



12<sup>th</sup> February, 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: Approval of Un-audited Financial results for the quarter and nine months ended 31<sup>st</sup> December, 2015 and authorization to KMP.**

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

The following is the outcome of meeting of the Board of Directors of our Company held on 12<sup>th</sup> February 2016:

1. Approval of the un-audited financial results of our company for the quarter and nine months ended 31<sup>st</sup> December, 2015 along with a limited review report from the Statutory Auditors of the Company. We are enclosing the same herewith.
2. Authorized the following Key Managerial Personnel of the Company to make disclosures under Regulation 30(5) for the purpose of determining materiality of an event or information to the stock exchanges:-

| S. no | Name of the Key Managerial Personnel | Designation                                 | Contact details                         |
|-------|--------------------------------------|---|---|
| 1     | Dr. GVK Reddy                        | Chairman & Managing Director                | gvkreddy@gvk.com<br>Ph no: 040 27902722 |
| 2     | A Issac George                       | Director & Chief Financial Officer          | issac@gvk.com<br>Ph no: 040 66160202    |
| 3     | P V Rama Seshu                       | AVP, Company Secretary & Compliance officer | pvr@gvk.com<br>Ph no: 040 66160207      |

The Board Meeting commenced at 10.00 a.m. and concluded at 12.05 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  
Paigah House, 156-159, Sardar Patel Road  
Secunderabad 500 003, Telangana, India

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CIN : L74999AP2005PLC059013

ENERGY  
RESOURCES  
AIRPORTS  
TRANSPORTATION  
HOSPITALITY  
LIFE SCIENCES

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 Unaudited Standalone Financial Results for the quarter ended December 31, 2015

(Rs. in Lakhs)

| S. No.  | Particulars  | Quarter ended             |                           |                           | Year to date              |                           | Year ended              |
|---------|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
|         |  | 31.12.2015<br>(Unaudited) | 30.09.2015<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.12.2015<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.03.2015<br>(Audited) |
| Part I  |  |                           |                           |                           |                           |                           |                         |
| 1       | Net sales / income from operations   | 683                       | 691                       | 660                       | 2,036                     | 1,959                     | 2,628                   |
| 2       | Expenses   |                           |                           |                           |                           |                           |                         |
|         | (a) Employee benefits expense  | 69                        | 77                        | 73                        | 218                       | 221                       | 299                     |
|         | (b) Depreciation and amortisation expense  | 4                         | 4                         | 4                         | 12                        | 14                        | 30                      |
|         | (c) Operating and maintenance expenses   | 24                        | 27                        | 24                        | 74                        | 67                        | 93                      |
|         | (d) Expenses for manpower services   | 30                        | 45                        | 37                        | 119                       | 112                       | 145                     |
|         | (e) Travel and conveyance  | 10                        | 11                        | 12                        | 30                        | 51                        | 70                      |
|         | (f) Legal and professional charges   | 5                         | 10                        | 5                         | 17                        | 24                        | 45                      |
|         | (g) Printing and stationery  | -                         | 39                        | -                         | 39                        | 37                        | 35                      |
|         | (h) Rates and taxes  | 14                        | 23                        | 17                        | 61                        | 51                        | 81                      |
|         | (i) Communication costs  | 1                         | 27                        | 3                         | 30                        | 59                        | 63                      |
