



Renewable Energy



Thermal Energy



**PAVING THE  
PATH TO  
A GREENER  
TOMORROW**

Smart Metering



Railways



# **GMR POWER AND URBAN INFRA LIMITED**

ENERGY | TRANSPORTATION | URBAN INFRASTRUCTURE

4<sup>th</sup> ANNUAL REPORT 2022-23



## **CAUTION REGARDING FORWARD - LOOKING STATEMENTS**

This document contains statements about expected future events, financial and operating results of GMR Power and Urban Infra Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer which is qualified in its entirety by the assumptions, and risk factors that are referred in the management discussion and analysis report, forming part of the Annual Report 2022-23.

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# GENERAL INFORMATION

## BOARD OF DIRECTORS

**G.M. Rao**  
Chairman

**Srinivas Bommidala**  
Managing Director

**Grandhi Kiran Kumar**  
Group Director

**B. V. N. Rao**  
Group Director

**G. Subba Rao**  
Executive Director

**Madhva B. Terdal**  
Executive Director

**Siva Kameswari Vissa**  
Independent Director

**Suman Naresh Sabnani**  
Independent Director

**Emandi Sankara Rao**  
Independent Director

**Suresh Narang**  
Independent Director

**Satyanarayana Beela**  
Independent Director

**Fareed Ahmed**  
Independent Director

**Shantanu Ghosh**  
Independent Director

## CHIEF FINANCIAL OFFICER

Suresh Bagrodia

## COMPANY SECRETARY & COMPLIANCE OFFICER

Vimal Prakash

## AUDIT COMMITTEE

Siva Kameswari Vissa	-	Chairperson
Satyanarayana Beela	-	Member
Fareed Ahmed	-	Member
Suman Naresh Sabnani	-	Member

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

Satyanarayana Beela	-	Chairman
G. Subba Rao	-	Member
Suman Naresh Sabnani	-	Member

## NOMINATION AND REMUNERATION COMMITTEE

Fareed Ahmed	-	Chairman
Siva Kameswari Vissa	-	Member
B.V. N. Rao	-	Member
Satyanarayana Beela	-	Member

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

G. Subba Rao	-	Chairman
Satyanarayana Beela	-	Member
Emandi Sankara Rao	-	Member

## RISK MANAGEMENT COMMITTEE

Grandhi Kiran Kumar	-	Chairman
Srinivas Bommidala	-	Member

Siva Kameswari Vissa	-	Member
Suresh Bagrodia	-	Member

## ENVIRONMENT SOCIAL & GOVERNANCE (ESG) COMMITTEE

Srinivas Bommidala	-	Chairman
B.V.N. Rao	-	Member
Satyanarayana Beela	-	Member
Suman Naresh Sabnani	-	Member

## STATUTORY AUDITORS

Walker Chandiok & Co LLP, Chartered Accountants

## BANKERS

Punjab National Bank	Bank of Baroda
YES Bank Limited	Central Bank of India
ICICI Bank Limited	Union Bank of India
IDBI Bank Limited	

## REGISTERED OFFICE:

Naman Centre, 701, 7<sup>th</sup> Floor  
Plot No. C-31, G Block, Bandra Kurla Complex  
Bandra (East), Mumbai, Maharashtra, India - 400 051  
T: +91 22 4202 8000 F: +91 22 4202 8004  
E: GPUIL.CS@gmrgroup.in, W: www.gmrpui.com

## REGISTRAR AND SHARE TRANSFER AGENT:

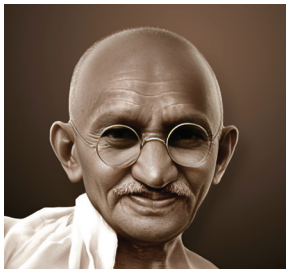
Kfin Technologies Limited  
KFintech Selenium Tower B, Plot 31-32,  
Financial District, Nanakramguda, Serilingampally  
Rangareddi, Hyderabad, Telangana, India - 500032  
Toll Free: 1800-309-4001  
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# OUR VISION

GMR Group will be an institution in perpetuity that will build entrepreneurial organizations making a difference to society through creation of value.

## VALUES & BELIEFS



Mahatma  
Gandhi

**Humility**

We value intellectual modesty and dislike false pride and arrogance



JRD  
Tata

**Entrepreneurship**

We seek opportunities – they are everywhere

Tenzing &  
Hillary  
**Teamwork &  
Respect for Individual**

Nurturing a relationship of trust, collaboration and mutual respect.



Sardar  
Vallabhbhai Patel

**Deliver the Promise**

We value a deep sense of responsibility and self-discipline, to meet and surpass on commitments made



Swami  
Vivekananda

**Learning & Inner Excellence**

We cherish the life long commitment to deepen our self awareness, explore, experiment and improve our potential



Mother  
Teresa

**Social Responsibility**

Anticipating and meeting relevant and emerging needs of society



Warren  
Buffett

**Financial  
Prudence – Frugality**

We spend wisely and judiciously



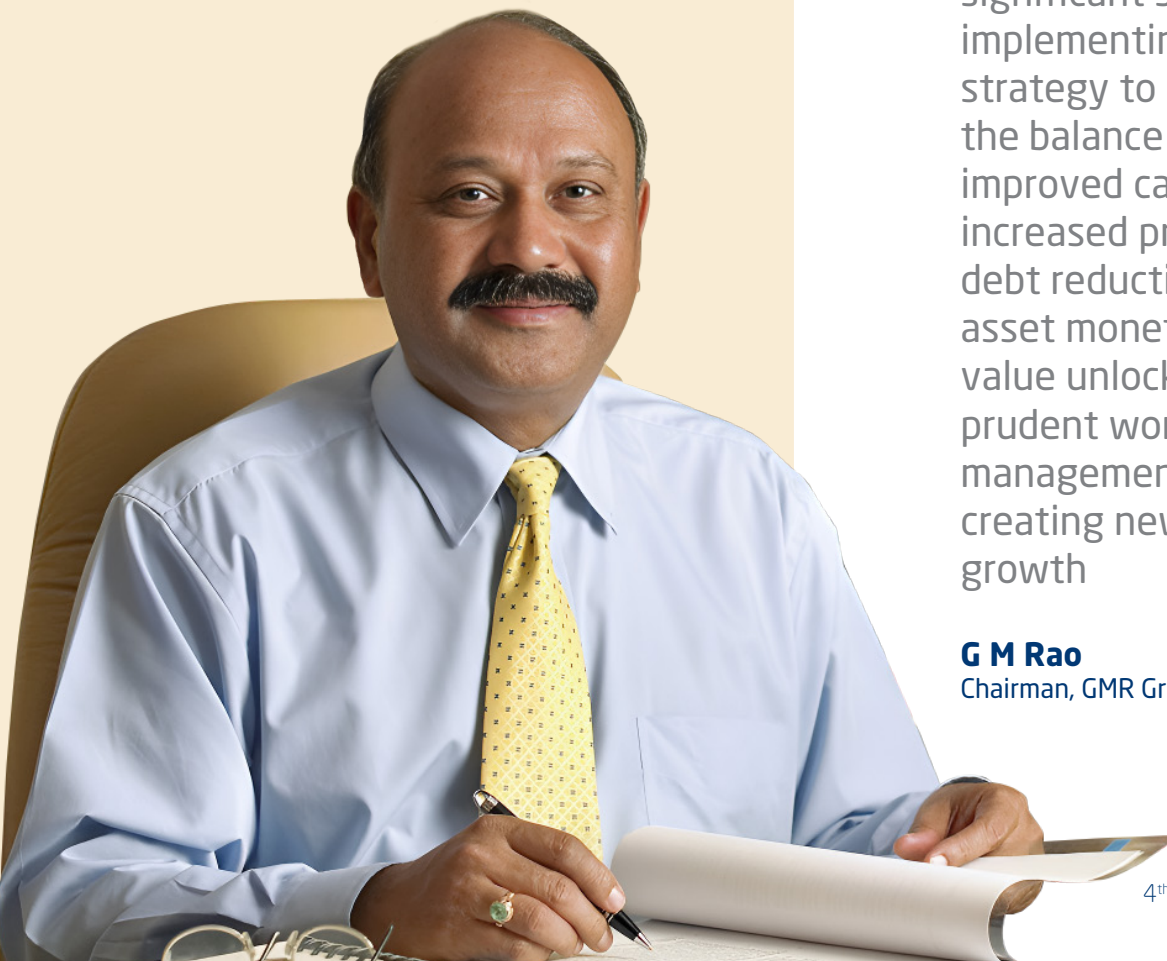
Our commitment to building an institution for perpetuity is grounded on the above values and beliefs

## CHAIRMAN'S MESSAGE

”

Over the past few years, we have consolidated our position, focused on rationalization and management of corporate debt and stressed assets, while building a platform for growth for the future. We have taken many significant steps in implementing our stated strategy to strengthen the balance sheet through improved cash flows from increased profitability, debt reduction through asset monetization, value unlocking and prudent working capital management while creating new avenues for growth

**G M Rao**  
Chairman, GMR Group



## **Dear Fellow Stakeholder,**

It gives me immense pleasure to welcome you all to the 4<sup>th</sup> Annual General Meeting of the Company.

As we cross over from a pre-pandemic to the post-pandemic world, it gives me pride to say that India not only successfully fought this adversity, but has also emerged stronger and more resilient. India today has emerged as a bright spot in a world that is economically fragile and geopolitically fractured. In this process, we have begun a transformational journey towards being a technologically advanced, environmentally conscious, industrially self-reliant, economically prosperous and a geopolitically benevolent developed nation. The Government of India led by our Honourable Prime Minister Shri Narendra Modi has made significant efforts to ensure this transformation.

You would recall that during FY 2021-22, your company had achieved a key milestone i.e., implementation of the demerger of GMR Infrastructure Limited and emergence of two separate listed entities - GIL (GMR Airports Infrastructure Limited) & GPUIL (GMR Power and Urban Infrastructure Limited). With this demerger of GIL business and the vesting of the Energy, Transportation & Urban Infra Businesses of GIL into your Company, the resultant simplified corporate holding structure has enabled the airport and non-airport businesses to chart their respective growth plans independently while also offering investors separate platforms to participate in

the growth story. GPUIL is now strongly focused on the Energy, Transportation & Urban Infrastructure verticals as the key value drivers of the portfolio. The Transportation vertical includes Highways & DFCC projects leveraging the EPC capabilities of the Group.

Over the past few years, we have consolidated our position, focused on rationalization and management of corporate debt and stressed assets, while building a platform of growth for the future. We have taken many significant steps in implementing our stated strategy to strengthen the balance sheet through improved cash flows from increased profitability, debt reduction through asset monetization, value unlocking and prudent working capital management while creating new avenues for growth. As a material development, the Company has strong focus on reducing 'third party' corporate debt and liabilities at GPUIL level, and it has taken additional loans from GMR Airports Infrastructure Limited (GIL) in order to pay off third party corporate debt. There is a further commitment to convert outstanding FCCBs into equity to ensure there is no continuing debt liability on this account. Further, GPUIL has a number of initiatives in place to pay off or refinance existing third party debt in order to strengthen the balance sheet of the company and prepare for future growth.

In this direction, your company has undertaken a number of initiatives. As part of the deleveraging efforts and also to steer away from fossil fuels, in August 2022, your Company divested its 30% equity stake

in PT GEMS in Indonesia to PT Radhika Jananta Raya, a subsidiary of PT ABM Investama Tbk ("ABM"), following a competitive bidding process. GMR Coal Resources Pte Ltd ("GCRPL"), a subsidiary of GPUIL, received USD 420 Mn along with deferred consideration based on mutually agreed milestones.

In recent times, climate change has been globally recognized as a major challenge. Various countries including India have committed to a number of initiatives at COP27, to make progress in climate protection. India is now committed to achieve net zero emissions by 2070. Some of the intermediate targets as submitted under the updated First Nationally Determined Contribution (NDC) on August 2022 include, fulfilling 50% of energy requirements through renewable sources by 2030, reduction of carbon intensity of the economy by 45% below 2005 levels by 2030 etc. Further, at COP 27, India has submitted its Long Term Low Emission Development Strategy (LT-LEDS), which has outlined key areas to reduce net emissions including electricity, transport, urbanization and industry while also focusing on carbon removal through afforestation.

We understand that India is at a cusp of an energy transformation and is marching towards ambition of 500 GW of installed green capacity by 2030. There is also a large headroom for increase in power consumption with the current per capita consumption in India much lower than the global average. This would mean a major transformation of power sector, with significant opportunities opening in power



distribution, renewable power space including distributed generation, intelligent energy solutions and services.

Your Company has built significant expertise and domain knowledge in the Power sector over the past years and is exploring new opportunities in the emerging scenario to expand its reach across the power sector ecosystem. Going forward, our strategy in the Energy sector, is to become a clean energy company of the future while focusing on improving operational efficiencies of existing assets. While monetization/divestment of assets on selective basis would be explored, we will simultaneously build new avenues to pursue growth opportunities in this sector that are asset light and/ or through partnership model.

In order to achieve this objective, we have embarked on a new journey to explore growth opportunities and arrive at new variant of Energy segment i.e. Energy 2.0.

Under the Energy 2.0 initiative, we will focus on innovative, asset-light, platform-based, and technology-oriented business models while deploying efficient capital structure and accessing

green financing. We intend to not only enter strategic partnerships with global reputed majors and institutes of excellence, but also invest in emerging start-ups in the clean-tech ecosystem where potential synergies can be explored.

A few of the key focus areas under this initiative will include:

- Selectively foraying into businesses directly with the end consumers, enhancing value through differentiated service offerings using new-age technology solutions.
- Continue to focus on hydropower development and explore additional innovative value enhancement opportunities, including hybrid power solutions.
- Generating value from 'Green ecosystem' through new age distributed energy business segments including areas such as electric mobility and storage solutions.
- Leveraging unique access to early adopters- airports, highways, and industrial parks under the GMR Umbrella to generate value from electric mobility and new-age storage and charging solutions.

- Capitalizing on these opportunities by developing a platform for green ecosystem play and striking strategic/ financial partnerships to build and rapidly scale our green business.

India achieving the climate targets and commitments under COP 27, would hinge on large quantum of investments and adoption of new technologies. Electric Vehicles, Green Hydrogen, Energy Storage and Smart Metering have emerged as the bellwethers towards the goals of energy transition. In line with our Energy 2.0 initiative, your company has forayed into Smart Metering and EV Charging Infrastructure areas so as to capitalize on the synergies with the existing businesses and with a view to build scalable and sustainable value proposition for all stakeholders.

GMR has participated in a tender and been awarded the Lol for a smart metering project in Uttar Pradesh through competitive bidding. The project, valued at ~ INR 7500 Crs, entails the installation of ~ 76 lakhs smart meters across a few districts of Uttar Pradesh.



EV charging infrastructure is another growth opportunity, which synergizes well with the airport portfolio of the GMR Group. We have partnered with cab operators and aggregators to put up charging infrastructure at the GMR airports and are looking



to expand this business segment further.



On the hydro power side of business, we successfully commissioned our 180 MW Bajoli Holi HEP located on the river Ravi at Chamba District, Himachal Pradesh on March 28, 2022. Bajoli Holi has PPAs with Delhi International Airport Limited (DIAL) and UPPCL. It has been regularly supplying power to these entities. Further, the 400kV transmission line has been fully commissioned ensuring that the entire power generated from the project will be evacuated during the peak summer season.

At our thermal power vertical, Warora and Kamalanga thermal power plants operated during the year at much better PLFs due to better coal availability and power demand. At Kamalanga, we entered into a medium term PPA with M/s TANGEDCO to supply 102 MW, thus ensuring that almost entire capacity of Kamalanga plant is now tied up.

On the regulatory front, our focus continued to be on the liquidation of regulatory receivables during FY 2022-23 and we have succeeded in this initiative to a significant level.

The Highway sector continues to be one of the most dynamic sectors in the country. To further accelerate the development of road infrastructure and enable seamless connectivity across the

country while reducing overall logistics costs at the same time, the Government of India (GoI) has lined up INR 2.70 lakh crore for the road and highway sector in the Union Budget for FY 2023-24, increasing it by 36%. The Highway sector continues to be one of the most dynamic sectors in the country. During FY 2022-23, NHAI awarded record number of projects in Hybrid Annuity Model (HAM) & EPC mode and government has a target of awarding 12,000 kms of roads under the HAM, EPC and BOT



models during FY 2023-24. Your Company will analyze potential opportunities and bid for projects that correspond to the overall strategy of the Group.

On the highways front, traffic has recovered well from the COVID lows. At the Chennai Outer Ring Road annuity project (CORR), all balance physical works have been completed and Final COD has been received. For the Ambala-Chandigarh, we have received concession period extension of 429 days from NHAI and further 29 days extension is expected.

Various programs announced by Government of India, and in particular the Production Linked Incentive (PLI) Scheme for 14 key sectors, Atma Nirbhar Bharat Abhiyan etc. have attracted huge

investments into the country's manufacturing sector, especially in traditionally manufacturing states like Tamil Nadu, Maharashtra, Gujarat, Andhra Pradesh, etc.

Such developments are expected to support monetization at our existing urban infrastructure portfolio. As you know, our Krishnagiri Special Investment Region (GKSIR) is in a JV agreement with Tamil Nadu Industrial Development Corporation (TIDCO) and has been

making all the basis for the past few years. The 417 Km Section between New Bhaupur and New Deen Dayal Upadhyaya junction has now been commissioned. Presently 25 pairs of Indian Railways goods trains are running on the Eastern Dedicated Freight Corridor Track.

Further, your Company will be exploring new projects under DFCCIL in PPP /EPC mode that are expected to come up during FY 2023-24 and beyond. We already have the requisite trained manpower and construction equipment to take up such new projects.

Apart from construction of railway tracks, Government has opened up private participation in



Operation & Maintenance (O&M) of Railway Tracks. Your Company has requisite track machines and skilled manpower to undertake O&M works and will explore these opportunities that align with overall Group strategy.



While the year was broadly positive for your company, we remain cognizant of the headwinds, which are impacting the global economic and geo-political climate.

While on one hand, the receding pandemic fears resulted in a strong post-COVID economic recovery, on the other hand geo-political scenario turned even more negative. Ongoing Russian-Ukraine war and post pandemic market demand fueled inflation globally. This resulted in Central banks across the world acting in unison to tighten liquidity mainly through increasing interest rates in order to rein inflation. Despite the efforts of Central Banks,

inflation has proven to be rather sticky and the US economy rather resilient. As a consequence, significant relaxation of interest rates may not happen in a short time frame resulting in a potential weaker global economy over the short to medium term.

China lifted its drastic “Zero Covid” policy after following the same for a long time. The policy resulted in disruptions to China’s manufacturing sector with some companies closing down their China operations, which in turn resulted in slowdown in China’s economy and disruption of global supply chains. Unlike analyst expectations, China continues to face various headwinds in its post covid recovery.

It is however worth noting that among all the global economic and geo-political turmoil, India has remained a bright spot. We ended FY 2022-23 on a strong footing with a GDP growth of ~7% despite negative impact from ongoing Russia-Ukraine conflict, high levels of inflation and rate hikes by RBI. Initially, India was particularly hit due to high crude oil and natural gas prices. However, the government proactively mitigated this challenge by sourcing crude oil

supplies from Russia at a discount to the prevailing pricing.

The continuing Russia-Ukraine conflict, US China disputes and geo-political reconfiguration post covid is leading to a new world order, in which India is likely to play a more important role as its economy grows. However, there is likely to be greater uncertainty in a multi-polar world and developments would need to be tracked more carefully to assess potential impact and strategy moving ahead.

While an overhang from these geo-political tussles remain, India has continued its journey to economic transformation. Government initiatives including digital transformation of economy, reduction in corporate taxes, significant infrastructure spending, schemes like Production Linked Incentive (PLI) to boost manufacturing, introduction of GST etc. have started to bear fruits. For the year 2023, India is expected to be amongst the fastest growing major economies with GDP growth rate forecast of ~6% for 2023. Thus, we remain largely confident that despite a few short to medium term challenges, given relative attractiveness of India in context of concerns about China and India’s tax and PLI incentives, India’s long term growth story remains intact.

Government also announced a number of initiatives to boost green energy. INR 19,744 crore has been set aside for National Green Hydrogen Mission with a target to produce 5 MMT of Green Hydrogen (GH) annually by 2030. With ample renewable resources, captive demand from refineries, steel, cement and other industries



and potential to supply GH to developed countries, the outlook for GH looks promising in India. Your Company is also exploring appropriate opportunities in the GH value chain.

Further, setting up of 59 solar parks with a capacity of 40 GW have been approved. Off-shore wind capacity additions target of 30 GW by 2030 has been set. Funding viability for 4 GWh battery storage, and future investment to improve grid transmission for better inter-state Renewable Energy evacuation have been targeted.

Electric Vehicles have also found traction with sales reaching a critical mass. This growth has been due to acknowledgment of climate change as a serious threat, significant economic benefits of owning electric vehicles compared to conventional fuel vehicles and regulatory support for EVs. The government is also supporting the industry through tax exemptions on import of capital goods and machinery required for manufacturing of lithium-ion (Li-ion) cells for batteries for EVs. Due to these factors, major international electric vehicle companies are looking to manufacture electric vehicles and batteries in India.

As part of our strategy to strengthen the balance sheet and building a strong growth pipeline, we will continue to lookout for opportunities to monetize assets in order to recycle and redeploy capital in the most optimum manner. This will be in alignment with our asset light strategy in order to create maximum value for our shareholders.

## **Sustainability & Corporate Social Responsibility**

Sustainability and Corporate Social Responsibility have been at the core of the GMR Group ethos since inception. We have taken great pride in all the assets we have developed as National Assets of the highest quality, and we have always ensured that we adopt highest levels of environmental standards at all our projects. Further, our Foundation has been doing path breaking work on the CSR front on healthcare, education, sanitation and livelihoods for more than 30 years now.

Your Company has allocated substantial resources to increase adherence to environmental standards and pollution control measures and enhance Environment Health Safety levels. In this regard, I am proud to share a few awards won during the past year which is strong testimony to our credentials on the sustainability front:

- GMR Warora Energy Limited (GWEL), a subsidiary of your Company, bagged the India's top most recognition "Safety Shield" from M/s National Safety Council of India. GWEL is the first Indian company to bag this award.
- GWEL bagged Safety Council Gold award - Sharva Shresta Suraksha Puraskar award -2021 from M/s National Safety Council of India for achieving longest accident free man-days in the country.
- GWEL won 'National award for excellence in Energy management by CII' for 5th consecutive year and for 3rd

straight year emerged as National Energy Leader.

- GWEL bagged "Utkrith" rating (>95% score) in 5S assessment carried by M/s National productivity council.
- GMR Kamalanga Energy Limited (GKEL), a subsidiary of your Company, won 5 awards out of 6 categories in group level CIP and 3 awards out of 5 in 5S category in "Annual Group Business Excellence - Reward and Recognition Event"
- GKEL won CII national awards continuously 3 years in 3 categories viz "National Energy Leader 2022", "Excellence in Energy Management 2022" and the "Most Innovative Project 2022" award.
- GKEL got recertified under "UTKRISHT" category in recertification audit for 5S with a score of 97.02%.

Your Company has also continued its tradition of caring for the communities and stakeholders as part of its Corporate Social Responsibility program through GMR Varalakshmi Foundation (GMRVF), a CSR arm of the GMR Group. The Foundation is currently working across all the asset locations of the businesses.

All the educational institutions under GMRVF performed exceedingly well during the last year. The student strength of the education wing reached over 10,000. The Foundation also partnered with about 200 Government schools to ensure about 30,000 children get quality academic support.

GMRIT (GMR Institute of Technology) continues to be among the top 50 colleges in



the country and the top 5 in the State of Andhra Pradesh, as per rankings given by various education magazines. GMRIT has taken several initiatives in Blended learning: All curated courses of COURSERA are made available to the students of GMRIT who are accessing the courses of Machine Learning at Stanford University and Artificial Intelligence at Arizona University and the University of Michigan - through the Coursera Platform. Lecture Capture System was established with UpGrad: more than 2500 lectures are being recorded and used by the students on campus.

GMR Varalakshmi CARE hospital, Rajam was accredited by National Accreditation Board for Hospitals & Healthcare Providers (NABH) in May 2022. The hospital was also empaneled with National Board of Examination for Anesthesiology and National Board of Examination for DNB in Gynecology & Obstetrics. Full-time Neurosurgery Consultation Services, Dermatology services were also started during the year. The hospital served 1,14,126 outpatients and 9,318 inpatients during FY 2022-23.

Mobile Medical Units and Medical clinics run by the Foundation



offered healthcare services to needy people.

In line with the Group's value of Social Responsibility, initiatives such as Hundi for daily donations, Giving Wheel of Fortune etc. were launched during the year to promote Individual Social Responsibility of employees.

For its exemplary work in the area of CSR, GMR Varalakshmi Foundation received the 'Mahatma Award for Covid 19 Humanitarian Effort 2022' for SMILE (Supporting Marginalized Individuals with Livelihood & Empowerment) project at Delhi and received a plaque of honor from HelpAge India for the work with elderly people. GKEL awarded with CSR Excellence award from Odisha CSR Forum in the category of CSR Best Practices.

## Governance

Over the years, your company has built a robust Governance framework, starting right from the top with a well-structured Family Governance model. In addition to focus on financial and operational performance, we are equally committed for maintaining strong corporate governance practices and ethical behavior across every business in the GMR Group. Our reputation as an ethical and trustworthy Company is our most important asset. We believe that consistently focusing on good governance and applying the highest ethical practices in all our activities enables us to uphold the trust of our stakeholders.

Our companies are built around the Group's seven Values and Beliefs which are the embodiment of every aspect of what we do. These are Humility, Entrepreneurship, Delivering the promise, Learning & Inner excellence, Respect for individual, Teamwork & Relationships, and Social Responsibility.

To ensure transparency in transactions across all Group companies and subsidiaries, we conduct regular and structured assessments by the internal audit teams, review through an external agency and review by the Audit Committee and the eminent members of our Board of Directors.

## Digitalisation & Innovation

In the words of our Honorable Prime minister, "Innovation is the key to progress. It is the engine that drives economic growth and social development. We must create an environment where innovation can flourish".





The GMR Group has a similar belief. Along with the focus on Business, your Company recognizes the need for digital transformation & innovation in all aspects of business and customer engagement and believes that in the current context companies need to continuously innovate to grow ahead or they will perish. We have been driving several initiatives to enhance business prospects in terms of superior customer experiences, revenue enhancement and cost reduction opportunities as well as agile and efficient internal processes.

Your Company is always at the forefront in terms of development and adoption of technological innovations. In order to foster the innovation culture in your Company & build a philosophy of open innovation that enables free flow of ideas and resources between GMR and external ecosystem partners, GMR Innovex, innovation vertical of GMR, has been founded. It interacts, engages and collaborates with start-ups, academic research Institutes, ecosystem players and other companies in developing both digital & non-digital next generation solutions.

GMR Innovex, now has a SEBI registered CAT-2 fund, which aims to capture value in some of our group technology engagements with startups and create financial value for the group while providing strategic depth and expertise in in some of the emerging technology areas.

With the recent Chandrayan-3 mission and our Honorable Prime Minister Modi ji's passion to fund India's space exploration and advancement, India is emerging strong as a confident player in the new areas of technology.

These developments inspire us to commit to use technology and Indian talent to make best in class infrastructure and make our country proud in a global context.

## **LOOKING AHEAD**

Looking ahead for FY 2023-24, in the context of global weakness, we do expect the business environment in India to improve, especially with respect to inflation and interest rates. There have been early signs of inflation levels easing in India, which should gradually lead to decrease in interest rates. As outlined earlier, we do have strong confidence in India's expected economic growth over the medium to long term and India's infrastructure sector, given the strong focus from the government on improving the roads, railways and power sector with strong thrust on energy transition.

The focus areas this year, apart from continuing to improve operational efficiency at our existing assets, will be to enhance value through more asset light business activities. We will continue to build on our Energy 2.0 initiative through pursuing opportunities in the asset light businesses while also to take up the Smart Metering Project in Uttar Pradesh. With the conclusion of DFCC project, we would be looking out for opportunities in the EPC sector, both within and outside the country.

As I conclude, I would like to take this opportunity to express my gratitude towards our customers, suppliers and other stakeholders for their confidence and trust in the GMR Group. I also thank the leadership team of GMR Group for providing guidance

and navigating the organisation through various challenges. Last but not the least, my sincere appreciation for all our employees whose dedication, hard work and continued contribution enabled the Group to overcome every obstacle. Coming year holds promise for your Company due to receding pandemic and economic recovery. We hope that various initiatives taken across infrastructure and power sectors will materialize, thus supporting economic growth and millions of jobs worldwide.

I look forward to your continued support and encouragement in taking your Company to greater and newer heights in the future.

Thank you again for showing the belief and faith in the organisation. Given the faith, it becomes my duty to take it forward to greater heights and towards a brighter future.

### **Stay Safe, Stay Healthy,**

Thank You,



**G M Rao**  
Chairman, GMR Group

# HIGHLIGHTS OF FY 2022-23

## CONSOLIDATED FINANCIAL PERFORMANCE

(in ₹ Crore)

Year end	Revenue from Operations <sup>@</sup>	Revenue from Operations (net) <sup>*</sup>	EBITDA <sup>**</sup>	PAT <sup>#</sup>	Cash & Cash Equivalent <sup>^</sup>
FY 2022-23	5,524.69	5,333.18	392.80	1,139.45	1,189.39
FY 2021-22	4,101.81	3,950.20	495.49	(651.54)	672.11

@ Revenue from operations represents revenue from continuing operations only

\* Revenue from operations (net) is after deducting revenue share paid/payable to concessionaire from revenue

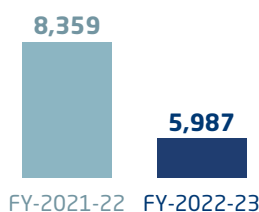
\*\* EBITDA – Earnings before interest, other income, tax, depreciation, amortisation (including utilisation fees), Share of profit/ (loss) of JV / associates and exceptional items; EBITDA from continuing operations only

# Profit after tax before minority interest ; Include PAT from continuing operations only

^ Cash + mutual funds + bonds + government securities + certificate of deposit + commercial papers + Deposit with statutory authorities + investments in quoted equity shares; It excludes cash / investments pertaining to assets held for sale

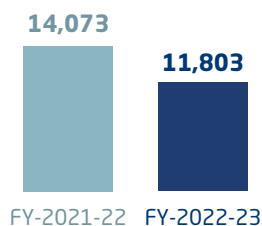
### BORROWINGS

(in ₹ Crore)



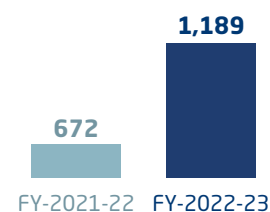
### TOTAL ASSETS

(in ₹ Crore)



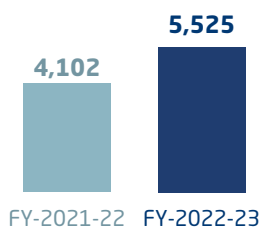
### CASH & CASH EQUIVALENT

(in ₹ Crore)

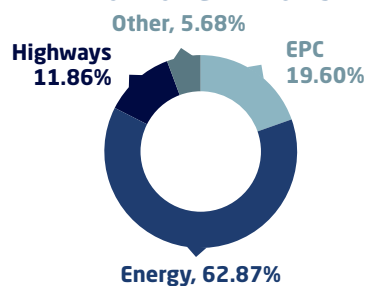


### REVENUE

(in ₹ Crore)

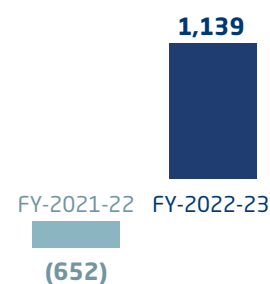


### SECTOR WISE REVENUE FROM OPERATIONS



### PAT

(in ₹ Crore)



# Board's Report

## Dear Shareholders,

The Board of Directors present the 4<sup>th</sup> Annual Report together with the audited financial statements of the Company for the financial year (FY) ended March 31, 2023.

Your Company, GMR Power and Urban Infra Limited ("GPUIL"), is a leading global infrastructure conglomerate with interest in Energy, Roads and Urban Infrastructure business sectors in India.

GPUIL's EPC business is constructing few sections of the prestigious Eastern Dedicated Freight Corridor project of DFCCI (Dedicated Freight Corridor Corporation of India Limited).

India's Energy Sector is undergoing a paradigm shift with a consequent shift in the opportunity landscape. Existing coal-based power plants retain their economic value and possibly will have a value uptick as fresh investments in coal-based power plants would be very low; investments opportunities in clean and green energy, storage based solutions as also selective opportunities in power distribution and adjacent areas would be significant. Based on policy incentives in place along with cheap solar power, India is potentially developing as a major hub for green hydrogen production and exports.

GPUIL's energy business has operating capacity of around 3,015 MWs of Coal, Gas, Hydro including Renewable power plants in India and around 900 MWs of power projects are under various stages of development, besides a pipeline of other projects in FY 2022-23. The Energy Sector has a diversified portfolio of thermal and hydro projects with a mix of merchant and long term Power Purchase Agreements (PPA).

The Transportation and Urban Infrastructure division of the Group has four operating highway assets spanning over 1460 lane kilometers. The Group is also developing multi-focus Special Investment Regions in India.

The Group is also actively working on various initiatives on ESG front.

## **Performance highlights – FY 2022-23**

Performance Highlights of your Company on consolidated basis for the FY 2022-23:

- GMR Smart Electricity Distribution Private Limited (Formerly GMR Mining & Energy Private Limited ("GSEDPL"), a subsidiary of the Company had received Letter of Intent ('LOI') from Purvanchal Vidyut Vitran Nigam Limited and Dakshinanchal Vidyut Vitran Nigam Limited, to implement smart metering project in the Purvanchal (Varanasi, Azamgarh zone and Prayagraj, Mirzapur zone) and Dakshinanchal (Agra and Aligarh zone) area of Uttar Pradesh. GSEDPL will install, integrate and maintain 75.69 lakh smart meters in the given area. The LOI has been issued in conclusion of competitive bidding process followed by UP
- Discoms. The Group participated in the e-tender and emerged as a winner. The implementation and operations of the project will span over a period of 10 years. This Advanced Metering Infrastructure (AMI) Project shall include Supply, Installation, Integration, Commissioning and Operation & Maintenance of smart meters on DBFOOT basis backed by state-of-the-art technology and software solutions for end-to-end automated system management. The project will be executed under Revamped Distribution Sector Scheme (RDSS).
- Progress on regulatory dues in energy assets - the Hon'ble Supreme Court dismissed challenges by State Discoms (DNH, MSEDCL and Bihar) against Appellate Tribunal orders in favour of GMR energy entities paving way for realization of substantial regulatory dues.
- Significant Progress in Highway Projects Arbitration - Hon'ble Supreme Court has limited the SLP (filed by GoTN) to the extent of Pre-award claim awarded by Madras the Hon'ble High Court in case of GMR Chennai Outer Ring Road (GCORR), and rest of the award pronounced by Tribunal and Madras the Hon'ble High Court has attained finality. The Group has received claim amount of ₹ 5.1 bn in March, 2023.
- In arbitration case of GMR Hyderabad Vijaywada Expressway Private Limited (GHVEPL), Sole Arbitrator has released report on the claim quantification under Change-in-Law and awarded gross claim of ₹ 16.72 bn. Report submitted by Sole Arbitrator was taken on record and the matter is in progress before the Hon'ble Delhi High Court.
- The Group has received extension in concession period of 429 days along with claim of ₹ 87.00 Mn on account of Farmer's Strike Force Majeure event occurred during October 12, 2020 to December 14, 2021 in GMR Ambala Chandigarh Expressway (GACE).
- In the case of GMR Pochanpalli Expressways Limited (GPEL), the Hon'ble Delhi High Court (HC) upheld the interpretation of the Company on frequency of Major Maintenance. Order is under challenge by NHA in the Division Bench of the Hon'ble Delhi High Court. Arguments are under progress.
- The Group continue to grow the EPC order book by participating in Railway EPC and PPP Projects & Multi Modal Logistics parks bids through PPP.
- Krishnagiri Special Investment Region - 161 acres under discussion for sale to an agency of Tamil Nadu Government. Next phase of development being planned for ~210 acres under Joint Venture with Tamil Nadu Industrial Development Corporation, a government agency in the state of Tamil Nadu. Further, discussion with various other parties for the sale of land is underway.

