



20th May, 2016

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

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

Dear Sir,

Sub: Audited Financial Results for the year ended 31st March, 2016
Ref: 1) BSE Scrip Code:532708, NSE Scrip Code: GVKPIL.
2) Regulation 33 & 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

The Board of Directors of our Company at its meeting held on today i.e. 20-05-2016 had approved the Audited Standalone & Consolidated Financial Statements of the Company for the year ended 31st March, 2016 as reviewed and recommended by the Audit Committee at its meeting held on today.

Further, in accordance with the above SEBI (LODR) Regulations, 2015 we enclose herewith the following for your information and record:

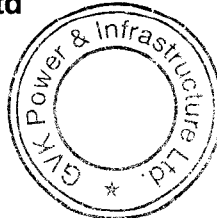
- Audited Financial Statements of the company (Standalone and Consolidated) for the year ended 31st March, 2016 along with Auditor's report thereon
- Opinion on the said financial statements duly signed by the concerned officers in the prescribed Form A & B
- Statement of Assets & Liabilities as at 31st March, 2016 in the format specified under SEBI (LODR) Regulations, 2015

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

Please acknowledge receipt of the above.

Thanks & regards,
For GVK Power & Infrastructure Ltd


P V Rama Seshu
AVP & Company Secretary



GVK Power & Infrastructure Limited
CIN: L74999AP2005PLC059013
Registered office: Paigah House, 156-159, Sardar Patel Road, Secunderabad-500 003 (Telangana)
Phone No: 040-2790 2663/64, Fax: 040-2790 2665
Website: www.gvk.com; Email: sanjeevkumar.singh@gvk.com
Statement of audited Standalone Financial Results for the year ended March 31, 2016

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended			Year ended	
		31.03.2016 (Audited) (Refer note 4)	31.12.2015 (Unaudited)	31.03.2015 (Audited) (Refer note 4)	31.03.2016 (Audited)	31.03.2015 (Audited)
Part I						
1	Net sales / income from operations	682	683	669	2,718	2,628
2	Expenses					
	(a) Employee benefits expense	51	69	78	269	299
	(b) Depreciation and amortisation expense	4	4	16	16	30
	(c) Operating and maintenance expenses	26	24	26	100	93
	(d) Expenses for manpower services	18	30	33	137	145
	(e) Travel and conveyance	12	10	19	42	70
	(f) Legal and professional charges	9	5	21	26	45
	(g) Printing and stationery	1	-	-	40	35
	(h) Rates and taxes	30	14	30	91	81
	(i) Communication costs	1	1	4	31	63
	(j) Write off of assets*	10,161	-	7,590	10,161	7,590
	(k) Other expenses	65	69	30	261	101
	Total	10,378	226	7,847	11,174	8,552
3	Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)	(9,696)	457	(7,178)	(8,456)	(5,924)
4	Other income	467	492	127	1,974	1,804
5	Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)	(9,229)	949	(7,051)	(6,482)	(4,120)
6	Finance costs	1,364	1,249	2,213	5,138	7,674
7	Loss from ordinary activities after finance costs but before exceptional items (5-6)	(10,593)	(300)	(9,264)	(11,620)	(11,794)
8	Exceptional items	-	-	-	-	-
9	Loss from ordinary activities before tax (7+ 8)	(10,593)	(300)	(9,264)	(11,620)	(11,794)
10	Tax expense	342	357	191	1,341	1,189
11	Loss from ordinary activities after tax (9-10)	(10,935)	(657)	(9,455)	(12,961)	(12,983)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	Net Loss for the period (11-12)	(10,935)	(657)	(9,455)	(12,961)	(12,983)
14	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792
15	Reserve excluding Revaluation Reserve as per balance sheet				2,06,109	2,19,070
16 (i)	Earnings per share (before extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(0.69)	(0.04)	(0.60)	(0.82)	(0.82)
	b) Diluted (in Rs.)	(0.69)	(0.04)	(0.60)	(0.82)	(0.82)
16 (ii)	Earnings per share (after extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(0.69)	(0.04)	(0.60)	(0.82)	(0.82)
	b) Diluted (in Rs.)	(0.69)	(0.04)	(0.60)	(0.82)	(0.82)

* Advances written off represents advance given/investments made in GVK Oil & Gas Limited, a subsidiary.

