 2013, an amount of USD 3.20 crore has been repaid. The loan is guaranteed by GHPL and the management of the Group is confident of recovery of the balance outstanding loan of Rs. 524.89 crore (USD 8.30 crore) by November 30, 2013.

8. GMR Energy Limited ('GEL'), a subsidiary of the Company had entered into a Power Purchase Agreement ('PPA') with Karnataka Power Transmission Corporation Limited for supply of energy during the period December 15, 1997 to July 7, 2008. GEL had a Fuel Supply Agreement ('FSA') with a fuel supplier towards purchase of Naptha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event that there was a shortfall in the purchase of the annual guaranteed quantity.

During the year ended March 31, 2013, GEL received a notice for Good Faith Negotiation under erstwhile FSA entered into between GEL and the fuel supplier with respect to dispute regarding liquidated damages amounting to Rs 296.16 crore along with an interest of Rs. 5.55 crore towards failure of GEL to purchase the annual guaranteed quantity for the period from November 21, 2001 to June 6, 2008. GEL vide its letter dated October 31, 2012 had disputed the demand from the fuel supplier towards the aforementioned damages. Further, GEL received a notice of arbitration from the fuel supplier's legal representative requesting the appointment of arbitrator for the dispute resolution which has been disputed by GEL in their reply dated February 15, 2013.

During the six months ended September 30, 2013, the fuel supplier has filed a petition in the Hon'ble High Court of Karnataka seeking appointment of a sole arbitrator for the resolution of the dispute. GEL has not yet filed its position, however based on its internal assessment and a legal opinion, the management of the Group is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been made to the accompanying financial results of the Group.

9. GMR Power Corporation Limited ('GPCL'), a subsidiary of the Company, approached Tamil Nadu Electricity Regulatory Commission ('TNERC') to resolve the claims / counterclaims arising out of the PPA and Land Lease Agreement ('LLA') in respect of the dues recoverable from Tamil Nadu Electricity Board ('TNEB') on account of sale of energy including reimbursement towards interest on working capital, Minimum Alternate Tax ('MAT'), rebate, start/ stop charges and payment of land lease rentals to TNEB. GPCL had received a favourable Order from TNERC on April 16, 2010 and in pursuance of the Order, GPCL had filed its claim on April 30, 2010 amounting to Rs. 481.68 crore and recognised Rs. 79.55 crore as income in the books of account.

   TNEB filed a petition against TNERC Order in Appellate Tribunal for Electricity ('APTEL'). In terms of an interim Order on November 19, 2010 from APTEL, TNEB deposited Rs. 537.00 crore including interest on delayed payment of the claim amount. APTEL vide its Order dated February 28, 2012, upheld the claim of GPCL and further directed GPCL to verify and pay counter claims of TNEB in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL has appealed to the Hon'ble Supreme Court in Civil Appeals seeking certain interim relief with respect to the benefits pointed out by APTEL on credit period of Fuel Supplies in terms of the FSA.

   GPCL is availing tax holiday under Section 80IA of the Income Tax Act, 1961 ('IT Act') in respect of its income from power generation. Considering that the substantial amount, though under protest, has been received by GPCL, based on an expert opinion, GPCL has offered the claims upto March 31, 2012 as income in its tax returns and has claimed the deduction as available under Section 80IA of the IT Act.

   However, in accordance with the Group's accounting policy, pending acceptance of claims by TNEB and pending adjudication of petition before the Hon'ble Supreme Court, the Group has not recognised such balance claim in the books of account.

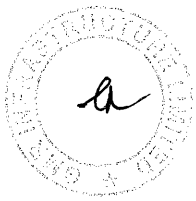
   In accordance with the above, the amount received towards the above mentioned claims after the date of Order is being disclosed as advance from the customer in the books of account. Further, GPCL has been legally advised that in view of the appeal filed by TNEB against the Order of APTEL in Hon'ble Supreme Court, the entire matter is now subjudice and has not attained the finality. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review Report in this regard.

10. a. The Group is engaged in the business of generation and sale of electrical energy from its two gas based power plants of 220MW and 387.63MW situated at Kakinada and Vemagiri respectively. Further, the Group has investments in a subsidiary, GMR Rajahmundry Energy Limited ('GREL') which is constructing a gas based power plant. In view of lower supplies / availability of natural gas to the power generating companies in India, the Group is facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL and GMR Vemagiri Power Generation Limited ('GVPGL') have not generated and sold electricity during the six months and five months period ended September 30, 2013 respectively and have been incurring losses on account of the aforesaid shortage of natural gas supply, thereby resulting in erosion of networth of these gas based power generating companies. Further GREL has not yet commenced commercial operations pending linkages of natural gas supply. The Group is actively pursuing / making representations with various government authorities to secure the natural gas linkage / supply as the natural gas supplies from KG D6 basin have dropped significantly from September 2011 onwards. The Group, for its 768 MW gas based power plant, which is under construction at Rajahmundry, has applied for allocation of gas and Ministry of Petroleum and Natural Gas ('MoPNG') is yet to allocate the gas linkage. The consortium of lenders have approved the reschedulement of Commercial Operation Date ('COD') of the plant under construction to April 1, 2014 and repayment of project loans. The Group and the Association of Power Producers are closely monitoring the macro situation and are evaluating various approaches / alternatives to deal with the situation and the management of the Group is confident that the Government of India ('GoI') would take necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. Despite the aforementioned reasons, based on business plan and valuation assessment, the management of the Group is confident that GEL and GVPGL will be able to generate sufficient profits in future years, GREL will achieve the COD as stated aforesaid and these gas based power generating companies would meet their financial obligations as they arise and hence the going concern assumption and the carrying value of the net assets of the above entities as at September 30, 2013 is appropriate and these financial results of the Group do not include any adjustments that might result from the outcome of this uncertainty. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review Report in this regard.

b. In respect of plant under construction at Rajahmundry, pending securing supply of requisite natural gas, the Group has put on hold the active construction work of the plant. The management of the Group believes that the indirect expenditure attributable to the construction of the project and borrowing costs incurred during the period of uncertainty around securing gas supplies qualifies for capitalisation under paragraphs 9.3 and 9.4 of AS -10 and paragraphs 18 and 19 of AS -16. The subsidiary company setting up the plant has approached the Ministry of Corporate Affairs seeking clarification / relaxation on applicability of the aforementioned paragraphs to the gas availability situation referred in 10(a) above. The management of the Group is confident of obtaining necessary clarification / relaxation allowing such capitalisation. Pending receipt of requisite clarification / relaxation, the Group has capitalised aforesaid expenses amounting to Rs. 95.85 crore and Rs. 466.06 crore for the quarter ended September 30, 2013 and cumulatively upto September 30, 2013 respectively towards cost of the plant under construction. The statutory auditors of the Company have modified their Limited Review Report in this regard.