- Power demand coupled with improved coal supply resulted in an improved operating performance in their energy business. GWEL achieved PLF of 82% in FY 2022-23 as against 66% in FY 2021-22.
  - GMR Bajoli Holi Hydropower Limited (GBHHPL) was commissioned on March 28, 2022 and achieved PLF of 27% FY 2022-23.
  - GMR Kamalanga Energy Limited (GKEL) achieved PLF of 77% in FY 2022-23 as against 82% in FY 2021-22.
  - The Group has received certain favourable orders on various ongoing matters in energy, highway and DFCC for compensation for Change in Law and late payment which involve significant value of claims.
- Strategy and way forward** – Maximizing value of existing assets & Building a Top Tier tech enabled Clean Energy business. Below are 3 Pillars of our strategy going forward:
- Enhance Value of existing businesses - aim for higher utilization of existing assets & efficiency improvement measures, tie-up open capacities through innovative PPA models including RTC., operationalize gas assets.
  - Create Value in Adjacent Areas- Technology oriented Asset Light opportunities, Scale power trading business, differentiated service offerings using new-age technology solutions.
  - Target selectively opportunities in clean and green space as also selectively in distribution and new emerging segments like e-mobility and forge partnerships for growth.

### Financial results – FY 2022-23

#### a) Consolidated financial results

The following table sets forth information with respect to the consolidated statement of profit and loss of the Company for FY 2022-23:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Continuing operations</b>		
<b>Income</b>		
Revenue from operations (including other operating revenue)	5,524.69	4,101.81
Other income	367.62	179.89
<b>Total Income</b>	<b>5,892.31</b>	<b>4,281.70</b>
<b>Expenses</b>		
Revenue share paid / payable to concessionaire grantors	191.51	151.61
Operating and other administrative expenditure	4,940.38	3,454.71
Depreciation and amortization expenses	151.39	128.16
Finance costs	1,350.25	1,354.49
<b>Total expenses</b>	<b>6,633.53</b>	<b>5,088.97</b>
<b>Loss before share of profit of investments accounted for using equity method, exceptional items and tax from continuing operations</b>	<b>(741.22)</b>	<b>(807.27)</b>
Share of profit of investments accounted for using equity method	741.47	246.17
<b>Profit /(loss) before exceptional items and tax from continuing operations</b>	<b>0.25</b>	<b>(561.10)</b>
Exceptional items	1,231.94	15.09
<b>Profit/ (loss) before tax from continuing operations</b>	<b>1,232.19</b>	<b>(546.01)</b>
Tax expenses	92.74	105.53
<b>Profit/ (loss) after tax from continuing operations (i)</b>	<b>1,139.45</b>	<b>(651.54)</b>
<b>EBITDA from continuing operations</b> (Revenue from operations – Revenue share – operating and other admin expenses)	<b>392.80</b>	<b>495.49</b>
<b>Discontinued operations</b>		
<b>Loss from discontinued operations before tax expenses</b>	<b>(0.21)</b>	<b>(0.03)</b>
Tax expenses	-	-
<b>Loss after tax from discontinued operations (ii)</b>	<b>(0.21)</b>	<b>(0.03)</b>
<b>Total Profit/ (loss) after tax for the year (A) (i+ii)</b>	<b>1,139.24</b>	<b>(651.57)</b>



(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Other comprehensive income</b>		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of financial statements of foreign operations	180.94	5.63
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Re-measurement loss on defined benefit plans (Net of taxes)	(0.55)	(0.01)
<b>Other comprehensive income for the year, net of tax (B)</b>	<b>180.39</b>	<b>5.62</b>
<b>Total comprehensive income for the year, net of tax (A+B)</b>	<b>1,319.63</b>	<b>(645.95)</b>
<b>Profit/ (loss) for the year attributable to</b>	<b>1,139.24</b>	<b>(651.57)</b>
a) Equity holders of the parent	1,182.79	(647.54)
b) Non-controlling interests	(43.55)	(4.03)
<b>Total comprehensive income attributable to</b>	<b>1,319.63</b>	<b>(645.95)</b>
a) Equity holders of the parent	1,352.00	(643.59)
b) Non-controlling interests	(32.37)	(2.36)
Earnings per equity share (₹) from continuing operations	19.60	(10.73)
Earnings per equity share (₹) from discontinued operations	(0.00)	(0.00)
Earnings per equity share (₹) from continuing and discontinued operations	19.60	(10.73)

The total income for FY 2022-23 is ₹ 5,892.31 crore as against ₹ 4,281.70 crore for the FY 2021-22, registering an increase of 37.62%, primarily due to increase in revenue from coal trading, electrical energy in energy sector, higher toll and annuity income in road sector and increase in management and consultancy income.

The revenue from power sector increased by 59.68% from ₹ 2,175.06 crore in FY 2021-22 to ₹ 3,473.16 crore in FY 2022-23 primarily due to increased operations in coal trading and electrical energy.

The revenue from road segment has increased by 23.14 % from ₹ 531.94 crore in FY 2021-22 to ₹ 655.04 crore in FY 2022-23 mainly due to increase in toll revenue.

EPC revenue decreased by 8.17% from ₹ 1,179.05 crore in FY 2021-22 to ₹ 1,082.68 crore in FY 2022-23.

Income from other sector includes management services income,

investment income and operating income of aviation businesses. Income from other sector increased from ₹ 338.54 crore in FY 2021-22 to ₹ 433.71 crore in FY 2022-23.

Consolidated Revenues do not include the revenues of entities which were assessed as Joint Ventures and Associates under Ind AS, including GMR Energy Limited (GEL), GMR Kamalanga Energy Limited (GKEL) and GMR Warora Energy Limited (GWEL).

The increase in other operating and administrative expenses is mainly due to purchase of traded goods, sub-contracting expenses, employee benefits expenses and other expenses with corresponding increase in revenue in FY 2022-23. There is marginal decrease in finance cost on account of repayment of borrowings to banks and financial institutions in FY 2022-23.

Exceptional items comprise of the gain on disposal of investment in overseas associate and claim received during the year ended March 31, 2023.

**b) Standalone financial results**

The following table sets forth information with respect to the standalone statement of profit and loss of the Company for FY 2022-23:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Revenue from operations	1,408.78	1,567.90
Operating and administrative expenditure	(1,089.60)	(1,093.77)
Other income	31.97	3.74
Finance costs	(551.22)	(623.41)
Depreciation and amortisation expense	(16.03)	(18.87)
<b>Loss before exceptional items and tax</b>	<b>(216.10)</b>	<b>(164.41)</b>
Exceptional items	(66.76)	115.73
<b>Loss before tax</b>	<b>(282.86)</b>	<b>(48.68)</b>

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Tax expenses/(income)	-	-
<b>Loss for the year</b>	<b>(282.86)</b>	<b>(48.68)</b>
Net surplus in the statement of profit and loss - Balance as per last financial statements	160.21	209.02
Transfer from fair valuation through other comprehensive income (FVTOCI) reserve	1,067.20	-
Re-measurement gains on defined benefit plans (net of taxes)	(0.79)	(0.13)
<b>Surplus available for appropriation</b>	<b>943.76</b>	<b>160.21</b>
Appropriations	-	-
<b>Net Surplus in the statement of profit or loss</b>	<b>943.76</b>	<b>160.21</b>
Earnings per equity share (₹) - Basic and diluted (per equity share of Re. 5 each)	(4.69)	(0.81)

During the year ended March 31, 2023, the revenue from EPC segment has decreased by 15.15% from ₹ 1,179.05 crore (FY 2021-22) to ₹ 1,000.47 crore (FY 2022-23), which was mainly because ongoing DFCC (Railways) project is nearing completion. Other operating income mainly includes interest income on inter-corporate loans given to group companies and income from management and other services. There is no significant movement in other operating income.

There is no significant movement in operating and administrative cost.

Exceptional items comprise of reversal / creation of provision for impairment in carrying value of Investments and loans / advances / other receivables carried at amortised cost.

There are no material changes or commitments except those already disclosed in this report, affecting the financial position of the company which have occurred between the end of the FY 2022-23 and the date of this report.

#### Dividend

Your directors have not recommended any dividend on equity shares for the FY 2022-23.

#### Appropriation to Reserves

The net movement in the major reserves of the Company on standalone basis for FY 2022-23 and the previous year is as follows:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Equity component of related party loan	14.73	243.95
Securities premium account	10,010.98	10,010.98
Surplus in statement of profit and loss	943.76	160.21
Capital Reserve	(301.80)	(301.80)
Foreign currency monetary translation reserve	(371.86)	(222.31)
Fair valuation through other comprehensive income ('FVTOCI') reserve	(10,194.34)	(8,769.48)
<b>Total</b>	<b>101.47</b>	<b>1,121.55</b>

#### Management Discussion and Analysis Report (MDA)

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management's Discussion and Analysis is set out in this Annual Report.

#### State of the Affairs of the Company and its Subsidiaries

The brief overview of the developments of the company and each of the major subsidiaries' business is presented below. Further, MDA, forming part of this Report, also brings out review of the business operations of major subsidiaries and jointly controlled entities.

#### Energy Sector

Energy Sector companies had operating capacity of around 3,015

MWs of Coal, Gas, Hydro including Renewable power plants in India and around 900 MWs of power projects are under various stages of development, besides a pipeline of other projects in FY 2022-23. The Energy Sector has a diversified portfolio of thermal and hydro projects with a mix of merchant and long term Power Purchase Agreements (PPA).

FY 2022-23 continued to be a dynamic year for the power sector in India. Businesses and people grew accustomed to living in a pandemic hit world. As a result, global as well as Indian economy witnessed an impressive economic recovery resulting in a huge surge in power demand. This recovery, coupled with Russia-Ukraine war, created a gap in the coal supply-demand scenario, thereby resulting in a significant surge in global coal prices. In view of this, Indian government had initially not allowed coal imports resulting in huge

shortage of coal in India. However, following rise in summer demand, government has subsequently asked power producers to import coal to maintain adequate plant level coal stocks. These measures, along with increase in domestic coal production, have resulted in easing of coal situation in India.

Given above background, our energy assets have also performed well. Following are the major highlights of our Energy Sector assets:

**A. Operational Assets:**

**I. Generation:**

**1. GMR Warora Energy Limited (GWEL) – 600 MW:**

- GWEL, subsidiary of GMR Energy Limited, operates a 600 MW (2x300) coal fired power plant at Warora, Maharashtra.
- Currently 90% of power off take capacity is tied up under long/medium term PPA's with Maharashtra through Maharashtra State Electricity Distribution Company Ltd. (MSEDCL), Tamil Nadu through Tamil Nadu Generation and Distribution Corporation (TANGEDCO) and Gujarat through Gujrat Urja Vikash Nigam Limited (GUVNL).
- Balance 50 MW untied capacity is sold in open market through Indian Energy Exchange (IEX).
- Plant has a Fuel Supply Agreement (FSA) of 2.36 Million Tonnes per annum, 1.3 Million tonnes with South Eastern Coalfields Limited (SECL) and 1.06 Million tonnes with Western Coalfields Limited (WCL) respectively.
- Capital Overhauling of Unit-2 and C Type maintenance of Unit-1 had improved the reliability of machine, significant improvement of key performing indicators like Auxiliary Power Consumption, Station Heat Rate, etc.
- During the year, the Plant has achieved availability of 89.4% and Plant Load Factor (PLF) of 82.2%, highest ever since commissioning of the plant.
- PPA compliance for MSEDCL is 87.1%, TANGEDCO is 87.1 and GUVNL is 87.2%
- Plant achieved PPA power sales of above 87%.
- Ash Utilization of 124% was achieved by tying with nearby Cement Industries, NHAI for Fly Ash and various Brick Manufacturers for Bottom Ash.
- Plant was awarded with many prestigious awards during the year, some of them are as below:
  - o M/s National Safety Council of India conferred India's topmost recognition "Safety shield". GWEL is the first Indian company to bag this

award.

- o Safety Council Gold award – "Sarva Shresta Suraksha Puraskar" 2021 from M/s National Safety Council of India for achieving longest accident free man-days in the country.
- o National award for excellence in Energy management from CII for fifth consecutive year. For third straight year emerged as National Energy Leader.
- During the Year, the plant has received following Certifications:
  - o Bagged "Utkrith" rating (>95% score) in 5S assessment carried by M/s National productivity council .
  - o Successfully completed Recertification Audit of IMS (ISO-9001-2015; ISO 14001-2015; ISO 45001-2018), Energy Management System (EnMS) (ISO 50001:2018), Water efficiency Management System (WeMS) (ISO 46001:2019) without any non-conformities.
  - o Completed Assessment of GHG emissions for FY 2021-22 as per ISO 14064 standard.
  - o GWEL is empanelled as ESCO by Bureau of Energy efficiency. Achieved grade -04 rating.

**2. GMR Kamalanga Energy Limited (GKEL) – 1,050 MW:**

- GKEL, subsidiary of GMR Energy Limited, operates 1,050 MW (3x350) coal fired power plant at Kamalanga Village, Odisha.
- 90% of the capacity is tied-up under long/medium term PPAs with Haryana through PTC India Limited, Odisha through GRIDCO Limited, Bihar through Bihar State Power Holding Company Limited and Tamil Nadu through PTC India Limited.
- Power supply to Tamil Nadu commenced from December 15, 2022 and coal required was tied up with Mahanadi Coalfields Limited (MCL) under Shakti B III.
- GKEL has Fuel Supply Agreement (FSA) for 2.14 MTPA firm linkage from MCL. GKEL secured another 1.5 MTPA long-term FSA under SHAKTI linkage.
- GKEL met 80.4% compliance for Haryana, 89.8% for GRIDCO PPAs, 84.2% for Bihar PPA and 97.3% for TANGEDCO PPA.
- During the year, the Plant has achieved availability of 89.89% and Plant Load Factor (PLF) of 76.9%.
- 113.4% Ash Utilization was achieved by tying with NHAI for Fly Ash, Cement Manufacturers and various

Brick Manufacturers. GKEL achieved a milestone of dispatching 200 fly ash rakes to various avenues like cement, brick industries and National Highway projects and became 1<sup>st</sup> plant in Odisha in terms of ash transportation by rail mode.

- The plant surpassed its previous performance record on various parameters,
  - o Unit #3 Achieved 16 days continuous operation at PLF > 100% from April 22, 2022 to May 07, 2022 since COD.
  - o All 3 units operated continuously for more than 100 days.
- Plant was awarded with many prestigious awards during the year, some of them are as below:
  - o GKEL recertified under "UTKRISHT" category in recertification audit for 5S with a score of 97.02%.
  - o GKEL certified as Corporate Social Responsibility (ISO-26000:2010) organization by BVI.
  - o Won CII national awards continuously 3 years in 3 categories viz "National Energy Leader 2022", "Excellence in Energy Management 2022" and the "Most Innovative Project 2022" award.
  - o GKEL is certified with ISO 55001:2013 for Asset Management System by BVI.
  - o GKEL awarded with **CSR Excellence award** from Odisha CSR Forum in the category of CSR Best Practices.
  - o GKEL is certified for ISO Corporate Social Responsibility (ISO-26000:2010).

### **3. GMR Bajoli Holi Hydropower Private Limited (GBHHPL) - 180 MW:**

- GBHHPL, a subsidiary of GEL, located on the river Ravi at Chamba District, Himachal Pradesh, has commissioned the 180 MW Bajoli Holi Hydro Electric Plant (HEP) on March 28, 2022.
- GBHHPL has started supplying power to both the off takers under long term PPA i.e. Delhi International Airport Limited (DIAL) and Uttar Pradesh Power Corporation Limited (UPPCL).
- Thus, almost 100% capacity is now tied up as per the above-mentioned PPAs. Any surplus power generation is available for sale on merchant that is being availed based on market opportunity.
- GBHHPL had also executed the Connectivity Agreement with HP Power Transmission Corporation Limited and Long Term Access Agreement with Power

Grid Corporation of India Limited (PGCIL) for evacuating power outside Himachal Pradesh.

- Power Evacuation: With construction of 40 km 440 kV Transmission line, the original envisaged route to transmit the power from Bajoli Holi Plant became operational.

### **4. GMR Vemagiri Power Generation Limited (GVPGL) - 388 MW:**

GVPGL, a wholly owned subsidiary of GEL, operates a 388 MW natural gas-fired combined cycle power plant at Rajahmundry, Andhra Pradesh.

- GVPGL did not operate in the last financial year due to scarcity of gas.
- Efforts and discussions with government are on for arriving at possible options to operate the plant
- In addition, legal case is being pursued for allowing Deep Water Gas under the existing PPA.

### **5. GMR Rajahmundry Energy Limited (GREL) - 768 MW:**

GREL is a 768 MW (2 x 384 MW) combined cycle gas based power project at Rajahmundry, Andhra Pradesh.

- GREL already executed a resolution plan with the lenders for the outstanding debt of ₹ 2,353 Crore.
- Efforts and discussions with government are on for arriving at possible options to operate the plant.

### **6. GMR Gujarat Solar Power Limited (GGSPPL), Charanka Village, Gujarat:**

GGSPPL, a wholly owned subsidiary of GEL, operates a 25 MW Solar power plant at Charanka village, Patan district, Gujarat.

- GGSPPL had entered into 25 year PPA with Gujarat Urja Vikas Nigam Limited for the supply of entire power generation.
- GGSPPL attained commercial operation on March 04, 2012.
- M/s. Param Renewable Energy Pvt. Ltd. (subsidiary of Gensol) had been awarded O&M contract of the Plant for a period of 1 year from April, 2022 to March, 2023.
- Plant achieved a gross PLF of 15.6 % for FY 2022-23.

### **7. GMR Rajam Solar Power Private Limited (GRSPPL), Rajam:**

GRSPPL, a wholly owned subsidiary of GEL, operates 1 MW Solar power plant in Rajam, Andhra Pradesh since January, 2016.

- The Company had signed a 25 year PPA with both GMR Institute of Technology (700KW) and GMR Varalakshmi Care Hospital (300KW) for the sale of power generated.
- M/s. Param Renewable Energy Pvt. Ltd. (subsidiary of Gensol) has been awarded O&M contract of the Plant for a period of 5 years from July, 2021 to June, 2026.
- Plant achieved gross PLF of 14.66% for FY 2022-23.

**B. Projects:**

**1. GMR Upper Karnali Hydro Power Public Limited (GUKPL) – 900 MW:**

- GUKPL, a subsidiary of GEL, is developing 900 MW Upper Karnali Hydroelectric Project (HEP) located on river Karnali in Dailekh, Surkhet and Achham Districts of Nepal.
- Post execution of Project Development Agreement (PDA), several key activities have been completed.
- Technical design of the Project has been finalized post detailed technical appraisal by a seven-member Panel of Experts (empaneled with IFC) and Hydraulic model studies.
- The Power Sale Agreement (PSA) with Bangladesh Power Development Board (BPDB) for supply of 500 MW Power, has been initialed by all three Parties, BPDB, GMR Upper Karnali Hydropower Limited and NTPC Vidut Vyapar Nigam Limited and is in final stage of execution.
- Interconnection point and the Delivery Point have been finalized and approved by Govt. of India in consultations with Govt. of Nepal and BPDB for transmission of power from the Project in Nepal to Bangladesh using the India grid system.

**2. GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL) - Badrinath - 300 MW:**

- The Alaknanda Power Project is a 300 MW run-of-the-river power facility to be constructed on the Alaknanda River in the Chamoli district of the state of Uttarakhand.
- The Project has also achieved registration with UNFCCC as a CDM Project.
- The possession of entire land required for project development (including forest land and private land) has been completed.
- The power project had received, required statutory permits and clearances and was in state of readiness for the start of construction when Hon'ble Supreme

Court had issued a stay order for all such projects in the state with similar status. However, financial closure process has been held-up due to Hon'ble Supreme Court stay order on 24 Hydro Electric Projects in Uttarakhand and the stay order is in effect till date.

- Upon the vacation of Stay by Supreme court the Company will initiate the Contract awarding process and update the project cost and initiate financial closure (FC) process.

**3. GMR Londa Hydropower Private Limited – 225 MW:**

- The Talong Londa HEP is a 225 MW Hydropower project in East Kameng district in Arunachal Pradesh.
- The Detailed Project Report ("DPR") has been prepared and it has received techno-economic concurrence from the Central Electricity Authority.
- Environmental Impact Assessment (EIA) / Social Impact Assessment (SIA) studies have been completed for the project & public hearing have been successfully conducted.
- EIA & Environment Management Plan (EMP) studies were finalised and were submitted with Ministry of Environment, Forest and Climate Change (MoEFCC) for grant of Environmental Clearance (EC).
- The EAC of MoEFCC has recommended for Environmental clearance and accordingly MoEFCC had issued In-principle Environmental clearance to this project. However, formal EC shall be granted by MoEFCC after obtaining the Forest- stage-I clearance.
- Forest proposal for diversion of 280.54 hectare Forest land has been scrutinized by the Government of Arunachal Pradesh and forwarded to MoEFCC, Delhi. We are pursuing with MoEFCC and Regional MoEF office for early issuance of Stage-1 Forest clearance.
- Defence clearance for setting up the project has been received from Ministry of Defence MoD, GoI.
- Based on revised e-flow norms received in September, 2017 and basin study report of MoEF in January, 2018, CEA had advised us to undertake revised Power potential studies (PPS). The revised PPS stands approved by CEA (in June, 2020) with same capacity of 225 MW and with enhanced design energy benefit of 1,028 MUs per annum and annual energy benefit as 1042.79 MUs per annum.
- The Company is continuously engaged with the Government of Arunachal Pradesh for further development and way forward.



### C. Mining Assets:

#### **PT Golden Energy Mines Tbk (PT GEMS):**

Group through its overseas subsidiary, GMR Coal Resources Pte. Limited, held 30% equity stake in PT Golden Energy Mines Tbk (PT GEMS), a group company of Sinarmas Group, Indonesia.

In order to deleverage the balance sheet and create shareholder value, we divested our 30% equity stake in PT GEMS in Indonesia to PT Radhika Jananta Raya, a subsidiary of PT ABM Investama Tbk ("ABM"), following a competitive bidding process. GMR Coal Resources Pte Ltd ("GCRPL"), a subsidiary of GPUIL, received a consideration of about USD 420 Mn along with deferred consideration based on mutually agreed milestones.

#### **Transportation and EPC sector**

GPUIL's transportation business consists of the Highway segment, which is engaged in the development of Highways on a BOT / Annuity basis. As on date, the Transportation Business holds a portfolio consisting of four operational roads located in Andhra Pradesh, Telangana, Haryana, Punjab and Tamil Nadu, with a total length of approx. 1460 lane kilometers.

GPUIL's EPC Business is engaged in delivering EPC solutions in the infrastructure sector, with an increasing focus on provision of construction services to the railway sector. Our current portfolio mainly comprises of Dedicated Freight Corridor Projects in the States of Uttar Pradesh, Haryana and Punjab.

#### **Highways:**

The GPUIL Highways portfolio consists of a healthy mix of two BOT (Annuity) and two BOT (Toll) projects with a total operating length of 1,460 lane kilometers.

During FY 2022-23, Hyderabad Vijayawada (GHVEPL) traffic increased by 14% over previous year. Ambala Chandigarh (GACEPL) traffic also improved post covid and farmer strike but remains affected off and on due to congestion caused by various improvement works on the highway by NHAI and alternate roads. Extension of concession period for 429 days has been accorded by NHAI, on account of farmer strike. Extension of 26 days is under process on account of covid.

At the Chennai Outer Ring Road annuity project (CORR), all land acquisition related balance physical works have been completed and final COD is received.

Further, during the year, we have carried out major maintenance for 52 Km stretch of Hyderabad – Vijayawada project, 19 Km stretch of Adloor Yellareddy - Gundla Pochanpalli project and 26 Km stretch of Ambala Chandigarh Project. This will improve the riding quality of the surface and will provide the users a safe and high-quality ride.

At all GMR highways, high-pressure sodium vapour (HPSV) street lights have also been converted to LED lights without incurring any capital expenditure for achieving energy saving.

Expenditure control during the times of crisis by using alternative material and technologies are the key areas on which the Group is focusing, in order to address the pandemic related and other disruptions affecting revenue growth opportunities.

During FY 2022-23 significant progress has also been made in ongoing arbitrations against NHAI and the Government of Tamil Nadu.

#### **EPC**

Group was awarded EPC contracts by Dedicated Freight Corridor Corporation of India Limited (DFCCIL) to construct two Dedicated Freight Corridors (i) from New Bhaupur to New Deen Dayal Upadhyay Junction (Packages # 201 and 202) in the State of Uttar Pradesh and (ii) from Ludhiana –Khurja – Dadri (Packages # 301 and 302) in the States of Haryana, Uttar Pradesh and Punjab. Company has completed 91% in EDFC Package 201; 96% in EDFC Package 202; 82% in EDFC Package 301 and 91% in EDFC Package 302.

EPC Division has successfully commissioned the last section between Ahraura – New Deen Dayal Upadhyay Junction in June 2023 thereby completing 417 Km of stretch between New Bhaupur and New Deen Dayal Upadhyay Junction under Packages # 201 and 202.

Presently 25 pairs of IR goods trains are running on the EDFC Track between New Bhaupur and New Deen Dayal Upadhyaya junction.

This shift of goods trains to the dedicated freight corridor is expected to offer significant reduction of Green House Gas (GHG) emissions in the Transportation Sector in the Country.

Mr. Ashwini Vaishnaw, Hon'ble Minister for Railways, while addressing DFCCIL's 17<sup>th</sup> Foundation Day on November 01, 2022, declared DFCCIL as "Jewel of Indian Railways"

#### **URBAN INFRASTRUCTURE:**

Our Urban Infrastructure Business is engaged in holding and developing land in India as Special Investment Regions (SIR), which are special economic interest areas. We are currently holding land parcel in the Krishnagiri district of the state of Tamil Nadu in a subsidiary company GMR Krishnagiri SIR Ltd (GKSIR) in a joint venture with Tamil Nadu Industrial Development Corporation ("TIDCO"). Additionally, our Company, through other subsidiaries possesses large land parcels in the Krishnagiri district. These land parcels form part of the Bangalore - Chennai industrial corridor. Our Company has undertaken the development of SIR in a phased manner.

#### **GMR Krishnagiri Special Investment Region (GKSIR)**

The Group through GKSIR & other subsidiaries had around 1,430 Acres of land in Krishnagiri District, Tamil Nadu for developing industrial infrastructure at the beginning of FY 2022-23. During the FY 2022-23, the Group has sold around 280 Acres including around 213 Acres to TN state govt. agency (SIPCOT) & around 5 Acres to Tata Electronics Pvt Ltd (TEPL) in addition to 504 Acres sold to TEPL in previous year. TEPL has established a greenfield mobile phone component manufacturing facility with a projected investment of

₹ 4,500 Crores and with employment potential of 18,000 persons and commercial production has already started. GKSIR is in discussion with various clients to sell majority of its land and evaluating development of a land parcel in Phase 2. An extent of 161 Acre of GKSIR & other subsidiaries land has been notified by SIPCOT for acquisition to develop new industrial clusters.

The Group is in discussion with various clients to sell majority of balance land and evaluating development of a small land parcel in Phase 2.

#### **GMR Aviation Private Limited (GAPL)**

'GAPL owns and operates one of the best fleet in the country and addresses the growing needs of charter services. In order to boost revenues and rationalize overhead costs, GAPL entered into a management contract with Jet Set Go – a general aviation fleet aggregator, commonly referred to as the "Uber of the Skies". As per the agreement, Jet Set Go has taken responsibility for operations and sourcing of external clients for the use of GAPL aircrafts and the business has shown marked improvement over the past years. All maintenance contracts have also been renegotiated leading to reduction in costs. We are confident that GAPL will continue on the turnaround path.

#### **Consolidated Financial Statements**

In accordance with the Companies Act, 2013 and Ind AS 110 - Consolidated Financial Statements read with Ind AS 28 – Investments in Associates and Joint Ventures, the audited consolidated financial statements are provided in the Annual Report.

#### **Holding, Subsidiaries, Associate Companies and Joint Ventures**

As on March 31, 2023, the Company had 72 subsidiary companies apart from 3 associate companies and joint ventures. During the year under review, GMR Green Energy Limited (Formerly known as GMR Green Energy Private Limited) had become subsidiary of the company. Further during the year under review the entities listed in **Annexure-B** to this Report have ceased to be the Company's subsidiaries or associates.

The complete list of subsidiary companies and associate companies (including joint ventures) as on March 31, 2023 in terms of the Companies Act, 2013 is provided as **Annexure-A** to this Report.

The Policy for determining material subsidiaries may be accessed on the Company's website at the link: [https://investor.gmrpui.com/pdf/6.Policy\\_on\\_Material\\_subsidiaries.pdf](https://investor.gmrpui.com/pdf/6.Policy_on_Material_subsidiaries.pdf)

Report on the highlights of performance of subsidiaries, associates and joint ventures and their contribution to the overall performance of the Company has been provided in Form AOC-1 as **Annexure-C** to this Report and therefore not reported to avoid duplication.

The financial statements of the subsidiary companies have also been placed on the website of the Company at <https://investor.gmrpui.com/annual-account-of-subsidiaries>.

#### **Directors' Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- a) that in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note no. 2 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the loss of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis;
- e) that proper internal financial controls to be followed by the Company have been laid down and that the financial controls are adequate and are operating effectively;
- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **Corporate Governance**

The Company continues to follow the Business Excellence framework, based on world class Malcolm Baldrige Framework for Performance Excellence which was adopted by GMR Group in the year 2010. With over a decade now, the deployment of the GBEM framework has taken roots in over 15+ Group Businesses.

Various Continuous Improvement and Break-Through Innovation initiatives under the umbrella of GBEM have yielded tremendous benefits to various Group Companies in terms of Cost Savings and new avenues for revenue generation. The key initiatives like 5S, Kaizens, Idea Factory, CIPs [Continuous Improvement Projects] and regular BE Assessments have been implemented with lot of rigor and enthusiasm. A Governance Structure is in place along with timely Rewards and Recognitions to GMRites contributing to these initiatives, has helped to grow and sustain these initiatives. Your Company works towards continuous improvement in governance practices and processes, in compliance with the statutory requirements.

The Report on Corporate Governance as stipulated under relevant provisions of SEBI LODR forms part of the Annual Report. The requisite

Certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is attached to the said Report.

### **Business Responsibility & Sustainability Report**

As stipulated under Regulation 34(2)(f) of SEBI LODR read with Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021 issued by the Securities and Exchange Board of India (SEBI), the Business Responsibility & Sustainability Report (BRSR) for the FY 2022-23, describing the initiatives taken by the Company from an Environmental, Social and Governance perspective is attached as part of the Annual Report.

### **Contracts and arrangements with Related Parties**

All contracts / arrangements / transactions entered by the Company during the FY 2022-23 with related parties referred in Section 188(1) of the Companies Act, 2013 were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties referred in Section 188(1) of the Companies Act, 2013 which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Since all the related party transactions were in ordinary course of business and at arm's length basis, Form AOC-2 is not applicable.

The Policy on related party transactions as approved by the Board may be accessed on the Company's website at the link: [https://investor.gmrpui.com/pdf/3.Policy\\_on\\_Related\\_Party\\_Transaction.pdf](https://investor.gmrpui.com/pdf/3.Policy_on_Related_Party_Transaction.pdf). Your Directors draw attention of the members to Note no. 32 to the standalone financial statement which sets out related party disclosures.

### **Corporate Social Responsibility (CSR)**

The Corporate Social Responsibility Policy (CSR Policy), of the Company indicating the activities to be undertaken by the Company, may be accessed on the Company's website at the link: [https://investor.gmrpui.com/pdf/1.CSR\\_POLICY-GPUIL - Final.pdf](https://investor.gmrpui.com/pdf/1.CSR_POLICY-GPUIL - Final.pdf). The details of the CSR Committee are provided in the Corporate Governance Report which forms part of Board's report.

The Company has identified the following focus areas towards the community service / CSR activities, which inter alia include:

- Education
- Health, Hygiene & Sanitation
- Empowerment & Livelihoods
- Community Development

The Company, as per the approved policy, may undertake other need-based initiatives in compliance with Schedule VII to the Companies Act, 2013. During the year, the Company was not required to spend any amount on CSR as it did not have any profits. Accordingly, it has not spent any amount on CSR activities. However, the Company,

through its subsidiaries/ associate companies spent an amount of ₹ 5.83 Crore during the year on CSR activities. The details of such activities carried out with the support of GMR Varalakshmi Foundation (GMRVF), Corporate Social Responsibility arm of the GMR Group, have been highlighted in Business Responsibility and Sustainability Report. The Annual Report on CSR activities is annexed as "Annexure D" to this Report.

### **Risk Management and Environment, Social and Governance (ESG) journey**

The Board of Directors of the Company has a Risk Management Committee which is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has an additional oversight in the area of financial risks and controls. In addition, the updates on Enterprise Risk Management (ERM) activities are shared on a regular basis with Management Assurance Group (MAG), the Internal Audit function of the Group.

The Company has in place the Risk Management Policy duly approved by the Board of Directors designed to identify, assess and mitigate risks appropriately.

Currently, in opinion of the Board, there are no risks that threaten the existence of the Company. However, details of the risk concerns, threats Identification, assessment, profiling, treatment and monitoring including ESG concerns are covered in MDA section, which forms part of this Report

### **Significant developments during the year under review are as follows:**

#### **Energy**

GPUIL's energy business is engaged in operating/ developing diverse power plants including coal-fired, gas-fired, hydro, solar plants and power trading.

- FY2022-23 was a year of recovery of global and Indian economies. In India, economic recovery resulted in huge surge in power demand. To meet the surge in demand, the government asked power producers to import coal to maintain adequate plant level coal stocks.
- Our power plants have consistently improved in the fields of efficiency, safety and ESG, winning accolades and bagging awards. Our Warora plant (GWEL), for example, received certifications on 5S, ISO certifications under various categories – ISO-9001-2015; ISO 14001-2015; ISO 45001-2018; ISO 50001:2018; ISO 46001:2019 without any non-conformities. In the previous year, GHG assessment as per ISO 14064 was also carried out. Similarly, our plant at Kamalanga (GKEL) also received awards on efficiency, management and certifications on ISO compliances.
- One of the key issues that our coal based plants were grappling with was the regulatory receivables that have been due from DISCOMs but have been contested for a number of years. We



have made significant progress on the resolution of many of these matters, and realization of such receivables will greatly assist these businesses in improving their debt situation and improving the potential returns to shareholders.

- The geo-political issues and supply chain disruptions had already had an impact on coal pricing for some time, and the positive impact had helped the PTGEMS coal mine business in Indonesia to generate significant dividends. Taking advantage of the higher coal pricing, and superior financial performance of PTGEMS, your company was able to divest its 30% stake in PTGEMS at an attractive pricing. This divestment has not only helped the group to exit from the non-core coal mining activity but also helped in reducing significant amount of debt in the company.
- The gas-based power generation units within the group were unable to restart operations on account of the continuing lack of gas supply. Various representations have been made to the Government through industry forums, but a final solution is yet to be announced.
- We have also completed the construction of the Bajoli Holi Hydro Project and achieved COD for the same. The construction of the project has faced many challenges, including floods, etc. The completion of the construction phase of this project is a major milestone for the Company.

#### **Transportation and EPC sector**

GPUIL's Transportation business consists of Highways segment, which is engaged in the development of Highways on a BOT / Annuity basis. As on date, the Transportation Business holds a portfolio consisting of four operational roads located in Andhra Pradesh, Telangana, Haryana, Punjab and Tamil Nadu, with a total length of approx. 1460 lane kilometers.

GPUIL's EPC Business is engaged in delivering EPC solutions in the infrastructure sector, with an increasing focus on provision of construction services to the railway sector. Our current portfolio mainly comprises of Dedicated Freight Corridor Projects in the States of Uttar Pradesh, Haryana and Punjab.

Some of the risks that had emerged in the past couple of years stand mitigated thanks to the economic recovery and as some of the long-pending disputes were resolved/ are being close to be resolved.