Standalone Statement of Assets and Liabilities

(Rs. in Lakhs)

S. No	Particulars	As at 31.03.2016 (Audited)	As at 31.03.2015 (Audited)
A	Equity and Liabilities		
1	Shareholders' funds		
	(a) Share capital	15,792	15,792
	(b) Reserves and surplus	2,06,109	2,19,070
	Sub-total - Shareholders' funds	2,21,901	2,34,862
2	Non-current liabilities		
	(a) Long-term borrowings	14,350	-
	Sub-total - Non-current liabilities	14,350	-
3	Current liabilities		
	(a) Short-term borrowings	-	46,270
	(b) Trade payables	293	236
	(c) Other current liabilities	23,280	32,228
	(d) Short term provisions	1,523	321
	Sub-total - Current liabilities	25,096	79,055
	Total Equity and Liabilities	2,61,347	3,13,917
B	Assets		
1	Non-current assets		
	(a) Fixed assets	63	79
	(b) Non-current investments	1,70,300	1,48,046
	(c) Deferred tax assets (net)	-	1
	(d) Long-term loans and advances	13,824	23,926
	(e) Other non-current assets	42,002	58,300
	Sub-total - Non-current assets	2,26,189	2,30,352
2	Current assets		
	(a) Current investments	95	30
	(b) Trade receivables	732	375
	(c) Cash and cash equivalents	89	891
	(d) Short-term loans and advances	34,018	80,542
	(e) Other current assets	224	1,727
	Sub-total - Current assets	35,158	83,565
	Total Assets	2,61,347	3,13,917

GVK Power & Infrastructure Limited
Statement of Audited Consolidated Financial Results for the year ended March 31, 2016

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended			Year ended	
		31.03.2016 (Refer note 4)	31.12.2015 (Unaudited)	31.03.2015 (Refer note 4)	31.03.2016 (Audited)	31.03.2015 (Audited)
Part I						
1	Net sales / income from operations	1,08,116	1,01,596	84,630	4,16,447	3,04,965
2	Expenses					
	(a) Employee benefits expense	3,709	5,507	3,378	18,358	16,194
	(b) Depreciation and amortisation expense	26,428	21,839	16,330	86,867	70,555
	(c) Fuel cost	1,972	9,204	7,957	31,012	18,932
	(d) Annual fee to Airport Authority of India	27,351	27,328	24,791	1,06,606	93,125
	(e) Write off of assets**	6,384	7,071	-	16,199	32,584
	(f) Other expenses	31,093	19,936	10,966	93,108	70,164
	Total expenses	96,937	90,885	63,422	3,52,150	3,01,554
3	Profit from operations before other income, interest costs and exceptional items (1-2)	11,179	10,711	21,208	64,297	3,411
4	Other income	4,484	2,296	1,925	13,400	8,665
5	Profit from ordinary activities before interest costs and exceptional items (3+4)	15,663	13,007	23,133	77,697	12,076
6	Interest costs*	67,870	55,485	36,026	2,14,936	1,39,846
7	Loss from ordinary activities after interest costs but before exceptional items (5-6)	(52,207)	(42,478)	(12,893)	(1,37,239)	(1,27,770)
8	Exceptional items	-	-	-	-	-
9	Loss from ordinary activities before tax (7+ 8)	(52,207)	(42,478)	(12,893)	(1,37,239)	(1,27,770)
10	Tax credit	4,895	(70)	4,670	2,846	(10,922)
11	Loss from ordinary activities after tax (9-10)	(57,102)	(42,408)	(17,563)	(1,40,085)	(1,16,848)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	Net loss for the period (11-12)	(57,102)	(42,408)	(17,563)	(1,40,085)	(1,16,848)
14	Share of profit of associates	5,780	4,938	3,842	18,833	3,220
15	Minority interest	(10,552)	(9,564)	(2,855)	(27,834)	(30,160)
16	Net loss after taxes, minority interest and share of profit of associates (13+14-15)	(40,770)	(27,906)	(10,866)	(93,418)	(83,468)
17	Paid-up equity share capital (Face value of share: Re 1/- each)	15,792	15,792	15,792	15,792	15,792
18	Reserve excluding Revaluation Reserve as per balance sheet				1,19,812	1,78,076
19	Earnings per share (before extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(2.58)	(1.78)	(0.69)	(5.92)	(5.29)
	b) Diluted (in Rs.)	(2.58)	(1.78)	(0.69)	(5.92)	(5.29)
	Earnings per share (after extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(2.58)	(1.78)	(0.69)	(5.92)	(5.29)
	b) Diluted (in Rs.)	(2.58)	(1.78)	(0.69)	(5.92)	(5.29)

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

** Write off of assets includes tangible assets, capital work in progress and expenditure during construction period.

Segment Reporting (Consolidated)