11. The Group has an investment of Rs. 167.94 crore and has given a loan of Rs. 222.15 crore to Homeland Energy Group Limited ('HEGL'), a subsidiary of the Company. During the year ended March 31, 2013, the Group had entered into agreements for divestment of the key coal mines held by certain subsidiaries and jointly controlled entities of HEGL, subject to obtaining necessary approvals. Based on the realisable value of these mines, pursuant to the proposed divestment, during the year ended March 31, 2013, the Group had made an impairment provision of Rs. 251.37 crore towards the carrying value of the net assets of HEGL (including goodwill on consolidation of Rs. 98.71 crore), which was disclosed as an exceptional item in the consolidated financial results for the year ended March 31, 2013.

During the quarter September 30, 2013, the sale transaction has been completed for one of the coal mines after obtaining the requisite approvals and the Group has realised a profit of Rs. 37.02 crore on such sale which has been disclosed as an 'exceptional item' in the consolidated financial results for the quarter ended September 30, 2013.



The management of the Group is confident that the carrying value of net assets as at September 30, 2013 in HEGL is appropriate.

The details of the results of HEGL consolidated till quarter ended September 30, 2013 are as follows:

(in Rs. crore)

	Quarter ended September 30, 2013	Quarter ended June 30, 2013	Quarter ended September 30, 2012	Half Year ended September 30, 2013	Half Year ended September 30, 2012	Year ended March 31, 2013
Total income	36.34	1.25	14.63	37.59	54.42	103.57
Profit/(loss) after tax and minority interest (before consolidation adjustments)	23.61	(31.29)	(17.32)	(7.68)	(8.36)	(259.22)

12. During the year ended March 31, 2013, the Group had divested its 70% stake in GMR Energy Singapore Pte. Limited ('GESPL') to FPM Power Holding Limited and had realised a profit of Rs. 1,231.25 crore arising on such sale of shares, which was disclosed as an 'exceptional item' in the consolidated financial results of the Group for the year ended March 31, 2013. GESPL was developing a 800MW combined cycle gas turbine power plant in Jurong Island, Singapore. Further, the Company has provided a guarantee of SGD 38.00 crore towards warranties as specified in the Share Purchase Agreement ('SPA') and other SPA transaction documents for a period till September 30, 2014 and in respect of tax claims, if any, the guarantee period is upto March 31, 2018.

The details of the results of GESPL consolidated till year ended March 31, 2013 are as follows:

(in Rs. crore)

	Quarter ended September 30, 2012	Six months ended September 30, 2012	Year ended March 31, 2013
Total income	Nil	Nil	Nil
Profit/(loss) after tax and minority interest (before consolidation adjustments)	6.50	4.34	4.49

13. During the year ended March 31, 2013, the Group had entered into definitive sale agreements for divestment of 74% stake in GMR Jadcherla Expressways Private Limited (GJEPL), an erstwhile subsidiary of the Company to Macquarie SBI Infrastructure Investments Pte. Limited and SBI Macquarie Infrastructure Trustee Limited. During the quarter ended June 30, 2013, the sale transaction has been completed and the Group has realised a profit of Rs. 55.08 crore on such sale of shares which was disclosed as an 'exceptional item' in the consolidated financial results for the quarter ended June 30, 2013.

The Group has also entered into a definitive sale agreement for the balance 26% stake in GJEPL subject to obtaining regulatory approvals. As such, the Group has accounted for investment in such associate in accordance with AS – 13 'Accounting for Investments'.

The details of the results of GJEPL consolidated till year ended March 31, 2013 are as follows:

(in Rs. crore)

	Quarter ended September 30, 2012	Six months ended September 30, 2012	Year ended March 31, 2013
Total income	16.12	32.38	66.75
Profit/(loss) after tax and minority interest (before consolidation adjustments)	0.38	0.78	2.09

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14. During the quarter ended September 30, 2013, the Group had entered into definitive sale agreements for divestment of 74% stake in GMR Ulundurpet Expressways Private Limited (GUEPL), a subsidiary of the Company to India Infrastructure Fund.

The details of the results of GUEPL consolidated till quarter ended September 30, 2013 are as follows:

(in Rs. crore)

	Quarter ended September 30, 2013	Quarter ended June 30, 2013	Quarter ended September 30, 2012	Half Year ended September 30, 2013	Half Year ended September 30, 2012	Year ended March 31, 2013
Total income	23.56	24.21	21.68	47.77	42.71	88.70
Profit/ (loss) after tax and minority interest (before consolidation adjustments)	0.69	0.22	(1.97)	0.91	(4.25)	(8.26)

15. a. Kakinada SEZ Private Limited ('KSPL'), a subsidiary of the Company is undertaking development of a port based multi-product SEZ at Kakinada. The approvals from the Ministry of Commerce & Industry for the SEZ development were valid till June 26, 2012. Pending completion of the development of the SEZ, KSPL has applied for extension of the validity period, which is pending approval from the Board of Approval of the Ministry of Commerce & Industry ('MoCI'), which was awaiting the recommendations of the Government of Andhra Pradesh ('GoAP') as at September 30, 2013. Subsequent to the quarter, GoAP has sent its recommendations to MoCI for extension by two years from June 26, 2012. The management of the Group is confident of obtaining the necessary approvals in the foreseeable future and continues with the active development of the SEZ. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review Report in this regard.

b. The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 ('LARR Act') was published in the Gazette of India by the Government of India on September 27, 2013. Pending the notification of rules under the said Act, KSPL has not assessed the impact of the said Act on its project and accordingly, no provision for the same has been made in the accompanying consolidated financial results for the quarter ended September 30, 2013. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review Report in this regard.

16. During the quarter ended September 30, 2013, GMR Hotels and Resorts Limited ('GHRL'), a subsidiary of GMR Hyderabad International Airport Limited ('GHIAL'), has incurred net loss of Rs. 5.20 crore and has accumulated losses of Rs. 96.35 crore as at September 30, 2013, which has resulted in a substantial erosion of GHRL's net worth. The management of the Group expects that there will be a significant increase in the operations of GHRL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable GHRL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly, these consolidated financial results do not include any adjustments relating to the recoverability of assets or the amounts of liabilities that may be necessary if GHRL were unable to continue as a going concern.

17. During the quarter ended September 30, 2013, MAS GMR Aero Technic Limited ('MGATL'), a 50% jointly controlled entity of the Group (effective ownership interest of the Group is 30.60%), has incurred net loss of Rs. 16.74 crore and has accumulated losses of Rs. 189.58 crore as at September 30, 2013, which has resulted in erosion of MGATL's entire net worth. The management of the Group expects that there will be a significant increase in the operations of MGATL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable MGATL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly, these consolidated financial results do not include any adjustments relating to the recoverability of assets or the amounts of liabilities that may be necessary if MGATL were unable to continue as a going concern.

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18. As at September 30, 2013, Delhi International Airport Private Limited ('DIAL') and GHIAL have receivables from Kingfisher Airlines Limited ('KAL') aggregating to Rs. 14.48 crore. The management of the Group is of the view that the receivables are fully recoverable and DIAL and GHIAL have taken necessary steps to recover these amounts. As such, no adjustments have been made in these financial results for the year ended September 30, 2013. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review Report in this regard.

19. The Comptroller and Auditor General of India ('CAG') has conducted the performance audit of Public Private Partnership ('PPP') project of Airport Authority of India ('AAI') at Delhi airport, for the period 2006 to 2012. CAG has presented its report before the Rajya Sabha on August 17, 2012 wherein they have made certain observations on DIAL. The management of the Group is of the opinion that the observations in the CAG report do not have any financial impact on the consolidated financial results of the Group for the quarter ended September 30, 2013.

