

GVK Power & Infrastructure Limited

CIN: L74999AP2005PLC059013

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Statement of Audited Standalone Financial Results for the Year ended March 31, 2014

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended			Year ended	
		31.03.2014 (Audited) (Refer note 4)	31.12.2013 (Unaudited)	31.03.2013 (Audited) (Refer note 4)	31.03.2014 (Audited)	31.03.2013 (Audited)
(Rs. in Lakhs)						
Part I						
1	Net sales / income from operations	634	658	723	2,676	3,021
2	Expenses					
	(a) Employee benefits expense*	(241)	87	116	97	608
	(b) Depreciation and amortisation expense	3	5	4	18	18
	(c) Operating and maintenance expenses	25	23	37	96	179
	(d) Expenses for manpower services	36	27	41	139	158
	(e) Travel and conveyance	19	17	20	71	62
	(f) Legal and professional charges**	(6)	7	61	13	335
	(g) Printing and stationery	1	-	1	37	39
	(g) Other expenses	60	59	52	228	499
	Total	(103)	225	332	699	1,898
3	Profit from operations before other income, interest costs and exceptional items (1-2)	737	433	391	1,977	1,123
4	Other income	768	977	703	3,243	2,780
5	Profit from ordinary activities before interest costs and exceptional items (3+4)	1,505	1,410	1,094	5,220	3,903
6	Interest costs	1,535	1,432	1,175	5,787	4,935
7	Loss from ordinary activities after interest costs but before exceptional items (5-6)	(30)	(22)	(81)	(567)	(1,032)
8	Exceptional items	-	-	-	-	-
9	Loss from ordinary activities before tax (7+ 8)	(30)	(22)	(81)	(567)	(1,032)
10	Tax expense	511	483	375	1,776	1,372
11	Loss from ordinary activities after tax (9-10)	(541)	(505)	(456)	(2,343)	(2,404)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	Net Loss for the period (11-12)	(541)	(505)	(456)	(2,343)	(2,404)
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				2,32,053	2,34,396
16 (i)	Earnings per share (before extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(0.03)	(0.03)	(0.03)	(0.15)	(0.15)
	b) Diluted (in Rs.)	(0.03)	(0.03)	(0.03)	(0.15)	(0.15)
16 (ii)	Earnings per share (after extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(0.03)	(0.03)	(0.03)	(0.15)	(0.15)
	b) Diluted (in Rs.)	(0.03)	(0.03)	(0.03)	(0.15)	(0.15)
Part II						
A	Particulars of Shareholding					
1	Public Shareholding					
	Number of shares	72,24,81,060	72,24,81,060	72,24,81,060	72,24,81,060	72,24,81,060
	% age of shareholding	45.75%	45.75%	45.75%	45.75%	45.75%
2	Promoters and Promoter Group Shareholding					
	a) Pledged/ Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%
	b) Non-encumbered					
	- Number of Shares	85,67,29,340	85,67,29,340	85,67,29,340	85,67,29,340	85,67,29,340
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	54.25%	54.25%	54.25%	54.25%	54.25%

* Employee benefit expense of the quarter ended March 31, 2014 includes remuneration recovered of Rs.269 lakhs paid in previous years.

** Legal and professional charges of the quarter ended March 31, 2014 includes liabilities written back of Rs.25 lakhs created in earlier years.

Standalone Statement of Assets and Liabilities

(Rs. in Lakhs)