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended			Year ended	
		31.03.2016 (Refer note 4)	31.12.2015 (Unaudited)	31.03.2015 (Refer note 4)	31.03.2016 (Audited)	31.03.2015 (Audited)
1	Segment Revenue					
	Power (note 8)	21,550	19,425	10,401	96,387	29,040
	Roads	9,998	9,451	7,884	35,847	29,983
	Airports	76,568	72,720	66,345	2,84,213	2,45,942
	Others	313	313	314	1,254	1,254
	Total	1,08,429	1,01,909	84,944	4,17,701	3,06,219
	Less: Inter segment revenue	313	313	2,194	1,254	1,254
	Net sales / income from operations	1,08,116	1,01,596	82,750	4,16,447	3,04,965
2	Segment Result					
	Power	2,611	(877)	(2,087)	17,713	(9,819)
	Roads	(507)	2,489	2,053	11,426	16,016
	Airports	9,738	15,873	21,936	45,032	4,543
	Others	(663)	(6,774)	(248)	(9,874)	(7,329)
	Unallocated	-	-	-	-	-
	Total	11,179	10,711	21,654	64,297	3,411
	Less: Inter segment elimination	-	-	-	-	-
	Total	11,179	10,711	21,654	64,297	3,411
	Less:					
	Interest expense [including prior expense of Rs. Nil (March 31, 2015: Rs. 290)]	67,870	55,485	36,026	2,14,936	1,39,846
	Add:				-	-
	Other unallocable income net off unallocable expenditure	4,484	2,296	1,479	13,400	8,665
	Total profit/ (loss) before tax	(52,207)	(42,478)	(12,893)	(1,37,239)	(1,27,770)
3	Capital Employed					
	(Segment Assets- Segment Liabilities)					
	Power	13,47,856	13,43,859	12,61,123	13,47,856	12,61,170
	Roads	1,78,863	1,80,739	1,77,056	1,78,863	1,77,056
	Airports	10,31,293	10,26,348	9,94,771	10,31,293	9,94,771
	Others*	11,078	11,840	22,174	11,078	22,174
	Unallocated	(24,33,486)	(22,86,626)	(22,61,256)	(24,33,486)	(22,61,303)
	Total Capital Employed	1,35,604	2,76,160	1,93,868	1,35,604	1,93,868

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

Notes

1. The Company carries its business in business segments viz., Power, Roads, Airports and others through various subsidiaries, associates and jointly controlled entity (joint venture), being special purpose vehicles exclusively formed to build and operate various infrastructure projects. The consolidated results published above present the full revenues and expenses of the Company, its subsidiaries, share of profits of associates and proportionate revenue and expenses of joint venture (collectively "the group"). Investors can view the stand alone results of the Company on the Company's website www.gvk.com or on the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com).

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

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

Particulars	Quarter ended			Year ended	
	31.03.2016 (Audited) (Refer Note-4)	31.12.2015 (Unaudited)	31.03.2015 (Audited) (Refer Note-4)	31.03.2016 (Audited)	31.03.2015 (Audited)
Revenues	682	683	669	2,718	2,628
Loss before tax	(10,593)	(300)	(9,264)	(11,620)	(11,794)
Loss after tax	(10,935)	(657)	(9,455)	(12,961)	(12,983)

4. The figure of last quarter for the current year and previous year are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2016 and March 31, 2015 and the unaudited published year -to- date figures up to December 31, 2015 and December 31, 2014. The unaudited consolidated published results year to date figures up to the third quarter ended December 31, 2015 and December 31, 2014 were not subject to limited review, however the unaudited standalone results were subject to limited review.

5. The Hon'ble Supreme Court of India has de-allocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company and Nominated Authority has offered compensation of Rs. 11,129 lakhs as against carrying value of assets of Rs. 34,862 lakhs (December 31, 2015: Rs.38,038 lakhs, March 31, 2015: Rs.35,575 lakhs). Management believes that the subsidiary company will be appropriately reimbursed for cancelled coal mine accordingly no provision is required to be made to carrying value of assets. The auditors of the Company have expressed qualified opinion on the recoverability of assets together with consequential impact if any, in their audit report on the consolidated and unconsolidated financial statements in this regard.

Consolidated Statement of Assets and Liabilities

(Rs. in Lakhs)

S. No	Particulars	As at 31.03.2016 (Audited)	As at 31.03.2015 (Audited)
A	Equity and Liabilities		
1	Shareholders' funds		
(a)	Share capital	15,792	15,792
(b)	Reserves and surplus	1,19,812	1,78,076
	Sub-total - Shareholders' funds	1,35,604	1,93,868
2	Deferred income	12,830	13,924
3	Minority interest	1,67,071	2,30,461
4	Non-current liabilities		
(a)	Long-term borrowings	21,67,616	19,22,177
(b)	Deferred tax liabilities (net)	22,037	26,726
(c)	Trade payables	36,920	42,827
(d)	Other long-term liabilities	93,887	80,972
(e)	Long-term provisions	1,341	1,108
	Sub-total - Non-current liabilities	23,21,801	20,73,810
5	Current liabilities		
(a)	Short-term borrowings	3,10,909	3,08,757
(b)	Trade payables	27,067	32,484
(c)	Other current liabilities	3,74,034	4,16,759
(d)	Short-term provisions	15,332	15,240
	Sub-total - Current liabilities	7,27,342	7,73,240
	Total Equity and Liabilities	33,64,648	32,85,303
B	Assets		
1	Non-current assets		
(a)	Fixed assets	23,35,534	22,82,727
(b)	Goodwill on consolidation	1,15,569	1,16,161
(c)	Non-current investments	2,41,957	2,00,867
(d)	Deferred tax assets (net)	13	110
(e)	Long-term loans and advances	1,44,947	1,32,418
(f)	Trade receivables	11,141	11,141
(g)	Other non-current assets	2,76,559	2,86,117
	Sub-total - Non-current assets	31,25,720	30,29,541
2	Current assets		
(a)	Current investments	2,348	5,361
(b)	Inventories	10,996	3,990
(c)	Trade receivables	59,725	32,052
(d)	Cash and bank balances	1,06,354	1,49,551
(e)	Short-term loans and advances	14,788	26,722
(f)	Other current assets	44,717	38,086
	Sub-total - Current assets	2,38,928	2,55,762
	Total Assets	33,64,648	32,85,303