20. A search under Section 132 of the IT Act was carried out at the premises of the Company and certain entities of the Group by the Income Tax Authorities on October 11, 2012, followed by search closure visits on various dates during the year ended March 31, 2013, to check the compliance with the provisions of the IT Act. The Income Tax Department has subsequently sought certain information / clarifications. The Group has not received any demand from the Income Tax Authorities. The management of the Group believes that it has complied with all the applicable provisions of the IT Act with respect to its operations.

21. The Company has given an interest free loan of Rs. 115.00 crore to Welfare Trust of GMR Infra Employees ('GWT') during the year ended March 31, 2011 for the purpose of an employee benefit scheme. GWT has utilised the proceeds of the loan received from the Company in the following manner and the position as at September 30, 2013 is:

(in Rs. crore)

Equity shares of the Company	101.55
Equity shares of GMR Airports Limited ('GAL') (a subsidiary of the Company)	11.28
Others	2.17
Total	**115.00**

Securities and Exchange Board of India ('SEBI') has issued Circular No. CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed entities from framing any employee benefit scheme involving acquisition of own securities from the secondary market. SEBI has issued Circular No. CIR/CFD/DIL/7-2013 dated May 13, 2013 extending the date of compliance to December 31, 2013. The management of the Group has submitted the details of the GWT to the stock exchanges and is in the process of complying with the requirements of the circular within the prescribed timelines.

22. As at September 30, 2013, GMR Infrastructure (Cyprus) Limited, a subsidiary of the Company, has fixed deposits of Rs. 866.04 crore with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. The management is of the view that inspite of such economic difficulties the amount held as fixed deposit with Eurobank is good for recovery though withdrawal of the amount from the Republic of Cyprus would be subject to restriction as may be imposed by the Central Bank of Cyprus.

23. The Group has an investment of Rs. 1,944.80 crore, including subordinate loan of Rs. 414.60 crore in GMR Chhattisgarh Energy Limited ('GCHEPL') as at September 30, 2013 and has also provided corporate / bank guarantee towards loan taken by GCHEPL from the project lenders. GCHEPL is in advanced stage of construction of 1,370 MW coal based thermal power plant at Raipur district, Chhattisgarh and is awaiting linkage of domestic coal. GEL has obtained provisional Mega Power status certificate from the GoI, Ministry of Power vide letter dated September 8, 2011. Further, the Group expects certain delays in the completion of construction and costs overruns. Despite the aforementioned circumstances, the management of the Group is confident of obtaining the linkage of domestic coal prior to the completion of construction of the plant and is of the view that the carrying value of net assets of GCHEPL as at September 30, 2013 is appropriate.

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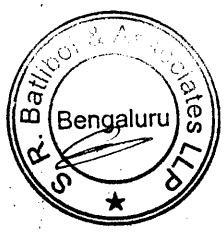
24. The tax authorities for Value Added Tax of Turkey ('VAT authorities') have conducted an examination of records of ISG to check the compliances under the applicable Act / Rules. ISG has not received any demand from the VAT authorities. The management of the Group believes that ISG has complied with all the applicable provisions of the VAT regulations with respect to its operations and does not expect any financial impact on receipt of notice / correspondences from the VAT authorities. The statutory auditors of the Company have drawn an Emphasis of Matter in their Limited Review Report in this regard.

25. As per the transfer pricing rules prescribed under the IT Act the Group is examining domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustments with regard to the transactions involved.

26. Information pertaining to the Company on a standalone basis:

(in Rs. crore)

	Quarter ended			Half Year ended		Year ended
	September 30, 2013	June 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012	March 31, 2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(a) Revenue from operations	163.38	263.40	342.47	426.78	829.65	1,432.79
(b) Profit / (loss) before tax and after exceptional items	(23.53)	20.40	(25.14)	(3.13)	3.89	82.45
(c) Profit / (loss) after tax	(28.99)	15.26	(23.48)	(13.73)	(5.47)	53.45



27. Other operating income comprises of:
    - interest income, dividend income and profit on sale of current investments for companies which undertake investment activities; and
    - other operating income for other companies.

28. The consolidated financial results of the Group for the quarter ended September 30, 2013 have been reviewed by the Audit Committee at their meeting on November 11, 2013 and approved by the Board of Directors at their meeting on November 12, 2013.

29. The statutory auditors of the Company have carried out the Limited Review of the above consolidated financial results of the Company for the quarter ended September 30, 2013.

30. Previous year / period figures have been re-grouped / re-arranged, wherever necessary to conform to the current year's presentation.

For GMR Infrastructure Limited

Bengaluru
November 12, 2013

Kiran Kumar Grandhi
Managing Director

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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Limited Review Report

Review Report to
The Board of Directors of GMR Infrastructure Limited

1. We have reviewed the statement of unaudited consolidated financial results of GMR Infrastructure Limited ('the Company'), its subsidiaries, associate and jointly controlled entities (together, 'the Group' and individually as "components"), for the quarter ended September 30, 2013 (the 'Statement'), included in the accompanying statement of unaudited consolidated financial results, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. (a) The unaudited financial results and other financial information of a subsidiary, with total assets of Rs. 11,822.27 crore as at September 30, 2013, total revenue (including other income) of Rs. 853.58 crore and total loss of Rs. 64.09 crore for the quarter then ended (after adjustments on consolidation) have been reviewed jointly by S.R. Batliboi & Associates LLP along with other auditors.

   (b) The unaudited financial results and other financial information of a subsidiary, with total assets of Rs. 2,632.43 crore as at September 30, 2013, total revenue (including other income) of Rs. 174.46 crore and total profit of Rs. 3.55 crore for the quarter then ended (after adjustments on consolidation) have been reviewed jointly by S R B C & CO. LLP along with other auditors.

   (c) We did not review the unaudited financial results and other financial information of (i) 89 subsidiaries, with total assets of Rs. 41,073.11 crore as at September 30, 2013, total revenue (including other income) of Rs. 841.91 crore and total loss of Rs. 200.59 crore for the quarter then ended (after adjustments on consolidation); (ii) 22 jointly controlled entities (including 11 jointly controlled entities consolidated for the period April 1, 2013 to June 30, 2013) with Group's share of total assets of Rs. 2,394.03 crore as at September 30, 2013, total revenue (including other income) of Rs. 406.35 crore and total profit of Rs. 9.42 crore for the quarter then ended (after adjustments on consolidation). The unaudited financial results and financial information for these subsidiaries and jointly controlled entities have been reviewed by the other auditors whose reports have been furnished to us, and our review report on the unaudited consolidated financial results is based solely on the reports of the other auditors.