- During FY2022-23, Hyderabad Vijayawada (GHVEPL) traffic increased by 14% over last year, which was commensurate with economic recovery. For our Ambala Chandigarh (GACEPL), extension of concession period for 429 days has been accorded by NHAI on account of farmer strike. Extension of 26 days is under process on account of Covid-19.
- Our Annuity-based Chennai Outer Ring-Road (CORR) road saw a significant achievement when it was awarded the compensation for losses that had resulted from various inhibiting factors and deviations in contract.

- The Dedicated Freight Corridor Project is a highly prestigious and challenging project. We are proud to have constructed a major section of this milestone project which is expected to have a highly material impact on the logistics infrastructure and competitiveness of India. We are at the final stages of completion of this project and the Government has already started operating freight trains on the sections handed over.

#### **Urban Infrastructure:**

Our Urban Infrastructure Business is engaged in holding and developing land in India as SIRs, which are special economic interest areas. We are currently holding land parcel in the Krishnagiri district of the state of Tamil Nadu in a joint venture with Tamil Nadu Industrial Development Corporation ("TIDCO").

Additionally, our Company, through subsidiaries possesses large land parcels in the Krishnagiri district. The Krishnagiri SIR forms part of the Bangalore-Chennai industrial corridor. Our Company has undertaken the development of SIR in a phased manner and there are a number of initiatives in various stages of planning to monetize the area. We have made significant progress in land monetization over the past 12 to 24 months.

GPUIL, through its leadership and management takes proactive measures to mitigate risks:

- The senior leadership of the company along with senior stakeholders of businesses worked closely in resolving the above issues at each business / function level and key issues were escalated to the Management Committee of the Company.
- While the impact of sanctions on Russia were being felt across the globe, India had exploited its unique relationship with the country and continued to import Russian crude at favorable terms which has limited the economic impact. This strategy by Indian government has helped economic activities recover steadily, thereby having positive impact on our business operations both in energy sector and transportation sector.
- As business activities rebound, there is a fresh impetus to resolving the ongoing disagreements/ disputes in contracts and concessions. Our Company is well positioned in resolving disagreements and disputes such that the outcomes can be expected to be beneficial to our stakeholders.
- While the risk treatment by our Company have reduced the severity of some risks, a few risks persist, owing to their nature. One such risk is cyber-security risk that is ever-changing in sophistication and probability of materializing. Our Company is well-equipped in mitigating cyber-security risks through our frequently upgraded and updated security measures.
- Our Company continues to be in position of utmost readiness for mitigating physical risks to our businesses and to recover to normal operations level swiftly and efficiently. For this our Disaster Recovery Plan and Business Continuity Plan remain in full force at all times.

- The Company takes stock of the risks that it faces and the mitigation measures it takes and appraises the Risk Management Committee of the Board periodically.
- We have carried out a comprehensive exercise of benchmarking our existing operations and business strategies for establishing ESG best practices in our industry and continually strive to excel in our responsibilities towards environment, our stakeholders and community with highest standards of governance.

Updates on ERM activities are shared on a regular basis with Management Assurance Group (MAG), the Internal Audit function of the Group.

### Internal Financial Controls

The Company has put in place policies and procedures including the design, implementation and monitoring of internal controls over its operations to ensure orderly and efficient conduct of its businesses, including adherence to Company's policies and procedures, safeguarding of assets, prevention and detection of fraud, accuracy and completeness of accounting records and timely preparation of reliable financial disclosures under the Companies Act, 2013.

These controls and processes have been embedded and integrated with SAP and / or other allied IT applications which have been implemented. During the year under review, these controls were reviewed and tested by the Management Assurance Group of the Company. The Statutory Auditors of the Company have also tested the Internal Controls over financial reporting.

There were no reportable material weaknesses observed in the design or operating effectiveness of the controls except in few areas, where the risk has been identified as low and there is a need to further strengthen the controls. Corrective and preventive actions, as appropriate are taken by the respective functions.

### Directors and Key Managerial Personnel

At the 3<sup>rd</sup> Annual General Meeting ("AGM") of the Company held on September 27, 2022, the shareholders had approved the appointment of Mr. G.M. Rao, Chairman, Mr. Grandhi Kiran Kumar and Mr. B.V.N. Rao as Non-executive Directors. The shareholders at the said AGM also approved the appointment of Mr. Srinivas Bommidala as Managing Director and Mr. G. Subba Rao as Executive Director for a term of three years w.e.f January 31, 2022. The shareholders also approved the appointment of Mr. Madhva Bhimacharya Terdal as Executive Director for a term of two years w.e.f August 08, 2022.

The shareholders at the aforesaid meeting also approved the appointment of Dr. Emandi Sankara Rao, Mr. I.V. Srinivasa Rao, Dr. Satyanarayana Beela, Mr. Subodh Kumar Goel, Mr. Suresh Narang and Dr. Siva Kameswari Vissa, as Independent Directors for a term of five years w.e.f January 31, 2022 or upto the conclusion of 7<sup>th</sup> AGM, whichever is earlier. In the opinion of the Board, they possess integrity, expertise and experience (including proficiency) required for appointment as Independent Director.

Since the end of the financial year, Mr. I.V. Srinivasa Rao and Mr. S.K. Goel, Independent Directors resigned w.e.f July 10, 2023 and July 28, 2023 respectively. Both the Directors have resigned due to personal reasons and other professional commitments.

The Board of Directors place on record their deep sense of appreciation for the contributions rendered by Mr. I.V. Srinivasa Rao and Mr. S.K. Goel during their association with the Company.

Based upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors have appointed Ms. Suman Naresh Sabnani, Mr. Shantanu Ghosh and Dr. Fareed Ahmed as Additional Directors in the category of Independent Directors considering their competencies, skills, integrity, expertise and experience including their proficiency required for the appointment, with effect from August 04, 2023 to hold office for a term of three (3) years from the date of their appointment or upto the conclusion of the 6<sup>th</sup> AGM of the Company, whichever is earlier, subject to approval of shareholders at the ensuing AGM. The Company has received declaration from them confirming that they meet the criteria for appointment as Independent Directors and their name appear in Independent Directors' Data Bank maintained by the Institute of Corporate Affairs (IICA).

In accordance with the provisions of the Companies Act, 2013, the Articles of Association of the Company and based on the mutual consent amongst the Directors, Mr. Grandhi Kiran Kumar and Mr. B.V.N. Rao, Directors, retire by rotation at the ensuing AGM of the Company and being eligible have offered themselves for re-appointment. The Nomination and Remuneration Committee and the Board on the basis of performance evaluation, recommend the re-appointment of Mr. Grandhi Kiran Kumar and Mr. B.V.N. Rao as Directors of the Company, liable to retire by rotation.

The brief resumes and other details relating to the directors who are proposed to be appointed/ re-appointed, as required to be disclosed as per the provisions of the SEBI Listing Regulations/Secretarial Standard are given in the Annexure to the Notice of the 4<sup>th</sup> AGM.

### Board Evaluation

Annual performance evaluation of the Board, its Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements under SEBI LODR have been carried out. The performance of the Board and its committees was evaluated based on the criteria like composition and structure, effectiveness of processes, information and functioning etc.

The Board and the NRC reviewed the performance of the Individual Directors on criteria such as the contribution of the Individual Directors to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

A senior non-independent Director of the Company also had one-on-one interactions with the Independent Directors to have further insight on the governance aspects and effectiveness of the Board process.

The Independent Directors at their separate meeting held during the year had also reviewed the performance of the Non-Independent Directors, Chairman and the Board as a whole.

### **Policy on Directors' Appointment and Remuneration**

The Company has devised a Nomination and Remuneration Policy ("NRC Policy") which inter alia sets out the guiding principles for identifying and ascertaining the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel (KMP) and Senior Management Personnel. The NRC Policy further sets out guiding principles for the Nomination and Remuneration Committee for determining and recommending to the Board the remuneration of Managerial Personnel, KMP and Senior Management Personnel. There has been no change in NRC Policy after its formulation.

The Company's NRC Policy for Directors, Key Managerial Personnel and Senior Management is available on the Company website at [https://investor.gmrpui.com/pdf/2.Nomination\\_Remuneration\\_Policy-r1.pdf](https://investor.gmrpui.com/pdf/2.Nomination_Remuneration_Policy-r1.pdf).

In recognition of the importance of having a diverse Board towards success of the organization the Company has adopted the Board diversity policy. The Policy provides for having an appropriate blend of functional and industry experts on the Board, diversity in terms of cultural background, gender, skillset etc.

### **Declaration of Independence**

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI LODR and there has been no change in the circumstances affecting their status as Independent Directors of the Company. The Company has also received a declaration from all the Independent Directors that they have registered their names in the Independent Directors Data Bank.

Further, the Independent Directors have confirmed that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and also complied with the Code of Conduct for directors and senior management personnel, formulated by the Company.

### **Auditors and Auditors' Report**

#### **Statutory Auditors**

M/s Walker Chandio & Co. LLP, Registration No. (001076N/N500013), were appointed as Statutory Auditors of the Company for a term of 5 (five) years from the conclusion of the 1<sup>st</sup> AGM held on October 16, 2020, till the conclusion of the 6<sup>th</sup> AGM of the Company.

### **Statutory Auditors' Qualification / Comment on the Company's Standalone financial statements**

1. As stated in note 5(2) to the accompanying standalone financial statements, the Company has invested in GMR Generation Assets Limited ('GGAL') and GMR Energy Projects Mauritius Limited ('GEPML'), subsidiaries of the Company, which have further invested in step down subsidiaries and joint ventures. Also, the Company together with GGAL and GEPML has investments in GMR Energy Limited ('GEL'), a joint venture of the Company, amounting to ₹ 895.74 crore and has outstanding loan (including accrued interest) amounting to ₹ 1,768.36 crore recoverable from GEL as at March 31, 2023. GEL has further invested in GMR Kamalanga Energy Limited ('GKEL'), subsidiary of GEL. The aforementioned investments are carried at their respective fair value in the accompanying standalone financial statements as per Ind AS 109 – 'Financial Instruments'.

As further mentioned in note 5(5), the fair value of investment in GKEL considered for the purpose of determining the carrying values of aforesaid investments is based on the valuation performed by an external expert using the discounted future cash flows method which is significantly dependent on the achievement of certain key assumptions considered in aforementioned valuation such as settlement of disputes with customers and timely realization of receivables, expansion and optimal utilization of existing capacity, and favourable outcome of the litigations with respect to claims of capital creditors filed against GKEL.

Owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the aforesaid loans (including accrued interest) and investments as at March 31, 2023 and the consequential impact on the accompanying standalone financial statements.

### **Management's response to the Statutory Auditors' Qualification / Comment on the Company's Standalone financial statements**

Management view is documented in note 5(5) of standalone financial statement of GPUIL for March 31, 2023. As detailed in the notes, the business plans (including expansion and optimal utilization of existing capacity), valuation assessment by an external expert during the year ended March 31, 2023, the management is of the view that the carrying value of the investments in GKEL held by GEL as at March 31, 2023 is appropriate.

### **Statutory Auditors' Qualification / Comment on the Company's Standalone financial statements**

2. The Company's internal control system towards estimating the fair value of its investment and loans (including accrued interest) in a joint venture, as more fully explained in note 5(2) to the standalone financial statements, were not operating effectively

due to uncertainties in the judgments and key assumptions made by the company in such estimations, which could result in the Company not providing for adjustments, if any that may be required to the carrying values of investments, loans and its consequential impact on the accompanying standalone financial statements.

**Management’s response to the Statutory Auditors’ Qualification / Comment on the Company’s Standalone financial statements**

The Company has a well-defined system in place to assess the appropriateness of the carrying value of its investments. The Company engages top-tier independent valuation experts to evaluate financial model and assess the fair valuation of its investments. The process followed in conducting these assessments is also reviewed and approved by Management Assurance Group (MAG) who test the appropriateness of valuation models and accuracy of inputs used in model to determine the recoverable value.

**Statutory Auditors’ Qualification / Comment on the Company’s consolidated financial statement**

1. As stated in note 7(b)(12)(i) to the accompanying consolidated financial statements, the Group has an investment amounting to ₹ 895.74 crore (net of impairment) in GMR Energy Limited ('GEL'), a joint venture company and outstanding loan (including accrued interest) amounting to ₹ 2,188.80 crore recoverable from GEL and its subsidiaries and joint ventures as at March 31, 2023. GEL has further invested in GMR Kamalanga Energy Limited ('GKEL'), a subsidiary of GEL.

As further mentioned in note 7(b)(12)(iii), the fair value of investment in GKEL considered for the purpose of determining the carrying value of aforesaid investment is based on the valuation performed by an external expert using the discounted future cash flows method which is significantly dependent on the achievement of certain key assumptions considered in aforementioned valuation such as settlement of disputes with customers and timely realization of receivables, expansion and optimal utilization of existing capacity, and favourable outcome of the litigations with respect to claims of capital creditors filed against GKEL.

In addition to the above, considering the erosion of net worth and net liability position of GKEL, we, in the capacity of auditors of GKEL have also given a separate section on material uncertainty related to going concern in the audit report on the Financial Statements of GKEL for the year ended March 31, 2023.

Owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying values of the loans (including accrued interest) and non-current investment as at March 31, 2023 and the consequential impact on the accompanying consolidated financial statements.

**Management’s response to the Statutory Auditors’ Qualification / Comment on the Company’s consolidated financial statement**

Management view is documented in note 7b(12)(iii) of consolidated financial statement of GPUIL for the year ended March 31, 2023. As detailed in the notes, the business plans (including expansion and optimal utilization of existing capacity), valuation assessment by an external expert during the year ended March 31, 2023, the management is of the view that the carrying value of the investments in GKEL held by GEL as at March 31, 2023 is appropriate.

**Statutory Auditors’ Qualification / Comment on the Company’s consolidated financial statement**

2. The Holding Company’s internal control system towards estimating the carrying value of investment and loans (including accrued interest) in a joint venture, as more fully explained in note 7b(12)(i) to the consolidated financial statements, were not operating effectively due to uncertainties in the judgments and assumptions made by the Holding Company in such estimations, which could result in the Group not providing for adjustments, if any, that may be required to the carrying values of investments, loans (including accrued interest) and its consequential impact on the accompanying consolidated financial statements.

**Management’s response to the Statutory Auditors’ Qualification / Comment on the Company’s consolidated financial statement**

The Group has a well-defined system in place to assess the appropriateness of the carrying value of its investments, including testing for impairments. The Group engages top-tier independent valuation experts to evaluate financial models and assess the fair valuation of its investments. The process followed in conducting these assessments is also reviewed and approved by Management Assurance Group (MAG) who test the appropriateness of valuation models and accuracy of inputs used in model to determine the recoverable value.

**Cost Auditors**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, your company with reference to its EPC business was required to maintain the cost records and the said cost records were also required to be audited. The Board of Directors at its meeting held on August 08, 2022, had appointed M/s JSN & Co., Cost Accountants (Firm Registration No. 000455), as cost auditors of the Company for conducting the audit of cost records for the FY 2022-23. The Shareholders of the Company at their 3<sup>rd</sup> AGM held on September 27, 2022, had ratified the remuneration payable to the Cost Auditors in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014.



Your company has prepared and maintained Cost Accounts and records for financial year 2022-23 as per sub-section (1) of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014.

M/s JSN & Co., Cost Accountants (Firm Registration No. 000455), have been re-appointed as cost auditors by the board of directors on the recommendation of the audit committee at its meeting held on August 09, 2023 for the FY 2023-24 at a remuneration of ₹ 1,25,000 for conducting the audit of cost records of the Company pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014.

Accordingly, a resolution seeking members' ratification for the remuneration payable to Cost Auditors, M/s. JSN & Co., Cost Accountants is included in the Notice to the ensuing AGM.

#### **Secretarial Auditor**

The Board had appointed M/s. V. Sreedharan & Associates, Company Secretaries in Practice, to conduct Secretarial Audit for the FY 2022-23. The Secretarial Audit Report of the Company as prescribed under Section 204 of the Companies Act, 2013 read with Regulation 24A of the SEBI LODR, for the FY ended March 31, 2023 is annexed herewith as "**Annexure E**" to this Report. The Secretarial Audit report does not contain any qualification, reservation or adverse remarks.

Further, the Secretarial Audit reports of material unlisted subsidiaries of the Company incorporated in India, as required under Regulation 24A of the SEBI LODR for the financial year ended March 31, 2023 have been annexed as "**Annexure F-1 to F-3**".

The Board of Directors of your Company at its Meeting held on August 9, 2023 has re-appointed M/s. V. Sreedharan & Associates, Company Secretaries who has provided his consent and confirmed their eligibility to act as the "Secretarial Auditors" of the Company, to conduct the Secretarial Audit for the Financial Year 2023-24, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules,

Pursuant to provisions of the Section 143(12) of the Companies Act, 2013, neither the Statutory Auditors nor Secretarial Auditors nor Cost Auditors have reported any incident of fraud to the Audit Committee or Board during the year under review.

#### **Secretarial Standards**

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **Disclosures:**

##### **CSR Committee**

The CSR Committee comprises of Mr. G. Subba Rao as Chairman, Dr. Emandi Sankara Rao and Dr. Satyanarayana Beela as members.

##### **Audit Committee**

Mr. I.V. Srinivasa Rao and Mr. S.K. Goel ceased to be member of the Audit Committee consequent upon their vacation of Office of Directorship. Dr. Fareed Ahmed and Ms. Suman Naresh Sabnani were co-opted as members of the Committee on August 04, 2023. Consequent to the re-constitution the Audit Committee comprises of Dr. Siva Kameswari Vissa as Chairperson, Dr. Satyanarayana Beela, Mr. Fareed Ahmed and Ms. Suman Naresh Sabnani.

All the recommendations made by the Audit Committee were accepted by the Board during the year.

Further details on the above committees and other committees of the Board are given in the Corporate Governance Report.

##### **Vigil Mechanism**

The Company has a Whistle Blower Policy, which provides a platform to disclose information regarding any purported malpractice, fraud, impropriety, abuse or wrongdoing within the Company, confidentially and without fear of reprisal or victimization. Your Company has adopted a whistleblowing process as a channel for receiving and redressing complaints from employees, directors and third parties, as per the provisions of the Companies Act, 2013, SEBI LODR and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The details of the Whistle Blower Policy is provided in the Corporate Governance Report and also hosted on the website of the Company. <https://investor.gmrpui.com/pdf/4.Policy on Whistle Blower.pdf>

##### **Number of Meetings of the Board**

A calendar of Board and Committee Meetings is prepared and circulated in advance to the Directors. During the year, five (5) Board Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between two consecutive Board Meetings was within the period prescribed under the Companies Act, 2013 and SEBI LODR.

##### **Particulars of Loans, Guarantees and Investments**

A statement regarding Loans/ Guarantees given and Investments made covered under the provisions of Section 186 of the Companies Act, 2013 is made in the notes to the Financial Statements.

##### **Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is provided in "**Annexure G**" to this report.

##### **Annual Return**

Pursuant to Section 134 and Section 92(3) of the Companies Act,

2013, as amended, copy of the draft Annual Return for the FY 2022-23 has been placed on the Company website at <https://investor.gmrpui.com/annual-reports>

#### **Particulars of Employees and related disclosures**

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including amendments thereto), is attached as “Annexure H” to this Report.

The information required under Rule 5(2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including amendments thereof), is provided in the Annexure forming part of this Report. In terms of the first proviso to Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the members excluding the aforesaid Annexure. Any member interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.

#### **Dividend Distribution Policy**

The Board has adopted Dividend Distribution Policy in terms of Regulation 43A of the SEBI LODR. The Dividend Distribution Policy is disclosed on the website of the Company at the link: [https://investor.gmrpui.com/pdf/7.Dividend distribution policy.pdf](https://investor.gmrpui.com/pdf/7.Dividend%20distribution%20policy.pdf)

#### **Developments in Human Resources and Organization Development**

The Company has robust process of human resources development which is described in detail in Management Discussion and Analysis section under the heading “Developments in Human Resources and Organization Development” at GMR Group.

#### **Changes in Share capital**

There was no change in authorized, issued and paid-up share capital of the Company during the year under review.

#### **Foreign Currency Convertible Bonds**

GMR Airports Infrastructure Limited (Previously known as GMR Infrastructure Limited or ‘GIL’) erstwhile Holding Company had on December 10, 2015 issued and allotted 7.5% Foreign Currency Convertible Bonds aggregating US\$ 300,000,000 (FCCBs) due on 2075 to the Kuwait Investment Authority (KIA).

In accordance with the Scheme and the requirements of Section 2(19AA) of the Income Tax Act, 1961, part of liability pertaining to the outstanding FCCBs of GIL attributable to the Demerged Undertaking stands vested and was transferred to the Company. Accordingly, the FCCBs aggregating to US\$ 275,000,000 (United States Dollar Two Hundred and Seventy Five Million) was vested to the Company. The tenure of FCCBs is 60 years from the date of allotment by GIL and FCCBs if converted shall account for 11,12,41,666 equity shares of the Company.

#### **Debentures**

The Company has not issued any debentures and there are no outstanding debentures as on March 31, 2023.

#### **Environment Protection and Sustainability**

Since inception, sustainability has remained at the core of our business strategy. Besides economic performance, safe operations, environment conservation and social well-being have always been at the core of our philosophy of sustainable business. The details of initiatives/ activities on environment protection and sustainability are described in Business Responsibility Report forming part of Annual Report.

#### **Change in the nature of business, if any**

There is no change in the nature of business of the Company.

#### **Significant and Material Orders passed by the Regulators**

There are no significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and Company’s operations in future.

#### **Deposits**

During the year under review, the Company has not accepted any deposit from the public. There are no unclaimed deposits/ unclaimed/ unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2023.

#### **Compliance by Large Corporates:**

Your Company does not fall under the Category of Large Corporates as defined under SEBI vide its Circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018, as such no disclosure is required in this regard.

#### **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to address complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

There were no sexual harassment complaints pending or received during the year ended March 31, 2023.

#### **Proceeding under Insolvency and Bankruptcy Code and One-time settlement**

1. There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

2. During the year under review, the Company has not made any one-time settlement.

Other than the matters disclosed in this Report, there are no other events or transactions during the year that requires disclosures to be made in terms of the provisions of Companies Act, 2013.

**Acknowledgements**

Your Directors thank the lenders, banks, financial institutions, business associates, customers, Government of India, State Governments in India, regulatory and statutory authorities, shareholders and the society at large for their valuable support and co-operation. Your Directors also thank the employees of the Company and its subsidiaries for their continued contribution, commitment and dedication.

**For and on behalf of the Board of Directors of  
GMR Power and Urban Infra Limited**

Place: New Delhi  
Date: August 9, 2023

**G. M. Rao  
Chairman  
(DIN:00574243)**

## ANNEXURE 'A' TO THE BOARD'S REPORT

List of Holding, Subsidiary and Associate companies  
as on the March 31, 2023

Sl. No.	Name*	Holding/Subsidiary/ <sup>†</sup> Associate
1.	GMR Enterprises Private Limited	Holding Company
2.	GMR Energy Trading Limited (GETL)	Subsidiary
3.	GMR Londa Hydropower Private Limited (GLHPPL)	Subsidiary
4.	GMR Generation Assets Limited (GGAL)	Subsidiary
5.	GMR Highways Limited (GMRHL)	Subsidiary
6.	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	Subsidiary
7.	GMR Pochanpalli Expressways Limited (GPEL)	Subsidiary
8.	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	Subsidiary
9.	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	Subsidiary
10.	Gateways for India Airports Private Limited (GFIAL)	Subsidiary
11.	GMR Corporate Services Limited (GASL) (formerly GMR Aerostructure Services Limited)	Subsidiary
12.	GMR Aviation Private Limited (GAPL)	Subsidiary
13.	GMR Krishnagiri SIR Limited (GKSIR)	Subsidiary
14.	Advika Properties Private Limited (APPL)	Subsidiary
15.	Aklima Properties Private Limited (AKPPL)	Subsidiary
16.	Amartya Properties Private Limited (AMPPL)	Subsidiary
17.	Baruni Properties Private Limited (BPPL)	Subsidiary
18.	Bougainvillea Properties Private Limited (BOPPL)	Subsidiary
19.	Camelia Properties Private Limited (CPPL)	Subsidiary
20.	Deepesh Properties Private Limited (DPPL)	Subsidiary
21.	Eila Properties Private Limited (EPPL)	Subsidiary
22.	Gerbera Properties Private Limited (GPL)	Subsidiary
23.	Lakshmi Priya Properties Private Limited (LPPPL)	Subsidiary
24.	Honeysuckle Properties Private Limited (HPPL)	Subsidiary
25.	Idika Properties Private Limited (IPPL)	Subsidiary
26.	Krishnapriya Properties Private Limited (KPPL)	Subsidiary
27.	Larkspur Properties Private Limited (LAPPL)	Subsidiary
28.	Nadira Properties Private Limited (NPPL)	Subsidiary
29.	Padmapriya Properties Private Limited (PAPPL)	Subsidiary
30.	Prakalpa Properties Private Limited (PPPL)	Subsidiary
31.	Purnachandra Properties Private Limited (PUPPL)	Subsidiary
32.	Shreyadita Properties Private Limited (SPPL)	Subsidiary
33.	Pranesh Properties Private Limited (PRPPL)	Subsidiary
34.	Sreepa Properties Private Limited (SRPPL)	Subsidiary
35.	Radhapriya Properties Private Limited (RPPL)	Subsidiary
36.	Asteria Real Estates Private Limited (AREPL)	Subsidiary
37.	Lantana Properties Private Limited (LPPL)	Subsidiary
38.	Namitha Real Estates Private Limited (NREPL)	Subsidiary
39.	HoneyFlower Estates Private Limited (HFEPL)	Subsidiary
40.	GMR SEZ & Port Holdings Limited (GSPHL)	Subsidiary



Sl. No.	Name*	Holding/Subsidiary/ †Associate
41.	Suzone Properties Private Limited (SUPPL)	Subsidiary
42.	Lilliam Properties Private Limited (LPPL)	Subsidiary
43.	Dhruvi Securities Limited (DSL)	Subsidiary
44.	GMR Energy Projects (Mauritius) Limited (GEPML)	Subsidiary
45.	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Subsidiary
46.	GMR Coal Resources Pte Limited (GCRPL)	Subsidiary
47.	GMR Power and Urban Infra (Mauritius) Limited (GPUIML)	Subsidiary
48.	GMR Infrastructure (Cyprus) Limited (GICL)	Subsidiary
49.	GMR Infrastructure Overseas Limited, Malta (GIOL)	Subsidiary
50.	GMR Infrastructure (UK) Limited (GIUL)	Subsidiary
51.	GMR Infrastructure (Global) Limited (GIGL)	Subsidiary
52.	Indo Tausch Trading DMCC (ITTD)‡	Subsidiary
53.	GMR Infrastructure (Overseas) Limited (GI(O)L)	Subsidiary
54.	GMR Smart Electricity Distribution Private Limited (GSEDPL) (Formerly GMR Mining & Energy Private Limited) (GMEPL)	Subsidiary
55.	GMR Male International Airport Private Limited (GMIAL)	Subsidiary
56.	PT GMR Infrastructure Indonesia (PT GMR Infra)	Subsidiary
57.	GMR Energy Limited (GEL)•	Subsidiary
58.	GMR Energy (Mauritius) Limited (GEML)•	Subsidiary
59.	GMR Lion Energy Limited (GLEL)•	Subsidiary
60.	Karnali Transmission Company Private Limited (KTCPL)•	Subsidiary
61.	GMR Kamalanga Energy Limited (GKEL)•	Subsidiary
62.	GMR Vemagiri Power Generation Limited (GVPGL)•	Subsidiary
63.	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)•	Subsidiary
64.	GMR Consulting Services Limited (GCSL)•	Subsidiary
65.	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)•	Subsidiary
66.	GMR Warora Energy Limited (GWEL)•	Subsidiary
67.	GMR Bundelkhand Energy Private Limited (GBEPL)•	Subsidiary
68.	GMR Rajam Solar Power Private Limited (GRSPPL)•	Subsidiary
69.	GMR Maharashtra Energy Limited (GMAEL)•	Subsidiary
70.	GMR Gujarat Solar Power Limited (GGSPPL)•	Subsidiary
71.	GMR Indo-Nepal Power Corridors Limited (GINPCL)•	Subsidiary
72.	GMR Upper Karnali Hydropower Limited (GUKPL)•	Subsidiary
73.	GMR Green Energy Limited (GGEL) (formerly GMR Green Energy Private Limited) (GGEPL)	Subsidiary
74.	GMR Tenaga Operations and Maintenance Private Limited (GTOM)	Associate
75.	Megawide GISPL Construction Joint Venture (MGCVJ)	Associate
76.	GMR Rajahmundry Energy Limited (GREL)	Associate

£ Associate includes Joint Ventures.

¥ does not include Company limited by guarantee.

• assessed as Joint Venture for the purpose of Indian Accounting Standards.

# ceased to be subsidiary w.e.f. June 30, 2023

**ANNEXURE 'B' TO THE BOARD'S REPORT**  
**Cessation of subsidiaries/ associates during the FY ended March 31, 2023**

S. No.	Name	Subsidiary/ Associate	Date of cessation
1.	GADL International Limited	Subsidiary	21.06.2022
2.	GMR Energy (Cyprus) Limited (GECL)	Subsidiary	20.05.2022
3.	GMR Tuni-Anakapalli Expressways Limited	Subsidiary	11.08.2022
4.	GMR Tambaram Tindivanam Expressways Limited	Subsidiary	11.08.2022
5.	GMR Energy Netherlands B.V	Subsidiary	31.01.2023
6.	GMR Indo-Nepal Energy Links Limited (GINELL)	Subsidiary	23.02.2023
7.	PT Golden Energy Mines Tbk (PTGEMS)	Associate	31.08.2022
8.	PT Dwikarya Sejati Utama (PTDSU)	Associate	31.08.2022
9.	PT Duta Sarana Internusa (PTDSI)	Associate	31.08.2022
10.	PT Barasentosa Lestari (PTBSL)	Associate	31.08.2022
11.	PT Unsoco (Unsoco)	Associate	31.08.2022
12.	PT Roundhill Capital Indonesia (RCI)	Associate	31.08.2022
13.	PT Borneo Indobara (BIB)	Associate	31.08.2022
14.	PT Kuasing Inti Makmur (KIM)	Associate	31.08.2022
15.	PT Karya Cemerlang Persada (KCP)	Associate	31.08.2022
16.	PT Bungo Bara Utama (BBU)	Associate	31.08.2022
17.	PT Bara Harmonis Batang Asam (BHBA)	Associate	31.08.2022
18.	PT Berkat Nusantara Permai (BNP)	Associate	31.08.2022
19.	PT Tanjung Belit Bara Utama (TBBU)	Associate	31.08.2022
20.	PT Trisula Kencana Sakti (TKS)	Associate	31.08.2022
21.	PT Era Mitra Selaras (EMS)	Associate	31.08.2022
22.	PT Wahana Rimba Lestari (WRL)	Associate	31.08.2022
23.	PT Berkat Satria Abadi (BSA)	Associate	31.08.2022
24.	GEMS Trading Resources Pte Limited (GEMSCR)	Associate	31.08.2022
25.	PT Kuasing Inti Sejahtera (KIS)	Associate	31.08.2022
26.	PT Bungo Bara Makmur (BBM)	Associate	31.08.2022
27.	PT GEMS Energy Indonesia (PTGEI)	Associate	31.08.2022
28.	PT Karya Mining Solution (KMS)	Associate	31.08.2022

**ANNEXURE 'C' TO THE BOARD'S REPORT**

**Form No. AOC - 1**

(Pursuant to First proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

**Part 'A': Subsidiaries**

S. No	Name of the Subsidiary	Reporting period	Date since when subsidiary was acquired	Reporting currency	Capital	Other equity/Reserves	Total Assets	Total Liabilities	Investments*	Turnover from Operations	Profit before taxation	Provision for taxation	Profit after taxation	Other comprehensive income (OCI)	Tax impact of OCI	Other comprehensive income (Net)	Total comprehensive income	Proposed dividend	Effective shareholding	Turnover net of eliminations from operations	% performance of company to total revenue
1	GMR Krishnaagiri SR Limited #	April 01, 2022- March 31, 2023	28.09.2007	INR	117.50	126.51	5145.1	270.50	-	-	(23.58)	0.02	(23.60)	-	-	-	(23.60)	-	100.00%	-	0.00%
2	GMR Aviation Private Limited	April 01, 2022- March 31, 2023	28.03.2007	INR	244.08	(113.32)	15326	22.50	-	73.21	3.92	-	3.92	0.08	-	0.08	4.00	-	100.00%	73.21	1.33%
3	GMR SEZ & Port Holdings Limited	April 01, 2022- March 31, 2023	31.03.2008	INR	47.99	(226.24)	21927	397.52	17.00	0.55	(84.97)	0.00	(84.97)	(0.00)	-	(0.00)	(84.97)	-	100.00%	-	0.00%
4	Adivita Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	2.73	5.45	1.72	-	-	2.79	-	2.79	-	-	-	2.79	-	100.00%	-	0.00%
5	Aklima Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	3.97	6.83	1.85	-	-	3.05	0.00	3.05	-	-	-	3.05	-	100.00%	-	0.00%
6	Amarya Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	(0.47)	2.81	2.29	-	-	0.54	-	0.54	-	-	-	0.54	-	100.00%	-	0.00%
7	Asteria Properties Private Limited #	April 01, 2022- March 31, 2023	28.04.2012	INR	0.03	4.97	5.02	0.02	-	-	4.83	0.03	4.80	-	-	-	4.80	-	100.00%	-	0.00%
8	Baruni Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	2.72	3.95	0.23	-	-	2.59	-	2.59	-	-	-	2.59	-	100.00%	-	0.00%
9	Bougainvillea Properties Private Limited #	April 01, 2022- March 31, 2023	07.07.2009	INR	1.00	11.00	12.01	0.01	-	-	(0.00)	-	(0.00)	-	-	-	(0.00)	-	100.00%	-	0.00%
10	Carmelia Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	11.01	12.15	0.14	-	-	0.35	-	0.35	-	-	-	0.35	-	100.00%	-	0.00%
11	Deepesh Properties Private Limited #	April 01, 2022- March 31, 2023	11.06.2010	INR	1.00	10.64	11.64	0.00	-	-	(0.01)	-	(0.01)	-	-	-	(0.01)	-	100.00%	-	0.00%
12	Eila Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	(0.29)	3.12	2.41	-	-	0.97	-	0.97	-	-	-	0.97	-	100.00%	-	0.00%
13	Gerbera Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	8.15	10.29	1.13	-	-	0.21	-	0.21	-	-	-	0.21	-	100.00%	-	0.00%
14	Honey Flower Estates Private Limited	April 01, 2022- March 31, 2023	27.03.2014	INR	4.76	37.23	43.82	1.83	-	3.81	3.08	0.75	2.32	-	-	-	2.32	-	100.00%	3.81	0.07%
15	Honeysuckle Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	2.35	6.89	3.54	-	-	0.86	-	0.86	-	-	-	0.86	-	100.00%	-	0.00%
16	Idika Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	0.63	3.70	2.07	-	-	1.24	-	1.24	-	-	-	1.24	-	100.00%	-	0.00%
17	Krishnagiri Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	6.65	9.92	2.26	-	-	4.82	-	4.82	-	-	-	4.82	-	100.00%	-	0.00%
18	Lakshmi Priya Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	4.40	5.63	0.23	-	-	4.67	-	4.67	-	-	-	4.67	-	100.00%	-	0.00%
19	Lantana Properties Private Limited #	April 01, 2022- March 31, 2023	28.08.2012	INR	0.01	3.10	3.12	0.01	-	-	(0.01)	-	(0.01)	-	-	-	(0.01)	-	100.00%	-	0.00%
20	Larkspur Properties Private Limited #	April 01, 2022- March 31, 2023	01.02.2011	INR	1.00	6.27	8.27	1.00	-	-	(0.02)	-	(0.02)	-	-	-	(0.02)	-	100.00%	-	0.00%
21	Lilliam Properties Private Limited #	April 01, 2022- March 31, 2023	15.07.2014	INR	0.01	(2.15)	6.47	8.61	-	-	(0.03)	-	(0.03)	-	-	-	(0.03)	-	100.00%	-	0.00%
22	Nadira Properties Private Limited #	April 01, 2022- March 31, 2023	31.03.2009	INR	1.00	2.29	4.39	1.10	-	-	2.54	(0.00)	2.54	-	-	-	2.54	-	100.00%	-	0.00%
23	Namitha Real Estates Private Limited #	April 01, 2022- March 31, 2023	27.03.2014	INR	0.01	(2.26)	24.27	26.62	-	-	(0.26)	-	(0.26)	-	-	-	(0.26)	-	100.00%	-	0.00%
24	Padmapriya Properties Private Limited	April 01, 2022- March 31, 2023	11.06.2010	INR	1.00	4.84	20.94	15.12	-	1.41	0.80	0.02	0.79	(0.02)	-	(0.02)	0.77	-	100.00%	1.41	0.03%