6. The Company has made investments and has receivables aggregating to Rs. 39,071 lakhs (December 31, 2015: Rs.38,459 lakhs, March 31, 2015: Rs.34,886 lakhs) and provided guarantees and commitments for loans amounting to Rs. 769,444 lakhs (December 31, 2015: Rs.716,984 lakhs, March 31, 2015: Rs.653,448 lakhs) taken by GVK Coal Developers (Singapore) Pte. Limited (GVK Coal) as at March 31, 2016, an entity whose net liabilities exceeds net assets by USD 900 million (Rs. 574,160 lakhs) as at June 30, 2015. The prices of the coal have significantly fallen since GVK coal had acquired stake in the coal mines. GVK Coal has not been able to achieve financial closure resulting in delays in commencement of mine development activity when compared to scheduled date, delays in entering into definitive agreements for port and rail development and agreement for sale of coal. Further, certain lenders of GVK Coal have classified the loan as non-performing and the lenders had abridgement option on the loans either on October 2015 or every year thereafter.

GVK coal is in discussion with non-controlling shareholders to realign the option exercise dates, looking for additional funding from potential investors and working with lenders to reach to optimal solution. Management believes that while the prices of coal have fallen, the fall in prices of other commodities and services would offset the impact of fall in coal prices on the project by reducing capital and operating cost requirements and hence, GVK Coal would be able to establish profitable operations, meet its obligations and its current liabilities being in excess of current assets is temporary in nature and will not impact ability of the GVK Coal to continue in operation in foreseeable future. The Management further believes that the aforesaid will not have any material adverse impact upon cash flows of the Company and accordingly no adjustment is required to receivable, investments, share application money and guarantees and commitments. The auditors of the Company have drawn an Emphasis of Matter paragraph in their audit report on the unconsolidated and consolidated financial statements in this regard.

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

a) There has been uncertainty regarding supplies/availability of gas to power generating plants and power projects under construction of the Group. Further, subsidiaries engaged in this business have made losses of Rs.26,719 lakhs (December 31, 2015: Rs.6,494 lakhs, March 31, 2015: Rs. 27,390 lakhs). Further, certain banks have classified loan balances of one of the subsidiary as non-performing assets. The aforesaid subsidiary is in the process of regularization of loans by using proceeds of its disposal of Phase I plant, post which it is planning to tie-up for additional loans and another subsidiary has already obtained moratorium for payments until mid of next year. Further, the Company is confident that Government of India will continue to take necessary steps/initiatives to improve the situation of natural gas for e.g. scheme envisaging supplying of domestic gas to gas based upto the target plant load factor ('PLF'), selected through a reverse e-bidding process and also intervention/sacrifices to be collectively made by all stakeholders. Further, Management based on its rights under power purchase agreement to recover capacity charges and in view of installing alternate fuel equipment and on the basis of aforesaid discussions believes the subsidiary companies will continue to be in operation in foreseeable future despite continued losses. The Management accordingly believes that fixed assets with carrying value of Rs. 198,900 lakhs (December 31, 2015: Rs.202,242 lakhs, March 31, 2015: Rs.211,907 lakhs) are recoverable in normal course of business.

b) Uncertainty is faced by coal plant with carrying value of Rs. 466,972 lakhs (December 31, 2015: Rs.425,534 lakhs, March 31, 2015: Rs. 388,986 lakhs) of subsidiary company towards supply of fuel. Management has obtained coal linkage for six months, tied up for importing coal and is mulling other options such as, obtaining coal linkage locally and has filed petition with Punjab State Electricity Regulatory Commission (PSERC) for re-negotiation of terms of power purchase agreement such as rate revision, approval for using imported coal etc. claiming force majeure and change in law as envisaged under Power Purchase Agreement. PSERC in its interim order has allowed the subsidiary company to run the plant on imported fuel for upto two and half years within which the subsidiary company should make arrangements for coal on long term basis. Management based on internal assessment/legal advice believes that cancellation of coal mine will not impact the operations of the power project and accordingly believes that fixed assets of the subsidiary company are recoverable in the normal course of the business.

The auditors of the Company have drawn an Emphasis of Matter paragraph on the carrying value of fixed assets /investments in subsidiary companies amounting to Rs.108,323 lakhs (December 31, 2015: Rs.108,323 lakhs, March 31, 2015: Rs.108,323 lakhs) in their audit report on the consolidated and the unconsolidated financial statements in this regard.