|         | (j) Advances written off*  | -                         | -                         | -                         | -                         | -                         | 7,590                   |
|         | (k) Other expenses   | 69                        | 76                        | 22                        | 196                       | 69                        | 101                     |
|         | Total  | 226                       | 339                       | 197                       | 796                       | 705                       | 8,552                   |
| 3       | Profit/(loss) from operations before other income, finance costs and exceptional items (1-2) | 457                       | 352                       | 463                       | 1,240                     | 1,254                     | (5,924)                 |
| 4       | Other income   | 492                       | 542                       | 66                        | 1,507                     | 1,677                     | 1,804                   |
| 5       | Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)      | 949                       | 894                       | 529                       | 2,747                     | 2,931                     | (4,120)                 |
| 6       | Finance costs  | 1,249                     | 1,221                     | 2,020                     | 3,774                     | 5,461                     | 7,674                   |
| 7       | Loss from ordinary activities after finance costs but before exceptional items (5-6)         | (300)                     | (327)                     | (1,491)                   | (1,027)                   | (2,530)                   | (11,794)                |
| 8       | Exceptional items  | -                         | -                         | -                         | -                         | -                         | -                       |
| 9       | Loss from ordinary activities before tax (7+ 8)  | (300)                     | (327)                     | (1,491)                   | (1,027)                   | (2,530)                   | (11,794)                |
| 10      | Tax expense  | 357                       | 328                       | 181                       | 999                       | 998                       | 1,189                   |
| 11      | Loss from ordinary activities after tax (9-10)   | (657)                     | (655)                     | (1,672)                   | (2,026)                   | (3,528)                   | (12,983)                |
| 12      | Extraordinary items (net of tax expenses)  | -                         | -                         | -                         | -                         | -                         | -                       |
| 13      | Net Loss for the period (11-12)  | (657)                     | (655)                     | (1,672)                   | (2,026)                   | (3,528)                   | (12,983)                |
| 14      | Paid-up equity share capital<br>(Face value of share: Re 1/- each)                           | 15,792                    | 15,792                    | 15,792                    | 15,792                    | 15,792                    | 15,792                  |
| 15      | Reserve excluding Revaluation Reserve as per balance sheet                                   |                           |                           |                           |                           |                           | 2,19,070                |
| 16 (i)  | Earnings per share (before extraordinary items) -(not annualised)                            |                           |                           |                           |                           |                           |                         |
|         | a) Basic (in Rs.)  | (0.04)                    | (0.04)                    | (0.11)                    | (0.13)                    | (0.22)                    | (0.82)                  |
|         | b) Diluted (in Rs.)  | (0.04)                    | (0.04)                    | (0.11)                    | (0.13)                    | (0.22)                    | (0.82)                  |
| 16 (ii) | Earnings per share (after extraordinary items) -(not annualised)                             |                           |                           |                           |                           |                           |                         |
|         | a) Basic (in Rs.)  | (0.04)                    | (0.04)                    | (0.11)                    | (0.13)                    | (0.22)                    | (0.82)                  |
|         | b) Diluted (in Rs.)  | (0.04)                    | (0.04)                    | (0.11)                    | (0.13)                    | (0.22)                    | (0.82)                  |