**Part 'A': Subsidiaries (Contd.)**

S. No	Name of the Subsidiary	Reporting period	Date since when subsidiary was acquired	Reporting currency	Capital	Other equity/Reserves	Total Assets	Total Liabilities	Investments*	Turnover (Revenue) from Operations	Profit before taxation	Provision for taxation	Profit after taxation	Other comprehensive income (OCI)	Tax impact of OCI	Other comprehensive income (Net)	Total comprehensive income	Proposed dividend	Effective % of shareholding	Turnover net of eliminations from operations	% performance of the company to total revenue
25	Prakalpa Properties Private Limited #	April 01, 2022 - March 31, 2023	31.03.2009	INR	1.00	0.82	3.61	1.79	-	-	2.22	-	2.22	-	-	-	2.22	-	100.00%	-	0.00%
26	Pranesh Properties Private Limited #	April 01, 2022 - March 31, 2023	27.06.2011	INR	1.00	12.01	13.06	0.05	-	-	11.99	0.05	11.95	-	-	-	11.95	-	100.00%	-	0.00%
27	Purnachandra Properties Private Limited #	April 01, 2022 - March 31, 2023	31.03.2009	INR	1.00	9.29	10.76	0.46	-	-	4.48	-	4.48	-	-	-	4.48	-	100.00%	-	0.00%
28	Radhapriya Properties Private Limited #	April 01, 2022 - March 31, 2023	01.12.2011	INR	1.00	(3.03)	10.87	12.90	-	-	(0.19)	-	(0.19)	-	-	-	(0.19)	-	100.00%	-	0.00%
29	Shreyadita Properties Private Limited #	April 01, 2022 - March 31, 2023	31.03.2009	INR	1.00	11.24	13.00	0.76	-	-	1.88	-	1.88	-	-	-	1.88	-	100.00%	-	0.00%
30	Sreepa Properties Private Limited #	April 01, 2022 - March 31, 2023	31.03.2009	INR	1.00	5.19	7.38	1.19	-	-	3.10	-	3.10	-	-	-	3.10	-	100.00%	-	0.00%
31	Suzone Properties Private Limited #	April 01, 2022 - March 31, 2023	15.07.2014	INR	0.01	(5.35)	10.74	16.09	-	-	(0.69)	-	(0.69)	-	-	-	(0.69)	-	100.00%	-	0.00%
32	GMR Power & Urban Infra (Mauritius) Limited (formerly GMR Infrastructure (Mauritius) Limited) (a)	January 01, 2022 - December 31, 2022	18.12.2007	USD	2,651.75	2,289.91	390.06	28.22	-	-	796.28	-	796.28	56.18	-	56.18	852.46	-	100.00%	-	0.00%
33	GMR Aerospace Services Limited	April 01, 2022 - March 31, 2023	18.07.2007	INR	0.05	225.94	920.86	694.87	536.27	-	48.57	0.16	48.41	-	-	-	48.41	-	100.00%	-	0.00%
34	Dhruvi Securities Limited (formerly Dhruvi Securities Private Limited)	April 01, 2022 - March 31, 2023	23.02.2010	INR	190.76	137.05	386.66	58.85	-	9.39	(0.63)	0.26	(0.88)	(13.74)	-	(13.74)	(14.63)	-	100.00%	-	0.00%
35	Gateways for India Airports Private Limited	April 01, 2022 - March 31, 2023	1.20.2005	INR	0.01	2.60	2.63	0.01	-	-	0.04	0.01	0.04	-	-	-	0.04	-	86.49%	-	0.00%
36	GADL International Limited (j)***	January 01, 2022 - June 21, 2022	22.01.2011	USD	-	-	-	-	-	-	-	-	-	(1.10)	-	(1.10)	(1.10)	-	100.00%	-	0.00%
37	GMR Infrastructure (Overseas) Limited (a)	January 01, 2022 - December 31, 2022	23.06.2010	USD	0.00	(1,166.55)	672.64	1,839.19	-	-	127.90	-	127.90	(125.58)	-	(125.58)	2.32	-	100.00%	-	0.00%
38	GMR Infrastructure (Cyprus) Limited (a)	January 01, 2022 - December 31, 2022	19.11.2007	USD	0.05	(0.39)	0.00	0.34	-	-	(0.25)	-	(0.25)	(109.71)	-	(109.71)	(109.96)	-	100.00%	-	0.00%
39	GMR Infrastructure (Overseas) Limited, Malta (b)	January 01, 2022 - December 31, 2022	27.03.2013	EURO	0.03	22.34	23.39	0.43	-	-	(0.32)	-	(0.32)	0.51	-	0.51	0.19	-	100.00%	-	0.00%
40	GMR Infrastructure (UK) Limited (c)	January 01, 2022 - December 31, 2022	03.03.2008	GBP	49.86	(66.00)	4.43	20.56	-	-	(4.05)	-	(4.05)	1.49	-	1.49	(2.56)	-	100.00%	-	0.00%
41	Indo Tausch Trading DMCC (a)	January 01, 2022 - December 31, 2022	20.03.2016	USD	2.27	45.51	58.51	10.73	-	8.95	(15.62)	-	(15.62)	(1.34)	-	(1.34)	(16.96)	-	100.00%	8.95	0.16%
42	GMR Infrastructure (Global) Limited (a)	January 01, 2022 - December 31, 2022	28.05.2008	USD	1,132.77	(1,132.77)	-	-	-	-	-	-	-	(114.89)	-	(114.89)	(114.89)	-	100.00%	-	0.00%
43	Megawide - GSPL Construction JV (d) **	January 01, 2022 - December 31, 2022	01.04.2017	PHP	0.67	13.17	105.03	91.19	-	82.21	12.81	-	12.81	0.31	-	0.31	13.11	-	50.00%	82.21	1.45%
44	GMR Energy Trading Limited	April 01, 2022 - March 31, 2023	09.03.2010	INR	128.50	12.73	1,064.71	923.48	-	642.21	10.13	2.46	7.68	0.12	0.03	0.09	7.77	-	95.97%	601.24	10.88%
45	GMR Londa Hydropower Private Limited #	April 01, 2022 - March 31, 2023	11.12.2008	INR	0.01	(102.06)	0.06	102.12	-	-	(6.83)	-	(6.83)	-	-	-	(6.83)	-	82.16%	-	0.00%
46	GMR Generation Assets Limited	April 01, 2022 - March 31, 2023	03.12.2010	INR	1,968.43	(2,793.94)	1,267.07	2,094.58	-	1.06	(187.44)	-	(187.44)	-	-	-	(187.44)	-	82.16%	1.06	0.02%
47	PT GMR Infrastructure Indonesia (e)	January 01, 2022 - December 31, 2022	19.04.2021	IDR	10.30	(6.49)	4.10	0.29	-	2.38	(5.35)	-	(5.35)	(0.03)	-	(0.03)	(5.39)	-	100.00%	-	0.00%
48	GMR Smart Electricity Distribution Private Limited (Formerly GMR Mining & Energy Private Limited)	April 01, 2022 - March 31, 2023	26.12.2019	INR	0.05	(1.55)	2.00	3.50	-	(0.41)	-	-	(0.41)	-	-	-	(0.41)	-	82.16%	-	0.00%
49	GMR Energy Projects (Mauritius) Limited (a)	January 01, 2022 - December 31, 2022	23.12.2010	USD	0.08	(2,046.92)	195.73	2,242.56	100.10	-	104.77	-	104.77	(213.53)	-	(213.53)	(108.76)	-	100.00%	-	0.00%
50	GMR Infrastructure Singapore Pte Limited (a)	January 01, 2022 - December 31, 2022	10-02-2009	USD	5,093.95	389.76	1,612.28	712.57	-	2,870.80	26.53	-	26.53	123.94	-	123.94	150.47	-	100.00%	2,870.80	51.96%



Part "A": Subsidiaries (Contd.)

S. No	Name of the Subsidiary	Reporting period	Date since when subsidiary was acquired	Reporting currency	Capital Reserves	Other equity/Reserves	Total Assets	Total Liabilities	Investments*	Turnover (Revenue from Operations)	Profit before taxation	Provision for taxation	Profit after taxation	Other comprehensive income (OCI)	Tax impact of OCI	Other comprehensive income (Net)	Total comprehensive income	Proposed dividend	Effective % of shareholding	Turnover net of eliminations (Revenue from operations)	% performance of the company to total revenue
51	GMR Coal resources Pte Ltd (a)	January 01, 2022 - December 31, 2022	04.06.2010	USD	624.57	(596.13)	29.08	0.65	-	315.97	106.30	209.66	(71.67)	-	-	138.00	-	100.00%	-	0.00%	
52	GMR Energy (Netherlands) B.V.(a)	January 01, 2022 - December 31, 2022	27.10.2008	USD	0.18	(0.14)	0.04	-	-	(0.33)	-	(0.33)	(16.16)	-	-	(16.50)	-	100.00%	-	0.00%	
53	GMR Energy (Cypus) Limited (a)***	January 01, 2022 - May 20, 2022	26.08.2008	USD	-	-	-	-	-	-	-	-	(14.70)	-	-	(14.70)	-	100.00%	-	0.00%	
54	GMR Green Energy Limited (formerly GMR Green Energy Private Limited)**	April 01, 2022 - March 31, 2023	21.06.2022	INR	0.05	(0.09)	1.69	1.72	0.06	(0.08)	-	(0.08)	-	-	-	(0.08)	-	100.00%	0.06	0.00%	
55	GMR Pocheonalli Expressways Limited	April 01, 2022 - March 31, 2023	18.11.2005	INR	138.00	160.33	695.36	396.83	57.77	53.28	9.33	43.95	0.10	-	-	44.05	-	100.00%	57.77	1.05%	
56	GMR Chennai Outer Ring Road Private Limited	April 01, 2022 - March 31, 2023	26.03.2010	INR	30.00	13.97	668.26	624.30	76.12	41.41	-	41.41	(0.00)	-	-	41.41	-	90.00%	76.12	1.38%	
57	GMR Ambala Chandigarh Expressways Private Limited	April 01, 2022 - March 31, 2023	09.09.2005	INR	98.24	(353.66)	285.90	541.33	71.50	(36.26)	-	(36.26)	0.07	-	-	(36.19)	-	100.00%	71.50	1.29%	
58	GMR Hyderabad Vijayawada Expressways Private Limited	April 01, 2022 - March 31, 2023	31.07.2009	INR	5.00	(1,140.76)	1,92,342	3,059.18	449.65	(133.71)	-	(133.71)	(0.06)	-	-	(133.77)	-	90.00%	449.65	8.14%	
59	GMR Highways Limited	April 01, 2022 - March 31, 2023	08.01.2009	INR	843.33	484.37	2,797.85	1,470.15	114.94	(132.44)	(2.52)	(129.92)	(0.02)	-	-	(129.94)	-	100.00%	-	0.00%	
60	GMR Male International Airport Private Limited (a)	January 01, 2022 - December 31, 2022	09.08.2010	USD	248.59	476.45	731.12	6.07	-	(0.21)	-	(0.21)	48.33	-	-	48.12	-	76.88%	-	0.00%	

Notes:

- The annual accounts of the Subsidiary Companies and the related detailed information will be made available to the members of the Company and the subsidiary companies seeking such information at any point of time.
- The annual accounts of the subsidiary companies will also be kept for inspection by any member in the registered office and that of the subsidiary companies concerned.
- \* Investments except investment in Group entities (Subsidiaries / Joint ventures / Associates).
- \*\* MG/CI is jointly controlled operation (JCO) consolidated on proportionate basis w.e.f. 1st April 2017.
- \*\*\* Indicates entities purchased during the year.
- \*\*\*\* Indicates companies liquidated/ strike off during the year.
- Details of reporting currency and the rate used in the preparation of consolidated financial statements.

Currency	For Conversion		
	Reporting Currency Reference	Average Rate (in ₹)	Closing Rate (in ₹)
USD	a	78.82	82.73
Euro	b	82.78	88.14
GBP	c	96.96	99.53
PHP	d	1.45	1.49
IDR	e	0.01	0.01

- # Indicates the name of subsidiaries which are yet to commence operations.

**Part "B": Associate and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S No	Name of Associates/Joint Ventures	Latest audited Balance sheet date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate/Joint Ventures held by the company at the year end		Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year (₹ in crore)		OCI for the year (₹ in crore)	
				Number in crore	Amount of Investment in Associates/Joint Venture (₹ in crore)				Extend of Holding %	Considered in Consolidation	Not considered in Consolidation	Considered in Consolidation
	<b>Associates</b>											
1	GMR Rajahmundry Energy Limited	March 31, 2023	12.05.2016	0.00	0.01	36.97%	Company holds investment which by share ownership is deemed to be an associate company	NA	(109.00)	-	0.01	-
2	PT Golden Energy Mines Tbk**	August 31, 2022	17.11.2011	-	-	30.00%	NA	NA	973.26	-	-	-
3	PT Roundhill Capital Indonesia (RCI)**	August 31, 2022	17.11.2011			29.70%						
4	PT Borneo Indobara (BIB)**	August 31, 2022	17.11.2011			29.43%						
5	PT Kuansing Inti Makmur (KIM)**	August 31, 2022	17.11.2011			30.00%						
6	PT Karya Cemerlang Persada (KCP)**	August 31, 2022	17.11.2011			30.00%						
7	PT Bungo Bara Utama (BBU)**	August 31, 2022	17.11.2011			30.00%						
8	PT Bara Harmonis Batang Asam (BHBA)**	August 31, 2022	17.11.2011			30.00%						
9	PT Berkat Nusantara Permai (BNP)**	August 31, 2022	17.11.2011			30.00%						
10	PT Tanjung Belit Bara Utama (TBBU)**	August 31, 2022	17.11.2011			30.00%						
11	PT Trisula Kencana Sakti (TKS)**	August 31, 2022	17.11.2011			21.00%						
12	PT Era Mitra Selaras (EMS)**	August 31, 2022	20.09.2016			30.00%						
13	PT Wahana Rimba Lestari (WRL)**	August 31, 2022	20.09.2016			30.00%						
14	PT Berkat Satria Abadi (BSA)**	August 31, 2022	20.09.2016			30.00%						
15	GEMS Trading Resources Pte Limited (GEMSCR)**	August 31, 2022	19.03.2015			30.00%						
16	PT Karya Mining Solution (KMS)**	August 31, 2022	13.07.2012			30.00%						
17	PT Kuansing Inti Sejahtera (KIS)**	August 31, 2022	24.07.2013			30.00%						
18	PT Bungo Bara Makmur (BBM)**	August 31, 2022	22.11.2017			30.00%						
19	PT GEMS Energy Indonesia (PTGEE)**	August 31, 2022	22.11.2017			30.00%						
20	PT Dwikarya Sejati Utama (PTDSU)**	August 31, 2022	1.09.2018			30.00%						
21	PT Unsoco (Unsoco)**	August 31, 2022	1.09.2018			30.00%						
22	PT Barasentosa Lestari (PTBSL)**	August 31, 2022	1.09.2018			30.00%						
23	PT Duta Sarana Internusa (PTDSI)**	August 31, 2022	1.09.2018			30.00%						

**Part "B": Associate and Joint Ventures (Contd.)**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S No	Name of Associates/Joint Ventures	Latest audited Balance sheet date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate/Joint Ventures held by the company at the year end		Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Network attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year (₹ in crore)		OCI for the year (₹ in crore)	
				Number in crore	Amount of Investment in Joint Venture (₹ in crore)				Extend of Holding %	Considered in Consolidation	Not considered in Consolidation	Considered in Consolidation
<b>Joint Ventures</b>												
1	GIL SIL JV	March 31, 2023		-	-	51.00%	NA	4.23	0.58	-	-	-
2	Limak GMR Joint Venture (CIV)	December 31, 2022	25.03.2008	-	0.11	50.00%	NA	0.44	0.44	-	-	-
3	GMR Energy Limited (GEL)	March 31, 2023	04.11.2016	250.98	5,774.41	69.58%	NA					
4	GMR Vemagiri Power Generation Limited (GVPL)	March 31, 2023	04.11.2016	27.45	295.90	69.58%	NA					
5	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)#	March 31, 2023	04.11.2016	0.50	5.00	69.61%	NA					
6	GMR Warora Energy Limited (GWEL)	March 31, 2023	04.11.2016	87.00	998.75	64.06%	NA					
7	GMR Gujarat Solar Power Limited (GGSPL)	March 31, 2023	04.11.2016	7.36	73.60	69.58%	NA					
8	GMR Bundelkhand Energy Private Limited (GBEPL)#	March 31, 2023	04.11.2016	0.00	0.01	69.58%	NA					
9	GMR Tenaga Operations and Maintenance Private Limited (GTOM)	March 31, 2023	09.04.2018	0.00	0.03	34.79%	NA					
10	GMR Maharashtra Energy Limited (GMAEL)#	March 31, 2023	04.11.2016	0.01	0.05	69.58%	NA					
11	GMR Rajam Solar Power Private Limited (GRSPL)	March 31, 2023	04.11.2016	0.00	0.01	69.58%	NA	898.80	(123.32)	0.00	(0.48)	0.00
12	GMR Indo-Nepal Power Corridors Limited (GINPCL)#	March 31, 2023	04.11.2016	0.01	0.05	69.58%	NA					
13	GMR Indo-Nepal Energy Links Limited (GINELLY)*	March 31, 2023	04.11.2016	0.01	0.05	69.58%	NA					
14	GMR Consulting Services Limited (GCSL)	March 31, 2023	04.11.2016	0.01	0.05	69.58%	NA					
15	GMR Kamalanga Energy Limited (GKEL)	March 31, 2023	28.12.2007	209.78	2,106.98	67.93%	NA					
16	GMR Bajaji Hoi Hydro Power Private Limited (GBHHPL)	March 31, 2023	04.11.2016	42.97	429.66	55.57%	NA					
17	GMR Energy (Mauritius) Limited (GEML)	December 31, 2022	04.11.2016	0.00	-	71.10%	NA					
18	Kamali Transmission Company Private Limited (KTCPIL)#	March 31, 2023	04.11.2016	0.00	0.13	71.10%	NA					
19	GMR Lion Energy Limited (GEL)	December 31, 2022	04.11.2016	0.29	21.00	71.10%	NA					
20	GMR Upper Kamali Hydropower Limited (GUKPL)#	March 31, 2023	04.11.2016	0.11	1.04	51.90%	NA					

\$ the investment in GEL is inclusive of put option value (net of impairment)

# indicates the names of Joint ventures/Associates which are yet to commence operations

\* indicates companies liquidated/ under liquidation/ merger/ strike off.

\*\* indicates companies disposed off during the year.

**For and on behalf of the Board of Directors**

**Srinivas Bommidala**  
Managing Director  
DIN: 00061464  
Place : New Delhi

**Suresh Bagrodia**  
Chief Financial Officer  
Place: New Delhi

**Grandhi Kiran Kumar**  
Non-Executive Director  
DIN: 00061669  
Place : Dubai

**Vimal Prakash**  
Company Secretary  
Membership Number: A20876  
Place: New Delhi

Date: May 23, 2023

Date: May 23, 2023

## ANNEXURE 'D' TO THE BOARD'S REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

#### 1. A brief outline of the Company's CSR policy

GMR Power and Urban Infra Limited (**the Company**), a part of GMR Group, has formulated a CSR Policy of the Company. GMR Group (The Group) recognizes that its business activities have wide impact on the societies in which it operates and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations.

The Company is driven by Group's vision to make a difference, specifically to society by contributing to the economic development of the country and improving the quality of life of the local communities. Towards this vision, the Company intends to support corporate social responsibility initiatives across the country through GMR Varalakshmi Foundation or any other eligible implementing agency (**implementing partner**). The initiatives will be in the areas of education, health, hygiene, sanitation, empowerment, livelihood and community development.

#### CSR Policy for GMR Power and Urban Infra Limited

In continuance to the community development initiatives being undertaken by the Company and in pursuance of the requirements of the Companies Act, 2013, the company as part of its CSR initiatives proposes to engage and work on the following areas (*with a special focus to geographical locations in India where GMR Power and Urban infra Limited has presence*), hereinafter referred to as the CSR Policy:

- i) Education;
- ii) Health, Hygiene and Sanitation;
- iii) Empowerment & Livelihoods;
- iv) Community Development;
- v) Environmental sustainability;

- vi) Heritage and Measures for the Culture;
- vii) Benefit of armed forces veterans, war widows and their dependents Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- viii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- ix) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief, and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women;
- x) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- xi) Other rural development projects;
- xii) Slum area development;
- xiii) Such other activities included in Schedule VII of the Companies Act, 2013 as may be identified by CSR Committee from time to time which are not expressly prohibited.

It may be noted that the above activities are indicative and are activities that the company may at any point of time engages but all such activities may not be taken up by the Company during the year. While the activities undertaken in pursuance of the CSR policy must be relatable to Schedule VII of the Companies Act 2013, the entries in the said Schedule VII must be interpreted liberally so as to capture the essence of the subjects enumerated in the said Schedule. The items enlisted in the amended Schedule VII of the Act, are broad-based and are intended to cover a wide range of activities.

#### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. G. Subba Rao	Chairman	01	01
2.	Dr. Emandi Sankara Rao	Member		01
3.	Dr. Satyanarayana Beela	Member		01



3. Web-link where Composition of CSR committee and CSR projects approved by the board are disclosed on the website of the company:  
Composition of CSR Committee:  
<https://investor.gmrpui.com/committee>  
CSR Policy: :  
<https://investor.gmrpui.com/pdf/1.CSR POLICY-GPUIL - Final.pdf>  
CSR Projects: **Not Applicable**
4. Executive summary along with web-link(s) of details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) –**Not Applicable**
5. (a) Average net profit/ loss of the Company as per Section 135(5):  
Average net loss: ₹ **58.79 Crore**
- (b) Two percent of average net profit of the company as per Section 135(5)- Not Applicable
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years- NIL
- (d) Amount required to be set off for the financial year, if any- NIL
- (e) Total CSR obligation for the financial year [(b)+(c)- (d)] - NIL
6. (a) Amount spent on CSR projects (both ongoing project and other than ongoing Project: **NIL**
- (b) Amount spent in Administrative Overheads- **Not Applicable**
- (c) Amount spent on Impact Assessment, if applicable- **Not Applicable**
- (d) Total amount spent for the Financial Year [(a) +(b)+(c)] – **NIL**
- (e) CSR amount spent or unspent for the Financial Year: **NIL**
- (f) Excess amount for set off, if any: **NIL**
7. Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5)- **Not Applicable**  
Due to non-availability of profits the Company was not required to spend any amount on CSR activities during the financial year 2022-23.

**G. Subba Rao**  
Chairman, CSR Committee  
(DIN 00064511)

**Srinivas Bommidala**  
Managing Director  
(DIN.00061464)

## ANNEXURE 'E' TO THE BOARD'S REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**FOR THE FINANCIAL YEAR ENDED: 31.03.2023**

To,  
The Members,

**GMR POWER AND URBAN INFRA LIMITED**

Naman Centre, 701, 7th Floor, Opposite Dena Bank,  
Plot No. C31 G Block, Bandra Kurla Complex

Bandra East, Mumbai - 400051

**CIN: L45400MH2019PLC325541**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GMR Power and Urban Infra Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives and during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2023 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. There was no Overseas Direct Investment or External Commercial Borrowings during the audit period.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the audit period);**
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);** and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period);**
- (vi) Other major laws applicable specifically to the Company, namely:
  - a. The Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979
  - b. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1979

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1) on meetings of the Board of Directors and Secretarial Standards (SS-2) on General Meetings issued by the Institute of Company Secretaries of India.
- (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

We have not examined compliance by the Company with applicable financial laws, such as direct and indirect tax laws, since the same have been subject to review by other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on information provided by the management, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations, standards and guidelines.

We further report that during the audit period, the Company has undertaken the following action which have the major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines, etc.

1. Approval obtained by special resolution at the Annual General Meeting held on September 27, 2022, for raising funds up to ₹ 3000 crores by issuance of equity shares and/ other eligible securities through Qualified Institutional Placement /Foreign Currency Convertible Bonds.

For **V. SREEDHARAN & ASSOCIATES**

(V Sreedharan)

Partner

FCS: 2347; C.P. No: 833

UDIN Number: F002347E000648861

Peer Review Certificate No: 589/2019

**Place: Bengaluru**

**Date:20.07.2023**

This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

To,  
The Members

**GMR POWER AND URBAN INFRA LIMITED**  
Naman Centre, 701, 7th Floor, Opposite Dena Bank,  
Plot No. C31 G Block, Bandra Kurla Complex  
Bandra East, Mumbai - 400051

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We have partly conducted online verification and examination of records, as facilitated by the Company for the purpose of issuing this report.

**Place: Bengaluru**  
**Date: 20.07.2023**

For **V. SREEDHARAN & ASSOCIATES**

(V Sreedharan)

**Partner**

**FCS: 2347; C.P. No: 833**

**UDIN Number: F002347E000648861**

**Peer Review Certificate No: 589/2019**

**ANNEXURE 'F-1' TO THE BOARD'S REPORT**

Secretarial audit report of GMR Kamalanga Energy Limited

**FORM No. MR-3**

**SECRETARIAL AUDIT REPORT**

**(For the Financial Year ended 31<sup>st</sup> March, 2023)**

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

**GMR KAMALANGA ENERGY LIMITED.**

25/1, Skip House, Museum Road  
Bangalore, Karnataka-560025.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GMR KAMALANGA ENERGY LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **GMR KAMALANGA ENERGY LIMITED** company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **GMR KAMALANGA ENERGY LIMITED** ("the company") for the financial year ended on **31<sup>st</sup> March, 2023** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder; (Not applicable to the company during the audit period)
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

- a) The Securities and Exchange Board of India (substantial Acquisition of shares and Takeover) Regulations, 2011; (Not applicable to the company during the audit period)
  - b) The Securities and Exchange Board of India (Prohibition of Insider trading) Regulations, 2015; (Not applicable to the company during the audit period)
  - c) The Securities and Exchange Board of India (Issue of Capital and disclosure requirements) Regulations, 2018; (Not applicable to the company during the audit period)
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; The Securities and Exchange Board of India (Shares Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the company during the audit period)
  - e) The Securities and Exchange Board of India (Issue and listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the company during the audit period)
  - f) The Securities and Exchange Board of India (Registrar to an issue and shares transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the audit period)
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the company during the audit period)
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the audit period)
6. The Electricity Act, 2003 and regulation framed thereunder
  7. Environment laws.
  8. Electricity Regulatory Commission Act, 1998.
  9. Electricity (Supply) Act, 1948.
  10. Other applicable Labour & Industrial laws.

I have also examined compliance with applicable clauses of the followings:

Secretarial Standard issued by The Institute of Company Secretaries of India.



During the period under review the Company has complied with the provision of the Act, Rules, Regulations, and Standards to the extent applicable, as mentioned above.

**I further report that**

The board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days /shorter notice in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda

items before the meeting and for meaningful participation at the meeting.

Board decision are carried out with unanimous consent and therefore, no dissenting view required to be captured and recorded as per of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the company has not any specific event /action having a major bearing on the company's affairs in pursuant of the above laws, rules, regulations, guideline, standards etc.

**Date: 28/06/2023**

**Place: New Delhi**

**Note:**

1. **This report is to be read with our letter of Even date which is annexed as Annexure- A as an integral part of this report.**

**For Arunesh Dubey & Co.  
Company Secretaries**

**Arunesh Kumar Dubey**

**FCS: 7721**

**CP No: 14054**

**PR No: 815/2020**

**UDIN: F007721E000516086**

**Annexure A**

To,  
The Members,  
**GMR KAMALANGA ENERGY LIMITED.**  
25/1, Skip House, Museum Road  
Bangalore, Karnataka-560025.

Our report of Event date is to be read along with this supplementary testimony.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The

verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, the company had followed provide a reasonable basis for my opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Arunesh Dubey & Co.  
Company Secretaries**

**Arunesh Kumar Dubey**

**FCS: 7721**

**CP No: 14054**

**PR No: 815/2020**

**UDIN: F007721E000516086**

**Date: 28/06/2023**

**Place: New Delhi**

## ANNEXURE 'F-2' TO THE BOARD'S REPORT

### Secretarial audit report of GMR Energy Trading Limited

#### FORM MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Member,  
**GMR Energy Trading Limited**  
25/1, SKIP HOUSE MUSEUM ROAD  
Bangalore – 560 025,  
Karnataka, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GMR Energy Trading Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - a. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfers Agents) Regulations, 1993;
5. Other laws as may be applicable specifically to the company, in respect of which the company has internal system for ensuring compliances. On the basis of the reliance on due compliances

of other applicable laws, the management is of the view that no further verification is required and hence no comments offered.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

However, the following Acts, Rules, regulations Guidelines, Agreement(s), required to be reported as per the prescribed format are not applicable to the company during the audit period since the securities of the Company are not listed or there are no transaction(s) under the Act during the year under review, as the case may be:

1. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
2. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
3. The Listing Agreements including Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchange(s)
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

The compliance by the Company with applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since

the same have been subject to review by statutory auditors and other designated professionals.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the statutory compliance certificates taken on record by the Board of Directors at the board meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period except following event mentioned below there was no specific event / action having a major bearing on the Company's affairs in pursuance of the above referred

laws, rules, regulations guidelines and/or standards, etc:-

During the year under review:

- The Company in its EGM held on September 14, 2022 increased the Authorized Share Capital of the Company from ₹ 74 Crore to ₹ 144 Crore.
- The paid-up capital of the Company was increased by ₹ 54.50 Crore by allotting 5.45 Crore equity shares of ₹ 10 each at par by way of Right Issue in following three tranches, for cash / for consideration other than cash:
  - 2.85 Crore equity shares of ₹ 10/- each, aggregating to ₹ 28.50 Crore allotted on September 30, 2022;
  - 1.60 Crore equity shares of ₹ 10/- each, aggregating to ₹ 16.00 Crore allotted on October 01, 2022;
  - 1 Crore equity shares of ₹ 10/- each, aggregating to ₹ 10 Crore allotted on October 31, 2022.
- The shareholders approved the purchase of land from a related party at a consideration approved by the registered valuer pursuant to the provisions of Section 188 of the Companies Act, 2013.

For **Vikash Sethi & Associates**  
Company Secretaries

**(Vikash Sethi)**

Prop.

M. Number: A 15151

CP Number: 7863

Peer Review No.:1074/2021

Place: New Delhi

Date: 13.07.2023

UDIN: A015151E000602045

Note: This report is to be read with our letter of even date which is annexed as "**ANNEXURE A**" and forms an integral part of this report.

## “ANNEXURE A”

To,  
The Member,  
**GMR Energy Trading Limited**  
25/1, SKIP HOUSE MUSEUM ROAD  
Bangalore – 560 025,  
Karnataka, India

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit on sample check basis.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the

processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Vikash Sethi & Associates**  
Company Secretaries

**(Vikash Sethi)**

Prop.

M. Number: A 15151

CP Number: 7863

Place: New Delhi  
Date: 13.07.2023



**ANNEXURE 'F-3' TO THE BOARD'S REPORT**

**Secretarial audit report of GMR Warora Energy Limited**

**FORM MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2023**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies*

*(Appointment and Remuneration Managerial Personnel) Rules, 2014]*

To,

**The Members,**

**GMR Warora Energy Limited**

701, 7<sup>th</sup> Floor, Naman Centre A-Wing,

BandraKurla Complex, Bandra,

Mumbai -400051, Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GMR Warora Energy Limited (CIN: U40100MH2005PLC155140)** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the registers, records, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable)**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable)**

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable)**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable)**
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable)** and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable)**.
6. The other major laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company based on their sector/ industry are:
- i. Electricity Act, 2003 and the rules made thereunder
  - ii. The Boilers Act, 1923 and the rules and regulations made thereunder.
  - iii. Electricity Regulatory Commission Act, 1948.

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India.
- b. The Listing Agreements entered into by the Company with Stock Exchanges read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per representations and clarifications provided by the management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned hereinabove.

**WE FURTHER REPORT THAT:**

The Board of Directors of the Company is duly constituted with proper

balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

Based on review of compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has following specific events / actions that having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

The Company has implemented Resolution Plan (RP) in terms of "Prudential Framework for Resolution of Stressed Assets" issued vide RBI circular dated June 7, 2019. In view of the RP, the Company had increased its Authorized Share Capital from ₹ 1,100 Crores to ₹ 2,000 crores and had issued following securities by way of private placement to the lenders of the Company against unsustainable portion of Debt:

- 55,45,31,916, 0.01% Secured Unrated Unlisted Redeemable Non-Convertible Debentures - Series B of ₹ 10 each aggregating to ₹ 554,53,19,160 (Rupees Five Hundred Fifty-Four Crore Fifty-Three Lakh Nineteen Thousand One Hundred Sixty); 22,33,53,257 0.01% Secured Unrated Unlisted Optionally Convertible Debentures Series B1 of ₹ 10/- each aggregating ₹ 223,35,32,570 (Rupees Two Hundred Twenty-Three Crore Thirty-Five Lakh Thirty-Two Thousand Five Hundred Seventy);
- 7,49,10,482 Equity Shares of face value of ₹ 10 each, at a issue price of ₹ 4.34 per share aggregating to ₹ 32,51,11,492/- (Rupees Thirty-Two Crore Fifty-One Lakh Eleven Thousand Four Hundred Ninety-Two).

For **S. Behera & Co.**  
**Company Secretaries**

**Shesdev Behera**  
**Company Secretary in practice**

**CP. No. 5980**

**M. No. F-8428**

**UDIN: F008428E000527672**

Date: 30/06/2023

Place: New Delhi

Note: **Annexure-'A'** forming an integral part of this Report.

**Annexure-‘A’**

To,  
**The Members,  
GMR Warora Energy Limited**  
701, 7<sup>th</sup> Floor, Naman Centre A-Wing,  
Bandra Kurla Complex, Bandra,  
Mumbai -400051, Maharashtra

**Our report of even date is to be read along with this letter:**

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express as opinion on such secretarial records based on our audit.
2. We have followed the audit practices and process as we considered appropriate to obtain reasonable assurance on the correctness and completeness of the secretarial records. Our verification was conducted on a test basis to ensure that all entries have been made as per statutory requirements; we believe that the processes and practices we followed for this purpose provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation with respect to compliance of laws, rules and regulations and of significant events during the year.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, and standards is the responsibility of the management. Our examination was limited to the verification of secretarial records on test-check basis to the extent applicable to the Company.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **S. Behera & Co.**  
**Company Secretaries**

**Shesdev Behera**  
**Company Secretary in practice**  
**CP. No. 5980**  
**M. No. F-8428**  
**UDIN: F008428E000527672**

Date: 30/06/2023  
Place: New Delhi

## **ANNEXURE 'G' TO THE BOARD'S REPORT**

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO [Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]**

**(A) Conservation of energy:**

- (i) the steps taken or impact on conservation of energy:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*
- (ii) the steps taken by the company for utilising alternate sources of energy:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*
- (iii) the capital investment on energy conservation equipments:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*

**(B) Technology absorption:**

- (i) the efforts made towards technology absorption:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- (a) the details of technology imported:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*
- (b) the year of import:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*
- (c) whether the technology been fully absorbed:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*
- (iv) the expenditure incurred on Research and Development:  
Since the Company is not engaged in any manufacturing activity, the particulars are not applicable. \*

\*However, various steps taken by the Group towards energy efficiency, utilizing alternative resources and technology absorption are covered under the Business Responsibility Report forming part of the Annual Report 2023.