8. As at March 31, 2016, the Group/ Company has accumulated losses and the Group/ Company has incurred losses during the current and previous year. The Group's current liabilities exceed current assets by Rs. 488,414 lakhs. The Group/ Company has delayed payment of loans and interest and certain loan accounts have been classified as nonperforming by banks. The Company has provided guarantees and commitments on behalf of various entities and as further detailed in notes 5, 6 and 7 uncertainties are being faced by various projects in the Group such as delays in development of coal mines in an overseas project where Company has provided guarantees and commitments for the borrowings, losses incurred by gas based plants in the absence of gas and litigations on rights to claim capacity charge, cancellation of coal linkage to coal based plant and re-negotiation of terms of PPA of coal based plant. Notwithstanding the above, the financial statements of the Group/ Company have been prepared on going concern basis as Management believes that the Group/Company would be able to establish profitable operations, meet its commitments, reduce debt by stake sale and the entities on whose behalf guarantees/ commitments have been extended would be able to meet their obligations. Further, the Management is confident that aforesaid entities would win litigations; obtain approvals of regulators; will reach an optimal solution with non-controlling shareholders and lenders; obtain requisite gas/coal allocation etc. as required and despite current macro-economic environment challenges would establish profitable operations. The auditors of the Company have drawn an Emphasis of Matter paragraph in their audit report on the unconsolidated and consolidated financial statements in this regard.

9. Trade receivables include accruals towards reimbursement of fixed charges for the financial years 1997-1998 to 2000-2001, on increased capital cost worked out as per ratios set out in the PPA aggregating to Rs.4,512 lakhs (December 31, 2015: Rs.4,512 lakhs, March 31, 2015: Rs. 4,512 lakhs) by GVKIL, subsidiary company, disincentive recoverable aggregating to Rs.3,023 lakhs (December 31, 2015: Rs.3,023 lakhs, March 31, 2015: Rs. 3,023 lakhs), minimum alternate tax under the provisions of Income Tax Act, 1961 for the period commencing from the financial year 2000-2001 up to the financial year 2010-2011, aggregating to Rs. 3,530 lakhs (December 31, 2015: Rs. 3,530 lakhs, March 31, 2015: Rs. 3,530 lakhs) and other receivables of Rs.76 lakhs (December 31, 2015: Rs.76 lakhs, March 31, 2015: Rs.76 lakhs) which are being refuted by AP Transco/subject to approvals. The auditors of the Company have drawn an Emphasis of Matter paragraph in their audit report on the consolidated financial statements in this regard.

10. GVKPIL had made application for waiver of excess managerial remuneration amounting to Rs. 21 lakhs for the year ended March 31, 2013 paid to a director in excess of limits prescribed under Schedule XIII of the Companies Act, 1956. The auditors of the Company have drawn an Emphasis of Matter paragraph in their audit report on the consolidated and unconsolidated financial statements in this regard.

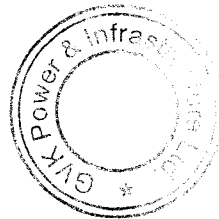
11. The associate company in the financial year 2013-14, accounted for depreciation as per its accounting policy which was in accordance with the requirements of Schedule XIV of the Companies Act, 1956. The associate company computed and accounted for deferred tax amounting to Rs. 2,150 lakhs as at March 31, 2014, after considering reversal of temporary timing differences during the tax holiday period upto financial year 2021-22, based on the revised useful lives of fixed assets, as approved by the Board of Directors vide a circular resolution dated April 22, 2014. The revised useful lives of fixed assets was effective from April 01, 2014 and was in accordance with Part C of Schedule II of the Companies Act, 2013 ("the Act"). During the financial year 2014-15, the Airport Economic Regulatory Authority ('AERA') in its Order No. 08/2014-15 dated June 10, 2014 issued to the associate company has stated that it has initiated the process to issue a notification on the useful lives for airport specific assets based on the guidance provided in Part B of Schedule II of the Act. Accordingly, the circular resolution as mentioned in the above paragraph was cancelled during the Board of Directors meeting held on August 04, 2014. Pending notification of such useful lives of fixed assets by AERA, the associate company continues to follow the useful lives of fixed assets as per the existing accounting policy and has accounted for deferred tax liability as at March 31, 2015 aggregating Rs. 15,870 lakhs and Rs. 17,549 lakhs as at March 31, 2016 after considering reversal of temporary timing differences during the tax holiday period upto financial year 2021-22, based on the current useful lives of the fixed assets. Pending the aforesaid notification from AERA, any impact on the depreciation, book value of fixed assets and the consequential impact on profit for the year, reserves and surplus as at March 31, 2016 and taxes including deferred taxes of the associate company is currently not ascertainable. The auditors of the Company have drawn an Emphasis of Matter paragraph in their audit report on the consolidated financial statements in this regard.