(d) We did not review the unaudited financial results and other financial information of (i) 20 subsidiaries (including 6 subsidiaries consolidated for the period April 1, 2013 to June 30, 2013), with total assets of Rs. 324.71 crore as at September 30, 2013, total revenue (including other income) of Rs. 3.02 crore, and total profit of Rs. 4.96 crore for the quarter then ended (after adjustments on consolidation); and (ii) 7 jointly controlled entities (including 2 jointly controlled entities consolidated for the period April 1, 2013 to June 30, 2013) with Group's share of total assets of Rs. 155.40 crore as at September 30, 2013, total revenue (including other income) of Rs. 24.98 crore and total profit of Rs. 9.47 crore for the quarter then ended (after adjustments on consolidation) and (iii) 1 associate with Group's share of total profit of Rs. Nil for the quarter then ended (after adjustments on consolidation). The unaudited financial results and other financial information for these subsidiaries, jointly controlled entities and the associate have been incorporated in the unaudited consolidated financial results of the Group based on unaudited financial results and other financial information as certified by the management of the Group as reviewed financial results of such component entities as at and for the period ended September 30, 2013 are not available and our review report in so far as it relates to the affairs of such subsidiaries, jointly controlled entities and the associate is based solely on the basis of management certified financial results and other financial information. Our conclusion is not qualified in respect of this matter.

4. *As detailed in Note 10(b) to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013, GMR Rajahmundry Energy Limited ('GREL'), a subsidiary of the Company has capitalised Rs. 95.85 crore and Rs. 466.06 crore for the quarter ended and cumulatively upto September 30, 2013 respectively towards indirect expenditure and borrowing costs incurred on a plant under construction where active construction work has been put on hold pending securing supply of requisite natural gas and has approached the Ministry of Corporate Affairs for clarification on the applicability of / relaxation from the provisions of Accounting Standard ('AS') -10 and AS -16 to the aforesaid capitalisation. However, in our opinion, the aforesaid capitalisation of expenses is not in accordance with the relevant Accounting Standards. Had the aforesaid expenditure not been capitalized, loss after tax and minority interest of the Group for the quarter ended and cumulatively upto September 30, 2013 would have been higher by Rs. 95.85 crore and Rs. 466.06 crore respectively. In respect of above matter, our audit report for the year ended March 31, 2013 and limited review report for the quarter ended June 30, 2013 was similarly modified.*

5. *As detailed in Note 6 to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013, GMR Kishangarh Udaipur Ahmedabad Expressways Limited ('GKUAEL'), a subsidiary of the Company has issued a notice of intention to terminate the Concession Agreement with National Highways Authority of India ('NHAI') which has been disputed by NHAI. The management of the Group has submitted the proposal for the continuance of the project subject to certain conditions which is pending acceptance by NHAI. As at September 30, 2013 GKUAEL has incurred and capitalised indirect expenditure and borrowing costs of Rs. 120.81 crore (including Rs. 3.78 crore during the quarter ended September 30, 2013) and has given capital advances of Rs. 590.00 crore. In our opinion, the aforesaid capitalisation of Rs 120.81 crore is not in accordance with the relevant Accounting Standards and such expenses should have been charged off in the accompanying unaudited consolidated financial results. Had the aforesaid expenditure not been capitalised, loss after tax and minority interest of the Group for the quarter ended September 30, 2013 and cumulatively upto September 30, 2013 would have been higher by 3.78 crore and Rs. 120.81 crore respectively. Further, having regard to the uncertainty in view of the dispute, we are unable to comment on the final outcome of the matter and its consequential impact that may arise in this regard on the unaudited consolidated financial results for the quarter ended September 30, 2013. In respect of above matter, our audit report for the year ended March 31, 2013 and limited review report for the quarter ended June 30, 2013 was similarly modified.*

6. *As detailed in Note 5(a) and 5(b) to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013, the Concession Agreement entered into between GMR Male International Airport Private Limited ('GMIAL'), a subsidiary of the Company, Maldives Airport Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT') for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport ('MIA') for a period of 25 years has been declared void ab initio by MACL and MoFT and MACL has taken possession of MIA with effect from December 8, 2012. GMIAL has initiated the arbitration process to seek remedies under the*

aforementioned agreement and pending resolution of the dispute, continues to recognise the assets at their carrying values of Rs. 1,458.82 crore (USD 23.08 crore) as at September 30, 2013 including claims recoverable of Rs. 1,083.84 crore (USD 17.14 crore) as the management is of the opinion that GMIAL will be able to recover at least the carrying value of the assets.

Further, GMIAL has executed works construction contracts with GADL International Limited ('GADL International'), a subsidiary of the Company and other service providers for Rehabilitation, Expansion and Modernization of MIA. Pursuant to the aforesaid takeover of the airport by MACL, GMIAL has terminated the contracts with GADL International and these service providers and has received claims from GADL International and these service providers towards termination payments. However, no such claims relating to the termination of contracts have been recognised in the unaudited consolidated financial results as at September 30, 2013.

The takeover of MIA by MACL, initiation of arbitration proceedings and its consequential impact on the operations indicate the existence of a material uncertainty that may cast a significant doubt about the going concern of GMIAL and GADL International. However, the unaudited financial results and other financial information of GMIAL and GADL International as at and for the quarter ended September 30, 2013 continue to be prepared and consolidated on a going concern basis.

Having regard to the uncertainty in view of the dispute and the final outcome of the matter, we are unable to comment on its impact on the carrying value of the assets of GMIAL and GADL International and any other consequential impact that may arise in this regard on the unaudited consolidated financial results for the quarter ended September 30, 2013. In respect of above matter, our audit report for the year ended March 31, 2013 and limited review report for the quarter ended June 30, 2013 was similarly modified.

7. We draw attention to Note 4 to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013 in connection with the carrying value of net assets of Rs 236.21 crore (after providing for losses till date of Rs. 113.55 crore) as regards investment in GMR Ambala Chandigarh Expressways Private Limited ('GACEPL'), a subsidiary of the Company. Though GACEPL has been incurring losses since the commencement of commercial operations, based on management's internal assessment and legal opinion obtained by the management of GACEPL, the management of the Group is of the view that the carrying value of the net assets (after providing for losses till date) as regards investment in GACEPL is appropriate. Accordingly, no adjustments have been made in the accompanying unaudited consolidated financial results. Our conclusion is not qualified in respect of this matter.

8. We draw attention to Note 15(a) to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013 in connection with the approval pending from the Board of Approval of the Ministry of Commerce & Industry for the extension of the validity period for development of a port based multi-product SEZ by Kakinada SEZ Private Limited ('KSPL'), a subsidiary of the Company. The management of the Group is confident of obtaining the necessary approvals in the foreseeable future and continues with the active development of the SEZ. Our conclusion is not qualified in respect of this matter.

9. We draw attention to Note 15(b) to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013 in connection with the enactment of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. Pending notification of the rules under the said Act, the management of KSPL has not assessed the impact of the provisions of the said Act on the project under completion and accordingly, no provision for the same has been made in the accompanying consolidated financial results for the quarter ended September 30, 2013. Our conclusion is not qualified in respect of this matter.

10. We draw attention to Note 18 to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013 regarding outstanding dues in GMR Hyderabad International Airport Limited and Delhi International Airport Private Limited from Kingfisher Airlines Limited ('KAL') aggregating to Rs. 14.48 crore. The Group's management has represented that they have taken steps to recover the amounts and are of the opinion that the receivables are fully recoverable. Accordingly, no adjustments have been made in the accompanying unaudited consolidated financial results. Our conclusion is not qualified in respect of this matter.