**(C) Foreign exchange earnings and Outgo during the year:**

- (i) The Foreign Exchange earned in terms of actual inflows: -

	(₹ in crore)	
Particulars	March 31, 2023	March 31, 2022
Interest / Miscellaneous income	59.67	7.41
Proceeds from sale and redemption on non-current investments	1,755.77	Nil
Income from Management and other services / Management Consulting Services	Nil	Nil

- (ii) Foreign Exchange outgo in terms of actual outflows:

	(₹ in crore)	
Particulars	March 31, 2023	March 31, 2022
Other Expenses	Nil	Nil
Interest on FCCB	Nil	Nil

## ANNEXURE 'H' TO THE BOARD'S REPORT

**Disclosure of Managerial Remuneration for Financial Year ended March 31, 2023  
(Ref.: Board's Report under the head "Particulars of Employees and related disclosures")**

- a) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

Name of the Director (Mr./Ms./Dr.)	Ratio of Director's remuneration to the median remuneration of the employees of the Company for the financial year
G. M. Rao, Chairman	N.A.
Srinivas Bommidala, Managing Director	18.31
Grandhi Kiran Kumar, Group Director	N.A.
B. V. N. Rao, Group Director	N.A.
G. Subba Rao, Executive director	7.74
Madhva Terdal, Executive Director <sup>1</sup>	13.36
Siva Kameswari Vissa, Independent Director	0.35
S.K. Goel, Independent Director**	0.37
Emandi Sankara Rao, Independent Director	0.16
Satyanarayana Beela, Independent Director	0.41
Suresh Narang, Independent Director	0.12
I.V. Srinivasa Rao, Independent Director*	0.42
Suman Naresh Sabnani <sup>§</sup>	N.A.
Fareed Ahmed <sup>§</sup>	N.A.
Shantanu Ghosh <sup>§</sup>	N.A.

<sup>1</sup>Change in designation w.e.f August 8, 2022.

\*Resigned w.e.f July 10, 2023

\*\* Resigned w.e.f. July 28, 2023

<sup>§</sup> Appointed w.e.f August 4, 2023

- b) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Name of the Director and Key Managerial Personnel (Mr./Ms./Dr.)	Percentage increase/ (decrease) in remuneration in the financial year
G. M. Rao, Chairman	N.A.
Srinivas Bommidala, Managing Director <sup>#</sup>	2.75
Grandhi Kiran Kumar, Group Director	N.A.
B.V.N. Rao, Group Director	N.A.
G. Subba Rao, Executive Director <sup>#</sup>	4.22
Madhva Terdal, Executive Director <sup>1#</sup>	N.A.
Vissa Siva Kameswari, Independent Director <sup>§</sup>	N.A.
S.K. Goel, Independent Director <sup>§</sup>	N.A.
Emandi Sankara Rao, Independent Director <sup>§</sup>	N.A.
Satyanarayana Beela Independent Director <sup>§</sup>	N.A.
Suresh Narang, Independent Director <sup>§</sup>	N.A.



Name of the Director and Key Managerial Personnel (Mr./Ms./Dr.)	Percentage increase/ (decrease) in remuneration in the financial year
I.V. Srinivasa Rao, Independent Director <sup>§</sup>	N.A
Suman Naresh Sabnani	N.A
Fareed Ahmed	N.A
Shantanu Ghosh	N.A
Suresh Bagrodia, Chief Financial Officer <sup>#</sup>	32.86
Vimal Prakash, Company Secretary <sup>#</sup>	7.28

<sup>§</sup> Appointed as executive director w.e.f August 8, 2022 and accordingly, the comparable remuneration is not available.

<sup>#</sup> employed only for a part of previous year, so comparative remuneration for the proportionate period of the year was considered.

i. The percentage increase/(decrease) in the median remuneration of employees in the financial year: **22.39%**<sup>®</sup>

@ the increase in median remuneration during the year 2022-23 was on account of release of deferred remuneration of employees pertaining to part period of FY 2021-22. Further, given the fact that employees remuneration in FY 2021-22 has commenced only from January 2022 onwards (being post demerger date), the same may not be comparable with FY 2022-23.

ii. The number of permanent employees on the rolls of the company as on March 31, 2023: **120**

iii. Average percentile/percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentage / percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile/percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year: **16.40%**

Percentage increase in the managerial remuneration was much less than the average of other employees, as such the justification required as per provision of the company law may not be relevant.

iv. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration is as per the 'Remuneration Policy of the Company.

# Report on Corporate Governance

## I. Company's Philosophy on Code of Governance

The chosen vision of your Company is institution in perpetuity. The Company is deeply conscious that, while doing business successfully, it will actively cater to building of nation and society around it. The long term interest of the Company, particularly in the infrastructure domain, is closely woven with stakeholders' alignment. Your Company has a large number of stakeholders in all spheres of business and society. It will be our endeavor to constantly promote and enhance the stakeholders' legitimate interests.

### Ethics / Governance Policies

The Company endeavors to conduct its businesses and strengthen relationships in a manner that is dignified, distinctive and responsible. The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, the Company has adopted various codes and policies to carry out its duties in an ethical manner. Some of these codes and policies are:

- Code of Business Conduct and Ethics applicable to employees
- Code of Conduct for Prohibition of Insider Trading
- Corporate Social Responsibility Policy
- Dividend Distribution Policy
- Nomination and Remuneration Policy
- Policy on Whistle Blower
- Policy on Related Party Transactions
- Risk Management Policy
- Policy on Preservation of Documents and Archival of documents
- Policy on disclosure of material events and information
- Policy on Material Subsidiaries
- Policy against sexual harassment
- Business Responsibility Policy
- Anti-Bribery and Anti-Corruption Policy
- Board Diversity Policy
- Climate Resilience Policy
- Code of Conduct for Board Members
- Code of Conduct for Senior Management

## II. Board of Directors

### a. Board composition and category of Directors

The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors. The composition of the Board and category of Directors is as follows:

Category	Name of the Directors
Promoter Directors	Mr. G. M. Rao (Non-Executive Chairman) Mr. Srinivas Bommidala (Managing Director) Mr. Grandhi Kiran Kumar (Non-Executive Director)
Executive Director/Whole time director (other than above)	Mr. G. Subba Rao Mr. Madhva B. Terdal
Non-Executive Non-Independent Director	Mr. B.V. N. Rao
Independent Non-Executive Directors	Mr. I.V. Srinivasa Rao <sup>§</sup> Mr. S.K. Goel* Dr. Emandi Sankara Rao Dr. Satyanarayana Beela Dr. Siva Kameswari Vissa Mr. Suresh Lilaram Narang Ms. Suman Naresh Sabnani** Mr. Shantanu Ghosh** Dr. Fareed Ahmed**

\* Resigned w.e.f July 28, 2023

§ Resigned w.e.f July 10, 2023

\*\* Appointed w.e.f August 04, 2023.

Mr. G.M. Rao is the father of Mr. Grandhi Kiran Kumar and father-in-law of Mr. Srinivas Bommidala and therefore, are deemed to be related to each other. None of the other directors are related to any other director on the Board.

**b. Selection of Independent Directors**

Taking the requirement of skill sets on the Board into consideration, eminent persons having independent standing in their respective field or profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee considers qualification, positive attributes, area of expertise, the skillset required for directors of the Company and number of Directorships and Memberships held in various committees of other companies by such persons for selection of directors and determining directors' independence. The Board considers the Committee's recommendations, takes appropriate decision and recommends to the shareholders for the appointment of Independent Directors.

The Independent Director(s), at the first meeting of the Board in which they participate as Director, thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect their status as an independent director, give a declaration that they meet the criteria of independence as provided under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time-to-time (hereinafter referred to as "SEBI LODR").

**c. Familiarization programs for Board Members**

The Board members are provided with necessary documents, viz., Company's corporate profile, its Mission, Vision, Values and Beliefs, Organization Structure, the Company's history and milestones, Annual Reports, a brief background on the business of the Company, Institutional Building and highlights of its performance, major policies of the Company, Code of Conduct, fund raising history etc. Periodic presentations are made to the Board on business and performance updates of the Company, global business environment, risk management, company policies, subsidiary information and changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates and other relevant issues. The details

of such familiarization programs for Independent Directors are posted on the website of the Company and can be accessed at [https://investor.gmrpui.com/pdf/GPUIL\\_Familiarisation\\_programmes\\_for\\_IDs.pdf](https://investor.gmrpui.com/pdf/GPUIL_Familiarisation_programmes_for_IDs.pdf)

**d. Meetings of Independent Directors**

As per the requirement of Regulation 25 of SEBI LODR and Companies Act, 2013, the Independent Directors of the Company meet at least once every financial year without the presence of Non-Independent Directors and management personnel. Such meetings enable Independent Directors to discuss matters pertaining to the Company's affairs and matters mentioned in Regulation 25 of SEBI LODR and Schedule IV to the Companies Act, 2013. The Independent Directors take appropriate steps to present their views to the Chairman. One meeting of the Independent Directors was held during the financial year FY 2022-23, on August 30, 2022.

**e. Code of Conduct**

As per the requirement of Regulation 26(3) of SEBI LODR, the Board has laid down a Code of Conduct ("the Code") for all Board members and Senior Management Personnel of the Company. The Code is posted on the website of the Company <https://investor.gmrpui.com/code-of-conduct>. All Board members and Senior Management Personnel affirm compliance with the Code on an annual basis and the declaration to that effect by Managing Director, Mr. Srinivas Bommidala is attached to this report.

A Code of Business Conduct and Ethics applicable to all the employees of the Group is communicated and affirmed by them periodically, which is to be followed in the day to day work life and which enables the employees to maintain highest standards of values in their conduct to achieve organizational objectives.

The Company recognizes that sexual harassment violates fundamental rights of gender equality, right to life and liberty and right to work with human dignity as guaranteed by the Constitution of India. To meet this objective, measures have been taken to eliminate any act of sexual harassment (which includes unwelcomed sexually determined behavior) and to take necessary penal action, if required. The Company has taken initiatives to create wide awareness amongst the employees about the policy for prevention of sexual harassment by displaying posters at all the prominent places in the offices of the Company and organising awareness sessions.

**f. Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various Companies and shareholding in GMR Power and Urban Infra Limited:**

Sl. No.	Name of Director	DIN <sup>^</sup>	Category <sup>@</sup>	Number of Directorships held in other Public Limited Companies as on March 31, 2023 <sup>*</sup>		Number of committee Chairmanships/ memberships held in Public Limited Companies as on March 31, 2023 <sup>*</sup>		Board Meetings during the period from April 01, 2022 to March 31, 2023		Whether present at the Previous AGM held on September 27, 2022	No. of shares held <sup>***</sup>
				Chairman	Director	Chairman	Member	Held during the tenure	Attended <sup>\$\$</sup>		
1.	Mr. G.M. Rao	00574243	NEC	8	-	-	-	5	5	No	173233 <sup>à</sup>
2.	Mr. Srinivas Bommidala	00061464	MD	1	7	-	1	5	3	Yes	45266 <sup>à</sup>
3.	Mr. Grandhi Kiran Kumar	00061669	NEPD	1	6	1	-	5	4	Yes	87316 <sup>à</sup>
4.	Mr. B.V.N. Rao	00051167	NENID	3	1	1	-	5	4	Yes	18214
5.	Mr. G. Subba Rao	00064511	ED	-	7	-	-	5	5	Yes	80
6.	Mr. Madhva B. Terdal <sup>€</sup>	05343139	ED	-	5	-	1	5	4	Yes	NIL
7.	Mr. S. K. Goel <sup>@@</sup>	00492659	NEID	-	9	-	9	5	5	Yes	NIL
8.	Mr. I.V. Srinivasa Rao <sup>~</sup>	01541362	NEID	-	1	1	-	5	5	Yes	NIL
9.	Dr. Emandi Sankara Rao	05184747	NEID	-	6	-	4	5	5	Yes	NIL
10.	Dr. Satyanarayana Beela	09462114	NEID	-	-	-	-	5	5	Yes	200
11.	Dr. Siva Kameswari Vissa	02336249	NEID	-	5	1	3	5	5	Yes	NIL
12.	Mr. Suresh Lilaram Narang	08734030	NEID	-	1	-	-	5	4	Yes	NIL
13.	Ms. Suman Naresh Sabnani <sup>##</sup>	10223343	NEID	-	-	-	-	NA	NA	NA	5000
14.	Dr. Fareed Ahmed <sup>##</sup>	00041435	NEID	-	-	-	-	NA	NA	NA	Nil
15.	Mr. Shantanu Ghosh <sup>##</sup>	09698462	NEID	-	-	-	-	NA	NA	NA	Nil

<sup>^</sup> DIN – Director Identification Number

<sup>@</sup> NEC – Non-Executive Chairman, MD - Managing Director, NEPD – Non-Executive Promoter Director, NENID - Non-Executive Non-Independent Director, NEID - Non-Executive Independent Director, ED- Executive Director

<sup>#</sup> Other companies do not include directorship(s) of this company, private limited companies, Section 8 companies, and companies incorporated outside India.

<sup>\*</sup> Committee means Audit Committee and Stakeholders' Relationship Committee

<sup>\$\$</sup> Attendance includes participation through video conference.

<sup>à</sup> Shareholding includes shares held as Karta of HUF.

<sup>\*\*\*</sup> No convertible instrument was held by the Directors

<sup>##</sup> Appointed as additional director in the category of Independent director w.e.f August 04, 2023.

<sup>~</sup> Mr. I.V. Srinivas Rao, Independent director of company resigned w.e.f. July 10, 2023 due to personal reasons and other professional commitments and confirmed that there were no reasons other than as mentioned in his letter of resignation.

<sup>@@</sup> Mr. S.K. Goel, Independent director of the company resigned w.e.f July 28, 2023 due to personal reasons and other commitment and confirmed that there were no reasons other than as mentioned in his letter of resignation.

<sup>€</sup> Appointed as executive director w.e.f. August 08, 2022.

Five Board Meetings were held during the FY ended March 31, 2023, i.e., on May 18, 2022, August 08, 2022, September 01, 2022, November 11, 2022 and February 13, 2023. At least one board meeting was held in each Quarter. Further, the gap between any two consecutive board meetings did not exceed 120 days.

**g. Name of the listed entities, other than GMR Power and Urban Infra Limited, where a director of the Company, is a director:**

Sl. No.	Name of Director	Directorship in other listed entities as on March 31, 2023	
		Name of other listed entities	Category
1.	Mr. G.M. Rao	GMR Enterprises Private Limited*	Non-Executive Chairman
		GMR Airports Limited*	Non-Executive Chairman
		GMR Hyderabad International Airport Limited*	Executive Chairman
		Delhi International Airport Limited*	Executive Chairman
		GMR Airports Infrastructure Limited (formerly known as GMR Infrastructure Limited)	Non-Executive Chairman
2.	Mr. Grandhi Kiran Kumar	GMR Enterprises Private Limited*	Non-Executive Director
		GMR Airports Infrastructure Limited (formerly known as GMR Infrastructure Limited)	Managing Director & CEO
		Delhi International Airport Limited*	Non-Executive Director
		GMR Hyderabad International Airport Limited*	Non-Executive Director
		GMR Airports Limited*	Joint Managing Director & CEO
3.	Mr. Srinivas Bommidala	GMR Enterprises Private Limited*	Non-Executive Director
		Delhi International Airport Limited*	Non-Executive Director
		GMR Hyderabad International Airport Limited*	Non-Executive Director
		GMR Airports Infrastructure Limited (formerly known as GMR Infrastructure Limited)	Non-Executive Director
		GMR Airports Limited*	Joint Managing Director
4.	Mr. B.V.N. Rao	GMR Enterprises Private Limited*	Non-Executive Director
		GMR Airports Infrastructure Limited (formerly known as GMR Infrastructure Limited)	Non-Executive Director
5.	Mr. G. Subba Rao	Nil	Nil
6.	Mr. Madhva B. Terdal	GMR Airports Infrastructure Limited (formerly known as GMR Infrastructure Limited)	Non-Executive Director
7.	Mr. S.K. Goel <sup>§</sup>	GMR Warora Energy Limited*	Non-Executive Independent Director
8.	Mr. I.V. Srinivasa Rao**	Nil	Nil
9.	Dr. Emandi Sankara Rao	GMR Airports Infrastructure Limited (formerly known as GMR Infrastructure Limited)	Non-Executive Independent Director
		Coastal Corporation Limited	Non-Executive - Independent Director - Chairman
		Delhi International Airport Limited*	Non-Executive Independent Director
10.	Dr. Satyanarayana Beela	Nil	Nil
11.	Dr. Siva Kameswari Vissa	VST Tillers Tractors Limited	Non-Executive - Independent Director
12.	Mr. Suresh Lilaram Narang	GMR Airports Infrastructure Limited (formerly known as GMR Infrastructure Limited)	Non-Executive -Independent director
13.	Dr. Fareed Ahmed~	Nil	Nil
14.	Ms. Suman Naresh Sabnani~	Nil	Nil
15.	Mr. Shantanu Ghosh~	Nil	Nil

\* Debt listed Company

\*\* Resigned w.e.f July 10, 2023

§ Resigned w.e.f July 28, 2023

~ Appointed w.e.f August 04, 2023



- h. The following is the list of core skills/expertise/competencies identified by the Board of directors required for effective functioning as required in the context of the business(es) and sectors for it to function effectively, which are available with the Board. The names of directors who have such skills/expertise/competencies as identified by the Board are given below:**

Area of Skills/ Expertise	Mr. G.M. Rao	Mr. Grandhi Kiran Kumar	Mr. Srinivas Bommidala	Mr. B.V.N Rao	Mr. G. Subba Rao	Mr. Madhva B. Terdal	Mr. S.K. Goel	Mr. I.V. Srinivasa Rao	Dr. Emandi Sankara Rao	Dr. Satyanarayana Beela	Dr. Siva Kameswari Vissa	Mr Suresh Narang	Dr. Fareed Ahmed	Mrs Suman Sabnani	Mr. Shantanu Ghosh
Project Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	-	-	✓	✓
Domain/ Industry Specialist	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Asset Management/ Operational Excellence	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Business Development & Business Strategist	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓
Organizational Learning and Institutional Memory, Governance Consciousness	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Functional expertise:	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Information Technology															
Finance & Banking, etc.,															
Networking	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
<b>General Attributes</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Soundness of Judgement, People & Process orientation															
People & Process orientation															
Understanding of domestic economic environment & global issues															
Interpersonal and Communication skills, leadership skills															

- i. The Independent Directors, in the opinion of the Board, fulfill the conditions specified in SEBI LODR and are independent of the management.**

### III. Audit Committee

**a. Composition of Audit Committee:**

The Audit Committee comprises of the following Directors:

Names	Designation
Dr. Siva Kameswari Vissa (Non-Executive Independent Director)	Chairperson
Mr. I.V. Srinivasa Rao (Non-Executive Independent Director)*	Member
Mr. S K Goel (Non-Executive Independent Director)**	Member
Dr. Satyanarayana Beela (Non-Executive Independent Director)	Member
Dr. Fareed Ahmed (Non-Executive Independent Director) <sup>§</sup>	Member
Ms. Suman Naresh Sabnani (Non-Executive Independent Director) <sup>§</sup>	Member

\* Ceased to be member of the Committee w.e.f July 10, 2023

\*\* Ceased to be member of the Committee w.e.f July 28, 2023

<sup>§</sup> Co-opted as member of the Committee w.e.f August 04, 2023

Mr. Vimal Prakash, Company Secretary and Compliance Officer, acts as Secretary to the Audit Committee.

**b. Meetings and attendance during the year:**

During the FY ended March 31, 2023, six meetings of the Audit Committee were held i.e. on April 14, 2022, May 17, 2022, August 08, 2022, September 01, 2022, November 10, 2022 and February 09, 2023.

The attendance of the Audit Committee members is as under:

Names	No. of the Meetings	
	Held	Attended
Dr. Siva Kameswari Vissa	6	6
Mr. I.V. Srinivasa Rao	6	6
Mr. S K Goel	6	6
Dr. Satyanarayana Beela	6	5
Dr. Fareed Ahmed	NA	NA
Ms. Suman Sabnani	NA	NA

**c. The terms of reference of the Audit Committee are as under:**

- i. Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions; and
  - (g) Qualifications in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer

- vii. Review and monitor the auditor's independence and performance and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- xiv. Discussion with internal auditors of any significant findings and follow up thereon;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders,

shareholders (in case of non-payment of declared dividends) and creditors;

- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc., of the candidate.
- xx. Review the utilization of loans and/ or advances from/ investment in any subsidiary exceeding ₹ 100.00 crore or 10% of the asset size of such subsidiary, whichever is lower including existing loans / advances / investments.
- xxi. Review compliance with the provisions of Securities and

Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

- xxii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and shareholders and such other as may be specified by Securities and Exchange Board of India from time to time in respect any type of restructuring.
- xxiii. Any other item or subject that may be required by the Companies Act, 2013 or SEBI Listing Regulations, as amended from time to time or under any other applicable law or statute.

#### **IV. Nomination and Remuneration Committee**

##### **a. Composition of Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee comprises of the following Directors:

<b>Names</b>	<b>Designation</b>
Dr. Fareed Ahmed (Non-Executive Independent Director) <sup>§</sup>	Chairman <sup>§</sup>
Dr. Siva Kameswari Vissa (Non-Executive Independent Director) <sup>#</sup>	Member
Mr. S.K. Goel (Non-Executive Independent Director)*	Chairman*
Mr. B.V.N. Rao (Non-Executive Non Independent Director)	Member
Mr. I.V. Srinivasa Rao (Non-Executive Independent Director)**	Member
Dr. Satyanarayana Beela (Non-Executive Independent Director )	Member

*\*Ceased to be Chairman and member of the Committee after his resignation from the Board w.e.f July 28, 2023*

*\*\* Ceased to be member of the Committee after his resignation from the Board w.e.f July 10, 2023*

§ Designated Chairman of the Committee w.e.f. August 04, 2023

# Designated as Member of Committee w.e.f. August 04, 2023

Mr. Vimal Prakash, Company Secretary and Compliance Officer, acts as the Secretary to the Nomination and Remuneration Committee.

##### **b. Meetings and Attendance during the year:**

During the FY ended March 31, 2023, three meetings of the Nomination and Remuneration Committee were held i.e. on May 17, 2022, August 05, 2022 and August 30, 2022.

The attendance of the Nomination and Remuneration Committee members is as under:

<b>Names</b>	<b>No. of the Meetings</b>	
	<b>Held</b>	<b>Attended</b>
Mr. S.K. Goel	3	3
Mr. B.V.N. Rao	3	2
Mr. I.V. Srinivasa Rao	3	3
Dr. Satyanarayana Beela	3	3
Dr. Fareed Ahmed	NA	NA
Dr. Siva Kameswari Vissa	NA	NA

**c. The terms of reference of the Nomination and Remuneration Committee are as under:**

- i. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- ii. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- iii. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- iv. Formulation of criteria for evaluation of Independent Directors and the Board;
- v. Devising a policy on Board diversity;
- vi. Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors;
- vii. All information about the Directors / Managing Directors / Whole time Directors / Key Managerial Personnel i.e., background details, past remuneration, recognition or awards, job profile shall be considered and disclosed to shareholders, where required;
- viii. The Committee shall take into consideration and ensure the compliance of provisions under Schedule V of the Companies Act, 2013 for appointing and fixing remuneration of Managing Directors / Whole time Directors;
- ix. While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee;
- x. Recommending to the Board, all remuneration, in whatever form, payable to senior management;
- xi. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and the shareholders.
- xii. Evaluation of the balance of skills, knowledge and experience on the Board for every appointment of an independent director, and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to

the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

**d. Performance evaluation criteria for Independent Directors and Board**

The Nomination and Remuneration Committee oversees the annual self-evaluation of the Board including committees thereof and of individual directors. It reviews and discusses all matters pertaining to the performance of all directors including independent directors, periodically as may be necessary on the basis of the detailed performance parameters set forth. The Committee also periodically evaluates the usefulness of such performance parameters and makes necessary amendments.

The Nomination and Remuneration Committee has laid down the criteria/questionnaires for performance evaluation of Board, Committees and Directors (including Chairman and Independent Directors) which is based on certain parameters inter-alia including the following:

- i. Frequency of meetings and attendance of Directors.
- ii. Timeliness of circulating Agenda for meetings.
- iii. Quality, quantity and timeliness of flow of information to the Board.
- iv. Promptness with which Minutes of the meetings are drawn and circulated.
- v. Opportunity to discuss matters of critical importance, before decisions are made.
- vi. Familiarity with the objects, operations and other functions of the Company.
- vii. Level of monitoring of Corporate Governance Regulations and compliance.
- viii. Involvement of Board in Strategy evolution and monitoring.
- ix. Performance of the Chairperson of the Company including leadership qualities.
- x. Director's contribution for enhancing the governance, regulatory, legal, financial, fiduciary and ethical obligations of the Board.
- xi. Director's adherence to high standards of integrity, confidentiality and ethics.

xii. Overall performance and contribution of directors at meetings.

xiii. Overall performance of the Board/Committees.

**e. Nomination and Remuneration Policy**

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI LODR, the Nomination and Remuneration Committee (NRC) is responsible for formulating the criteria for determining qualification, positive attributes and independence of Directors. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management. In line with this requirement, the Board has adopted the Nomination and Remuneration Policy, which is available on website

[https://investor.gmrpui.com/pdf/2.Nomination\\_Remuneration\\_Policy-r1.pdf](https://investor.gmrpui.com/pdf/2.Nomination_Remuneration_Policy-r1.pdf)

**V. Details of remuneration paid during the FY ended March 31, 2023 to the Directors are furnished hereunder:**

a. There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the FY 2022-23.

b. Criteria for making payments to Non-Executive Directors: The Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committees thereof. The Sitting fee as decided by the Board is reasonable and sufficient to attract, retain and motivate Independent Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives). However, it is ensured that the amount of such fee does not exceed the amount prescribed by the Central Government from time to time.

Other than the above, no other payments are made to the Non-Executive Directors of the Company.

**c. Details of Remuneration to Directors:**

Name	Category	Salary, Commission and allowance(s) (₹)	Perquisites (₹)	Sitting Fees (₹)	Total (₹)
Mr. G.M. Rao	NEC	-	-	-	-
Mr. Srinivas Bommidala	MD	2,37,57,631	13,00,065	-	2,50,57,696
Mr. Grandhi Kiran Kumar	NEPD	-	-	-	-
Mr. B.V.N. Rao	NENID	-	-	-	-
Mr. G. Subba Rao	ED	1,05,90,378	-	-	1,05,90,378
Mr. Madhva B. Terdal <sup>^</sup>	ED	1,63,47,590	19,34,686	-	1,82,82,276
Mr. I.V. Srinivasa Rao*	NEID	-	-	5,80,000	5,80,000
Mr. S.K. Goel**	NEID	-	-	5,00,000	5,00,000
Dr. Emandi Sankara Rao	NEID	-	-	2,20,000	2,20,000
Dr. Satyanarayana Beela	NEID	-	-	5,60,000	5,60,000
Dr. Siva Kameswari Vissa	NEID	-	-	4,80,000	4,80,000
Mr. Suresh Lilaram Narang	NEID	-	-	1,60,000	1,60,000
Ms. Suman Naresh Sabnani <sup>§</sup>	NEID	-	-	N.A	N.A
Dr. Fareed Ahmed <sup>§</sup>	NEID	-	-	N.A	N.A
Mr. Shantanu Ghosh <sup>§</sup>	NEID	-	-	N.A	N.A

<sup>^</sup> Change of designation from Non-executive to Executive w.e.f August 08, 2022

<sup>§</sup> Appointed as Independent director w.e.f August 04, 2023

\* Resigned w.e.f. July 10, 2023

\*\* Resigned w.e.f. July 28, 2023

Note : The Company does not have any stock option plan or performance- linked incentive for the Director(s).

No service contract, notice period and severance fee are applicable to Managing Director/Executive Director

## VI. Stakeholders' Relationship Committee

### a. Composition of the Committee:

The Stakeholders' Relationship Committee comprises of the following Directors:

Names	Designation
Mr. I.V. Srinivasa Rao (Non-Executive Independent Director)*	Chairman*
Ms. Suman Naresh Sabnani** (Non-Executive Independent Director)	Member
Mr. G. Subba Rao (Executive Director)	Member
Dr. Satyanaryana Beela (Non-Executive Independent Director)~	Chairman~

\*Resigned w.e.f July 10, 2023 and ceased to be chairman and member

\*\* Co-opted by the Board as member of the Committee w.e.f August 04, 2023

~ Designated as the Chairman of the Committee post the cessation of Mr. I.V. Srinivasa Rao.

Mr. Vimal Prakash, Company Secretary and Compliance Officer, acts as Secretary to the Stakeholders' Relationship Committee.

### b. Meetings and attendance during the year:

During the FY ended March 31, 2023, four meetings of the

Stakeholders' Relationship Committee were held i.e. on May 16, 2022, August 05, 2022, November 07, 2022 and February 06, 2023.

The attendance of the Stakeholders' Relationship Committee members is as under:

Names	No. of the Meetings	
	Held	Attended
Mr. I.V. Srinivasa Rao	4	4
Mr. G Subba Rao	4	1
Dr. Satyanaryana Beela	4	4
Ms. Suman Naresh Sabnani	NA	NA

### c. The terms of reference of the Stakeholders' Relationship Committee are as under:

- i. Allotment of all types of securities to be issued by the Company;
- ii. Transfer, transposition and transmission of securities;
- iii. Issuance of duplicate shares or other securities;
- iv. Dealing with complaints about non-receipt of declared dividend, non-receipt of Annual Reports, issue of new/ duplicate certificates, general meetings etc.;
- v. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends, if any, and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders;
- vi. Investigate into security holders/ other investor's complaints and take necessary steps for redressal thereof;
- vii. Review of measures taken for effective exercise of voting rights by shareholders;
- viii. To perform all functions relating to the interests of shareholders / security holders/ investors of the Company

as may be required by the provisions of the Companies Act, 2013, Listing Agreements with the Stock Exchanges and guidelines issued by the SEBI or any other regulatory authority;

- ix. Authorise Company Secretary or other persons to take necessary action;
- x. Appointment and fixation of remuneration of the Registrar and Share Transfer Agent and Depositories and to review their performance.
- xi. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

### d. The details of the complaints received during the FY 2022-23 and the status of the same are as below:

- i) Number of complaints pending as on April 01, 2022: NIL
- ii) Number of shareholder complaints received : 85
- iii) Number of complaints resolved : 85
- iv) Number of complaints not resolved to the satisfaction of shareholders : NIL
- v) Number of complaints pending as on March 31, 2023 : NIL



**VII. Risk Management Committee**

**a. Composition of Risk Management Committee:**

The Risk Management Committee comprises of the following:

Names	Designation
Mr. Grandhi Kiran Kumar (Non-Executive Director)	Chairman
Mr. Srinivas Bommidala (Managing Director)	Member
Dr. Siva Kameswari Vissa (Non- Executive Independent Director)	Member
Mr. Suresh Bagrodia (CFO)	Member

Mr. Vimal Prakash, Company Secretary and Compliance Officer, acts as Secretary to the Risk Management Committee.

**b. Meetings and attendance during the year:**

During the FY ended March 31, 2023, two meetings of the Risk Management Committee were held i.e. on September 01, 2022 and February 20, 2023.

The attendance of the Risk Management Committee members is as under:

Names	No. of the Meetings	
	Held	Attended
Mr. Grandhi Kiran Kumar	2	1
Mr. Srinivas Bommidala	2	2
Dr. Siva Kameswari Vissa	2	2
Mr. Suresh Bagrodia	2	2

**c. The terms of reference of the Risk Management Committee are as under:**

- (i) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - (iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - (iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - (v) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - (vi) Performing such other functions as may be necessary or appropriate for the performance of its oversight function and do other activities related to this Charter as may be requested by the Board of Directors or to address issues related to any significant subject within its term of reference.
  - (vii) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

## VIII. Environment Social and Governance (ESG) Committee

### a. Composition of ESG Committee:

The ESG Committee comprises of the following:

Names	Designation
Mr. Srinivas Bommidala (Managing Director)	Chairman
Mr. B.V.N. Rao (Non-Executive Non-Independent Director)	Member
Mr. I.V. Srinivasa Rao (Non-Executive Independent Director)*	Member
Dr. Satyanarayana Beela (Non-Executive Independent Director)	Member
Ms. Suman Naresh Sabnani (Non-Executive Independent Director)**	Member

\* Resigned w.e.f July 10, 2023 and ceased to be member

\*\* Co-opted by the Board as member of the Committee w.e.f August 04, 2023

Mr. Vimal Prakash, Company Secretary and Compliance Officer, acts as Secretary to the ESG Committee.

### b. Meetings and attendance during the year:

The ESG Committee was constituted on August 08, 2022. No meeting was held during the year. The first meeting of the ESG Committee was held on August 02, 2023.

### c. The terms of reference of the ESG Committee are as under:

#### Terms of Reference of ESG Committee:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>(i) Oversee the development of and make recommendations to the Board regarding the Company's ESG policies, strategy, initiatives, priorities and best practices.</li> <li>(ii) Oversee the effective implementation and adoption of ESG practices into the business.</li> <li>(iii) Identify the relevant ESG matters that are likely to affect the business, operation, performance of the Company.</li> <li>(iv) Identify opportunities related to ESG matters impacting the Company</li> </ul> | <ul style="list-style-type: none"> <li>(v) Monitor and reviews current and emerging ESG trends, key risks and stakeholder priorities</li> <li>(vi) Set appropriate strategic goals/targets related to ESG matters, road map to achieve those targets</li> <li>(vii) Oversee and review the Company's progress on ESG targets, initiatives and best practices</li> <li>(viii) Work in conjunction with the Risk Committee to oversee the identification and mitigation of risks relating to ESG matters.</li> <li>(ix) Report to the Board on a periodic basis on ESG matters including Committee's reviews and assessments on ESG Matters and make appropriate recommendations.</li> <li>(x) Perform such other duties, tasks and responsibilities relevant to ESG matters as may be suggested by the Board of Directors from time to time.</li> </ul> |
|--|--|

## IX. Other Committees:

### 1. Management Committee

#### a. Composition of Management Committee:

The Management Committee comprises of the following Directors:

Names	Designation
Mr. G.M. Rao (Non-Executive Chairman)	Chairman
Mr. Srinivas Bommidala (Managing Director)	Member
Mr. Grandhi Kiran Kumar (Non-Executive Promoter Director)	Member
Mr. B.V. N. Rao (Non-Executive Non-Independent Director)	Member

Mr. Vimal Prakash, Company Secretary and Compliance Officer, acts as Secretary to the Management Committee.

**b. Meetings and attendance during the year:**

During the FY 2022-23, seventeen meetings of the Management Committee were held i.e., on April 05, 2022, April 12, 2022, May

13, 2022, June 09, 2022, July 02, 2022, July 28, 2022, August 09, 2022, August 17, 2022, August 25, 2022, September 22, 2022, October 19, 2022, December 02, 2022, January 31, 2023, February 14, 2023, March 13, 2023, March 19, 2023 and March 31, 2023.

The attendance of Management Committee members is as under:

Names	No. of the Meetings	
	Held	Attended/Participated
Mr. G.M. Rao	17	16
Mr. Srinivas Bommidala	17	13
Mr. Grandhi Kiran Kumar	17	07*
Mr. B.V. N. Rao	17	10

\* Includes Participation through Audio.

**c. The terms of reference of the Management Committee are as under:**

Approval relating to operational matters such as investments in new projects, financial matters, providing loans, borrowings, giving corporate guarantees, providing securities, capital expenditure, HR related matters, Bank accounts related matters and other matters, proposals, agreements, declarations, undertaking, authorizing officials to represent the Company

before statutory authority/court/Tribunal including settlement of case, apply for any licenses/registration required for business, authority for filing any return/documents.

The Board of Directors from time to time delegates specific powers to the Management Committee.

**2. Corporate Social Responsibility (CSR) Committee**

**a. Composition of CSR Committee:**

The CSR Committee comprises of the following Directors:

Names	Designation
Mr. G. Subba Rao (Executive Director)	Chairman
Dr. Emandi Sankara Rao (Non-Executive Independent Director)	Member
Dr. Satyanarayana Beela (Non-Executive Independent Director)	Member

Mr. Vimal Prakash, Company Secretary and Compliance Officer, acts as Secretary to the CSR Committee.

**b. Meetings and attendance during the year:**

During the FY ended March 31, 2023, one meeting of CSR Committee was held i.e. on August 30, 2022.