12. The associate company is governed by the Airports Economic Regulatory Authority of India ('AERA' or 'the Regulator') which determines the Tariff to be charged by the associate company in providing the regulated Aeronautical services. The Institute of Chartered Accountants of India has issued the "Guidance note on Accounting for Rate Regulated activities" which is applicable with effect from April 1, 2015. The above mentioned Guidance note requires the associate company to estimate the regulated revenue and consequently the regulatory asset or liability, as the case may be, based on the guidance provided by the Regulator which determines the fees to be charged by the associate company for the regulated aeronautical services. The management believes that in view of the uncertainties relating to the useful lives of fixed assets to be followed by the associate company and tariff determination approach, which are pending clarification from AERA, it is not in a position to reliably estimate the regulated revenue and the consequent regulatory asset or liability, as the case may be, to be accounted as at March 31, 2016 as per the provisions of the above mentioned guidance note. Accordingly, any adjustment to regulated revenue and its consequent impact on regulatory asset or liability, as the case may be, arising out of clarifications to be issued by AERA is currently not ascertainable. The auditors of the Company have drawn an Emphasis of Matter paragraph in their audit report on the consolidated financial statements in this regard.

13. The above financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on May 20, 2016. The auditors of the Company have performed audit of unconsolidated financial statements only for the quarter ended March 31, 2016.

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

Place: Hyderabad
Date : May 20, 2016



GVK Power & Infrastructure Limited

S. V. K.
Dr. G V Krishna Reddy
Chairman & Managing Director

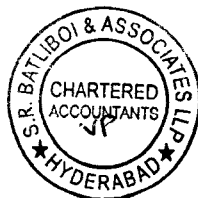
Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors of

GVK Power & Infrastructure Limited

1. We have audited the quarterly unconsolidated financial results of GVK Power & Infrastructure Limited for the quarter ended March 31, 2016 and the unconsolidated financial results for the year ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly unconsolidated financial results are the derived figures between the audited figures in respect of the year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The unconsolidated financial results for the quarter ended March 31, 2016 have been prepared on the basis of the unconsolidated financial results for the nine-month period ended December 31, 2015, the audited annual unconsolidated financial statements as at and for the year ended March 31, 2016, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these unconsolidated financial results based on our review of the unconsolidated financial results for the nine-month period ended December 31, 2015 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under the section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual unconsolidated financial statements as at and for the year ended March 31, 2016; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. We have not reviewed or audited the accompanying consolidated financial results for the quarter ended March 31, 2016 and accordingly, we do not express any review or audit opinion on the said consolidated financial results.
4. As discussed more fully in Note 5 to the financial results, the Hon'ble Supreme Court of India has de-allocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company and Nominated Authority has offered compensation of Rs. 11,129 lakhs as against the carrying value of assets of Rs. 34,862 lakhs in books of subsidiary. In the absence of appropriate evidence, we are unable to comment upon recoverability of assets together with consequential impact, if any, arising out of the same in these accompanying financial results.

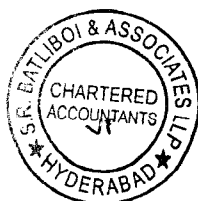


5. We draw attention to:

- a. Note 8 to the financial results, regarding losses being incurred by the Company, defaults in loan and interest payments and material uncertainties faced by various projects in which the Company has made investments or provided guarantees and commitments. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis for the reasons stated in the said note.
- b. Note 10 to the financial results, regarding application made by the Company for the waiver of excess managerial remuneration for the year's ended March 31, 2013 amounting to Rs. 21 lakhs paid to a director in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956.
- c. Note 7 to the financial results, regarding material uncertainties are being faced by subsidiaries of GVK Energy Limited, on the subsidiaries of the Company, in which the Company has an investment of Rs. 108,323 lakhs as detailed below:
 - i. Uncertainty towards recovery of capacity charge and supplies/availability of natural gas to gas based power generating plants and power projects under construction of subsidiary companies of subsidiary company, GVK Energy Limited.
 - ii. Uncertainty towards availability of fuel and regulatory approvals faced by coal plant under construction of subsidiary company of GVK Energy Limited.
- d. Note 6 to the financial results, the Company has made investments and has receivables aggregating to Rs. 39,071 lakhs and provided guarantees and commitments for loans amounting to Rs. 769,444 lakhs taken by GVK Coal Developers (Singapore) Pte. Limited (GVK Coal) as at March 31, 2016, an entity whose current liabilities exceeds current assets by USD 900 million (Rs. 574,160 lakhs) as at June 30, 2015 and is witnessing material uncertainties. The Management believes that for reasons stated in the note the entity will establish profitable operations and no adjustments is required to aforesaid investments, receivables, guarantees and commitments.