S. No	Particulars	As at 31.03.2014 (Audited)	As at 31.03.2013 (Audited)
A	Equity and Liabilities		
1	Shareholders' funds		
	(a) Share capital	15,792	15,792
	(b) Reserves and surplus	2,32,053	2,34,396
	Sub-total - Shareholders' funds	2,47,845	2,50,188
2	Non-current liabilities		
	(a) Long-term borrowings	28,319	35,000
	(b) Deferred tax liabilities (net)	7	-
	(c) Long term provisions	-	23
	Sub-total - Non-current liabilities	28,326	35,023
3	Current liabilities		
	(a) Short-term borrowings	18,050	7,350
	(b) Trade payables	243	208
	(c) Other current liabilities	7,236	478
	(d) Short term provisions	211	105
	Sub-total - Current liabilities	25,740	8,141
	Total Equity and Liabilities	3,01,911	2,93,352
B	Assets		
1	Non-current assets		
	(a) Fixed assets	109	126
	(b) Non-current investments	1,40,106	1,40,106
	(c) Deferred tax assets (net)	-	14
	(d) Long-term loans and advances	46,465	41,712
	(e) Other non-current assets	53,206	32,436
	Sub-total - Non-current assets	2,39,886	2,14,394
2	Current assets		
	(a) Current investments	514	385
	(b) Trade receivables	370	299
	(c) Cash and cash equivalents	1,661	2,339
	(d) Short-term loans and advances	59,430	75,184
	(e) Other current assets	50	751
	Sub-total - Current assets	62,025	78,958
	Total Assets	3,01,911	2,93,352

GVK Power & Infrastructure Limited
Statement of Audited Consolidated Financial Results for the Year ended March 31, 2014

(Rs. in Lakhs)

S.No.	Particulars	Quarter ended			Year ended	
		31.03.2014 (Unaudited) (Refer note 4)	31.12.2013 (Unaudited)	31.03.2013 (Unaudited) (Refer note 4)	31.03.2014 (Audited)	31.03.2013 (Audited)
Part I						
1	Net sales / income from operations*	69,441	73,509	50,007	2,82,093	2,60,765
2	Expenses					
	(a) Employee benefits expense**	4,329	4,508	3,877	17,089	13,562
	(b) Depreciation and amortisation expense	16,414	9,148	9,114	43,771	35,118
	(c) Fuel cost	6,441	7,197	12,069	25,535	71,980
	(d) Annual fee to Airport Authority of India	21,216	21,272	18,731	83,479	56,694
	(e) Other expenses***	21,539	14,900	17,619	61,379	54,020
	Total expenses	69,939	57,025	61,410	2,31,253	2,31,374
3	Profit / (Loss) from operations before other income, interest costs and exceptional items (1-2)	(498)	16,484	(11,403)	50,840	29,391
4	Other income	2,198	3,429	3,499	12,066	13,613
5	Profit / (Loss) from ordinary activities before interest costs and exceptional items (3+4)	1,700	19,913	(7,904)	62,906	43,004
6	Interest costs	30,472	19,891	16,511	90,467	70,793
7	Profit / (Loss) from ordinary activities after interest costs but before exceptional items (5-6)	(28,772)	22	(24,415)	(27,561)	(27,789)
8	Exceptional items	-	-	-	-	-
9	Profit/ Loss from ordinary activities before tax (7+ 8)	(28,772)	22	(24,415)	(27,561)	(27,789)
10	Tax Expenses	(2,188)	5,238	4,087	14,460	12,870
11	Loss from ordinary activities after tax (9-10)	(26,584)	(5,216)	(28,502)	(42,021)	(40,659)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	Net loss for the period (11-12)	(26,584)	(5,216)	(28,502)	(42,021)	(40,659)
14	Share of profit of associates	(3,694)	2,003	2,527	2,764	5,092
15	Minority interest	(6,732)	1,330	(8,874)	(2,390)	(1,970)
16	Net loss after taxes, minority interest and share of profit / (loss) of associates (13+14-15)	(23,546)	(4,543)	(17,101)	(36,867)	(33,597)
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				2,62,026	2,98,739
19	Earnings per share (before extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(1.49)	(0.29)	(1.08)	(2.33)	(2.13)
	b) Diluted (in Rs.)	(1.49)	(0.29)	(1.08)	(2.33)	(2.13)
	Earnings per share (after extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(1.49)	(0.29)	(1.08)	(2.33)	(2.13)
	b) Diluted (in Rs.)	(1.49)	(0.29)	(1.08)	(2.33)	(2.13)
Part II						
A	Particulars of Shareholding					
1	Public Shareholding					
	Number of shares	72,24,81,060	72,24,81,060	72,24,81,060	72,24,81,060	72,24,81,060
	% age of shareholding	45.75%	45.75%	45.75%	45.75%	45.75%
2	Promoters and Promoter Group Shareholding					
	a) Pledged/ Encumbered					
	- Number of Shares	-	-	-	-	-
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%
	b) Non-encumbered					
	- Number of Shares	85,67,29,340	85,67,29,340	85,67,29,340	85,67,29,340	85,67,29,340
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	54.25%	54.25%	54.25%	54.25%	54.25%