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





GVK Power & Infrastructure Limited  
Statement of Unaudited Consolidated Financial Results for the quarter ended December 31, 2015

(Rs. in Lakhs)

|        |   | Quarter ended             |                           |                           | Year to date              |                           | Year ended              |
|--------|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| S. No. | Particulars   | 31.12.2015<br>(Unaudited) | 30.09.2015<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.12.2015<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.03.2015<br>(Audited) |
| Part I |   |                           |                           |                           |                           |                           |                         |
| 1      | Net sales / income from operations  | 1,01,596                  | 1,06,832                  | 79,192                    | 3,08,331                  | 2,20,335                  | 3,04,965                |
| 2      | Expenses  |                           |                           |                           |                           |                           |                         |
|        | (a) Employee benefits expense   | 5,507                     | 4,822                     | 4,265                     | 14,649                    | 12,816                    | 16,194                  |
|        | (b) Depreciation and amortisation expense   | 21,839                    | 20,002                    | 16,960                    | 60,439                    | 54,225                    | 70,555                  |
|        | (c) Fuel cost   | 9,204                     | 6,443                     | 5,603                     | 29,040                    | 10,975                    | 18,932                  |
|        | (d) Annual fee to Airport Authority of India  | 27,328                    | 25,954                    | 23,538                    | 79,255                    | 68,334                    | 93,125                  |
|        | (e) Loss on disposal / write off of assets*   | 7,071                     | 2,744                     | 1,501                     | 9,815                     | 36,285                    | 32,584                  |
|        | (f) Other expenses  | 19,936                    | 21,773                    | 21,557                    | 62,015                    | 55,497                    | 70,164                  |
|        | Total expenses  | 90,885                    | 81,738                    | 73,424                    | 2,55,213                  | 2,38,132                  | 3,01,554                |
| 3      | Profit / (Loss) from operations before other income, interest costs and exceptional items (1-2) | 10,711                    | 25,094                    | 5,768                     | 53,118                    | (17,797)                  | 3,411                   |
| 4      | Other income  | 2,296                     | 4,670                     | 1,373                     | 8,916                     | 6,740                     | 8,665                   |
| 5      | Profit / (Loss) from ordinary activities before interest costs and exceptional items (3+4)      | 13,007                    | 29,764                    | 7,141                     | 62,034                    | (11,057)                  | 12,076                  |
| 6      | Interest costs**  | 55,485                    | 50,494                    | 35,268                    | 1,47,066                  | 1,03,820                  | 1,39,846                |
| 7      | Loss from ordinary activities after interest costs but before exceptional items (5-6)           | (42,478)                  | (20,730)                  | (28,127)                  | (85,032)                  | (1,14,877)                | (1,27,770)              |
| 8      | Exceptional items   | -                         | -                         | -                         | -                         | -                         | -                       |
| 9      | Loss from ordinary activities before tax (7+ 8)   | (42,478)                  | (20,730)                  | (28,127)                  | (85,032)                  | (1,14,877)                | (1,27,770)              |
| 10     | Tax credit  | (70)                      | (421)                     | (1,420)                   | (2,049)                   | (15,592)                  | (10,922)                |
| 11     | Loss from ordinary activities after tax (9-10)  | (42,408)                  | (20,309)                  | (26,707)                  | (82,983)                  | (99,285)                  | (1,16,848)              |
| 12     | Extraordinary items (net of tax expenses)   | -                         | -                         | -                         | -                         | -                         | -                       |
| 13     | Net loss for the period (11-12)   | (42,408)                  | (20,309)                  | (26,707)                  | (82,983)                  | (99,285)                  | (1,16,848)              |
| 14     | Share of profit/(loss) of associates  | 4,938                     | 4,308                     | 431                       | 13,053                    | (622)                     | 3,220                   |
| 15     | Minority interest   | (9,564)                   | (3,651)                   | (5,364)                   | (17,282)                  | (27,305)                  | (30,160)                |
| 16     | Net loss after taxes, minority interest and share of profit / (loss) of associates (13+14-15)   | (27,906)                  | (12,350)                  | (20,912)                  | (52,648)                  | (72,602)                  | (83,468)                |
| 17     | Paid-up equity share capital<br>(Face value of share: Re 1/- each)                              | 15,792                    | 15,792                    | 15,792                    | 15,792                    | 15,792                    | 15,792                  |
| 18     | Reserve excluding Revaluation Reserve as per balance sheet                                      |                           |                           |                           |                           |                           | 1,78,076                |
| 19     | Earnings per share (before extraordinary items) -(not annualised)                               |                           |                           |                           |                           |                           |                         |
|        | a) Basic (in Rs.)   | (1.78)                    | (0.79)                    | (1.33)                    | (3.34)                    | (4.60)                    | (5.29)                  |
|        | b) Diluted (in Rs.)   | (1.78)                    | (0.79)                    | (1.33)                    | (3.34)                    | (4.60)                    | (5.29)                  |
|        | Earnings per share (after extraordinary items) -(not annualised)                                |                           |                           |                           |                           |                           |                         |
|        | a) Basic (in Rs.)   | (1.78)                    | (0.79)                    | (1.33)                    | (3.34)                    | (4.60)                    | (5.29)                  |
|        | b) Diluted (in Rs.)   | (1.78)                    | (0.79)                    | (1.33)                    | (3.34)                    | (4.60)                    | (5.29)                  |

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

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





## Segment Reporting (Consolidated)

(Rs. in Lakhs)