S.R. Batliboi & Associates LLP
Bengaluru

11. We draw attention to Note 9 to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013 which indicate that the entire matter relating to claims / counter claim arising out of the Power Purchase Agreement and Land Lease Agreement, filed by GMR Power Corporation Limited ('GPCL'), a subsidiary of the Company and Tamil Nadu Electricity Board, is sub-judice before the Hon'ble Supreme Court of India and has not attained finality. However, pending the resolution of matter, no adjustments have been made in the accompanying unaudited consolidated financial results. Considering that substantial amount, though under protest, has been received, GPCL, based on an expert opinion, has offered the amount of claims received upto March 31, 2012 as income in its income tax returns and has claimed the deduction under Section 80IA of the Income Tax Act 1961. Our conclusion is not qualified in respect of this matter.

12. We draw attention to Note 10(a) to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013 regarding (i) cessation of operations and losses incurred by GMR Energy Limited ('GEL') and GMR Vemagiri Power Generation Limited ('GVPGL'), subsidiaries of the Company, and the consequent erosion of net worth resulting from the unavailability of adequate supply of natural gas and (ii) rescheduling of the commercial operations date and the repayment of certain project loans by GREL pending linkage of natural gas supply. Continued uncertainty exists as to the availability of adequate supply of natural gas which is necessary to conduct operations at varying levels of capacity in the future and the appropriateness of the going concern assumption is dependent on the ability of these entities' to establish consistent profitable operations as well as raising adequate finance to meet their short term and long term obligations. Despite the aforementioned reasons, based on business plans, valuation assessment and the mitigating factors as discussed in the said note, the management of the Group believes that the going concern assumption and the carrying value of the net assets of GEL, GVPGL and GREL as at September 30, 2013 is appropriate and the accompanying consolidated financial results do not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not qualified in respect of this matter.

13. We draw attention to Note 24 to the accompanying statement of unaudited consolidated financial results for the quarter ended September 30, 2013 as regards the examination of records of Istanbul Sabiha Gokcen Uluslararasi Havalimani Yatirim Yapim Ve Isletme Anonim Sirketi by the tax authorities for Value Added Tax of Turkey. The outcome of such examination is uncertain and accordingly, no provision is considered necessary in the accompanying unaudited consolidated financial results. Our conclusion is not qualified in respect of this matter.

14. Based on our review conducted as above, *except for the effects of our observations in paragraphs 4 and 5 and the possible effects of our observations referred to in paragraphs 5 and 6* and on consideration of reports of other auditors and certification by the management of the unaudited separate quarterly financial results and the other financial information of the components nothing has come to our attention that causes us to believe that the Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard - 25 on Interim Financial Reporting notified pursuant to the Companies Act, 1956 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
ICAI firm registration number: 101049W
Chartered Accountants

per Sunil Bhumralkar
Partner
Membership number: 35141

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru
Date: November 12, 2013

GMR Infrastructure Limited

Registered Office: 25/1, Skip House, Museum Road, Bengaluru - 560 025

PART I

Statement of Standalone unaudited financial results for the quarter and six months ended September 30, 2013

(In Rs. crore)

S.No	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2013	June 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012	March 31, 2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Income from operations**						
	(a) Sales/ income from operations	79.81	170.99	278.38	250.80	704.04	1,142.17
	(b) Other operating income (refer Note 14)	83.57	92.41	64.09	175.98	125.61	290.62
	Total income from operations	**163.38**	**263.40**	**342.47**	**426.78**	**829.65**	**1,432.79**
2	**Expenses**						
	(a) Cost of materials consumed	24.22	50.62	71.77	74.84	186.13	289.25
	(b) Subcontracting expenses	32.37	94.62	158.92	126.99	402.27	622.72
	(c) Employee benefits expenses	15.95	16.07	14.76	32.02	34.08	72.47
	(d) Depreciation and amortisation expenses	2.10	2.08	2.19	4.18	4.13	8.51
	(e) Foreign exchange fluctuation loss (net)	-	-	4.77	-	-	-
	(f) Other expenses	18.09	14.93	21.24	33.02	45.47	87.57
	Total expenses	**92.73**	**178.32**	**273.65**	**271.05**	**672.08**	**1,080.32**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)**	**70.65**	**85.08**	**68.82**	**155.73**	**157.57**	**352.47**
4	Other income						
	a) Foreign exchange fluctuation gain (net)	0.42	0.65	-	1.07	23.79	26.27
	b) Miscellaneous income	0.39	1.41	0.13	1.80	0.43	2.31
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)**	**71.46**	**87.14**	**68.95**	**158.60**	**181.79**	**381.05**
6	Finance costs	94.99	80.02	94.09	175.01	177.90	374.43
7	**(Loss) / Profit from ordinary activities after finance costs and before exceptional items (5 - 6)**	**(23.53)**	**7.12**	**(25.14)**	**(16.41)**	**3.89**	**6.62**
8	Exceptional items (refer Note 10 and 11)	-	13.28	-	13.28	-	75.83
9	**(Loss) / Profit from ordinary activities before tax (7 ± 8)**	**(23.53)**	**20.40**	**(25.14)**	**(3.13)**	**3.89**	**82.45**
10	Tax expenses	5.46	5.14	(1.66)	10.60	9.36	29.00
11	**Net (Loss) / Profit from ordinary activities after tax (9 - 10)**	**(28.99)**	**15.26**	**(23.48)**	**(13.73)**	**(5.47)**	**53.45**
12	Paid-up equity share capital (Face value - Re. 1 per share)	389.24	389.24	389.24	389.24	389.24	389.24
13	Paid-up debt capital (refer Note 16)				1,582.50	1,667.50	1,587.50
14	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						6,796.49
15	Debenture Redemption Reserve (included in reserves in S.No 14 above)				193.00	97.67	118.47
16	Weighted average number of shares used in computing earning per share	3,892,432,532	3,892,432,532	3,892,432,532	3,892,432,532	3,892,432,532	3,892,432,532
17	Earnings per share (of Re. 1 each) (not annualised) Basic and Diluted	(0.07)	0.04	(0.06)	(0.03)	(0.01)	0.14
18	Debt Equity Ratio (refer Note 15)				0.65	0.55	0.59
19	Debt Service Coverage Ratio ('DSCR') (refer Note 15)				0.27	0.45	0.17
20	Interest Service Coverage Ratio ('ISCR') (refer Note 15)				0.91	1.02	1.02

GMR INFRASTRUCTURE LIMITED

S.R. Batliboi & Associates LLP Bengaluru

PART II

Select Information for the quarter and six months ended September 30, 2013

S.No	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2013	June 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012	March 31, 2013
A	**PARTICULARS OF SHAREHOLDING**						
1	Public shareholding						
	- Number of shares	1,101,590,935	1,103,702,750	1,104,864,250	1,101,590,935	1,104,864,250	1,103,702,750
	- Percentage of shareholding	28.30%	28.36%	28.39%	28.30%	28.39%	28.36%
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of shares	1,427,208,239	1,115,108,239	790,664,991	1,427,208,239	790,664,991	1,026,631,555
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	51.14%	39.99%	28.36%	51.14%	28.36%	36.81%
	- Percentage of shares (as a % of the total share capital of the Company)	36.67%	28.65%	20.31%	36.67%	20.31%	26.38%
	b) Non - encumbered						
	- Number of shares	1,363,635,608	1,673,623,793	1,996,905,541	1,363,635,608	1,996,905,541	1,762,100,477
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	48.86%	60.01%	71.64%	48.86%	71.64%	63.19%
	- Percentage of shares (as a % of the total share capital of the Company)	35.03%	42.99%	51.30%	35.03%	51.30%	45.26%