* Previous quarter revenue is net off reversal of revenue recognised in earlier periods aggregating to Rs.16,584 lakhs

** Employee benefit expense of the quarter ended March 31, 2014 includes remuneration recovered of Rs.269 lakhs paid in previous years.

*** Legal and professional charges under other expense of the quarter ended March 31, 2014 includes liabilities written back of Rs.25 lakhs created in earlier years.

GVK Power & Infrastructure Limited
Statement of Audited Consolidated Financial Results for the Year ended March 31, 2014

(Rs. in Lakhs)

S.No.	Particulars	Quarter ended			Year ended	
		31.03.2014 (Unaudited) (Refer note 4)	31.12.2013 (Unaudited)	31.03.2013 (Unaudited) (Refer note 4)	31.03.2014 (Audited)	31.03.2013 (Audited)
Part I						
1	Net sales / income from operations*	69,441	73,509	50,007	2,82,093	2,60,765
2	Expenses					
	(a) Employee benefits expense**	4,329	4,508	3,877	17,089	13,562
	(b) Depreciation and amortisation expense	16,414	9,148	9,114	43,771	35,118
	(c) Fuel cost	6,441	7,197	12,069	25,535	71,980
	(d) Annual fee to Airport Authority of India	21,216	21,272	18,731	83,479	56,694
	(e) Other expenses***	21,539	14,900	17,619	61,379	54,020
	Total expenses	69,939	57,025	61,410	2,31,253	2,31,374
3	Profit / (Loss) from operations before other income, interest costs and exceptional items (1-2)	(498)	16,484	(11,403)	50,840	29,391
4	Other income	2,198	3,429	3,499	12,066	13,613
5	Profit / (Loss) from ordinary activities before interest costs and exceptional items (3+4)	1,700	19,913	(7,904)	62,906	43,004
6	Interest costs	30,472	19,891	16,511	90,467	70,793
7	Profit / (Loss) from ordinary activities after interest costs but before exceptional items (5-6)	(28,772)	22	(24,415)	(27,561)	(27,789)
8	Exceptional items	-	-	-	-	-
9	Profit/ Loss from ordinary activities before tax (7+ 8)	(28,772)	22	(24,415)	(27,561)	(27,789)
10	Tax Expenses	(2,188)	5,238	4,087	14,460	12,870
11	Loss from ordinary activities after tax (9-10)	(26,584)	(5,216)	(28,502)	(42,021)	(40,659)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	Net loss for the period (11-12)	(26,584)	(5,216)	(28,502)	(42,021)	(40,659)
14	Share of profit of associates	(3,694)	2,003	2,527	2,764	5,092
15	Minority interest	(6,732)	1,330	(8,874)	(2,390)	(1,970)
16	Net loss after taxes, minority interest and share of profit / (loss) of associates (13+14-15)	(23,546)	(4,543)	(17,101)	(36,867)	(33,597)
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				2,62,026	2,98,739
19	Earnings per share (before extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(1.49)	(0.29)	(1.08)	(2.33)	(2.13)
	b) Diluted (in Rs.)	(1.49)	(0.29)	(1.08)	(2.33)	(2.13)
	Earnings per share (after extraordinary items) -(not annualised)					
	a) Basic (in Rs.)	(1.49)	(0.29)	(1.08)	(2.33)	(2.13)
	b) Diluted (in Rs.)	(1.49)	(0.29)	(1.08)	(2.33)	(2.13)
Part II						
A	Particulars of Shareholding					
1	Public Shareholding					
	Number of shares	72,24,81,060	72,24,81,060	72,24,81,060	72,24,81,060	72,24,81,060
	% age of shareholding	45.75%	45.75%	45.75%	45.75%	45.75%
2	Promoters and Promoter Group Shareholding					
	a) Pledged/ Encumbered					
	- Number of Shares	-	-	-	-	-
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%
	b) Non-encumbered					
	- Number of Shares	85,67,29,340	85,67,29,340	85,67,29,340	85,67,29,340	85,67,29,340
	- Percentage of Shares (as a % of the total Shareholding of the Promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of the total Share Capital of the company)	54.25%	54.25%	54.25%	54.25%	54.25%