The attendance of CSR Committee members is as under:

Names	No. of the Meetings	
	Held	Attended
Mr. G Subba Rao	1	1
Dr. Emandi Sankara Rao	1	1
Dr. Satyanarayana Beela	1	1

**c. The terms of reference of the CSR Committee are as follows:**

- i. Preparation of Corporate Social Responsibility Policy for the Company and to recommend the Board for its approval;
- ii. Recommendation of projects or programmes relating to activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- iii. To recommend on CSR activities to be undertaken by the Company on its own or in collaboration with any registered

trust / society or a company established under Section 25 of the Companies Act, 1956 or under Section 8 of the Companies Act, 2013;

- iv. Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-

- (a) the list of CSR projects or programmes to be undertaken in areas or subjects specified in Schedule VII of the Act;

- (b) the manner of execution of such projects or programmes;
  - (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - (d) monitoring and reporting mechanism for the projects or programmes; and
  - (e) details of need and impact assessment, if any, for the projects undertaken by the company
- v. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company or trust / society / company mentioned in point no.(iii);
- vi. To report periodically on the CSR activities of the Company to the Board and in the Board's report;
  - vii. To seek expert advice on CSR activities of the Company that may be appropriate to discharge its responsibilities; and
  - viii. To take up any other roles and responsibilities delegated by the Board from time to time.
- X. General Body Meetings**
- a. Annual General Meetings**
- The venue, date and time of the Annual General Meetings (AGMs) held during the preceding three years and the Special Resolutions passed thereat were as under:

Year*	Venue	Date and Time	Special Resolutions passed
2021-22	Through Video Conferencing (VC)	Tuesday September 27, 2022 at 11:00 a.m.	<ol style="list-style-type: none"> <li>1. Appointment of Mr. G.M. Rao (DIN: 00574243) as Director of the Company.</li> <li>2. Appointment of Mr. Srinivas Bommidala (DIN: 00061464) as Managing Director of the Company.</li> <li>3. Appointment of Mr. Madhva Bhimacharya Terdal (DIN:05343139) as Executive Director of the Company.</li> <li>4. Appointment of Mr. Subba Rao Gunuputi (DIN: 00064511) as Executive Director of the Company.</li> <li>5. Appointment of Ms. Vissa Siva Kameswari (DIN: 02336249) as an Independent Director.</li> <li>6. Appointment of Mr. Suresh Narang (DIN: 08734030) as an Independent Director.</li> <li>7. Appointment of Dr. Satyanarayana Beela (DIN: 09462114) as an Independent Director.</li> <li>8. Appointment of Mr. Subodh Kumar Goel (DIN: 00492659) as an Independent Director.</li> <li>9. Appointment of Dr. Emandi Sankara Rao (DIN: 05184747) as an Independent Director.</li> <li>10. Appointment of Mr. I.V. Srinivasa Rao (DIN: 01541362) as an Independent Director.</li> <li>11. Approval for raising of funds through issuance of equity shares and/or other eligible securities through Qualified Institutions Placement and/or Foreign Currency Convertible Bond.</li> </ol>
2020-21	Nectar Conference Room, New Udaan Bhawan Complex, Opp. IGI Airport, New Delhi 110037	Tuesday, September 28, 2021 at 12:30 P.M.	No Special Resolution was passed
2019-20	Nectar Conference Room, New Udaan Bhawan Complex, Opp. IGI Airport, New Delhi 110037	Friday, October 16, 2020 at 10:45 A.M.	No Special Resolution was passed

**b. Extraordinary General Meetings**

No Extraordinary General Meetings (EGMs) were held during the three years except the year ended March 31, 2022. The venue, date and time of the EGM and the Special Resolutions passed thereat are as under:

Year	Venue	Date and Time	Special Resolutions passed
2021-22	Nectar Conference Room, New Udaan Bhawan, Opp. IGI Airport, New Delhi 110037	Wednesday, August 04, 2021 at 11:00 A.M.	<ol style="list-style-type: none"> <li>Approval to create charge/mortgage over the properties of the Company under section 180(1)(a) of the Companies Act, 2013 for an amount upto 20,000 crore.</li> <li>Approval under section 180(1)(c) of the Companies Act, 2013 for borrowing power upto 20,000 crore.</li> <li>Approval for making investments in securities for an amount upto 20,000 crore.</li> </ol>

**c. Special Resolution passed through postal ballot:**

During the year under review, no special resolutions were passed through the exercise of postal ballot.

There is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall be passed in compliance of the provisions of Companies Act, 2013, the SEBI LODR or any other applicable laws.

**XI. Means of Communication**

The Annual Report for the financial year ended March 31, 2023 including Notice of the Annual General Meeting is being sent to the shareholders only through e-mail as permitted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI). Notice and Annual report shall also be available on the website of the Company.

The quarterly/annual results of the Company as per the requirement of SEBI LODR, are generally published in the 'Business Line' and / or 'Financial Express' and 'Nav Shakti' (a regional daily in Marathi language). Quarterly and Annual Financial Results, along with segment report, if any, and Quarterly

Shareholding Pattern are posted on the Company's website <https://investor.gmrpui.com> and intimated to stock exchanges. The presentations made to analysts, if any and others including official news release are also posted on the Company's website and intimated to stock exchanges. All periodical and other filings including the price sensitive information, press release etc., are filed electronically through NSE Electronic Application Processing System (NEAPS), BSE Corporate Compliance & Listing Centre (BSE Listing Centre) and are updated on Company's website. Investor complaints are redressed through SEBI Complaints Redress System (SCORES).

**XII. General Shareholder Information**

**a. Annual General Meeting to be held for the financial year 2022-23:**

Day	: Monday
Date	: September 18, 2023
Time	: 11.00 A.M. (IST)
Venue	: Video conferencing as set out in the notice convening the meeting

**b. Financial Calendar:**

The Financial year is 1<sup>st</sup> April to 31<sup>st</sup> March every year and for the FY 2023-24, the financial results are proposed to be declared as per the following tentative schedule:

Particulars	Schedule
Financial reporting for the quarter ended June 30, 2023	Declared on August 09, 2023
Financial reporting for the quarter / half year ending September 30, 2023	By first fortnight of November 2023
Financial reporting for the quarter / nine months ending December 31, 2023	By first fortnight of February 2024
Financial reporting for the quarter / year ending March 31, 2024	By first/Second fortnight of May 2024
Annual General Meeting for the year ending March 31, 2024	August / September 2024

**c. Book Closure Date:**

The Register of Members and Share Transfer Books of the Company will be closed from Monday, September 11, 2023 to Monday, September 18, 2023 (both days inclusive) for the purpose of the 4<sup>th</sup> Annual General Meeting.

**d. Dividend Payment Date:**

Your Directors have not recommended any dividend for the FY 2022-23.

**e. Listing on Stock Exchanges:**

**(i) Equity Shares:**

The Company's equity shares are listed on the following Stock Exchanges with effect from March 23, 2022:

Name of the Stock Exchange	Address	Stock Code
National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051.	GMRP&UI
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	543490

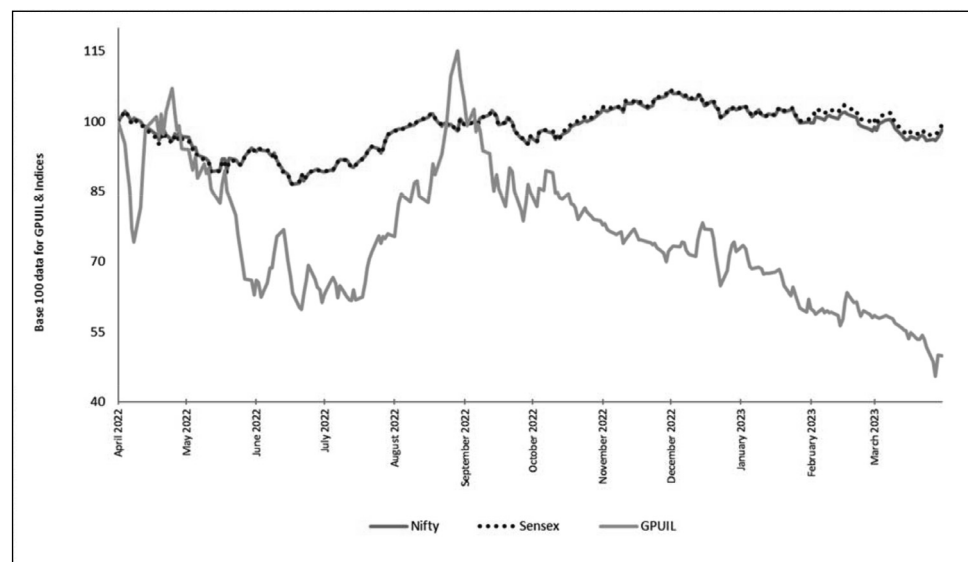
The Company paid Annual listing fees for the FY 2023-24 to both Stock Exchanges.

**f. Market Price Data – high, low during each month in last financial year relating to Equity Shares listed**

(Amount in ₹)

Month	BSE		NSE	
	High	Low	High	Low
Apr-2022	35.8	23.3	35.6	23.2
May-2022	31.4	20.05	31.55	20
June-2022	25.2	18.55	25.25	18.45
Jul-2022	24.7	19	24.65	19.25
Aug-2022	38.65	23.9	38.55	23.9
Sep-2022	35.95	24.8	34.1	24.9
Oct-2022	29.4	24.5	29.4	24.5
Nov-2022	25.5	22.2	25.5	22.15
Dec-2022	25.6	20.35	25.65	20.6
Jan-2023	23.95	18.65	23.85	18.7
Feb-2023	21	16.5	21	16.5
Mar-2023	19.24	14.32	19.3	14.35

**Performance of the share price of the Company in comparison to BSE Sensex and S & P CNX Nifty**





**g. Registrar & Share Transfer Agent (RTA)**

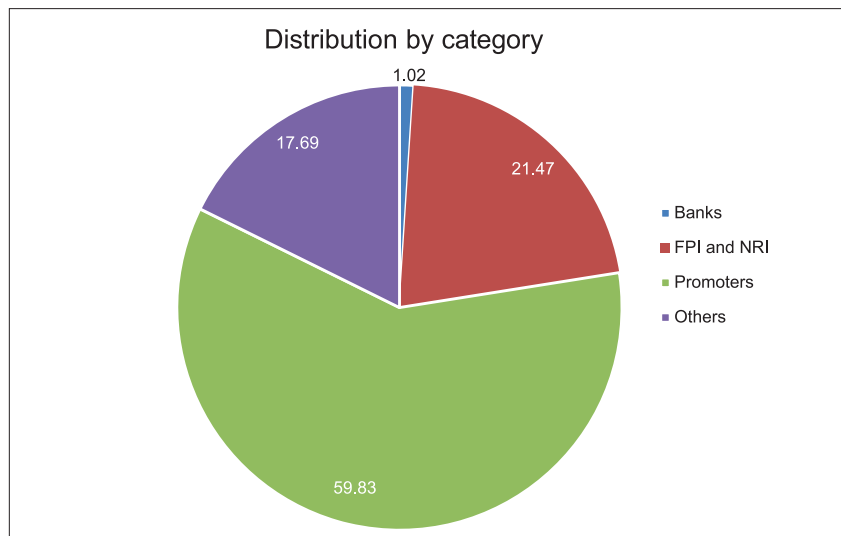
KFin Technologies Limited  
(Formerly KFin Technologies Private Limited)  
KFintech Selenium Tower B, Plot 31-32,  
Financial District, Nanakramguda, Serili ngampally  
Hyderabad, Rangareddi, Telangana - 500 032, India  
Toll Free No.: 1800-309-4001  
WhatsApp Number: (91) 910 009 4099  
E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)

**h. Share Transfer System:**

In terms of Regulation 40 of SEBI LODR, as amended, no transfer of shares in physical mode is permitted. Transfer of shares is permitted only in dematerialized form. The dematerialised shares are directly transferred by the depositories to the beneficiaries without involvement of the Company.

A summary of the de-materialization request / re-materialization requests is placed before the meetings of the Stakeholders Relationship Committee. The Company obtains certificate from a practicing Company Secretary in terms of Regulation 40(9) of the SEBI LODR certifying that the certificates, if any required, have been issued within 30 days of the date of lodgment and thereafter submit the same to the stock exchanges.

**i. Distribution of equity shareholding as on March 31, 2023**



**Distribution by category**

Description	No. of Cases*	Total Shares	% Equity
Banks	6	6152575	1.02
Foreign Portfolio Investors	27	127850103	21.18
Non Resident Indians	3598	1720597	0.29
Promoters	37	361116914	59.83
<b>Others:</b>			
H U F	5179	3539079	0.59
Bodies Corporates	1067	23456711	3.89
NBFC	4	24195	0.00
Resident Individuals	326748	68296319	11.30
Trusts	7	1837	0.00
Clearing Members	35	465869	0.08
Qualified Institutional Buyer	2	10367313	1.72
IEPF	1	603016	0.10
<b>Total</b>	<b>336711</b>	<b>603594528</b>	<b>100.00</b>

\*Calculated on folio basis.

### Distribution by size

Sl. No.	Category (Shares)	March 31, 2023				March 31, 2022			
		No of Share Holders*	% to holders	No. of Shares	% to Equity	No of Share Holders*	% to holders	No. of Shares	% to Equity
1	1 - 500	322509	95.78	15425617	2.56	379323	97.90	15730793	2.61
2	501 -1000	6488	1.93	5141262	0.85	4310	1.11	3336324	0.55
3	1001 -2000	3395	1.01	5085862	0.84	1825	0.47	2671349	0.44
4	2001 - 3000	1311	0.39	3359487	0.56	713	0.18	1794597	0.30
5	3001 - 4000	602	0.18	2152453	0.36	215	0.06	770572	0.13
6	4001 - 5000	616	0.18	2927819	0.48	281	0.07	1326947	0.22
7	5001 - 10000	875	0.26	6619517	1.10	354	0.09	2640945	0.44
8	10001 and above	915	0.27	562882511	93.25	453	0.12	575323001	95.32
	<b>TOTAL:</b>	<b>336711</b>	<b>100.00</b>	<b>603594528</b>	<b>100.00</b>	<b>387474</b>	<b>100.00</b>	<b>603594528</b>	<b>100.00</b>

\*Calculated on folio basis

#### j. Dematerialisation of Shares and Liquidity

The Company's shares are available for dematerialization with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has established connectivity with both the depositories i.e., NSDL and CDSL. Entire shareholding of company is in demat mode, only ten shares are in physical mode, as per the request of rematerialisation by the shareholder.

Demat ISIN Number in NSDL and CDSL for equity shares: ISIN: INE0CU601026 (Fully Paid Shares)

Description	No. of Shareholders*	No. of Shares	% Equity
NSDL	169693	562612380	93.21
CDSL	167017	40982138	6.79
Physical	1	10	0.00
<b>Total</b>	<b>336711</b>	<b>603594528</b>	<b>100.00</b>

\*Calculated on folio basis.

The Company's shares are regularly traded on BSE Limited and the National Stock Exchange of India Limited and were never suspended from trading during the period under review.

#### k. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

##### i. GDRs / ADRs:

The Company has not issued any GDRs / ADRs in the past and hence as on March 31, 2023, the Company does not have any outstanding GDRs / ADRs.

##### ii. Warrant:

During the year under review, the Company has not issued any warrant and there is no warrant outstanding for conversion which is likely to impact on equity.

##### iii. Foreign Currency Convertible Bonds (FCCBs):

GMR Airports Infrastructure Limited (Formerly GMR Infrastructure Limited) (GIL) the erstwhile Holding Company had on December 10, 2015 issued and allotted US\$

300,000,000 7.5% Foreign Currency Convertible Bonds (FCCBs) due in 2075 to the Kuwait Investment Authority (KIA).

In terms of the Composite Scheme of Amalgamation and Arrangement ("Scheme") approved by the Hon'ble NCLT, Mumbai, the Demerged Undertaking of GIL comprising of the EPC Business and the Urban Infrastructure Business, were demerged into the Company. Pursuant to the Scheme and in accordance with the requirements of Section 2(19AA) of the Income Tax Act, 1961, and pursuant to the part of liability pertaining to the outstanding FCCBs of GIL attributable to the Demerged Undertaking stood vested to the Company. Accordingly, the FCCBs aggregating US\$ 275,000,000 (United States Dollar Two Hundred and Seventy-Five Million) stood vested to the Company. The tenure of FCCBs is 60 years from the date of allotment by GIL and FCCBs if converted will account for 11,12,41,666 equity shares of the Company. These FCCBs may be converted into shares of the Company after effective date at the Option of Bondholder /Company.

**l. Commodity Price Risk/ Foreign Exchange Risk and Hedging activities:**

The details of foreign currency exposure and hedging are disclosed in note no. 36 to the standalone financial statements.

**m. Plant locations:**

In view of the nature of the Company's business viz. providing infrastructure facilities, the Company, through its subsidiaries / associates / joint venture, operates from various offices in India and abroad.

The international locations where the Company operates through its subsidiaries / associates joint venture are Nepal, Singapore and Dubai. National locations (States) where the Company operates by itself and through its subsidiaries, JVs, Associates in India are Delhi, Karnataka, Telangana, Maharashtra, Odisha, Tamil Nadu, Uttar Pradesh, Andhra Pradesh, Himachal Pradesh, Gujarat, Uttarakhand, Punjab and Haryana etc.

**n. Address for correspondence:**

Company Secretary and Compliance Officer  
(Corporate Secretarial Department)  
GMR Power and Urban Infra Limited  
CIN: L45400MH2019PLC325541  
New Udaan Bhawan, Opp. Terminal 3 IGI Airport  
New Delhi - 110037  
T +91 11 4253 2600  
F +91 11 4719 7181  
E-mail: [gpuil.cs@gmrgroup.in](mailto:gpuil.cs@gmrgroup.in)

**o. Prevention of Insider Trading:**

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has instituted a comprehensive Code of Conduct for prevention of insider trading, in the Company's shares and Code of practices and procedures for fair disclosure of unpublished price sensitive information.

**p. Reconciliation of Share Capital Audit:**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and paid-up capital. This audit is carried out every quarter and the report there on is submitted to the Stock Exchanges and is placed before the Stakeholders' Relationship Committee and the Board of Directors of the Company. The audit, inter alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL.

**q. Equity Shares in the Suspense Account:**

As per Schedule V read with Schedule VI, Regulation 34(3), 53(f) and 39(4) of the SEBI LODR, the details in respect of equity shares lying in the suspense / escrow account are as under:

Particulars	Number of shareholders	Number of equity shares held
Aggregate number of shareholders and the outstanding shares in the suspense / escrow account (maintained with NSDL) lying as on April 01, 2022.*	480	84104
Number of shareholders who approached the Company for transfer of shares from suspense / escrow account (maintained with NSDL) during the year	31	18251
Number of shareholders to whom shares were transferred from the suspense / escrow account (maintained with NSDL) during the year	31	18251
Aggregate Number of shareholders and the outstanding shares in the suspense account (maintained with NSDL) lying as on March 31, 2023*	449	65853

The voting rights on the shares outstanding in the aforesaid suspense account as on March 31, 2023 shall remain frozen till the rightful owner of such shares claims the shares.

\*These shares were issued to the physical shareholders and shareholders of GMR Airports Infrastructure Limited (Formerly GMR Infrastructure Limited or GIL) whose shares were lying in unclaimed suspense account of GIL who held the shares on record date. As the company was not permitted to issue shares in physical form as per the applicable laws, the shares were transferred to Unclaimed Suspense Account.

**r. List of all credit rating obtained:**

No credit rating was obtained during the financial year ended March 31, 2023.

**s. Investor Education and Protection Fund (IEPF)**

In accordance with the applicable provisions of the Companies Act, 2013 ("Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (IEPF Rules), all unclaimed dividends, if not claimed for a period of seven (7) years from the date of transfer to Unclaimed Dividend Account of the Company, are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF).

Pursuant to the Scheme of Arrangement Sanctioned by NCLT, Mumbai, the Company had allotted 603,016 number of equity shares in favour of IEPF, against the shares of GMR Airports

Infrastructure Limited (Formerly GMR Infrastructure Limited or GIL) that had already been transferred to IEPF. The eligible shareholders would be able to reclaim these shares from the IEPF authorities subject to the procedure prescribed under the Act.

In accordance with IEPF Rules, the Board of Directors have appointed Mr. Vimal Prakash, Company Secretary of the Company, as the Nodal Officer for the purpose of verification of claims and for co-ordination with IEPF Authority.

Details of the Nodal Officer for the purpose of co-ordination with the IEPF Authority are available on the website of the Company at

<https://investor.gmrpui.com/contact-us/details-of-nodal-officer-under-iepf>

### XIII. Subsidiary Companies

The Company reviews the performance of its subsidiary companies, *inter-alia*, by the following means:

- i. The financial statements, including the investments made by subsidiary companies, are reviewed by the Audit Committee of the Company, periodically;
- ii. The minutes of the Board / Audit Committee Meetings of the subsidiary companies are noted at the Board / Audit Committee Meetings respectively of the Company;
- iii. The details of significant transactions and arrangements entered into by the subsidiary companies are placed periodically before the Board of the Company.
- iv. Detailed update on various businesses carried out by the subsidiaries of the Company and joint ventures, is presented to the Board of directors of the Company, on a quarterly basis.
- v. Utilization of loans/advances given or investment made in Subsidiary Companies, exceeding ₹ 100.00 crores or 10% of asset size of subsidiary, whichever is lower is reviewed periodically by the Audit Committee.

### XIV. Other Disclosures

- a. **Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, Directors or their relatives, management, its subsidiaries etc., that may have potential conflict with the interests of the Company at large:**

All the transactions entered into with the Related Parties as defined under the Companies Act, 2013 and the Listing Regulations, during the Financial Year 2022-23 were in the ordinary course of business and at arm's length price. None of the transactions with related parties were in conflict with the interests of the Company at large. The transactions with related parties are mentioned in note no. 32 of the financial statements.

- b. **Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years:**

There has been no instance of non-compliance by the Company on any matter related to capital markets since the date of incorporation and hence, no penalty or stricture was imposed by the Stock Exchanges or SEBI or any statutory authority.

- c. **Whistle Blower Policy/ Vigil Mechanism:**

To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to voice concern in a responsible and effective manner about serious malpractice, impropriety, abuse or wrongdoing within the organization, the Company has a Whistle Blower Policy/Vigil Mechanism in place, applicable to the Company and its subsidiaries.

This mechanism has been communicated to all concerned and posted on the Company's website

<https://investor.gmrpui.com/pdf/4.Policy%20on%20Whistle%20Blower.pdf>

The Company has set up an "Ethics Helpline", with a toll free number and entrusted the running of the said helpline to an external agency so as to address issues relating to protection of confidentiality of information and identity of the whistle blower.

We affirm that during the year under review no one has been denied access to the Chairman of the Audit Committee under the Whistle Blower Policy.

- d. **The Company has complied with the mandatory requirements of listing regulations. Further, the Company has also put its best endeavor to comply with non-mandatory requirement(s).**

- e. **The Company has framed a Material Subsidiary Policy and the same is placed on the Company's website and the web link for the same is**

[https://investor.gmrpui.com/pdf/6.Policy%20on%20Material%20subsidiaries\\_final.pdf](https://investor.gmrpui.com/pdf/6.Policy%20on%20Material%20subsidiaries_final.pdf)

- f. **The Company has framed Related Party Transaction Policy, and the same is placed on the Company's website and the web link for the same is**

<https://investor.gmrpui.com/pdf/3.Policy%20on%20Related%20Party%20Transaction.pdf>

- g. **During the FY ended March 31, 2023, the Company did not engage in commodity price risk and commodity hedging activity.**

- h. **Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A):** The Company has not raised any fund during the year through preferential allotment or qualified institutional placement.

- i. Certificate from Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed hereinafter.
- j. The Board has accepted all recommendations of the Board committees which were mandatorily required in relevant financial year.
- k. Total fees for all services paid by the listed entity & its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which the statutory auditors are a part, is ₹ 2.51 crore (including reimbursement of expenses).
- l. Disclosure in relation to the Sexual Harassment of Women at Workplace (prevention, prohibition, & redressal) Act, 2013:
- a. Number of complaints filed during the financial year : Nil
- b. Number of complaints disposed of during the financial year : Nil
- c. Number of complaints pending as on end of the financial year : NA
- m. Disclosure of loans and advances by the Company and its subsidiaries in the nature of loans to firms/companies in which directors are interested are as follows:

During the FY 2022-23, no loans/advances in the nature of loans were given to firms/companies in which directors are interested.

- n. Details of material subsidiaries of the Company are as follows:

S. No.	Name of material subsidiary	Date of incorporation	Place of incorporation	Name of the statutory auditor(s)	Date of appointment of the statutory auditor(s)
1.	GMR Warora Energy Limited	August 04, 2005	Mumbai, Maharashtra	M/s S.R. Batliboi & Associates LLP	September 27, 2019
2.	GMR Kamalanga Energy Limited	December 28, 2007	Bangalore, Karnataka	M/s Walker Chandiook & Co., LLP	September 30, 2019
3.	GMR Energy Trading Ltd.	January 29, 2008	Bangalore, Karnataka	M/s DTS & Associates, LLP	September 27, 2022
4.	GMR Power and Urban Infra (Mauritius) Limited	December 18, 2007	Mauritius	RSM Mauritius	March 31, 2015
5.	GMR Infrastructure Singapore Pte Ltd	February 10, 2009	Singapore	CA.sg PAC	March 31, 2015

**XV. There has been no instance of non-compliance of any requirement of Corporate Governance Report as prescribed under SEBI LODR.**

**XVI. Adoption of Non-Mandatory Requirements as stipulated in Part E of Schedule II of SEBI LODR:**

- a. **Reporting of Internal Auditor**

The Head, Management Assurance Group, Internal Auditor of the Company is a permanent invitee to the Audit Committee Meetings and attends the Meetings and reports the findings of internal audit, directly to the Audit Committee.

**XVII. THE COMPANY HAS FULLY COMPLIED WITH THE APPLICABLE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSE B TO CLAUSE I OF SUB-REGULATION 2 OF REGULATION 46 OF THE SEBI LODR.**

**Certificate on corporate governance:**

Pursuant to Schedule V of the SEBI LODR, the Certificate from Practicing Company Secretary on Corporate Governance is annexed hereinafter.



### **Declaration on compliance with Code of Conduct**

To,

The Members of GMR Power and Urban Infra Limited

Sub: Declaration by the Managing Director under Para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Srinivas Bommidala, Managing Director of GMR Power and Urban Infra Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2023.

Place: New Delhi

Date: May 23, 2023

**Srinivas Bommidala**

Managing Director

DIN 00061464



**Managing Director and CFO certification pursuant to Regulation 17(8) read with Part B of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
GMR Power and Urban Infra Limited

We hereby certify that:

- a) We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2023 and that to the best of our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee (wherever applicable):
- i. significant changes in internal controls over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; wherever applicable; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **GMR Power and Urban Infra Limited**

**Srinivas Bommidala**  
Managing Director  
DIN: 00061464

**Suresh Bagrodia**  
Chief Financial Officer

Date: May 23, 2023



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
***(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To,

**The Members**

**GMR POWER AND URBAN INFRA LIMITED**

Naman Centre, 701, 7thFloor, Opposite Dena Bank,  
Plot No.C31 G Block, Bandra Kurla Complex  
Bandra East, Mumbai -400051

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **GMR POWER AND URBAN INFRA LIMITED** having **CIN : L45400MH2019PLC325541** and having registered office at Naman Centre, 701, 7<sup>th</sup> floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051 (hereinafter referred to as 'the Company'), produced

before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status] at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and the explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company (as stated below) for the Financial Year ended March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA).

**Details of Directors:**

Sl. No.	Name of the Director	Director Identification Number(DIN)	Date of appointment in the Company
1.	Mr. Grandhi Mallikarjuna Rao	00574243	06/01/2022
2.	Mr. Kiran Kumar Grandhi	00061669	06/01/2022
3.	Mr. Srinivas Bommidala	00061464	06/01/2022
4.	Mr. Venkatanageshwara Rao Boda	00051167	06/01/2022
5.	Mr. Madhva Bhimacharya Terdal	05343139	06/01/2022
6.	Mr. Suresh Lilaram Narang	08734030	31/01/2022
7.	Mr. Subba Rao Gunuputi	00064511	06/01/2022
8.	Mr. Subodh Kumar Goel	00492659	31/01/2022
9.	***Mr. Venkata Ilindra Srinivasa Rao	01541362	31/01/2022
10.	Dr. Emandi Sankara Rao	05184747	31/01/2022
11.	Mr. Satyanarayana Beela	09462114	31/01/2022
12.	Ms. Siva Kameswari Vissa	02336249	31/01/2022

**\*\*\*Mr. Venkata Ilindra Srinivasa Rao Resigned from the position of Independent Director of the Company W.e.f July 10,2023.**

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **V Sreedharan and Associates**

**(V. Sreedharan)**

Partner

FCS: 2347; C.P. No. 833

UDIN: F002347E000648927

Peer Review Certificate No:589/2019

Place: Bengaluru

Date: 20.07.2023

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

Corporate Identity Number: L45400MH2019PLC325541

Nominal Capital: ₹ 550 Crores

**The Members of**

**GMR Power and Urban Infra Limited**

Naman Centre, 701, 7th Floor, Opp. Dena Bank,  
Plot No. C-31, G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai 400 051

We have examined all the relevant records of GMR Power and Urban Infra Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2023. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the

responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in the said Regulations during the period under review.

As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has complied with item No.E.

For **V Sreedharan and Associates**

**(V. Sreedharan)**

Partner

FCS: 2347; C.P. No. 833

UDIN: F002347E000752021

Peer Review Certificate No:589/2019

Place: Bengaluru

Date: 07.08.2023

# Management Discussion & Analysis

## Forward-looking Statements

This document contains certain forward-looking statements based on the currently held beliefs and assumptions of the management of GMR Power and Urban Infra Limited ("GPUIL"), which are expressed in good faith, and in its opinion and judgment, are fairly reasonable. For this purpose, forward-looking statements mean statements, remarks or forecasts that address activities, events, conditions or developments that the Company expects or anticipates which may occur in the future. Because of the inherent risks and uncertainties in the social and economic scenarios, the actual events, results or performance can differ materially and substantially from those indicated by these statements. GMR Power and Urban Infra Limited disclaims any obligation to update these forward-looking statements to reflect future events or developments.

## Introduction

The FY 2022-23 was an important year in the journey of GPUIL. While grappling with a number of headwinds, the overall direction of the Indian economy and the continued focus on energy transition globally, have helped strongly re-establish the opportunity available for GPUIL to participate in the renewables, electric vehicles, energy efficiency and allied area's value chain. Similarly, the strong thrust of Indian government on improving the transportation and logistics in the country bodes well for GPUIL and opens up ample opportunities to participate in this space.

The vaccination drives around the globe resulted in pandemic waves becoming shorter and less impactful. Further, World Health Organization (WHO) re-classified COVID as endemic from pandemic, thus indicating that while COVID may never go away completely, the intensity of the virus is expected to weaken.

While on one hand, the receding pandemic fears resulted in a strong post-COVID recovery, on the other hand, the geo-political scenario turned negative. The continuing Russian invasion of Ukraine coupled with weakened supply chains triggered high inflation globally. This resulted in Central banks across the world acting in unison to tighten liquidity mainly through increasing interest rates in order to rein in inflation. However, this sudden change in monetary policy stance from accommodative to tightening caught many off-guard. While it did lead to difficulties for many countries and corporates, it also triggered the collapse of a few regional banks in United States and a major bank in Europe.

China continued with its drastic "Zero COVID" policy long after other economies had opened up and only towards December 2022 did it start relaxing this policy. As a consequence, China's manufacturing sector continued to be disrupted with some companies closing down their China operations, which in turn resulted in a slowdown of China's economy and disruption of global supply chains.

## Global economic scenario

While post-pandemic recovery in CY2021 witnessed a GDP growth of 6% on a low base in CY2020, Global GDP growth rate normalized to 3.4% for CY2022. At the same time, Global inflation rose from 4.7% in 2021 to 8.7% in 2022. Rise in inflation was fuelled by various factors including the release of pent-up demand post pandemic and supply chain disruptions due to after effects of pandemic and US-China economic war. Excessive monetary easing by various countries post pandemic intensified the impact. Finally, the Russia Ukraine conflict exacerbated the inflation issue due to disruptions in natural gas, wheat and fertilizer supply.

In order to fight rising inflation, central banks around the world reversed their policies from monetary easing and started tightening liquidity. Given such developments, while inflation levels have recently started to soften, an adverse impact on global growth is to be expected. IMF has revised downward the global GDP growth forecast for CY2023 to 2.8%.

United States recorded an inflation rate of ~8.3% during CY2022. To counter the same, US Federal Reserve have hiked interest rates to 5.00% – 5.25% from 0.25% during COVID. Such an unprecedented rise in interest rates has been designed to slow down economic growth. However, despite the actions by the Central Banks, inflation has proved to be rather sticky, and economic activity, particularly in USA, has not slowed adequately in line with Federal Reserve estimates. However, it also resulted in the collapse of three regional banks in United States including First Republic Bank, Silicon Valley Bank and Signature Bank. United States recorded a GDP growth of 2.1% during 2022, which is expected to further slowdown to ~1.6% in 2023.

Europe seems to be among the worst impacted by the Russia Ukraine conflict. Initial expectations did not envisage a prolonged war, but the continuing conflict created scarcity of many products and disrupted the still recovering supply chains. Europe, in particular, was deeply impacted on account of its strong dependence on natural gas and food supplies from Russia and Ukraine. The European Central Bank has also been hiking interest rates to counter rising inflation, which has compounded the negative impact on economic activities, Interest rate as declared by ECB now stands at 4%. Euro area GDP growth for 2022 was recorded at 3.5%, while as a result of above-mentioned factors, the same is projected at 0.8% for 2023. Germany is expected to record a degrowth of 0.1% during 2023.

China recorded a GDP growth of 3% during 2022, mainly because of its very delayed relaxation of its zero COVID policy. Given the gradual economic recovery and easing supply chain disruptions, China's GDP is expected to grow at 5.2% during 2023. However, this growth forecast may undergo a downward revision given weak recent macro-economic indicators coming out of China, including stagnation in investments, shrinking trade numbers, falling prices etc.

### **Indian economic scenario**

Among all the global economic and geo-political turmoil, India has remained a bright spot in the world economy. India ended FY2022-23 on a strong footing with a GDP growth of 7.2%, despite headwinds from ongoing Russia-Ukraine conflict, high levels of inflation and rate hikes by RBI.

FY2022-23 began in the backdrop of the challenges posed by the rising inflation brought on by the Russia-Ukraine conflict. Globally, pricing for crude oil, natural gas, food and fertilizers rose substantially. While India has traditionally been playing a balancing act in line with its policy of non-alignment, it has not been immune to negative economic consequences of such conflicts. India was particularly hit due to high crude oil prices. However, the government proactively mitigated this challenge by sourcing crude oil supplies from Russia at a significant discount to prevailing crude oil prices.

Despite the mitigation measures taken by the government, India still had to suffer an initial inflation shock, which took the inflation to a level of 7% to 8%. To counter such high levels of inflation, Reserve Bank of India sprang into action and started increasing interest rates from May 2022 and ended FY 2022-23 with the repo rate at 6.5%, a 250 bps rise during the year. Fruits of these actions are now becoming visible with inflation starting to soften.

Simultaneously, in order to mitigate negative impact on economic growth from rate hikes, Government of India continued to enhance spending, subsidies via infrastructure investments, performance linked incentive scheme, etc. To push growth in the economy and revive private capex. The Government's capex spending target was increased by around 33% to ₹ 7.5 lakh crore for FY 2022-23, with major emphasis on infrastructure and technology.

During the first half of FY 2022-23, India's forex reserves fell from USD 600 Bn to USD 530 Bn mainly due to high crude oil prices and foreign investors pulling out money from India equity markets amid interest rate hikes. However, during the second half investor confidence seemed to have been restored and coupled with falling crude oil prices, India's forex reserves zoomed again to USD 590 Bn mark.

Performance of the Indian Rupee also remained somewhat satisfactory, depreciating from around ₹ 76 to around ₹ 82 per USD in 1<sup>st</sup> half of FY 2022-23, largely due to effects of Russia-Ukraine war but remaining within the range of ₹ 80-82 per USD in the 2<sup>nd</sup> half of FY 2022-23. Despite this currency depreciation, the Indian Rupee remained among the best performing currencies in the world.