	Particulars	Quarter ended September 30, 2013
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	-
	Received during the quarter	107
	Disposed of during the quarter	107
	Remaining unresolved at the end of the quarter	-

GMR Infrastructure Limited

Report on Standalone Segment Revenue, Results and Capital Employed

(In Rs. crore)

S.No	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2013	June 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012	March 31, 2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Segment Revenue**						
	a) EPC	79.81	170.99	278.38	250.80	704.04	1,142.17
	b) Others	83.57	92.41	64.09	175.98	125.61	290.62
	Total	**163.38**	**263.40**	**342.47**	**426.78**	**829.65**	**1,432.79**
	Less: Inter Segment	-	-	-	-	-	-
	Net Segment Revenue	**163.38**	**263.40**	**342.47**	**426.78**	**829.65**	**1,432.79**
2	**Segment Results**						
	a) EPC	(3.88)	(0.76)	10.40	(4.64)	43.37	85.31
	b) Others	75.34	87.90	58.55	163.24	138.42	295.74
	Total	**71.46**	**87.14**	**68.95**	**158.60**	**181.79**	**381.05**
	Less: Finance costs	94.99	80.02	94.09	175.01	177.90	374.43
	Add: Exceptional items (refer Note 10 and 11)	-	13.28	-	13.28	-	75.83
	(Loss)/ Profit before tax	**(23.53)**	**20.40**	**(25.14)**	**(3.13)**	**3.89**	**82.45**
3	**Capital employed**						
	(Segment Assets - Segment Liabilities)						
	a) EPC	311.07	285.47	297.02	311.07	297.02	233.28
	b) Others	11,380.86	11,166.64	10,852.82	11,380.86	10,852.82	11,234.08
	c) Unallocated	(4,541.90)	(4,261.88)	(3,953.56)	(4,541.90)	(3,953.56)	(4,281.63)
	Total	7,150.03	7,190.23	7,196.28	7,150.03	7,196.28	7,185.73

GMR INFRASTRUCTURE LIMITED

S.R. Batliboi & Associates LLP Bengaluru

Notes to the standalone results for the quarter and six months ended September 30, 2013

1. Statement of assets and liabilities

(In Rs. crore)

	Particulars	As at	
		September 30, 2013	March 31, 2013
		Unaudited	Audited
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
	(a) Share capital	389.24	389.24
	(b) Reserves and surplus	6,760.79	6,796.49
	Sub-total	**7,150.03**	**7,185.73**
2	**Non-current liabilities**		
	(a) Long-term borrowings	3,620.22	3,015.83
	(b) Long-term provisions	0.46	0.89
	Sub-total	**3,620.68**	**3,016.72**
3	**Current liabilities**		
	(a) Short-term borrowings	465.24	751.20
	(b) Trade payables	103.72	162.55
	(c) Other current liabilities	911.47	966.22
	(d) Short-term provisions	43.07	67.72
	Sub-total	**1,523.50**	**1,947.69**
	Total	**12,294.21**	**12,150.14**
B	**ASSETS**		
1	**Non-current assets**		
	(a) Fixed assets	105.76	108.90
	(b) Non-current investments	6,438.13	6,845.88
	(c) Deferred tax assets (net)	10.63	18.32
	(d) Long-term loans and advances	3,069.67	2,982.03
	(e) Trade receivables	128.38	111.38
	(f) Other non-current assets	570.01	422.81
	Sub-total	**10,322.58**	**10,489.32**
2	**Current assets**		
	(a) Current investments	261.13	67.70
	(b) Inventories	91.96	87.22
	(c) Trade receivables	221.93	206.79
	(d) Cash, cash equivalents and other bank balances	44.46	205.36
	(e) Short-term loans and advances	1,078.44	746.74
	(f) Other current assets	273.71	347.01
	Sub-total	**1,971.63**	**1,660.82**
	Total	**12,294.21**	**12,150.14**

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Notes to the standalone financial results for the quarter and six months ended September 30, 2013

2. Investors can view the standalone results of GMR Infrastructure Limited ("the Company" or "GMR") on the Company's website www.gmrgroup.in or on the websites of BSE (www.bseindia.com) or NSE (www.nse-india.com).

3. **Segment Reporting**

   a. The Company carries on its business in two business verticals viz., Engineering Procurement Construction ('EPC') and Others.

   b. The segment reporting of the Company has been prepared in accordance with Accounting Standard 17 on Segment Reporting. The business segments of the Company comprise of the following:

Segment	Description of Activity
EPC	Handling of engineering, procurement and construction solutions in Infrastructure Sector
Others	Investment activity and corporate support to various infrastructure SPVs

4. The Company through its subsidiary GMR Infrastructure (Mauritius) Limited ('GIML') has made an investment of Rs. 146.08 crore (USD 2.31 crore) towards 77% holding in GMR Male International Airport Private Limited ('GMIAL') and GIML has pledged deposits of Rs. 910.66 crore (USD 14.40 crore) towards loans taken by GMIAL from its lenders. Further the Company has given a corporate guarantee of Rs. 2,656.08 crore (USD 42 crore) to the lenders in connection with the borrowings made by GMIAL.

   GMIAL entered into an agreement on June 28, 2010 with Maldives Airports Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT'), Republic of Maldives for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport for a period of 25 years ("the Concession Agreement"). On November 27, 2012, MACL and MoFT issued notices to GMIAL stating that the concession agreement was void ab initio and that neither MoFT nor MACL had authority under the laws of Maldives to enter into the agreement. It was also stated that MACL would take over the possession and control of Male International Airport within 7 days of the said letter. Though GMIAL denied that the contract was void ab initio, MACL took over the possession and control of the Male International Airport and GMIAL vacated the airport effective December 8, 2012. This has resulted in the GMIAL principal activity becoming impossible from the date of takeover. The matter is currently under arbitration and the procedural meeting was held on April 10, 2013. The Government of Maldives ('GoM') and MACL served their statement of case on May 17, 2013 to which GMIAL and the GMR-Malaysia Airports Holdings Berhad ('GMR-MAHB') consortium served their defence and counterclaim on June 21, 2013. GoM and MACL have served a reply and defence to counterclaim on July 12, 2013. GMIAL is in the process of seeking remedies under the aforesaid concession agreement and the outcome of the arbitration is uncertain as at September 30, 2013. GMIAL's ability to continue its future business operations and consequential impact on investments made / guarantees given by the Company and GIML is solely dependent on the outcome of arbitration and / or a negotiated settlement.