| S. No. | Particulars  | Quarter ended             |                           |                           | Year to date              |                           | Year ended              |
|--------|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
|        |  | 31.12.2015<br>(Unaudited) | 30.09.2015<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.12.2015<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.03.2015<br>(Audited) |
| 1      | <b>Segment Revenue</b>                                   |                           |                           |                           |                           |                           |                         |
|        | Power (note 9)   | 19,425                    | 31,119                    | 8,015                     | 74,837                    | 18,639                    | 29,040                  |
|        | Roads  | 9,451                     | 8,260                     | 7,657                     | 25,849                    | 22,099                    | 29,983                  |
|        | Airports   | 72,720                    | 67,453                    | 63,520                    | 2,07,645                  | 1,79,597                  | 2,45,942                |
|        | Others   | 313                       | 314                       | 313                       | 941                       | 940                       | 1,254                   |
|        | <b>Total</b>   | <b>1,01,909</b>           | <b>1,07,146</b>           | <b>79,505</b>             | <b>3,09,272</b>           | <b>2,21,275</b>           | <b>3,06,219</b>         |
|        | Less: Inter segment revenue                              | 313                       | 314                       | 313                       | 941                       | 940                       | 1,254                   |
|        | <b>Net sales / income from operations</b>                | <b>1,01,596</b>           | <b>1,06,832</b>           | <b>79,192</b>             | <b>3,08,331</b>           | <b>2,20,335</b>           | <b>3,04,965</b>         |
| 2      | <b>Segment Result</b>                                    |                           |                           |                           |                           |                           |                         |
|        | Power  | (877)                     | 13,788                    | (2,721)                   | 15,102                    | (7,732)                   | (9,819)                 |
|        | Roads  | 2,489                     | 4,452                     | 4,580                     | 11,933                    | 13,963                    | 16,016                  |
|        | Airports   | 15,873                    | 9,404                     | 5,220                     | 35,294                    | (17,393)                  | 4,543                   |
|        | Others   | (6,774)                   | (2,550)                   | (1,311)                   | (9,211)                   | (6,635)                   | (7,329)                 |
|        | Unallocated  | -                         | -                         | -                         | -                         | -                         | -                       |
|        | <b>Total</b>   | <b>10,711</b>             | <b>25,094</b>             | <b>5,768</b>              | <b>53,118</b>             | <b>(17,797)</b>           | <b>3,411</b>            |
|        | Less: Inter segment elimination                          | -                         | -                         | -                         | -                         | -                         | -                       |
|        | <b>Total</b>   | <b>10,711</b>             | <b>25,094</b>             | <b>5,768</b>              | <b>53,118</b>             | <b>(17,797)</b>           | <b>3,411</b>            |
|        | Less:  |                           |                           |                           |                           |                           |                         |
|        | Interest expense   | 55,485                    | 50,494                    | 35,268                    | 1,47,066                  | 1,03,820                  | 1,39,846                |
|        | Add:   |                           |                           |                           |                           |                           |                         |
|        | Other unallocable income net off unallocable expenditure | 2,296                     | 4,670                     | 1,373                     | 8,916                     | 6,740                     | 8,665                   |
|        | <b>Total profit/ (loss) before tax</b>                   | <b>(42,478)</b>           | <b>(20,730)</b>           | <b>(28,127)</b>           | <b>(85,032)</b>           | <b>(1,14,877)</b>         | <b>(1,27,770)</b>       |
| 3      | <b>Capital Employed</b>                                  |                           |                           |                           |                           |                           |                         |
|        | (Segment Assets- Segment Liabilities)                    |                           |                           |                           |                           |                           |                         |
|        | Power  | 13,43,859                 | 13,30,371                 | 12,27,951                 | 13,43,859                 | 12,27,951                 | 12,61,123               |
|        | Roads  | 1,80,739                  | 1,83,069                  | 1,81,663                  | 1,80,739                  | 1,81,663                  | 1,77,056                |
|        | Airports   | 10,26,348                 | 10,13,165                 | 9,80,334                  | 10,26,348                 | 9,80,334                  | 9,94,771                |
|        | Others*  | 11,840                    | 18,888                    | 22,530                    | 11,840                    | 22,530                    | 22,174                  |
|        | Unallocated  | (22,86,626)               | (22,40,274)               | (22,11,082)               | (22,86,626)               | (22,11,082)               | (22,61,256)             |
|        | <b>Total Capital Employed</b>                            | <b>2,76,160</b>           | <b>3,05,219</b>           | <b>2,01,396</b>           | <b>2,76,160</b>           | <b>2,01,396</b>           | <b>1,93,868</b>         |