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

6. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the paragraphs 4 above, these quarterly unconsolidated financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - ii. give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2016 and for the year ended March 31, 2016.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

7. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2016 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

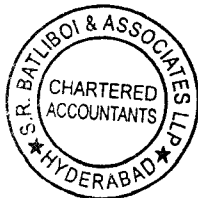

per Vikas Kumar Pansari

Partner

Membership No.: 093649

Place: Hyderabad

Date: May 20, 2016



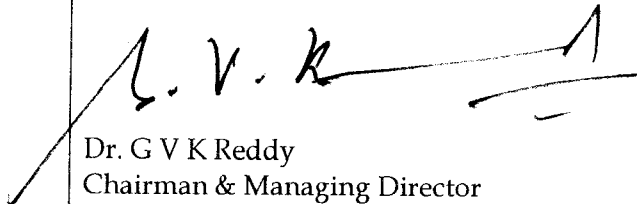
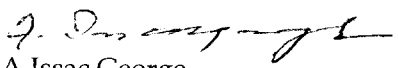
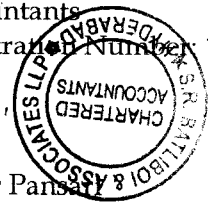
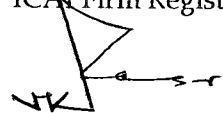
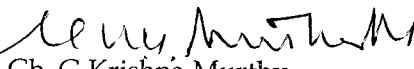
Compliance under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015

FORM A (for audit report with unmodified opinion)

1.	Name of the Company	GVK Power & Infrastructure Limited
2.	Annual financial statements for the year ended	March 31, 2016
3.	Type of Audit observation	<p>Emphasis of Matter ("EOM") on Standalone and Consolidated financial statements.</p> <p>Also refer Form B for qualification on Standalone & Consolidated Financial Statements.</p>
4.	Frequency of observation	<p><u>Standalone financial statements</u></p> <p>a) EOM regarding application made by the Company for the waiver of excess managerial remuneration paid to a director. Refer note 33 to the financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2013.</p> <p>b) EOM with respect to carrying value of investments in the subsidiary companies. Refer note 34 of the financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2013.</p> <p>c) EOM with respect to going concern- continuous losses, defaults in interest payments and material uncertainties faced by various projects in which the Company has made investments and provided guarantees and commitments. Refer note 35 of the standalone financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2016.</p> <p>d) EOM with respect to uncertainties faced by an investee to which the Company has provided guarantees and commitments and net liabilities exceeds net assets of the investee. Refer note 32 to the standalone financial statement.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2015.</p>

		<p><u>Consolidated financial statements</u></p> <p>a) EOM regarding outstanding fixed charge component of the tariff on the increased capital cost considered receivable from AP Transco. Refer note 17 (i) (a) to the consolidated financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2006.</p> <p>b) EOM regarding recoverable minimum alternate tax, disincentives recoverable and other receivables. Refer note 17 (i) (b), (c), (d).</p> <p>Frequency of observation: First time reported in the year ended March 31, 2006 for minimum alternate tax and other receivables and in the year ended March 31, 2014 for disincentives recoverable.</p> <p>c) EOM regarding carrying value of fixed assets of the subsidiary companies and continuation of operation in foreseeable future despite continued losses. Refer note 35 to the consolidated financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2013.</p> <p>d) EOM regarding application made by the Company for the waiver of excess managerial remuneration paid to a director. Refer note 37 to the accompanying financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2013.</p> <p>e) EOM regarding carrying value of fixed assets of the subsidiary company on account of uncertainty on supply of fuel. Refer note 40 to the consolidated financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2015.</p> <p>f) EOM with respect to going concern- continuous losses, current liabilities exceeding current assets, defaults in loan and interest payment and material uncertainties faced by various projects in the Group and the projects in which the Company has provided guarantees and commitments. Refer note 41 of the</p>
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		<p>consolidated financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2016.</p> <p>g) EOM with respect to recognition of deferred tax of an associate company pending notification of useful life for airport specific assets by Airport Economic Regulatory Authority. Refer note 43 to the consolidated financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2015.</p> <p>h) EOM with respect to non-recognition of regulatory asset/liability due to uncertainties. Refer note 44 to the consolidated financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2016.</p>
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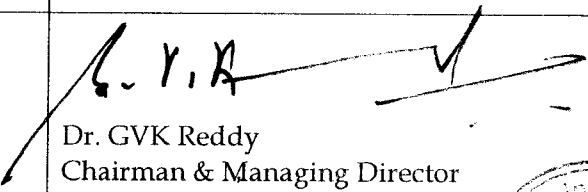
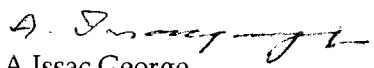