   Based on an internal assessment and a legal opinion obtained by GMIAL, the management of the Company is confident of proving that the concession agreement was not void ab initio and that GMIAL would be entitled for compensation under the concession agreement atleast to the extent of the carrying value of the assets of Rs. 1,458.82 crore (USD 23.08 crore) including claim recoverable of Rs. 1,083.84 crore (USD 17.14 crore) as at September 30, 2013 and accordingly these standalone financial results of the Company do not include any adjustments that might result from the outcome of this uncertainty. The statutory auditors of the Company have modified their limited review report in this regard.

GMR INFRASTRUCTURE LIMITED

S.R. Batliboi & Associates LLP Bengaluru

Notes to the standalone financial results for the quarter and six months ended September 30, 2013

5. The Company has an investment of Rs. 349.76 crore (including loans of Rs. 110.17 crore, share application money pending allotment of Rs. 23.00 crore and investment in equity / preference shares of Rs. 216.59 crore made by the Company and its subsidiaries) in GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') as at September 30, 2013. GACEPL has been incurring losses since the commencement of commercial operations. The management believes that these losses are primarily attributable to loss of revenue arising as a result of diversion of partial traffic on parallel roads. Based on management's internal assessment and a legal opinion, the management of GACEPL is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly, the investment in GACEPL has been carried at cost and no provision for diminution in the value of investments has been made as at September 30, 2013. The statutory auditors of the Company have drawn an Emphasis of Matter in their limited review report in this regard.

6. The Company's subsidiaries GMR Energy Limited ('GEL') and GMR Vemagiri Power Generation Limited ('GVPGL') are engaged in the business of generation and sale of electrical energy from its two gas based power plants of 220 MW and 387 MW situated at Kakinada and Vemagiri respectively. Further, GMR Rajahmundry Energy Limited ('GREL'), a subsidiary is constructing a gas based power plant. In view of lower supplies / availability of natural gas to the power generating companies in India, these aforesaid entities' are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL and GVPGL have not generated and sold electrical energy during the six months and five months period ended September 30, 2013 respectively and have been incurring losses on account of the aforesaid shortage of natural gas supply, thereby resulting in erosion of networth of these gas based power generating companies. Further, GREL has not yet commenced commercial operations pending linkages of natural gas supply. These aforesaid entities' are actively pursuing /making representations with various government authorities to secure the natural gas linkage / supply as the natural gas supplies from KG D6 basin have dropped significantly from September 2011 onwards. GREL, for its 768 MW gas based power plant, which is under construction at Rajahmundry, has applied for allocation of gas and Ministry of Petroleum and Natural Gas ('MoPNG') is yet to allocate the gas linkage. The consortium of lenders have approved the reschedulement of Commercial Operation Date ('COD') of the plant under construction to April 1, 2014 and repayment of project loans. The Company, these subsidiaries and the Association of Power Producers are closely monitoring the macro situation and are evaluating various approaches / alternatives to deal with the situation and the management is confident that the Government of India would take necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. Despite the aforementioned reasons, based on business plan and valuation assessment, the management is confident that GEL and GVPGL will be able to generate sufficient profits in future years, GREL will achieve the COD as stated aforesaid and these gas based power generating companies would meet their financial obligations as they arise and hence the going concern assumption of the aforesaid entities' and carrying value of the investments (including advances) made by the Company directly or indirectly through its subsidiaries ('investments'), in GEL, GVPGL and GREL as at September 30, 2013 is appropriate and these standalone financial results of the Company do not include any adjustments that might result from the outcome of this uncertainty. In the meantime, the Company has also committed to provide necessary financial support to GEL, GVPGL and GREL as may be required by these Companies for continuance of their normal business operations. The statutory auditors of the Company have drawn an Emphasis of Matter in their limited review report in this regard.

7. The Company has given an interest free loan of Rs. 115.00 crore to Welfare Trust of GMR Infra Employees ('GWT') during the year ended March 31, 2011 for the purpose of employee benefit scheme. GWT has utilised the proceeds of the loan received from the Company in the following manner and the position as at September 30, 2013 is:

(In Rs. crore)

Equity shares of the Company	101.55
Equity shares of GMR Airports Limited ('GAL')	11.28
Others	2.17
Total	**115.00**

Securities and Exchange Board of India ('SEBI') had issued Circular No. CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed entities from framing any employee benefit scheme involving acquisition of own securities from the secondary market. SEBI had issued Circular No. CIR/CFD/DIL/7-2013 dated May 13, 2013 extending the date of compliance to December 31, 2013. The management of the Company had submitted the details of the GWT to the stock exchanges and is in the process of complying with the requirements of the circular within the prescribed timelines.

Notes to the standalone financial results for the quarter and six months ended September 30, 2013

8. The Company along with its subsidiary has made an investment of Rs. 516.65 crore in its jointly controlled entity Istanbul Sabiha Gokcen Uluslararasi Havalimani Yatirim Yapim Ve Isletme Anonim Sirketi ('ISG') as at September 30, 2013. The Company and its subsidiary's share of ISG's accumulated losses / negative reserves amounts to Rs. 424.10 crore (excluding debit balance of foreign currency translation reserve of Rs. 121.11 crore). This has resulted in erosion of entire net worth of ISG as at September 30, 2013. Based on ISG's business plan, the management of the Company is confident that ISG will be able to generate sufficient profits in future years and would meet its financial obligations as they arise. Accordingly, the investment in ISG continues to be carried at cost as at September 30, 2013 and no provision for diminution in the value of investments has been made as at September 30, 2013

9. A search under Section 132 of the Income Tax Act, 1961 was carried out at the premises of the Company by the Income Tax Authorities on October 11, 2012, followed by search closure visits on various dates thereafter, to check the compliance with the provisions of the Income Tax Act, 1961. The Income Tax Department has subsequently sought certain information / clarifications. The Company has not received any show cause notice / demand from the Income Tax Authorities. The management of the Company believes that it has complied with all the applicable provisions of the Income Tax Act, 1961 with respect to its operations.

10. During the year ended March 31, 2013, the Company and GMR Highways Limited ('GMRHL'), a subsidiary of the Company had entered into a definitive sale agreement for divestment of 74% shareholding in GMR Jadcherla Expressways Private Limited ('GJEPL'), a subsidiary of the Company to Macquarie SBI Infrastructure Investments Pte. Limited and SBI Macquarie Infrastructure Trustee Limited.

    During the quarter ended June 30, 2013, the above transaction had been completed and the profit of Rs. 13.28 crore on redemption of preference shares held by the Company has been disclosed as an exceptional item in these standalone financial results.

11. During the year ended March 31, 2013, the Company and GMR Infrastructure (Singapore) Pte Limited ('GISPL'), a subsidiary of the Company have sold their shareholding in GMR Energy (Singapore) Pte Limited ('GESPL'). The profit on such sale amounting to Rs. 75.83 crore has been disclosed as an exceptional item in these standalone financial results. The Company has provided a guarantee of SGD 38.00 crore towards warranties as specified in the share purchase agreement ('SPA') and other SPA transaction document for a period till September 30, 2014 and in respect of tax claims, if any, the guarantee period is up to March 31, 2018.