Inflation numbers remained high during the year and only started softening during the second half as a result of normalization of commodity prices and high interest rates. WPI inflation came down from a high of 13.88% during June 2022 to around 3.5% in June 2023. Similarly, CPI inflation came down from as high as 7.8% in May 2022 to 4.25% in June 2023.

GST collections continued to grow throughout the year indicating

good economic activity. Monthly GST collections improved from ₹ 1.41 Trillion in May 2022 to ₹ 1.87 Trillion in April 2023. Other indicators like Manufacturing PMI and Services PMI also saw marked improvement throughout the year indicating robust economic and investment climate in India.

### **Way forward**

As the world moves ahead of the pandemic, the geo-political context is characterized by a more multi-polar world, where countries are driven more by their individual requirements rather than through their traditional strategic partnerships. The Russian-Ukraine conflict is a consequence of the brinkmanship between Russian and NATO and no easy solution appears to be in sight. In addition, China's ambitions have also created friction with the US and other major economies in the Asia Pacific region. The US-China economic war on Technology and Chip related issues have further exacerbated an already fragile supply chain. China's BRI initiative has left a number of developing countries, already struggling to recover from the pandemic, on the verge of bankruptcy.

With rising oil prices, the Middle East has once again emerged with capital surpluses, ready to play a greater role moving ahead. Both United Arab Emirates and Saudi Arabia have significant plans to grow infrastructure and strengthen their economies.

India has emerged stronger during this period. As India was able to roll out vaccines to cover a large part of the population, and through its ability to keep the domestic economy going after the initial COVID period, it was in a strong position to grow in the post pandemic era. In this emerging post pandemic multi-polar context, many global corporations are wary of continuing to depend substantially on China for their sourcing and manufacturing requirements. Over the past few years, India has rolled out various taxation incentives and specific Production-Linked-Incentive (PLI) Schemes for manufacturing in specified sectors. With the strong domestic market poised for strong growth as India per capital increases, combined with the young demography and trained technical manpower available in India, these additional incentives have been a key reason for many global corporations to consider India as a manufacturing destination. Given the complexity of decision making and gestation period for manufacturing investments, these investments are likely to be rolled out over the medium term.

As such, the recent accelerated pace of economic reforms of the last few years in the domains of fiscal, digital and physical infrastructure, has positioned India for higher and sustainable growth. This, together with the largest, broadest and deepest labor pool, with a relatively inelastic labour market, provides a long runway for improving productivity at a pace faster than growth in wages. This enhances the global competitiveness of enterprises doing business in India.

The digital public infrastructure and its adoption by people, provides India a unique competitive advantage of not only reducing the cost of doing business, but also formalizes the economy and supports financial inclusion and creates new business opportunities.

The spurt of new-age companies across technology and other sectors on the back of rapid digitalization and strong capital availability would be instrumental in delivering differential growth to the Indian economy.

Acceleration in infrastructure investment, especially transportation and logistics, is directly boosting growth while steadily improving competitiveness for enterprises. After massive upgrades in roadways, the focus is now on rail, air, water transport along with the 'Gati Shakti' initiative which is aimed to improve intermodal visibility and synergies. Investment in physical infrastructure is being supplemented by IT-based ease-of-doing-business initiatives such as the National Logistics Policy which aims to increase the speed and lower the cost of movement.

The National Infrastructure Pipeline (NIP) of US\$1.4t underpins the large infrastructure investment opportunity in India, duly supported with tax concessions for Sovereign Wealth and Pension Funds and an enabling market for Infrastructure Investment Trusts (InViTs) to monetize developed infrastructure assets and free up capital.

Improving the ease-of-doing-business parameters and reducing the regulatory and compliance burdens for enterprises in India, would be key to enhancing competitiveness.

### Infrastructure initiatives announced

The financial budget for FY 2023-24 aimed to serve as a blueprint for future growth and building an inclusive and empowered economy. The budget prioritized growth in infrastructure and investment, last mile connectivity, green growth and financial sector growth among other targets.

In a major boost to infrastructure and economy, the budget entails a 33% growth in capital expenditure outlay at ₹ 10 lakh crore. Among the major expenditure allocations are:

Capital expenditure of ₹ 2.40 lakh crore allocated to Railways -

- To decongest railways and make it future ready;
- To lay 1 lakh kms of additional tracks in next 25 years as more goods movement shifts from roads to railways;
- Rollout of 75 Vande Bharat trains by August 2023,
- Upgradation of tracks to meet the 160 kms speed potential;
- Allocation of funds for the manufacture of 35 hydrogen fuel-efficient trains;
- Introduction of 4,500 new coaches, 5,000 LHB coaches, and 58,000 wagons.

Roads and Highway infrastructure – Increase in budgetary allocation to MoRTH by 36% to ₹ 2.7 lakh crore to help meeting its target to develop 25,000 km highways.

Power sector - Increase the total investment by eight state-owned power companies by about 15% to ₹ 60,805 crore.

Further, in order to spur growth in priority sectors, the Union Budget 2023-24 earmarked ₹ 8,083 crore for Production-Linked Incentive (PLI) schemes, a major allocation going towards large-scale electronics manufacturing, pharmaceuticals, automotive and automotive components, and food processing.

The Union Budget 2023-24 also highlighted 'Green Growth' among the key priorities in the economic agenda. With a clear intent to boost investment in the green energy space, the budget provides a capital outlay of ₹ 35,000 crore for energy transition. ₹ 19,744 crore has been set aside for National Green Hydrogen Mission with a target to produce 5 MMT of Green Hydrogen annually by 2030. Setting up of 59 solar parks with a capacity of 40 GW has been approved. Off-shore wind capacity additions target of 30 GW by 2030 has been set. Further, funding viability for 4 GWh battery storage, and future investment to improve grid transmission for better inter-state RE evacuation have been targeted. Also, a Green Credit Program is to be notified under the Environment (Protection) Act to incentivize and mobilize additional resources for environmentally sustainable and responsive actions. These steps are aimed to create a sustainable energy mix and the required energy infrastructure framework attracting further investments.

Additionally, in a bid to boost the MSME sector, a revamped credit guarantee scheme has taken effect through infusion of ₹ 9,000 crore in the corpus. This scheme is expected to enable additional collateral-free guaranteed credit of ₹ 2 lakh crore and reduce the cost of the credit by about 1%.

Despite above mentioned major capital allocation, the government intends to improve fiscal discipline. In this direction, the fiscal deficit target for FY 2023-24 has been set at 5.9%, a 50bps reduction over past year target.

### Impact on sectors in which GPUIL operates

As the effect of pandemic receded, the infrastructure sector in India performed well last year. Installed renewable energy capacity increased to ~125 GW, an increase of ~15 GW. Further, in order to meet its target of installing 500 GW renewable capacity by 2030, in line with its commitments at COP26, India intends to issue tenders of 50 GW of renewable power each year.

Green Hydrogen investments in India have also picked up considerably in the past year with plans to install both electrolyzers manufacturing capacities and green hydrogen plants. With the National Green Hydrogen mission kicking off this year, Green Hydrogen demand is set to get a boost with procurement mandates for various industries along with natural transition of the fertilizer, chemicals, process, and refinery space towards green products. With the scale of refineries, steel and cement capacities, India has ample captive Green Hydrogen market. Further, given India's huge renewable energy potential, India is looking to become a large-scale supplier of Green Hydrogen to Europe and Japan.



Electric Vehicles is another space where India has done considerable progress this year in its quest for meeting the energy transition targets. Nearly 7.3 lakh electric two wheelers were sold in FY 2022-23, 3 times of FY 2021-22 sales. Further, Economic Survey 2023 predicts that India's electric vehicle market will grow at 49% CAGR till 2030 to 1 crore annual sales. This growth has been due to acknowledgment of climate change as a serious threat, significant economic benefits of owning electric vehicles compared to conventional fuel vehicles and regulatory support for EVs. The government is also supporting the industry through tax exemptions on import of capital goods and machinery required for manufacturing of lithium-ion (Li-ion) cells for batteries for EVs. Due to these factors, major international electric vehicle companies are looking to manufacture electric vehicles and batteries in India.

Green energy financing is crucial for India to achieve its energy transition goals. India came up with Sovereign Green Bond Framework last year, which envisages funding projects in nine categories to fulfil various environmental objectives such as climate mitigation, adaptation, resource conservation and biodiversity conservation. It aims to diversify the investor base and lowering the cost of green finance in India. India raised its first Sovereign Green Bonds totalling USD 2 billion (issued in ₹ denomination) this year, indicating strong appetite and confidence amongst investors. This will help foster the growth of the domestic sustainability-focused fixed-income asset management industry, which can then support further issuances by the sovereign and other domestic corporations.

In India, Road sector has also witnessed robust growth post pandemic. More than 10,000 kms of roads were constructed in FY 2022-23 and it is planned to be ramped up to 12,500 km in FY 2023-24. Apart from other financing options, InVITs have emerged as a popular fund raising alternative. This has been tapped by major road players including NHAI.

## Key developments at GPUIL

Over the past few years, we have consolidated our position, focused on addressing, rationalization and management of corporate debt and stressed assets while building a platform for growth for the future. We have taken many significant steps in implementing our stated strategy to strengthen the balance sheet through improved cash flows from increased profitability, debt reduction through asset monetization, value unlocking and prudent working capital management while creating avenues for growth.

In this direction, last year in a bid to create value for investors and attracting sector focused investor capital, GMR Airports Infrastructure Limited (Formerly GMR Infrastructure Limited) ("GIL") had completed its restructuring initiative, under which, the group underwent a vertical de-merger of its airport and non-airport businesses. Post the de-merger, GIL emerged as India's only pure-play listed airport company. GIL's non-airports business have been shifted to the Company, with a mirror shareholding of GIL. The restructuring has resulted in simplification of corporate holding structure and enable airport and

non-airport businesses to chart their respective growth plans independently.

As part of an ongoing restructuring exercise at GIL, a plan has been developed to address the contingent liabilities of GIL, which includes certain liabilities of GPUIL. GIL in this direction has raised an FCCB to address these requirements. Accordingly, GPUIL has taken arms' length support from GIL to address a substantial part of its liabilities. Further, as part of the restructuring exercise, it is envisaged that the FCCBs held by Kuwait Investment Authority(KIA) will be simultaneously converted into equity at both GIL and GPUIL in due course. These steps and measures will strengthen the balance sheet of GPUIL to a great extent, and allow it to focus on growth opportunities.

Further, in order to deleverage the balance sheet and create shareholder value, the Group divested its 30% equity stake in PT GEMS in Indonesia to PT Radhika Jananta Raya, a subsidiary of PT ABM Investama Tbk ("ABM"), following a competitive bidding process. GMR Coal Resources Pte Ltd ("GCRPL"), a subsidiary of GPUIL, received USD 420 Mn along with deferred consideration based on mutually agreed milestones.

With regards to the energy vertical, the Group had commissioned the 180 MW Bajoli Holi hydro plant. The plant has tied up almost 100% of its power through long term PPAs with Delhi International Airport Limited (DIAL) and Uttar Pradesh Power Corporation Limited (UPPCL). Further, the 400kV transmission line from Lahal to Chamera sub-stations have been fully commissioned and as a consequence, all the power generated from the project will be evacuate during the peak summer season. GMR Kamalanga Energy Limited entered into a medium term PPA with M/s TANGEDCO to supply 102 MW, thus ensuring that almost entire capacity of Kamalanga plant is tied up.

As part of Energy 2.0, GMR has won a smart metering project in Uttar Pradesh through competitive bidding. The project, valued at ~ ₹ 7500 Crs, entails the installation of ~ 76 lakhs smart meters across the State of Uttar Pradesh.

EV charging infrastructure is another growth opportunity, which synergizes well with the airport portfolio of the GMR Group. We have partnered with cab operators and aggregators to put up charging infrastructure at airports being operated by GIL and are looking to expand this business segment further.

In our EPC business, we have achieved a major milestone with the completion of 417 km long Dedicated Freight Corridor package awarded to us in the state of Uttar Pradesh. In our Highways vertical, we have received some favourable outcomes in legal proceedings, which will be positive for the liquidity profile of the business.

## Energy Sector Outlook and Future Plan

### Indian Economy - Power Sector Scenario

At the end of year, total installed capacity in India stood at 416 GW. Conventional energy (from thermal) sources accounted for 237 GW or 57% of the total capacity while renewable energy sources

accounted for 125 GW and the rest comprised capacity from nuclear and hydro (>50 GW) based power plants.

Following were the highlights of the Power sector performance in India during FY 2022-23:

- FY 2022-23 saw a substantial increase in generation by 8.9% over the previous year – 1625 BU generated in FY 2022-23 as compared to 1492 BU in FY 2021-22.
- Generation from thermal sources increased by 8.2% to 1,206 BU in FY 2022-23 compared to 1,115 BU in FY 2021-22.
- Generation from renewable sources increased by 19% to 204 BU in FY 2022-23 compared to 171 BU in FY 2021-22. Further, installed capacity from renewable energy sources increased by 13.6% to 125 GW in FY 2022-23 from 110 GW in FY 2021-22.
- FY 2022-23 saw a 35% jump in merchant tariffs as compared to FY 2021-22 from ₹ 4.39/kWh to ₹ 5.94/kWh
- Coal India Limited (CIL) continued its SHAKTI auctions of last year and offered linkage coal to power plants having no LoA and no PPAs under SHAKTI Scheme of MoC.
- Coal production by CIL increased by 12.94% with production of 703 MT as against 623 MT last year.

Our focus over last year has been on stabilizing our existing assets, achieving operational excellence and improving profitability.

On the regulatory front, we were able to continue to get positive results for our efforts on regulatory orders in APTEL and CERC. Our focus continued to be on the recovery of regulatory receivables during FY 2022-23 and we have succeeded to a significant level.

Through Industry Associations, we have been working on various policy measures to support the recovery of the Sector. These include usage of linkage coal for sale of power in short term markets, relaxation in FGD timelines, revival of stranded gas based projects etc. While the Government has made progress on some fronts, the industry continues to seek further support from the Government on the rest.

Going forward, our strategy in the Energy sector is to tap into new age smart and cleantech energy opportunities while focusing on improving operational efficiencies of existing assets, with focused efforts towards ensuring realization of benefits under the regulatory measures announced. While monetization/divestment of assets on selective basis would be explored but we will also build new avenues to pursue growth opportunities in this sector through asset light business models and/ or through partnership model. In order to achieve this objective, we have embarked on a new journey to explore growth opportunities and arrive at new variant of Energy segment i.e. Energy 2.0.

#### A brief of Energy 2.0 initiative

**Vision:** We aim to be a top-tier *cognitive intuitive clean energy company* of the future.

The route envisioned to operationalize the above key pillars is through the following overarching principles:

- High focus on innovative, **asset-light, platform-based, and technology-oriented business models.**
- Deploy **efficient capital structure and access green financing.**
- Enter **strategic partnerships** with global reputed majors and institutes of excellence.
- Invest in **emerging start-ups** in the cleantech ecosystem where there are potential synergies.
- Build on our group's **strengths** and leverage infrastructure **assets and businesses of the group as a launch pad for new offerings.**

**Strategy:** The key pillars of our strategy going forward are:

- Create new value through exciting **opportunities in the adjacent areas** of our current businesses by embracing technology-led solutions
  - o Selectively foraying into businesses directly with the end consumers, enhancing value through differentiated service offerings using new-age technology solutions as also developing and realizing the potential for adjacent businesses.
- Nurture & develop new opportunities in the **green ecosystem** with a high focus on hydro and innovative platform-based solutions in solar, wind power generation, and electric mobility.
  - o Continue focus on hydropower development and explore additional innovative value enhancement opportunities, including hybrid power solutions
  - o Generating value from 'Green ecosystem' through new age distributed energy business segments including areas such as electric mobility and storage solutions
  - o Creating sustainable value by focussing on **identified strategic areas**
    - Offering bundled green solutions to commercial end consumers
    - Offering bundled green solutions to residential end consumers
    - Exploring innovative and sustainable ways of increasing renewable generation and adoption
  - o Continue emphasis on being ESG compliant responsible corporate citizen with an enhanced focus on resource neutrality including carbon neutrality, going forward.

**Build green ecosystem:** The green ecosystem in India is expected to scale rapidly over the next few years. Government of India is targeting 500GW Renewable Energy power by 2030. The recent budget has reemphasised government's focus on new age, clean and

technology-oriented green ecosystem. As climate-conscious corporate citizens and prudent business house, we also see significant value potential in this sector and wish to unlock value for our shareholders through undertaking new age distributed energy business models including in areas such as electric mobility and storage. We are–

- Leveraging **unique relationships with** early adopters- airports, highways, and industrial parks under the GMR Umbrella **to generate value from electric mobility and new-age storage and charging solutions.**
- Capitalizing on these opportunities by developing a **platform for green ecosystem play** and striking strategic, financial partnerships to build and rapidly scale our green business.

**Platform Play:** Energy ecosystem is at the **cusp of technological disruption** as emerging technologies and innovative business models transform the overall energy landscape. These technologies have fuelled multiple innovation imperatives across value chain as evident from the **dramatic increase in cleantech VC activity.** Multiple energy technology **startups have attained unicorn status** over the last decade indicating significant potential for India. We are–

- Building a portfolio of **innovative, capital-light, platform-based businesses.**
- **Actively investing in emerging startups** in cleantech ecosystem to offer digital solutions for operations improvement, performance monitoring, energy efficiency management, among others.
- **Exploring partnership opportunities** with global technology players to build and scale these platforms.
- **Attract financial partners to be part of our journey and set ourselves up for impact investors to solidify our social impact in the country's development.**

**Build on our strengths** We are actively working on building the foundation for 'GMR Energy 2.0' and look to achieve a competitive advantage by--

- Leveraging our **entrepreneurial DNA**, ability to navigate complex regulatory landscapes, and small yet significant green portfolio (hydro, solar and wind).
- Deepening and **strengthening our leadership team** to build, run and manage future core businesses.
- Continuing our proven strategy of forging successful **strategic partnerships with global players and expanding this competency further to include new technological** companies and start-ups.
- Mobilizing forces to secure **equity investments** and tapping into **innovative financing** mechanisms to fund upcoming projects and assessing potential inorganic routes to fuel this expansion.

### **Achievements**

- GMR has been awarded **Letter of Intent (LOI)** for the implementation of a smart metering project in Uttar Pradesh. These LOIs were issued following a tender floated by **Dakshinanchal Vidyut Vitaran Nigam Ltd (DVVNL)** and **Purvanchal Vidyut Vitaran Nigam Ltd (PuVVNL)** for various areas in Uttar Pradesh. GMR has emerged as the winner in three packages, with one in DVVNL and two in PuVVNL. The project, valued at around **₹ 7,500 crore**, entails the installation of **around 76 lakhs** smart meters across parts of Uttar Pradesh.
- GMR has installed EV chargers in strategic locations at group related assets. GMR has continuously established B2B partnerships in the E-Mobility business with leading brands such as UBER, Meru and more. The company has signed an **MoU with UBER** for long term strategic partnership in EV charging ecosystem.
- GMR has set up a **Centre of Excellence (CoE) at IIT Delhi.** The CoE will focus on research on new energy sector like Solar PV manufacturing, Energy Efficiency, Green Hydrogen etc. This partnership can provide us with a range of benefits, including access to talent, innovation, and resources, as well as increased brand awareness and reputation.
- GMR has signed an **MoU with the Uttar Pradesh Government** for a total outlay of **₹ 45,000 crore by 2028.** This partnership will enable GMR to invest in several sectors, such as solar, energy efficiency, EV charging infrastructure, Green Hydrogen plants, data centres, and more.

The world is entering a new energy paradigm that will run on fossil-fuel alternatives and India is at the forefront of this transition. 'Clean Energy' is India's new tryst with destiny – as our power sector opens a vibrant new chapter, seeking to fulfil both global climate commitments and to accelerate India's own economic development. In sync with the national energy ambition, GMR Energy, a subsidiary of GPUIL, is determined to script its new energy charter to strengthen its position in the new energy era.

GMR Energy is aligned with India's energy aspirations and is committed to leverage its entrepreneurial DNA, significant resources, ability to forge and execute partnerships and proven expertise to build the India of a new energy era.

Over the coming year, we expect to firm up our strategic choices to move along the path as outlined above.

### **Transportation and Urban Infrastructure Sector Outlook and Future Plan**

#### **Transportation**

##### **Railways**

The Group made a big leap into Railway EPC Projects in 2015, when the Dedicated Freight Corridor Corporation of India Limited (DFCCIL) awarded two packages (Contract Package # 201 & 202) on the Eastern

Dedicated Freight Corridor (EDFC) in the State of Uttar Pradesh between the 417 Km Section between New Bhaupur and New Deen Dayal Upadhyaya junction has been commissioned. Presently 25 pairs of IR goods trains are running on the EDFC Track.

Subsequently, two more packages (Contract Package # 301 & 302) on the Eastern Dedicated Freight Corridor (EDFC) were awarded in 2016 worth ₹ 2,281 crore in States of Punjab-Haryana-Uttar Pradesh (Ludhiana –Khurja – Dadri). This Section is under advance stage of completion.

Your Company will be exploring new projects under DFCCIL/IR in PPP /EPC mode that are expected to come up during FY 2023-24 and beyond. Company has trained manpower with knowledge & experience in undertaking Railway Projects. In addition, Company has heavy plant and machinery and fleet of track machines including fully mechanized track laying machines, that can be effectively utilized in future projects as well.

Apart from construction of railway tracks, Government has opened up private participation in Operation & Maintenance (O&M) of Railway Tracks. Your Company has requisite track machines and skilled manpower to undertake O&M works and will explore these opportunities that align with the overall Group strategy.

### Highways

The Road and Highways sector is the one segment that has consistently been weathering the broader economy's travails and even the pandemic shock. It has been able to recover from Covid-19 at a much faster rate than expected. To further accelerate the development of road infrastructure and enable seamless connectivity across country while reducing overall logistics costs at the same time, the Government of India (GoI) has lined up an investment of ₹ 2.7 lakh crore for the Road and Highway sector in the Union Budget for FY 2023-24, increasing it by 25% more compared to revised estimates of FY 2022-23.

This is in line with the ambitious target for expanding the National Highways network by 16,000 km in FY2023-24 at an all-time high pace of over 45 km per day compared with around 30 km/day achieved in FY 2022-23.

While models such as hybrid annuity, EPC and toll-operate transfer have supported the Government's ambitious plans, initiatives such as PM Gati Shakti Yojana and Bharatmala Pariyojana will play a key role in the growth of road and highway infrastructure sector going forward.

The Highway sector continues to be one of the most dynamic sectors in the country. During FY 2022-23, NHA awarded record number of projects in Hybrid Annuity Model (HAM) & EPC mode and significant number of projects are expected in HAM, EPC and BOT during FY 2023-24. Your Company will analyze all possible opportunities and bid for projects that correspond to the overall strategy of the Group.

### Urban Infrastructure

GPUIL's subsidiary GMR Krishnagiri SIR Ltd (GKSIR) is in a Joint Venture agreement with Tamil Nadu Industrial Development Corporation (TIDCO) and has been making all the efforts to attract investors. GKSIR has already sold about 504 Acres in Phase 1 to M/s. Tata Electronics Pvt Ltd (TEPL). TEPL has established a greenfield mobile phone component manufacturing facility with a projected investment of ₹ 4,500 crore and with employment potential of 18,000 persons and commercial production has already started. GKSIR is in discussion with various clients to sell majority of its lands and evaluating development of a land parcel in Phase 2. GPUIL's other subsidiaries have also sold about 213 Acres in Krishnagiri District to TN State Government agency (SIPCOT) for development of industrial infrastructure in the region and an extent of around 68 Acres is in the process of acquisition by SIPCOT. Also, an extent of 93 Acres of GKSIR land has been notified by SIPCOT for acquisition to develop a new industrial cluster.

### Environment Protection and Sustainability

As the Company operates in an increasingly resource-constrained world, being environmentally conscious and efficient are key to our operations. The Company has a Corporate Environment, Health, Safety and Quality (EHSQ) Policy to articulate, guide, and adopt an integrated approach towards implementing EHSQ objectives and the Company remains committed towards the said policy. These established systems certified by reputed certifying agencies have helped to monitor and manage our operations systematically, safely and in environment friendly manner. The Company continues to abide by regulations concerning the environment by allocating substantial investments and resources on a continuous basis to adopt and implement pollution control measures. Our continuous endeavor to go beyond compliance and conserve natural resources helps to march towards attaining excellence in environmental management and efficient and sustainable operations as well. The details of Environment, Health and Safety (EHS) initiatives are provided in the Business Responsibility and Sustainability Report forming part of Annual Report.

### Discussion and analysis of financial conditions and operational performance

The consolidated financial position as at March 31, 2023 and performance of the Company and its subsidiaries, joint ventures and associates during the financial year ended on that date are discussed hereunder:

#### 1. ASSETS- NON-CURRENT ASSETS

##### 1.1. Property plant and equipment (PPE)

PPE has decreased from ₹ 300.41 crore as at March 31, 2022 to ₹ 284.28 crore as at March 31, 2023 primarily due to depreciation charge during the year.

**1.2. Right of use asset**

Right of use asset has increased from ₹ 5.36 crore as at March 31, 2022 to ₹ 10.62 crore as at March 31, 2023 due to ROU assets acquired during the year off-set with amortization during the year.

**1.3. Investment property**

Investment property has increased from ₹ 527.42 crore as at March 31, 2022 to ₹ 550.27 crore as at March 31, 2023 primarily due to capitalization of cost and interest during the year.

**1.4. Other intangible assets**

Other intangible assets has decreased from ₹ 2,180.03 crore as at March 31, 2022 to ₹ 2,066.88 crore as at March 31, 2023 primarily due to amortization during the year.

**1.5. Investments accounted for using equity method**

Investments accounted for using equity method has decreased from ₹ 4,322.41 crore as at March 31, 2022 to ₹ 903.47 crore as at March 31, 2023 primarily due to sale of stake of associate during the year as explained in note no. 42(iii) of consolidated financial statements and Groups share of loss in joint venture and associates.

**1.6. Other investments**

Other investments have increased from ₹ 609.58 crore as at March 31, 2022 to ₹ 1,190.61 crore as at March 31, 2023 primarily due to investment in Non-convertible debentures and Preference Shares of Group entities.

**1.7. Non-current trade receivables**

Non-current trade receivables have increased from ₹ 0.88 crore as at March 31, 2022 to ₹ 153.30 crore as at March 31, 2023 mainly due to reclassification of Trade receivable from current to non-current.

**1.8. Loans**

Loans have decreased from ₹ 1,052.42 crore as at March 31, 2022 to ₹ 792.36 crore as at March 31, 2023 due to repayment of loans.

**1.9. Other financial assets**

Other financial assets have decreased from ₹ 1,015.61 crore as at March 31, 2022 to ₹ 830.63 crore as at March 31, 2023 mainly due to decrease in receivable from Service Concession Arrangements (SCA).

**1.10. Other non-current assets**

Other non-current assets have increased from ₹ 23.67 crore as at March 31, 2022 to ₹ 62.27 crore as at March

31, 2023 primarily due to increase in capital advances.

**2. ASSETS – CURRENT ASSETS**

**2.1. Financial assets – Investments**

Investments have decreased from ₹ 45.76 crore as at March 31, 2022 to ₹ 17.00 crore as at March 31, 2023 primarily on account of redemption of debentures and sale of investments.

**2.2. Financial assets – Trade receivables**

Trade receivables has decreased from ₹ 622.94 crore as at March 31, 2022 to ₹ 544.69 crore as at March 31, 2023 primarily on account of classification of receivable to non-current in energy business offset with increase in trade receivables in group entities in normal course of business.

**2.3. Financial assets – Cash and cash equivalents**

Cash and cash equivalents have increased from ₹ 455.17 crore as at March 31, 2022 to ₹ 965.53 crore as at March 31, 2023 on account of loan received from group companies.

**2.4. Financial assets – Bank balances other than cash and cash equivalents**

Bank balances other than cash and cash equivalents increased from ₹ 85.05 crore as at March 31, 2022 to ₹ 138.38 crore as at March 31, 2023 in normal course of business.

**2.5. Loans**

Loans have increased from ₹ 387.08 crore as at March 31, 2022 to ₹ 1,234.01 crore as at March 31, 2023 due to new loans given to Group Companies.

**2.6. Other financial assets**

Other financial assets have decreased from ₹ 1,749.10 crore as at March 31, 2022 to ₹ 1,639.33 crore as at March 31, 2023. This is primarily due to realisation of non-trade receivables and service concession receivables offset by increase in unbilled revenue and interest accrued on loans given.

**2.7. Other current assets**

Other current assets have decreased from ₹ 221.00 crore as at March 31, 2022 to ₹ 139.44 crore as at March 31, 2023 primarily due to decrease in other advances and deposit in normal course of business.

**2.8. Assets classified as held for sale**

Assets classified as held for sale decreased from ₹ 350.78



crore as at March 31, 2022 to ₹ 206.22 crore as at March 31, 2023 mainly due to sale of assets and investment properties which were classified as held for sale.

### 3. EQUITY

There is no movement in Equity share capital during FY 2022-23. Other equity has decreased from ₹ (2,466.24) crore as at March 31, 2022 to ₹ (2,923.16) crore as at March 31, 2023 primarily on account of extinguishment of equity component of loan, exchange difference on FCCB.

Loss of Non-controlling interests have increased from ₹ (68.09) crore as at March 31, 2022 to ₹ (120.12) crore as at March 31, 2023 mainly due to loss during the year.

### 4. NON-CURRENT LIABILITIES

#### 4.1. Non-current borrowings

Non-current borrowings have decreased from ₹ 7,421.49 crore as at March 31, 2022 to ₹ 6,480.84 crore as at March 31, 2023, due to repayment of loans to banks and financial institutions.

#### 4.2. Non-current trade payables

Non-current trade payables have increased from ₹ Nil as at March 31, 2022 to ₹ 151.79 crore as at March 31, 2023, mainly due to reclassification of Trade payable from current to non-current in energy business.

#### 4.3. Other financial liabilities

Other financial liabilities have increased from ₹ 224.85 crore as at March 31, 2022 to ₹ 273.01 crore as at March 31, 2023, mainly due to increase in non-trade payables in the normal course of business.

#### 4.4. Provisions

Provisions have increased from ₹ 49.56 crore as at March 31, 2022 to ₹ 68.85 crore as at March 31, 2023 mainly due to increase in provision for operation and maintenance in highway entities.

#### 4.5. Other non-current Liabilities

Other non-current liabilities have increased from ₹ 17.42 crore as at March 31, 2022 to ₹ 18.94 crore as at March 31, 2023.

### 5. CURRENT LIABILITIES

#### 5.1. Current borrowings

Current borrowings have decreased from ₹ 2,980.29 crore as at March 31, 2022 to ₹ 1,720.14 crore as at March 31, 2023 mainly due to repayment of working capital and related party loans.

#### 5.2. Trade payables

Trade payables have increased from ₹ 2,449.02 crore as at March 31, 2022 to ₹ 2,603.51 crore as at March 31, 2023 mainly due to increase in concession fee payable to NHAI in highway entities and trade payable in construction business.

#### 5.3. Other current financial liabilities

Other current financial liabilities have increased from ₹ 1,993.16 crore as at March 31, 2022 to ₹ 2,289.25 crore as at March 31, 2023. This is mainly due to increase in interest payable on debenture / loan offset with part payment of other liabilities.

#### 5.4. Provisions

Provisions have decreased from ₹ 751.73 crore as at March 31, 2022 to ₹ 640.85 crore as at March 31, 2023 mainly due to reversal of excess provision for operation and maintenance highway entities.

#### 5.5. Other current liabilities

Other current liabilities have increased from ₹ 200.80 crore as at March 31, 2022 to ₹ 246.55 crore as at March 31, 2023 mainly due to increase in advance from customers in normal course of business.

#### 5.6. Liabilities directly associated with assets classified as held for sale

Liabilities directly associated with assets classified as held for sale decreased from ₹ 183.73 crore as at March 31, 2022 to ₹ 23.08 crore as at March 31, 2023 mainly due to payment of liabilities associated with assets classified as held for sale.

### Overview of our results of operations

The following table sets forth information with respect to our revenues, expenditure, and profits (loss) on a consolidated basis:



(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Continuing operations</b>		
<b>Income</b>		
Revenue from operations (including other operating income)	5,524.69	4,101.81
Other income	367.62	179.89
<b>Total Income</b>	<b>5,892.31</b>	<b>4,281.70</b>
<b>Expenses</b>		
Revenue share paid / payable to concessionaire grantors	191.51	151.61
Operating and other administrative expenditure	4,940.38	3,454.71
Depreciation and amortization expenses	151.39	128.16
Finance costs	1,350.25	1,354.49
<b>Total expenses</b>	<b>6,633.53</b>	<b>5,088.97</b>
<b>Loss before share of profit of investments as per accounting under equity method, exceptional items and tax from continuing operations</b>	<b>(741.22)</b>	<b>(807.27)</b>
Share of profit of investments as per accounting under equity method	741.47	246.17
<b>Profit/ (loss) before exceptional items and tax from continuing operations</b>	<b>0.25</b>	<b>(561.10)</b>
Exceptional items	1,231.94	15.09
<b>Profit/ (loss) before tax from continuing operations</b>	<b>1,232.19</b>	<b>(546.01)</b>
Tax expenses	92.74	105.53
<b>Profit/ (loss) after tax from continuing operations (i)</b>	<b>1,139.45</b>	<b>(651.54)</b>
<b>EBITDA from continuing operations</b>	<b>392.80</b>	<b>495.49</b>
(Revenue from operations – Revenue share – operating and other admin expenses)		
<b>Discontinued operations</b>		
<b>Loss from discontinued operations before tax expenses</b>	<b>(0.21)</b>	<b>(0.03)</b>
Tax expenses	-	-
<b>Loss after tax from discontinued operations (ii)</b>	<b>(0.21)</b>	<b>(0.03)</b>
<b>Total Profit/ (loss) after tax for the year (A) (i+ii)</b>	<b>1,139.24</b>	<b>(651.57)</b>
Other comprehensive income for the year, net of tax (B)	180.39	5.62
<b>Total comprehensive income for the year, net of tax (A+B)</b>	<b>1,319.63</b>	<b>(645.95)</b>

#### Sales/Operating Revenue

The segment wise break-up of the Sales/Operating Revenue are as follows:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Revenue from Operations:</b>		
Power segment	3,473.16	2,175.06
Road segment	655.04	531.94
EPC segment	1,082.68	1,179.05
Others segment	433.71	338.54
Inter segment revenue	(119.90)	(122.78)
<b>Total Revenue from operations</b>	<b>5,524.69</b>	<b>4,101.81</b>

### Operating revenue from power segment

Revenue from our power segment mainly consists of energy and coal trading revenue from GMR Energy Trading Limited ("GETL") and GMR Infrastructure Singapore Pte Limited ("GISPL"). Other major operating energy entities including GMR Warora Energy Limited ("GWEL"), GMR Kamalanga Energy Limited ("GKEL"), GMR Bajoli Holi Hydro Power Private Limited ("GBHHPL") and GMR Gujarat Solar Power Limited ("GGSPL") are assessed as Joint ventures and accounted for based on equity accounting. The operating revenue from power segment has increased by 59.68% from ₹ 2,175.06 crore in FY 2021-22 to ₹ 3,473.16 crore in FY 2022-23 primarily due to increased operations in coal trading.

### Operating revenue from road segment

Revenue from our road operations is derived from annuity payments received from NHAI for our annuity projects and toll charges collected from road users of the toll road projects.

The operating revenue from road segment has increased by 23.14% from ₹ 531.94 crore in FY 2021-22 to ₹ 655.04 crore in FY 2022-23 mainly due to increase in toll revenue.

### Operating revenue from EPC segment

Revenue from our EPC segment is derived from the execution of engineering, procurement and construction works in connection with railways and road.

During the FY 2022-23, the EPC sector operating revenue has decreased by 8.17% from ₹ 1,179.05 crore in FY 2021-22 to ₹ 1,082.68 crore in FY 2022-23.

### Operating revenue from other sectors

Revenue from our other sectors includes management services revenue, investment revenue and operating revenue of aviation businesses. During the FY 2022-23, other sectors have contributed ₹ 433.71 crore to the operating revenue as against ₹ 338.54 crore in FY 2021-22.