\*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 joint venture, being special purpose vehicles exclusively formed to build and operate various infrastructure projects. The consolidated results published above present the full revenues and expenses of the Company, its subsidiaries, share of profits of associates and proportionate revenue and expenses of joint venture. Investors can view the stand alone results of the Company on the Company's website [www.gvk.com](http://www.gvk.com) or on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nseindia.com](http://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 &amp; Infrastructure Limited (Standalone Information)

| Particulars     | Quarter ended             |                           |                           | Year to date              |                           | Year ended              |
|-----------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
|                 | 31.12.2015<br>(Unaudited) | 30.09.2015<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.12.2015<br>(Unaudited) | 31.12.2014<br>(Unaudited) | 31.03.2015<br>(Audited) |
| Revenues        | 683                       | 691                       | 660                       | 2,036                     | 1,959                     | 2,628                   |
| Loss before tax | (300)                     | (327)                     | (1,491)                   | (1,027)                   | (2,530)                   | (11,794)                |
| Loss after tax  | (657)                     | (655)                     | (1,672)                   | (2,026)                   | (3,528)                   | (12,983)                |

4. With respect to exploration activity undertaken by GVK Oil & Gas Limited, wholly owned subsidiary of the Company, a notice of termination has been submitted to the Ministry of Petroleum and Natural Gas under the Production Sharing Contract. Management based on legal advice believes that the subsidiary will be able to recover costs incurred and accordingly believes that no adjustment is required to carrying value of assets of Rs.934 lakhs (December 31, 2014: Rs.11,182 lakhs) (March 31, 2015: Rs.10,725 lakhs)/ investments and advances aggregating to Rs. 10,161 lakhs (December 31, 2014: Rs.17,751 lakhs) (March 31, 2015: Rs.10,161 lakhs). The auditors of the Company have not expressed an opinion on the carrying value of investments and advances in their limited review report for the quarter.

5. The Hon'ble Supreme Court of India has de-allocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company and Nominated Authority has offered compensation of Rs. 11,129 lakhs as against carrying value of assets of Rs. 38,038 lakhs (December 31, 2014: Rs.34,677 lakhs, March 31, 2015: Rs.35,575 lakhs). Management believes that the subsidiary company will be appropriately reimbursed for cancelled coal mine accordingly no provision is required to be made to carrying value of assets. The auditors of the Company have not expressed an opinion on the recoverability of assets together with consequential impact if any, in their limited review report for the quarter.





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

a) There has been uncertainty regarding supplies/availability of gas to power generating plants and power projects under construction of the Group. Further, subsidiaries engaged in this business have made losses of Rs.6,494 lakhs (December 31, 2014: Rs. 7,240 lakhs) in aforementioned quarters. Management had received additional term loans/ renewals till March 31, 2015 and March 31, 2016 respectively for two subsidiaries and is in the process of applying for further additional term loans from lenders. Management is also confident of obtaining the requisite gas allocation and based on rights under power purchase agreement and legal advice is confident of recovering fixed charges and accordingly believes fixed assets with carrying value of Rs.202,242 lakhs (December 31, 2014: Rs.219,734 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. 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 for re- negotiation of terms of power purchase agreement such as rate revision, approval for using imported coal etc. claiming force majeure and change in law as envisaged under Power Purchase Agreement. Management based on legal advice believes that cancellation of coal mine will not impact the operations of the upcoming power project and accordingly believes that fixed assets of the subsidiary company aggregating to Rs. 425,534 lakhs are recoverable in the normal course of the business.

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

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

8. The Company has made investments aggregating to Rs. 35,827 lakhs (March 31, 2015: Rs.33,318 lakhs) by way of advances, subscription of shares and share application money and provided guarantees and commitments aggregating to Rs.716,984 lakhs (March 31, 2015: Rs. 653,448 lakhs) to lenders of GVK Coal Singapore Pte Limited (GVK Coal), an entity in which Company owns 10%. GVK Coal has borrowed Rs.716,984 lakhs (March 31, 2015:Rs. 653,448 lakhs) against the aforesaid guarantees and commitments. GVK Coal is currently under development phase and is making losses and its current liabilities exceed current assets by USD 885 million (Rs. 564,711 lakhs) (March 31, 2015: USD 885 million, Rs.564,711 lakhs) based on audited financial statements for the year ended June 30, 2014. In addition to aforesaid commitments, the Company has also given assurance for financial assistance, if required. The prices of the coal have significantly fallen since GVK coal had acquired stake in the coal mines. GVK coal is also in discussion with non- controlling shareholders to realign the option exercise dates and additional funding from potential investors. Management believes that GVK Coal would be able to establish profitable operations, meet its obligations and its current liabilities being in excess of current assets is temporary situation and will not impact ability of the Company to continue in operation in foreseeable future and accordingly will not have any material adverse impact upon operations and cash flows of the Company. The auditors of the Company have drawn an Emphasis of Matter paragraph in their limited review report for the quarter.