* Previous quarter revenue is net off reversal of revenue recognised in earlier periods aggregating to Rs.16,584 lakhs

** Employee benefit expense of the quarter ended March 31, 2014 includes remuneration recovered of Rs.269 lakhs paid in previous years.

*** Legal and professional charges under other expense of the quarter ended March 31, 2014 includes liabilities written back of Rs.25 lakhs created in earlier years.

Consolidated Statement of Assets and Liabilities

(Rs. in Lakhs)

S. No	Particulars	As at 31.03.2014 (Audited)	As at 31.03.2013 (Audited)
A	Equity and Liabilities		
1	Shareholders' funds		
	(a) Share capital	15,792	15,792
	(b) Reserves and surplus	2,62,026	2,98,739
	Sub-total - Shareholders' funds	2,77,818	3,14,531
2	Deferred income	14,901	15,729
3	Minority interest	3,07,321	3,31,884
4	Non-current liabilities		
	(a) Long-term borrowings	19,34,158	15,02,360
	(b) Deferred tax liabilities (net)	41,625	33,107
	(c) Trade payables	48,216	-
	(d) Other long-term liabilities	65,783	27,040
	(e) Long-term provisions	816	4,273
	Sub-total - Non-current liabilities	20,90,598	15,66,780
5	Current liabilities		
	(a) Short-term borrowings	2,49,567	2,06,160
	(b) Trade payables	30,273	52,596
	(c) Other current liabilities	2,22,174	2,95,754
	(d) Short-term provisions	10,394	5,218
	Sub-total - Current liabilities	5,12,408	5,59,728
	Total Equity and Liabilities	32,03,046	27,88,652
B	Assets		
1	Non-current assets		
	(a) Fixed assets	21,20,480	19,88,458
	(b) Goodwill on consolidation	1,16,161	1,16,161
	(c) Non-current investments	1,98,070	1,94,884
	(d) Deferred tax assets (net)	16	42
	(e) Long-term loans and advances	1,64,905	1,50,495
	(f) Trade receivables	10,242	8,118
	(g) Other non-current assets	2,88,737	17,535
	Sub-total - Non-current assets	28,98,611	24,75,693
2	Current assets		
	(a) Current investments	21,354	30,563
	(b) Inventories	3,829	8,957
	(c) Trade receivables	47,743	34,215
	(d) Cash and bank balances	1,86,567	2,08,016
	(e) Short-term loans and advances	20,829	14,858
	(f) Other current assets	24,113	16,350
	Sub-total - Current assets	3,04,435	3,12,959
	Total Assets	32,03,046	27,88,652

Segment Reporting (Consolidated)

(Rs. in Lakhs)