12. During the quarter, with a view to restructure its shareholdings in roads business, the Company has transferred 2,002,000 8% non-cumulative, redeemable preference shares of Rs. 100 each held in GMR Ulundurpet Expressways Private Limited ('GUEPL') to a wholly owned subsidiary of the Company, GMRHL at cost.

13. With a view to restructure its shareholdings in airport business, the Company has transferred 244,999,900 equity shares of Rs. 10 each held in Delhi International Airport Private Limited ('DIAL') to GAL at cost on October 18, 2013. GAL is a 97.15% subsidiary of the Company.

14. Other operating income includes interest income, dividend income and profit on sale of current investments considering that the Company undertakes investment activities.

15. DSCR represents profit from ordinary activities before finance costs, exceptional items and tax expenses / finance cost + principal repayment of loan funds during the period. ISCR represents profit from ordinary activities before finance costs, exceptional items and tax expenses / finance cost. Finance costs do not include debenture redemption premium which has been adjusted against the securities premium account as permitted by Section 78 of the Companies Act, 1956. Debt Equity Ratio represents loan funds (long term borrowings, short term borrowings and current maturities of long term borrowings included in current liabilities) / shareholder's funds (equity share capital and reserves and surplus).

16. Paid-up debt capital represents outstanding non-convertible debentures issued by the Company (excluding provision for redemption premium) including non-convertible debentures to GAL, a subsidiary of the Company.

GMR INFRASTRUCTURE LIMITED

S.R. Batliboi & Associates LLP Bengaluru

Notes to the standalone financial results for the quarter and six months ended September 30, 2013

17. As per the transfer pricing rules prescribed under the Income Tax Act, 1961 the Company is examining domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustments with regard to the transactions involved.

18. The standalone financial results of the Company for the quarter ended September 30, 2013 have been reviewed by the Audit Committee at their meeting on November 11, 2013 and approved by the Board of Directors at their meeting on November 12, 2013.

19. The statutory auditors of the Company have carried out the limited review of the above standalone financial results of the Company for the quarter ended September 30, 2013.

20. Previous year / period figures have been re-grouped / re-arranged, wherever necessary to conform to the classification adopted in the current period.

For GMR Infrastructure Limited

Bengaluru
November 12, 2013

Kiran Kumar Grandhi
Managing Director

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th & 13th Floor
"UB City" Canberra Block
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Limited Review Report

Review Report to
The Board of Directors of GMR Infrastructure Limited

1. We have reviewed the statement of unaudited standalone financial results of GMR Infrastructure Limited ('the Company') for the quarter ended September 30, 2013 (the "Statement"), included in the accompanying statement of unaudited standalone financial results, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. *As detailed in Note 4 to the unaudited standalone financial results for the quarter ended September 30, 2013, the Company through its subsidiary GMR Infrastructure (Mauritius) Limited ('GIML') has made an investment of Rs. 146.08 Crore (USD 2.31 Crore) towards 77% equity shareholding in GMR Male International Airport Private Limited ('GMIAL') and has given a corporate guarantee of Rs. 2,656.08 Crore (USD 42.00 Crore) to the lenders in connection with the borrowings made by GMIAL. The Concession Agreement entered into between GMIAL, Maldives Airport Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT') for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport ('MIA') for a period of 25 years has been declared void ab initio by MACL and MoFT and MACL has taken possession of MIA with effect from December 8, 2012. GMIAL has initiated the arbitration process to seek remedies under the said agreement and pending resolution of the dispute, such investment has been carried at cost in the unaudited standalone financial results as at September 30, 2013 as the management is of the opinion that GMIAL will be able to recover at least the carrying value of the assets of Rs. 1,458.82 Crore (USD 23.08 Crore) including claim recoverable of Rs. 1,083.84 Crore (USD 17.14 Crore) as at September 30, 2013. Further, GMIAL has executed work construction contracts with GADL International Limited ('GADL International'), a subsidiary of the Company and other service providers for rehabilitation, expansion, and modernization of MIA. Pursuant to the aforesaid takeover of the airport by MACL, GMIAL has terminated the contracts with GADL International and these service providers and have received claims from GADL International and other service providers towards termination payments. However, such claims relating to the termination of contracts have not been recognised since the amounts payable are not certain as at September 30, 2013. The takeover of MIA by MACL, initiation of arbitration proceedings and its consequent impact on the operations indicate the existence of a material uncertainty that may cast a significant doubt about the going concern of GMIAL and GADL International.*

   Having regard to the uncertainty in view of the dispute and the final outcome of the matter, we are unable to comment on its impact on the carrying value of the investment pertaining to the aforesaid entities and any other consequential impact that may arise in this regard on the unaudited standalone financial results for the quarter ended September 30, 2013. In respect of above matter, our audit report for the year ended March 31, 2013 and limited review report for the quarter ended June 30, 2013 was similarly modified.

S.R. Batliboi & Associates LLP Bengaluru

4. We draw attention to Note 5 to the accompanying statement of unaudited standalone financial results for the quarter ended September 30, 2013 in connection with an investment of Rs. 349.76 Crore (including loans of Rs. 110.17 Crore, share application money pending allotment of Rs. 23.00 Crore and investment in equity / preference shares of Rs. 216.59 Crore made by the Company and its subsidiaries) in GMR Ambala Chandigarh Expressways Private Limited (GACEPL), a subsidiary of the Company. Though GACEPL has been incurring losses since the commencement of commercial operations, based on management's internal assessment and legal opinion obtained by the management of GACEPL, such investment has been carried at cost. Accordingly, no provision for diminution in the value of investments has been made in the unaudited standalone financial results. Our conclusion is not qualified in respect of this matter.

5. We draw attention to Note 6 to the unaudited standalone financial results for the quarter ended September 30, 2013 regarding (i) cessation of operations and the losses incurred by GMR Energy Limited ('GEL') , GMR Vemagiri Power Generation Limited ('GVPGL'), subsidiaries of the Company, and the consequent erosion of net worth resulting from the unavailability of adequate supply of natural gas and (ii) rescheduling of the commercial operation date and the repayment of certain project loans by another subsidiary of the Company, GMR Rajahmundry Energy Limited ('GREL'), pending linkage of natural gas supply. Continued uncertainty exists as to the availability of adequate supply of natural gas which is necessary to conduct operations at varying levels of capacity in the future and the appropriateness of the going concern assumption is dependent on the ability of aforesaid entities' to establish consistent profitable operations as well as raising adequate finance to meet its short term and long term obligations. Despite the aforementioned reasons, based on business plans, valuation assessment and the mitigating factors as discussed in the said note, the management believes that the going concern assumption of the aforesaid entities' and the carrying value of the investments (including advances) made by the Company directly or indirectly through its subsidiaries in GEL, GVPGL and GREL as at September 30, 2013 is appropriate and these unaudited standalone financial results of the Company do not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not qualified in respect of this matter.

6. Based on our review conducted as above, *except for the possible effects of our observations in paragraph 3,* nothing has come to our attention that causes us to believe that the Statement prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified under the provisions of the Companies Act, 1956 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
ICAI firm registration number: 101049W
Chartered Accountants

per Sunil Bhumralkar
Partner
Membership number: 35141

Place: Bengaluru
Date: November 12, 2013