9. During the current quarter, due to reduced availability of water, our hydro plant in a subsidiary operated at less than optimum capacity thereby reducing revenue. The Group is currently under discussion with regulators to finalise provisional tariff post which the subsidiary will earn fixed revenues based on availability of the plant.

10. The above financial results have been reviewed by the Audit Committee on February 11, 2016 and taken on record by the Board of Directors at its meeting held on February 12, 2016. The auditors of the Company have performed review of unconsolidated financial statements only.

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

Place: Hyderabad

Date : February 12, 2016



GVK Power & Infrastructure Limited

  
Dr. G V Krishna Reddy  
Chairman & Managing Director



**Limited Review Report**

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

1. We have reviewed the accompanying statement of unaudited financial results of GVK Power & Infrastructure Limited ('the Company') for the quarter and nine months ended December 31, 2015 (the "Statement"). 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. We have not reviewed or audited the accompanying consolidated financial results for the quarter and nine months ended December 31, 2015 and accordingly, we do not express any review or audit opinion on said consolidated financial results.
4. As discussed more fully in Note 4 of the accompanying financial results, termination notice has been served by a subsidiary involved in oil & gas activity on Ministry of Petroleum and Natural Gas (Ministry) for termination of productions sharing contract. The Management believes that Ministry will reimburse the said subsidiary for costs incurred by it and accordingly no adjustment is required to carrying value of investments and advances aggregating to Rs. 10,161 lakhs. However, in the absence of sufficient appropriate evidence in this regard, we are unable to comment upon recoverability of such advances and investment together with consequential impact, if any, arising out of the same in these Company's financial results. Our limited review report for previous quarter was qualified in respect of this matter
5. As discussed more fully in Note 5 to the accompanying financial results, the Hon'ble Supreme Court of India has de-allocated coal mine allocated to GVK Coal (Tokisud) Private Limited, subsidiary company and Nominated Authority has offered compensation of Rs. 11,129 lakhs as against carrying value of assets of Rs. 38,038 lakhs in books of subsidiary. In the absence of appropriate evidence, we are unable to comment upon recoverability of assets together with consequential impact, if any, arising out of the same in these accompanying financial results. Our limited review report for previous quarter was qualified in respect of this matter.
6. We draw attention to:
  - a. Note 7 of financial results regarding application made by company for the waiver of excess managerial remuneration for the year's ended March 31, 2013 amounting to Rs. 21 lakhs paid to a director in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956.
  - b. Note 8 of financial results, regarding GVK Coal Singapore Pte. Limited whose net liabilities exceeds net assets by USD 885 million (Rs. 564,711 lakhs) as at June 30, 2014 and in which the Company has made investments of Rs. 35,827 lakhs and provided





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

guarantees and commitments for loans of Rs. 716,984 lakhs borrowed by GVK Coal Singapore Pte. Limited as at December 31, 2015.

- c. Note 6 of financial results, material uncertainties are being faced by subsidiaries of GVK Energy Limited, one of the subsidiaries of the Company, in which the Company has an investment of Rs. 108,323 lakhs as detailed below:
- i. Uncertainty towards supplies/availability of natural gas to gas based power generating plants and power projects under construction of subsidiary companies of subsidiary company, GVK Energy Limited.
  - ii. Uncertainty towards availability of fuel and regulatory approvals faced by coal plant under construction of subsidiary company of GVK Energy Limited.

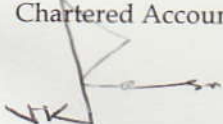
The ultimate outcome of the above matters cannot presently be determined, pending approvals, acceptances, notification, legal interpretations and resolution of uncertainty around availability of gas, coal and coal prices, as referred to in the relevant notes to the financial results referred above, accordingly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

7. Based on our review conducted as above, except for the possible effects of the our observations 4 & 5, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Vikas Kumar Pansari  
Partner  
Membership No.:093649



Place: Hyderabad

Date: February 12, 2016