S. No.	Particulars	Quarter ended			Year ended	
		31.03.2014 (unaudited) (Refer note 4)	31.12.2013 (Unaudited)	31.03.2013 (unaudited) (Refer note 4)	31.03.2014 (Audited)	31.03.2013 (Audited)
1	Segment Revenue					
	Power	8,661	9,766	(3,985)	36,698	89,545
	Roads	7,115	6,922	6,571	27,195	24,933
	Airports	53,665	56,821	47,346	2,18,200	1,46,212
	Others	314	315	385	1,361	1,642
	Total	69,755	73,824	50,317	2,83,454	2,62,332
	Less: Inter segment revenue	314	315	310	1,361	1,567
	Net sales / income from operations	69,441	73,509	50,007	2,82,093	2,60,765
2	Segment Result					
	Power	(4,778)	(3,816)	(22,024)	(14,064)	(9,669)
	Roads	4,686	4,162	3,631	17,596	13,761
	Airports	(551)	15,660	6,734	46,333	24,987
	Others	436	187	146	975	312
	Unallocated	-	-	-	-	-
	Total	(207)	16,193	(11,513)	50,840	29,391
	Less: Inter segment elimination	-	-	-	-	-
	Total	(207)	16,193	(11,513)	50,840	29,391
	Less:					
	Interest expense	30,472	19,891	16,511	90,467	70,793
	Add:				-	-
	Other unallocable income net off unallocable expenditure	1,907	3,720	3,609	12,066	13,613
	Total profit/ (loss) before tax	(28,772)	22	(24,415)	(27,561)	(27,789)
3	Capital Employed					
	(Segment Assets- Segment Liabilities)					
	Power	11,45,751	10,91,214	9,77,853	11,45,751	9,77,853
	Roads	1,95,722	1,88,156	1,53,989	1,95,722	1,53,989
	Airports	10,09,878	9,88,460	9,09,798	10,09,878	9,09,798
	Others*	30,664	35,450	30,754	30,664	30,754
	Unallocated	(21,04,197)	(20,02,243)	(17,57,863)	(21,04,197)	(17,57,863)
	Total Capital Employed	2,77,818	3,01,037	3,14,531	2,77,818	3,14,531

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

Notes

1. Pursuant to the Clause 41 of the Listing Agreement, the Company opted to publish only the consolidated results of the Company. The company carries its business in business segments viz., Power, Roads, Airports and others through various subsidiaries and associates, 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 and its subsidiaries and share of profits of associates. 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' and Accounting Standard - 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements', notified by Companies Accounting Standards Rules, 2006 (as amended).

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

Particulars	Quarter ended			Year ended	
	31.03.2014 (Audited)	31.12.2013 (Unaudited)	31.03.2013 (Audited)	31.03.2014 (Audited)	31.03.2013 (Audited)
Revenues	634	658	723	2,676	3,021
Loss before tax	(30)	(22)	(81)	(567)	(1,032)
Loss after tax	(541)	(505)	(456)	(2,343)	(2,404)

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, 2014 and March 31, 2013 and the unaudited published year -to- date figures up to December 31, 2013 and December 31, 2012. The unaudited consolidated published results year to date figures up to the third quarter ended December 31, 2013 were not subject to limited review, however the unaudited standalone results were subject to limited review.

5. The Company has made investments aggregating to Rs. 22,202 lakhs by way of subscription of shares and share application money and provided guarantees and commitments aggregating to Rs. 678,778 lakhs to GVK Coal Developers (Singapore) Pte Limited ("GVK Coal"), an entity in which Company owns 10%. GVK Coal is currently under development phase and is making losses and its current liabilities exceed current assets by USD 259 mn based on unaudited financial statements for the year ended June 30, 2013. In addition to aforesaid commitments, the Company has also given assurance for financial assistance, if required. 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 and current liabilities being in excess of current assets is temporary and accordingly will not have any impact upon investments/guarantees of the Company.

6. 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.18,356 lakhs/ investments of Rs. 17,745 lakhs and guarantees issued aggregating to Rs.813 lakhs. The auditors of the Company have not expressed an opinion on the carrying value of assets and guarantees issued in their audit report on the consolidated and unconsolidated financial statements in this regard.

7. 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.28,991 lakhs (March 31, 2013: Rs. 23,879 lakhs). Management is confident of receiving approval from bank for reschedulement of loans and obtaining the requisite gas allocation/recover fixed charges. Management further believes that subsidiary companies will continue in operation despite losses and accordingly believes investments in subsidiary amounting to Rs.108,323 lakhs/fixed assets with carrying value of Rs.225,325 lakhs are recoverable in normal course of business. The auditors of the Company have drawn an Emphasis of Matter paragraph in their unconsolidated and consolidated financial statements in this regard.