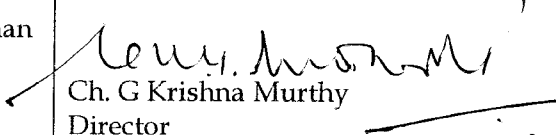
		<p>i) EOM with respect to uncertainties faced by an investee to which the Company has provided guarantees and commitments and net liabilities exceeds net assets of the investee. Refer note 38 to the consolidated financial statement.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2015.</p>
5.	<p>To be signed by-</p> <p>CEO/Managing Director</p> <p>CFO/Person in-charge of Finance</p> <p>Auditor of the company</p> <p>Audit Committee Chairman</p>	<p> Dr. G V K Reddy Chairman & Managing Director</p> <p> A Issac George Director & CFO</p> <p>S R Batliboi & Associates LLP Chartered Accountants ICAI Firm Registration Number: 101049W/E300004   per Vikas Kumar Pansari Partner Membership Number: 93649 Date:</p> <p> Ch. G Krishna Murthy Director</p>

Compliance under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015

FORM B (for audit report with modified opinion)

1.	Name of the Company	GVK Power & Infrastructure Limited
2.	Annual financial statements for the year ended	March 31, 2016
3.	Type of Audit qualification	Qualified opinion on Standalone & consolidated financial statements. Also refer Form A for Emphasis of Matter on Standalone and Consolidated Financial Statements.
4	Frequency of qualification	As detailed below
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p><u>Standalone financial statements</u></p> <p>a) Qualification on recoverability against carrying value of assets of GVK Coal (Tokisud) Private Limited, a subsidiary involved in coal mining. Refer note 31 of standalone financial statements</p> <p>Frequency of observation: First time reported in the year ended March 31, 2015.</p> <p>Management response: GVK Coal (Tokisud) Private Limited was incorporated for developing a coal mine with minable reserve of 52 Million Tons (geological reserve of around 92 Million Tons) in the state of Jharkhand as a captive coal mine to meet the requirements of coal of one of the step down subsidiary i.e. GVK Power (Goindwal Sahib) Limited, which is implementing a 540 MW Power Plant at Goindwal Sahib in Punjab.</p> <p>The Honorable Supreme Court vide its decision of September 24, 2014 held that allotment of various coal blocks including those allotted to GVK Coal (Tokisud) Company Private Limited is arbitrary and illegal and had cancelled the allotment. Subsequently, the government promulgated The Coal Mines (Special Provisions) Ordinance 2014, which intends to take appropriate action to deal with situation arising pursuant to the Honorable Supreme Court's judgment. GVK Coal Tokisud, subsidiary company has filed writ petition before the Hon'ble High Court of Delhi challenging the decision of the Nominated Authority, Ministry of Coal which quantified the compensation payable</p>

		<p>to GVK for taking over the Tokisud Coal Block as Rs. 11,129 against the carrying value of assets of Rs. 34,862 Lakhs. The matter has been heard and kept reserved for judgement. Management believes that the subsidiary will be appropriately reimbursed for cancelled coal mine accordingly no provision was required to be made to carrying value of assets.</p> <p><u>Consolidated financial statements</u></p> <p>a) Qualification on recoverability against carrying value of assets of GVK Coal (Tokisud) Private Limited, a subsidiary involved in coal mining. Refer note 39 of consolidated financial statements.</p> <p>Frequency of observation: First time reported in the year ended March 31, 2015.</p> <p>Management response: GVK Coal (Tokisud) Private Limited was incorporated for developing a coal mine with minable reserve of 52 Million Tons (geological reserve of around 92 Million Tons) in the state of Jharkhand as a captive coal mine to meet the requirements of coal of one of the step down subsidiary i.e. GVK Power (Goindwal Sahib) Limited, which is implementing a 540 MW Power Plant at Goindwal Sahib in Punjab.</p> <p>The Honorable Supreme Court vide its decision of September 24, 2014 held that allotment of various coal blocks including those allotted to GVK Coal (Tokisud) Company Private Limited is arbitrary and illegal and had cancelled the allotment. Subsequently, the government promulgated The Coal Mines (Special Provisions) Ordinance 2014, which intends to take appropriate action to deal with situation arising pursuant to the Honorable Supreme Court's judgment. GVK Coal Tokisud, subsidiary company has filed writ petition before the Hon'ble High Court of Delhi challenging the decision of the Nominated Authority, Ministry of Coal which quantified the compensation payable to GVK for taking over the Tokisud Coal Block as Rs. 11,129 against the carrying value of assets of Rs. 34,862 Lakhs. The matter has been heard and kept reserved for judgement. Management believes that the subsidiary will be appropriately reimbursed for cancelled coal mine accordingly no provision was required to be made to carrying value of assets.</p>

6.	Additional comments from the board/audit committee chair:	None.
7.	To be signed by-	
	CEO/Managing Director	 Dr. GVK Reddy Chairman & Managing Director
	CFO/Person in-charge of Finance	 A Issac George Director & CFO
	Auditor of the company	 S R Batliboi & Associates LLP Chartered Accountants ICAI Firm Registration Number: 101049W/E300004 per Vikas Kumar Partner Partner Membership Number: 93649 Date:
	Audit Committee Chairman	 Ch. G Krishna Murthy Director