8. GVK Energy Limited and GVK Industries Limited, subsidiary companies have provided security for loan taken by the GVKPIL amounting to Rs. 20,000 lakhs, covered by the provisions of Section 295 of the Companies Act, 1956, where the subsidiary companies have made application to Central Government for approval. During the current year, Central Government has returned the applications and advised the subsidiary companies to ensure compliance with provisions of Section 185 of Companies Act, 2013, which the subsidiary companies are in the process of complying. The auditors of the Company have drawn an Emphasis of Matter paragraph in their audit report on the 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 (March 31, 2013: Rs. 4,512 lakhs) by GVKIL, subsidiary company, dis-incentive recoverable aggregating to Rs.2,124 lakhs (March 31, 2013: Nil) and 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 (March 31, 2013: Rs. 3,530 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 and Rs. 112 lakhs for the years ended March 31, 2013 and March 31, 2012 respectively, 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 unconsolidated and consolidated financial statements in this regard.

11. The above financial results have been reviewed by the Audit Committee on May 28, 2014 and taken on record by the Board of Directors at its meeting held on May 29, 2014.

12. Information on investor's complaints for the year ended March 31, 2014:

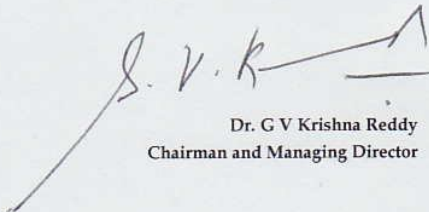
Number of Complaints	No's
Opening balance	-
Received	61
Resolved	61
Closing balance	-

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

GVK Power & Infrastructure Limited

Place: Hyderabad
Date : May 29, 2014




Dr. G V Krishna Reddy
Chairman and Managing Director

Auditor's Report On Quarterly Unconsolidated Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To
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, 2014 and the unconsolidated financial results for the year ended March 31, 2014, attached herewith, 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 audited by us. The quarterly unconsolidated financial results are the derived figures between the audited figures in respect of the year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, 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, 2014 have been prepared on the basis of the unconsolidated financial results for the nine-month period ended December 31, 2013, the audited annual financial statements as at and for the year ended March 31, 2014, and the relevant requirements of Clause 41 of the Listing Agreement 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, 2013 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, notified under the Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2014; and the relevant requirements of Clause 41 of the Listing Agreement.
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 misstatement(s). 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, 2014 and accordingly, we do not express any review or audit opinion on the said consolidated financial results.
4. *As discussed more fully in Note 6 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 subsidiary for costs incurred by it and accordingly no adjustment is required to carrying value of investments and advances aggregating to Rs. 17,745 lakhs and guarantee aggregating to Rs. 813 lakhs made by the Company to subsidiary. 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.*
5. We draw attention to:
 - a. Note 10 to the financial results regarding application made by company for the waiver of excess managerial remuneration for the year's ended March 31, 2013 and March 31, 2012 amounting to



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Rs. 21 lakhs and Rs. 112 lakhs respectively paid to a director in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956.

- b. Note 7 to the financial results, regarding 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. Also, during the year, the subsidiary companies have received the approval of the lead bankers and also majority of the consortium lenders for additional loans/moratorium for payments and are confident of receiving approval from the remaining lenders. The Management is confident of obtaining the requisite gas allocation/recover fixed charges and accordingly believes that investments and advances with carrying value of Rs. 108,323 lakhs (including gas and non-gas based projects) are recoverable in normal course of business. Further, Management based on its rights under power purchase agreement to recover capacity charges and receipt of the approval from majority of the consortium lenders, believes that the subsidiary companies will continue to be in operation in foreseeable future despite continued losses.

Pending the final outcome of the Company's applications in the above referred matters, resolution of uncertainty around availability of gas and outcome of discussions with various parties no adjustment has been made in the accompanying financial statements. Our opinion is not qualified in respect of these matters.

6. In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the paragraph 4 above*, these quarterly financial results as well as the year to date results:
- i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - ii. give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2014 and for the year ended March 31, 2014.
7. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2014 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, 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 Clause 41(I)(d) of the Listing Agreement.
8. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W

per Vikas Kumar Pansari

Partner

Membership No.: 93649



Place of Signature: Hyderabad

Date: May 29, 2014