### Expenditure

#### Revenue share paid/payable to concessionaire grantors

The revenue share paid/payable to various concessionaires has increased from ₹ 151.61 crore in FY 2021-22 to ₹ 191.51 crore in FY 2022-23 primarily on account of increase in toll revenue in highway entities.

#### Operating and administrative expenditure

##### Sub-Contracting expenses

The Increase in sub-contracting expenses is mainly on account of increase in cost in ongoing DFCC Project as it is nearing completion.

##### Purchase of Traded goods

Increase in purchase of traded goods in the FY 2022-23 is primarily

due to increase in cost of purchase in coal trading corresponding to increase in coal trading revenue.

##### Employee benefits expenses

The increase in employee benefit costs is mainly due to increase in head count due to increased operation in coal trading, toll revenue and annual increments.

##### Other expenses

Other expenses include:

- Consumption of stores and spares, electricity and water charges, manpower hire charges, rentals, repairs and maintenance, legal and professional charges, provision for doubtful advances, fair valuation on financial instruments through P&L, write off/provision towards investments, travelling and conveyance, communication, foreign exchange differences and other miscellaneous expenses.

There is increase in other expenses in FY 2022-23 mainly due to increase in legal & professional expenses, airport service charges, electricity and water charges, repair and maintenance expenses, rates and taxes due to increase in operations.

##### Finance Cost

There is no significant movement in finance cost in FY 2022-23 compared to FY 2021-22.

##### Exceptional items

Exceptional items comprise of the impairment of investments in Joint venture and associates, reversal of impairment of investment, gain on disposal of investment of associate, write back of liability and write off / provision against receivables / other assets.

##### Share of profit of investments as per accounting under equity method.

Increase in share of profit of joint ventures and associates mainly due to profit earned by PT GEMS in FY 2022-23.

##### Tax expenses

Tax expense mainly comprises of current tax expense and deferred tax expense / (credit). There is no significant movement in current tax and deferred tax in FY 2022-23 compared to FY 2021-22.

##### Significant changes in key financial ratios, along with detailed explanations

Key Financial ratios including reasons of variances (more than 25%) for the year ended March 31, 2023, on standalone basis, are disclosed in Note no 40 of Standalone financial statements.

##### Corporate social responsibility

GMR Varalakshmi Foundation (GMRVF) is the corporate social responsibility arm of the GMR Group. The Group has been undertaking CSR activities on a significant scale since 1991. GMRVF supports the

companies under the Group in implementing their CSR mandates. GMRVF's purpose is to work in the fields of Education, Health and Empowerment such that its activities directly benefit mainly the communities in the immediate neighborhood of the Group's projects. Currently, GMRVF is working with selected communities in about 20 locations in India. The locations are spread across different states namely Himachal Pradesh, Maharashtra, Odisha, Tamil Nadu, Telangana, Punjab, Uttar Pradesh, and Uttarakhand. The detailed information on CSR activities of the Group is provided in Business Responsibility and Sustainability Report (BRSR) forming part of the Annual Report.

Recognitions for GMRVF in the year 2022-23 are as below.

- Received "Odisha CSR Excellence Award" for best CSR practices around GMR Kamalanga Energy Ltd.
- Received "Maharashtra CSR Award" for the CSR initiatives implemented around GMR Warora Energy Ltd.
- Received District Level Award for Best Community Service in and around GMR Chennai Outer Ring Road project area.

During the FY 2022-23, GMRVF implemented the CSR activities in the areas of Education, Health and Livelihoods in all its project areas. GWEL and GKEL have been certified under ISO 26000:2010 standard (ISO standard for CSR activities) by reputed agency Bureau Veritas for CSR processes and activities.

#### **Risk Concerns and Threats Identification, assessment, profiling, treatment and monitoring the risks**

Our Company aims to implement ERM (Enterprise Risk Management) through the entire value chain of each of our businesses in energy and road sectors, to be in line with emerging needs and global standards. The Company has a continuous process of strengthening its Enterprise Risk Management practices across the group. Typically, the risk management processes cover the lifecycle of the Development Business from Bidding, Development, Construction and Operational phases of each Business. Periodically, processes are reviewed and updated or strengthened as required.

The Company's Risk Management process is being expanded to add responsibilities towards ESG (Environment, Social and Governance) aspects of our business. The Risk Management Committee of GPUIL has also been overseeing and reviewing the frameworks and risks from both ERM and ESG perspectives.

**Linkages:** Strong linkage with Corporate Strategy and Risk Management functions has been designed to help the Company focus on key strategic risks. Detailed risk analysis is carried out during the formulation of the Company's Strategic Plan and Annual Operating Plan. List of top risks are reviewed as part of the Strategic Planning exercise. ERM team also shares the results of its exercise with the MAG to enable it to draw plans for risk-based audit.

**Business Resilience:** For organization to quickly adapt to disruptions while maintaining continuous business operations and safeguarding

people, assets and overall brand equity, we have put in place, detailed Business Continuity Plans (BCP) and Disaster Recovery Plans (DRP) for key assets. These plans identify potential vulnerabilities and put in place appropriate processes and risk treatment plans to respond and minimize impact of disruptive events.

#### **Commitments on Environment, Social and Governance (ESG)**

Our Company understands that growth of our business and operations rely on two key factors: a commitment to sustainability and demonstrable efforts to reduce, eradicate or mitigate the impact of our operations on the environment and community.

Our ESG program is rooted in materiality: We have conducted ESG materiality assessment which has helped us organise and prioritise relevant ESG factors based on their level of impact on the business and on key stakeholders.

**Reporting:** The Leadership of all businesses regularly review their risk assessment and mitigation procedures and present to their respective Boards/ Committees. Further, a consolidated perspective is presented to the Risk Management Committee of the Board.

Based on the above process, the management has taken cognizance of risks in the recent times and for which appropriate plans and actions are being taken, some of the areas of risks that we had identified for monitoring through the year for materiality and impact on our businesses are as follows:

#### **1. Macroeconomic Risk factors:**

FY2022-23 began in the backdrop of the challenges posed by the rising inflation brought on by the Russia-Ukraine conflict. Globally, pricing for crude oil, natural gas, food and fertilizers rose substantially. The Indian economy was particularly impacted by the high crude oil prices. However, the government proactively mitigated this challenge by sourcing crude oil supplies from Russia at a significant discount to prevailing crude oil prices.

India was also initially impacted with an inflation shock that resulted in CPI in the range of 7% to 8%. Actions by RBI to hike interest rates from May 2022 onwards helped bring inflation under control.

Government's continued spending in infrastructure, subsidies, and incentives provided traction to economic growth, and by the year end, economy had stabilized compared to start of FY2022-23.

As such, among all the global economic and geo-political turmoil, India has remained a bright spot in the world economy. India ended FY2022-23 on a strong footing with a GDP growth of 7% despite headwinds from ongoing Russia-Ukraine conflict, high level of inflation and rate hike by Reserve Bank of India (RBI).

The Power Sector witnessed strong revival of demand with increased generation of both thermal and renewable energy.

Coal production increased significantly and Coal India Limited continued to offer coal under the SHAKTI auction scheme. The Highways sector is the one segment that has consistently been weathering the broader economy's travails and even the pandemic shock. It has been able to recover from Covid-19 at a much faster rate than expected.

To mitigate the impact of these macroeconomic risk factors, GPUIL relies on diversified portfolio of assets and projects in both energy and infrastructure sectors.

- We try to maximize realization under linkage coal, and use alternate sources (power trading) to meet PPA obligations.
- Since most of our power generated is tied up through long/medium term PPAs, the risk of volatility in power prices is mitigated. Additionally, with some excess capacity available, we have been able to exploit merchant power opportunities available at higher tariffs.
- Out of our four highway assets, two are on Annuity model. Therefore, exposure of our road assets to macroeconomic risks is not significant.

## 2. Financing and Liquidity risks at GPUIL:

GPUIL, being a holding company with limited operating cash flows, has been constrained to service or refinance the corporate debt / outstanding FCCB.

Additionally, at the subsidiary level, there remains a liquidity risk to meet obligations including debt servicing/ repayment, due to the following reasons:

- Continued outstanding regulatory receivables from DISCOMs.
- Any adverse outcome of ongoing arbitrations/ litigations may have impact on our ability to repay debt.
- ESG pressures may increase the funding requirements (e.g. additional capex for FGD, working capital funding issues)
- Delay in land monetization further increases the holding cost of SEZ land
- Liquidity requirements for Energy 2.0 and other new business initiatives will need to be arranged.

The Company has subsequently received liquidity support from GIL and has been able to reduce a significant part of existing liabilities. Initiatives are underway to address balance corporate liabilities guaranteed by GIL. Further, GPUIL has a period of 6 years to repay such obligations to GIL, and a number of initiatives are underway to monetize assets to create liquidity for the same.

GPUIL is focusing on capital raise, re-financing, debt-restructuring, asset monetization, obtaining regulatory receivables for energy sector, etc. to mitigate liquidity risks.

- As part of its asset monetization, the Company has been

able to successfully divest its 30% stake in PT GEMS coal mine and is exploring the sale of other assets in the portfolio.

- Significant progress has been made on the recovery of regulatory receivables from Discoms.
- The Company has made significant progress in material arbitrations / litigations and expects positive outcomes on many of these to address liquidity issues. The Company was in receipt of arbitration awards on account of Chennai Outer Ring Road Project.
- Proactive steps are being taken to realize land monetization in the Krishnagiri SEZ.
- Completion of DFCC project will help in release of working capital facilities.
- GPUIL has made significant operational improvements resulting in improved profitability at subsidiary level.
- Given a growth in traffic on our toll highways, liquidity issue in our road assets are being progressively addressed.
- Plant PLFs have improved considerably due to better availability of coal and which resulted in considerable profitability improvement.
- Given that Bajoli Holi transmission line has been commissioned, plant is able to evacuate its power completely, thus enhancing the cash flow and debt servicing capacity.

### Interest Rate Risk:

Inflation has been moving higher, fuelled especially by the Russia – Ukraine conflict. To fight inflation, Central banks have tightened liquidity in last year. US Federal reserve, BoE, India's RBI etc. have hiked interest rates to curb inflation. Thus, given the substantial borrowings in energy and transportation businesses, we are exposed to rising interest rate risks. (RBI has already hiked repo rate by 250 bps in recent months).

To address these issues, GPUIL has put in place initiatives to increase operating cash flows and further reduce corporate debt at holding company to sustainable levels. Existing project entities are focused on improving operating cash flows and improve their ratings to access cheaper debt. Further, where necessary, the Company is exploring debt restructuring options. GPUIL has completed debt restructuring at GWEL at lower interest rate.

### Credit Risk:

Our exposure to sale of electricity to DISCOMs may expose us to credit risk. Although historically, the credit risks from DISCOMs have been materially high, but in recent years, DISCOMs have been relatively regular in making payment for operational dues. However, in case of regulatory dues, DISCOMs have been mostly taking the litigation route and delaying the payments (covered

under Regulatory Risks).

To address these risks, all receivables are being closely monitored and reviewed frequently by the top management. In order to encourage DISCOMs to clear their current operation dues, the Government notified the LPS Rules which substantially raised the DISCOM's cost for delaying payments to suppliers. DISCOMs are now clearing the non-regulatory dues regularly while clearing the regulatory dues only after the conclusion of legal process. The Company has made substantial progress in addressing long overdue regulatory receivables from Discoms.

### 3. Regulatory - Arbitration/ litigation risk

The Energy sector is under intense scrutiny for impact on climate and environment as also the communities that may have to face its consequences in some form. The pressure to uphold ESG targets and to implement new procedures in line with global trends poses hurdles in accessing cheaper capital for coal-based projects.

Further, changes and modifications in regulations related to tariffs and environmental protection under ESG mandate (like Flue Gas Desulfurization (FGD) and biomass pellet-blended coal continue to pose funding and cash-flow risks to GPUIL's energy business.

Our Power Trading business may require additional capital infusion due to changes in regulations, which could affect our ability to conduct business.

As mitigation measures, the Group actively pursues:

- Tracking of all developments in the regulatory environment.
- Participation in sector-specific industry associations and chambers of commerce to work for resolution of issues that may impact our businesses.
- Where necessary, the Group has engaged in arbitration and/or litigation as appropriate, in order to protect its interest in this regard.
- For mitigating ESG-related risks, GPUIL is covered under integrated approach towards ESG at Group level.
- Our Energy 2.0 initiative aims to steer the Company towards clean energy businesses, thus making it increasingly ESG compliant.

Slow pace of resolution at the level of regulatory bodies/ forums also delay outcome of several unresolved regulatory matters. Our company faces several such unresolved matters for which we have ongoing arbitrations/ litigations in both the energy and transportation sectors.

- We have outstanding receivables/ arbitrations going on with various DISCOMs and other parties (coal pass-through, change in law, SEPCO, etc.)

- We also have arbitrations/ litigation in our transportation business:
- Our highways have ongoing litigation over application of contract terms for Change in Law (Hyderabad-Vijayawada, Ambala-Chandigarh, Pochanpalli)
- Our DFCC railway project is in arbitration for compensation due to delay in LA, CIL (mining ban, etc.)

GPUIL relies on its robust in-house mechanism for dispute risk assessment, which provides the management with an early evaluation of the risks and costs associated with every potential arbitration / litigation, before the same is triggered.

Recently, the Company has received positive outcomes in ongoing arbitrations. On GWEL and GKEL claims against Discoms, significant amount of long pending regulatory receivables have been received. Further, in the case of CORR and Ambala – Chandigarh Highways, significant amounts have been received and extension of concession period achieved as applicable.

### 4. Investment risk:

Some of our Energy sector assets and urban infra projects may continue to face challenges as issues continue to be unresolved.

- Our gas-fired power plants, while being commissioned, are facing difficulties in commencement of power generation due to unavailability of gas supply.
- We are still awaiting renewal of PPA for 200MW for our Warora power plant, and there remains a risk of non-renewal of PPA after the current PPA expires.
- Continued uncertainties in outcome of arbitrations pose risk to our investments in road assets and railways projects.

To mitigate investment risks,

- Our portfolio is periodically reviewed and necessary decisions like divestment are explored. In case of material disputes, arbitrations are initiated.
- We are actively working with the help of Industry Associations to seek help from the Government to arrive at an industry solution for all stranded gas projects in the country. In the meanwhile, we have carried out restructuring of stake in un-operational asset of GREL. We are further exploring other strategic options including sale of asset and additional restructuring solutions.
- As a strategy, our company is exploring bidding for long term/ medium term PPAs for GWEL. We will continue exploring opportunities to sell power on power exchange under short term contracts. Further, the power prices in short term market/ power exchanges have been on the higher side, thus mitigating the financial risk from PPA to some extent. In the meanwhile, the debt for GWEL has been restructured keeping in mind the cash-flows available to

service debt.

- We have been able to tie-up medium term PPA of 102 MW capacity for GKEL with TANGEDCO.
- Company has initiatives to increase operating cash flows and further reduce corporate debt at holding company to sustainable levels.

## 5. Competition risk:

We now face competition on all aspects of our businesses:

- Competition from renewable energy projects. Due to large amount of capital chasing the renewable energy opportunities in India, the competition for our entry in this segment is high.
- Competition for coal based power. Due to overcapacity in the market, we are exposed to risk of non-renewal of PPAs for GWEL/ GKEL.
- Aggressive competition from big strategic competitors and financial players in Energy 2.0 growth areas such as Smart Metering/ Transportation projects.
- Competition from other modes of transport. Our toll roads which have commercial traffic as major contributor to toll revenues, face competition from an increasingly modern and efficient railway freight corridor.
- We have to compete with other players having access to low cost of capital resulting in highly competitive/ unviable bids, thus impacting our growth plans.

Our overall competencies and rich experience in transportation and energy sectors (including power trading) will enable us to maintain our competitive position in both sectors.

- We are constantly reviewing our business strategy based on assessment of growth perspective in the sectors that the company operates in.
- We are working towards arranging low-cost capital for us to be able to bid competitively.
- We are always scanning for the best opportunities available in the market and devise our business development strategy accordingly.
- Despite the aggressive competition, we have been able to win Smart Meter projects in state of Uttar Pradesh
- We are looking for opportunities with low competition. We have installed EV chargers at strategic locations at Group assets.
- We are establishing B2B partnerships in the E-Mobility business with leading brands such as UBER, Meru and others. The company has signed an MoU with UBER for long term strategic partnership in EV charging ecosystem.

## 6. Cyber Security Risk.

Although GPUIL's businesses have not been affected by cyber-attacks yet, an increasing geopolitical hacktivism activity targeting Indian infrastructure has been noted. However, given the nature of operations at GPUIL's assets we do not foresee any significant exposure to cybersecurity threats.

As mitigation, GPUIL has, as part of the group-wide centralized cyber security program, in place, covering people, process and technologies aspects of Cyber Protect, Detect, Respond & Recover capabilities. There is mechanism for 24x7 Next Generation Security Operations Centre monitoring all critical infrastructure for any suspicious activity. AI/ML-based End Point Detection is implemented across all computing devices. Periodic Vulnerability assessments and Penetration testing is conducted of the environment.

## 7. Matters related to Environment, Social and Governance (ESG)

A significant step in the direction of reducing our carbon footprint has been our exit from the coal mining industry through the sale of our 30% stake in PTGEMS.

Sustainability is core to the ethos at GPUIL, and has always been part of our journey, with strong focus at individual asset level. However, a need was felt to mainstream and drive it more holistically with focus on all the three aspects of ESG. As we embark on our ESG journey, we have followed a multi-pronged approach:

- Carry out ESG gap assessment, benchmarking, materiality survey, risk assessment,
- Develop ESG road map with short-term, medium-term and long-term targets
- Track and improve various ESG parameters
- Create ESG awareness among our stakeholders and enhance competency among employees
- Strengthen ESG reporting framework

Having carried out the above in four stages, we have completed our ESG assessment and implementation plan and identified the following areas of focus:

### • Waste Management

As per Business responsibility and Sustainability Reporting (BRSR) requirements, disclosure of waste management strategies and other KPIs are mandatory.

Rating agencies and Lenders require disclosure on waste management practices. Accordingly, we have stated our commitment on waste management, waste reduction and have put conservation measures in place in line with our Environment Policy. We are committed to public disclosure



of hazardous and non-hazardous waste generated, waste disposed, waste recycled and waste reused.

- **Air Quality Management**

Ministry of Environment, Forest and Climate Change (MoEFCC) & Central Pollution Control Board (CPCB), have laid down guidelines for air quality management, for which we have put in place, effective air quality abatement and management initiatives in place.

- **Energy Management**

As the country moves towards its target of net-zero carbon emissions by 2050, investors are focusing on energy transition plans of the company.

For this, our Highway assets have transitioned from high-power incandescent lamps for highway lighting to LED lights, which has helped us in reducing power consumption.

- **Workforce Health And Safety**

Our company recognizes the significance and criticality of work force safety. We understand that low standards at the workplace could lead to loss of reputation in the market. We also realize that a high rate of LTIs (Lost Time Injury) will bring an organization under scrutiny.

The Company regards commitment to high standards of work force safety as a priority, for which it shall pursue ISO 45001 certification. Teams dedicated for WHS provide, in accordance with standards, regular training to employees on organizational health and safety aspects. Internal and external audits are carried out regularly to ensure compliance and maintaining highest standards of work force health and safety.

- **Emergency Response – Preparedness and Resilience**

Our road assets and operating power plants can be exposed to emergency situations, due to external factors like accidents, extreme weather conditions, earthquakes, etc.

The company has a robust emergency response mechanism covered under Disaster Recovery Plan (DRP) and its Business Continuity Plan (BCP) ensures that core business processes regain their original state in shortest possible time without prolonged disruption.

As stipulated under Regulation 34(2)(f) of SEBI LODR read with Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021 issued by the Securities and Exchange Board of India (SEBI), the Business Responsibility & Sustainability Report (BRSR) for the Financial Year 2022-23, describing the initiatives taken by the Company from an environmental, social and governance perspective is attached as part of the Annual Report.

**Internal control systems and their adequacy**

The Company's internal financial control framework has been established in accordance with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework to ensure adequacy of design and operating effectiveness of operational, financial and compliance controls. The effectiveness of the internal controls is regularly reviewed and monitored by Management Assurance Group (MAG) during audits.

The Company has put adequate policies and procedures in place, which play a pivotal role in deployment and monitoring of the internal controls. These controls and processes have been embedded and integrated with SAP (or other ERP systems, as the case may be) and/or other allied IT applications, which have been implemented across all the Group companies.

MAG assesses opportunities for improvement in all business processes, policies, systems and controls, provides its recommendations, which add value, and strengthens organization's internal control environment.

Deviations, if any, are addressed through systemic implementation of corrective and preventive action as appropriately taken by the respective functions. Proactive action is initiated to ensure compliance with upcoming regulations through deployment of cross-functional teams. Emphasis is always placed on automation of controls within the process to minimize deviations and exceptions.

Respective Business/Company CEOs are responsible for ensuring compliance with laid down policies and procedures. It helps the organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

MAG is responsible for undertaking internal audits across the group and they are assisted by outsourced audit firms. The internal audit scope covers inter alia, all businesses and corporate functions, as per the annual audit plan reviewed and approved by the Audit Committee in the beginning of every financial year. In every quarterly Audit Committee Meeting, key audit issues along with action taken report on previous issues are being presented.

Group Head MAG provides an assurance to the Audit Committee confirming compliance to prescribed processes as enumerated in MAG Manual while carrying out audits, reporting audit observations, monitoring and implementation of the agreed upon action plan for closure.

**Developments in Human Resources and Organization Development at GPUIL**

Human Resources (HR) being one of the key strategy partners, contributed comprehensively to the Organizational Development over the years. Following are some of the initiatives taken up by HR in the year gone-by:

- **Frugality initiatives:** in FY 2022-23 HR optimized ~ ₹ 20.52 crore (₹ 16.85 crore in Energy sector & ₹ 3.67 crore in T&UI) in Planned Vs Actual Budget through various initiatives such as Organization Design refresh, filling vacancies through IJPs, in-house assessments (instead of engaging external consultants), etc. Several optimization initiatives are in the pipeline and HR stands firm to grab every opportunity for optimization.
- **Talent & Succession Pipeline and Career Progression:** While Succession Planning and Talent Management has always been the key focus of HR, we continuously keep on improving our talent pipeline in the group. We have given career progression to 136 employees (109 in Energy sector & 27 in T&UI) through promotions. However, considering our requirements and the demand of Engineers in the market we have strengthened our entry level pipeline of Engineers (in O&M) through GET recruitments.
- **Great resignation & Retention mechanisms:** having a proactive approach, GMR started its retention measures much earlier than the industry counterparts. As soon as the great resignation wave started taking shape, we were able to implement several employee engagement & retention measures such as internal talent movement, non-compete, enhanced role-based compensation & salary corrections for a selected few – critical employee groups. Voluntary attritions:
  - o Energy: Less than 11% which was below Industry average
  - o T&UI: 14%, which was majorly due to timely completion of projects in this sector.
- **Digital Attendance Capturing:** Mobile enabled Geo-Location tagging & Facial recognition-based attendance capturing system was integrated in MyGMR mobile application.
- **Inculcating Value Culture:** with a perpetual focus on its Values & Belief, GMR Energy in FY 2022-23 covered 600+ employees in Value-Culture trainings. We at GMR also leverage the power of prayers – every Monday all senior leaders across the group gather for a 15-minute guided prayer cum motivational session (virtually). Apart from value-based culture we focused on the wellbeing of employees by organizing 440 health & wellness sessions from Corporate along with various other initiatives driven by individual assets. In T&UI we did 117 training programs having 1370 manhours for employees to promote values-based culture.
- **Learning & Development (including Spirituality):** in FY2022-23 Corporate HR alone (excluding individual programs from business units) conducted more than 129 training programs on unique themes having 12352 man-hours of training. During the year we covered 486 unique participants in these sessions with a participation satisfaction score of 4.5 out of 5. To improve upon fundamental skills of our people GMR in FY 2022-23 engaged with 15 eminent institutions such as IIT-D, IIT-K, UCLA, NASSCOM, Korn Ferry, NPTEL, etc.

# - Business Responsibility and Sustainability Report -

## Introduction

Securities and Exchange Board of India (SEBI), in its continued efforts to enhance disclosures on ESG standards, introduced new requirements for sustainability reporting by listed companies. The new reporting format known as the Business Responsibility and Sustainability Report (BRSR), requires companies to report performance against the nine principles of the 'National Guidelines on Responsible Business Conduct' (NGBRCs). BRSR aims to drive greater transparency around how businesses are creating value by contributing towards a sustainable economy. Therefore, GMR Power & Urban Infra Limited (GPUIL), in its endeavour to continually strengthen ESG processes and improve sustainability performance, has made this mandatory disclosure with effect from financial year ending March 31, 2023.

This report has been prepared in accordance with the SEBI Guidelines for BRSR. The reporting scope and boundary of our disclosures covers the applicable operations of GPUIL as standalone entity. (wherever the statutory numbers are provided) and on consolidated basis for corporate functions specifically the environment related information. The information has generally been provided on consolidated basis but wherever, it has been provided on standalone basis, the same has been indicated as "standalone".

This report highlights our constant endeavour to create long-term value for our stakeholders, as we contribute towards promoting sustainable development.

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1.	<b>Corporate Identity Number (CIN) of the Listed Entity:</b>	L45400MH2019PLC325541
2.	<b>Name of the Listed Entity:</b>	GMR POWER AND URBAN INFRA LIMITED
3.	<b>Year of incorporation:</b>	2019
4.	<b>Registered office address:</b>	Naman Centre, 701, 7 <sup>th</sup> Floor, Plot No C31, G Block, Bandra Kurla Complex Bandra East, Mumbai, MH 400051
5.	<b>Corporate address:</b>	New Udaan Bhawan, Near T3 Terminal, IGI Airport, New Delhi-110037
6.	<b>E-mail:</b>	GPUIL.CS@gmrgroup.in
7.	<b>Telephone:</b>	+91 11 4253 2600
8.	<b>Website:</b>	www.gmrpui.com
9.	<b>Financial year for which reporting is being done:</b>	2022-23
10.	<b>Name of the Stock Exchange(s) where shares are listed:</b>	BSE Limited & National Stock Exchange of India Limited
11.	<b>Paid-up Capital:</b>	301.8 crore
12.	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:</b>	<b>Name:</b> Vimal Prakash <b>Telephone:</b> +91 11 4253 2600 <b>Email address:</b> GPUIL.CS@gmrgroup.in
13.	<b>Reporting boundary</b>	Consolidated basis for corporate functions. Environmental data has been provided sector wise – energy and transport business wise.

## II. Products/services

### 14. Details of business activities (accounting for 90% of the turnover):

Reporting Boundary: Standalone Basis

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Construction	Demolition & site preparation, Electrical, plumbing & other Specialized construction Activities	71.02
2.	Financial and insurance Service	Other financial activities	26.26

### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Reporting Boundary: Consolidated Basis

S. No.	Product/Service	NIC Code	% Of total Turnover contributed
1.	Power segment	3510	62.87
2.	Road Segment	4210	11.86
3.	EPC	4220	19.60

## III. Operations

### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	16	18	34
International	0	4	4

### 17. Markets served by the entity:

#### a. Number of locations

Locations	Number
National (No. of States)	13
International (No. of Countries)	-

#### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

#### c. A brief on types of customers

The company caters to a) General public, b) Government agencies & c) Non govt agencies - The Company meets the requirements of B2G, B2B and B2C.

**IV. Employees**

**18. Details as at the end of Financial Year:**

**a. Employees and workers (including differently abled):**

S. No.	Particulars	Total(A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	813	777	96	36	4
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total employees (D + E)</b>	<b>813</b>	<b>777</b>	<b>96</b>	<b>36</b>	<b>4</b>
<b>WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	2174	2102	97	72	3
6.	<b>Total workers (F + G)</b>	<b>2174</b>	<b>2102</b>	<b>97</b>	<b>72</b>	<b>3</b>

**b. Differently abled Employees and workers:**

S. No.	Particulars	Total(A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	<b>Total differently abled workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**19. Participation/Inclusion/Representation of women (Standalone)**

Total(A)	Total	No. and percentage of Females	
		No. (B)	% (B / A)
<b>Board of Directors</b>	13	02*	15.38*
<b>Key Management Personnel</b>	03	0	0

\* the company appointed the second independent director on the Board w.e.f August 04, 2023

**20. Turnover rate for permanent employees and workers**

*(Disclose trends for the past 3 years)*

	FY 2022-23			FY2021-22			FY2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	12%	28%	13%	23%	38%	24%	18%	27%	19%
<b>Permanent Workers</b>	0	0	0	0	0	0	0	0	0

\*As we evolve our data monitoring systems, we will furnish the details in the coming years.

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**21. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity (Effective holding)	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) <sup>1</sup>
1	GMR Enterprises Private Limited (GEPL)	Holding Company	N.A.	No
2	GMR Energy Trading Limited (GETL)	Subsidiary	94.25	Yes
3	GMR Londa Hydropower Private Limited (GLHPPL)	Subsidiary	82.16	No
4	GMR Generation Assets Limited (GGAL)	Subsidiary	82.16	Yes
5	GMR Highways Limited (GMRHL)	Subsidiary	100.00	No
6	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	Subsidiary	94.79	Yes
7	GMR Pochanpalli Expressways Limited (GPEL)	Subsidiary	99.80	Yes
8	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	Subsidiary	99.83	Yes
9	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	Subsidiary	84.74	Yes
10	Gateways for India Airports Private Limited (GFIAL)	Subsidiary	86.49	No
11	GMR Corporate Services Limited (formerly GMR Aerostructure Services Limited or (GASL))	Subsidiary	100.00	No
12	GMR Aviation Private Limited (GAPL)	Subsidiary	100.00	No
13	GMR Krishnagiri SIR Limited (GKSIR)	Subsidiary	100.00	No
14	Advika Properties Private Limited (APPL)	Subsidiary	100.00	No
15	Aklima Properties Private Limited (AKPPL)	Subsidiary	100.00	No
16	Amartya Properties Private Limited (AMPPL)	Subsidiary	100.00	No
17	Baruni Properties Private Limited (BPPL)	Subsidiary	100.00	No
18	Bougainvillea Properties Private Limited (BOPPL)	Subsidiary	100.00	No
19	Camelia Properties Private Limited (CPPL)	Subsidiary	100.00	No
20	Deepesh Properties Private Limited (DPPL)	Subsidiary	100.00	No
21	Eila Properties Private Limited (EPPL)	Subsidiary	100.00	No
22	Gerbera Properties Private Limited (GPL)	Subsidiary	100.00	No
23	Lakshmi Priya Properties Private Limited (LPPPL)	Subsidiary	100.00	No
24	Honeysuckle Properties Private Limited (HPPL)	Subsidiary	100.00	No
25	Idika Properties Private Limited (IPPL)	Subsidiary	100.00	No
26	Krishnapriya Properties Private Limited (KPPL)	Subsidiary	100.00	No
27	Larkspur Properties Private Limited (LAPPL)	Subsidiary	100.00	No
28	Nadira Properties Private Limited (NPPL)	Subsidiary	100.00	No
29	Padmapriya Properties Private Limited (PAPPL)	Subsidiary	100.00	No
30	Prakalpa Properties Private Limited (PPPL)	Subsidiary	100.00	No
31	Purnachandra Properties Private Limited (PUPPL)	Subsidiary	100.00	No
32	Shreyadita Properties Private Limited (SPPL)	Subsidiary	100.00	No
33	Pranesh Properties Private Limited (PRPPL)	Subsidiary	100.00	No
34	Sreepa Properties Private Limited (SRPPL)	Subsidiary	100.00	No
35	Radhapriya Properties Private Limited (RPPL)	Subsidiary	100.00	No
36	Asteria Real Estates Private Limited (AREPL)	Subsidiary	100.00	No
37	Lantana Properties Private Limited (LPPL)	Subsidiary	100.00	No
38	Namitha Real Estates Private Limited (NREPL)	Subsidiary	100.00	No
39	Honey Flower Estates Private Limited (HFEPL)	Subsidiary	100.00	No
40	GMR SEZ & Port Holdings Limited (GSPHL)	Subsidiary	100.00	No



S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) <sup>1</sup>
41	Suzone Properties Private Limited (SUPPL)	Subsidiary	100.00	No
42	Lilliam Properties Private Limited (LPPL)	Subsidiary	100.00	No
43	Dhruvi Securities Limited (DSPL)	Subsidiary	100.00	No
44	GMR Energy Projects (Mauritius) Limited (GEPML)	Subsidiary	100.00	No
45	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Subsidiary	100.00	No
46	GMR Coal Resources Pte Limited (GCRPL)	Subsidiary	100.00	No
47	GMR Power and Urban Infra (Mauritius) Limited (GPUIML) (formerly GMR Infrastructure (Mauritius) Limited (GIML))	Subsidiary	100.00	No
48	GMR Infrastructure (Cyprus) Limited (GICL)*	Subsidiary	100.00	No
49	GMR Infrastructure Overseas Limited, Malta (GIOL)	Subsidiary	100.00	No
50	GMR Infrastructure (UK) Limited (GIUL)	Subsidiary	100.00	No
51	GMR Infrastructure (Global) Limited (GIGL)	Subsidiary	100.00	No
52	Indo Tausch Trading DMCC (ITTD)#	Subsidiary	100.00	No
53	GMR Infrastructure (Overseas) Limited (GI(O)L)	Subsidiary	100.00	No
54	GMR Smart Electricity Distribution Private Limited (GSEDPL) (formerly GMR Mining & Energy Private Limited (GMEL))	Subsidiary	82.16	No
55	GMR Male International Airport Private Limited (GMIAL)	Subsidiary	76.87	No
56	PT GMR Infrastructure Indonesia (PT GMR Infra)	Subsidiary	100.00	No
57	GMR Energy Limited (GEL)	Subsidiary	47.43	No
58	GMR Energy (Mauritius) Limited (GEML)	Subsidiary	50.05	No
59	GMR Lion Energy Limited (GLEL)	Subsidiary	50.05	No
60	Karnali Transmission Company Private Limited (KTCPL)	Subsidiary	50.06	No
61	GMR Kamalanga Energy Limited (GKEL)	Subsidiary	46.31	Yes
62	GMR Vemagiri Power Generation Limited (GVPGL)	Subsidiary	47.43	No
63	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	Subsidiary	47.43	No
64	GMR Consulting Services Limited (GCSL)	Subsidiary	47.43	No
65	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	Subsidiary	37.88	Yes
66	GMR Warora Energy Limited (GWEL)	Subsidiary	43.67	Yes
67	GMR Bundelkhand Energy Private Limited (GBEPL)	Subsidiary	47.43	No
68	GMR Rajam Solar Power Private Limited (GRSPPL)	Subsidiary	47.43	Yes
69	GMR Maharashtra Energy Limited (GMAEL)	Subsidiary	47.43	No
70	GMR Gujarat Solar Power Limited (GGSPPL)	Subsidiary	47.43	Yes
71	GMR Indo-Nepal Power Corridors Limited (GINPCL)	Subsidiary	47.43	No
72	GMR Upper Karnali Hydropower Limited (GUKPL)	Subsidiary	36.54	No
73	GMR Green Energy Limited (GGEL) (formerly GMR Green Energy Private Limited (GGEPL))	Subsidiary	100.00	No
74	GMR Tenaga Operations and Maintenance Private Limited (GTOM)	Associate	23.71	No
75	Megawide GISPL Construction Joint Venture (MGCJV)	Associate	45.00	No
76	GMR Rajahmundry Energy Limited (GREL)	Associate	36.97	No

\* Ceased to be subsidiary of the Company w.e.f 09.06.2023

# Ceased to be subsidiary w.e.f 30.06.2023

## VI. CSR Details

### 22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

**a. Turnover (in ₹ Crore):**

1,408.78

**b. Net worth (in ₹ Crore):**

11,257.33

## VII. Transparency and Disclosures Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Communities & NGOs		0	0	NA	0	0	NA
Investors (other than shareholders)	<a href="https://investor.gmrpui.com/pdf/4.Policy%20on%20Whistle%20Blower.pdf">https://investor.gmrpui.com/pdf/4.Policy%20on%20Whistle%20Blower.pdf</a>	0	0	NA	0	0	NA
Shareholders		85	0	Resolved	67	0	Resolved
Employees and workers		0	0	NA	0	0	NA
Customers		0	0	NA	0	0	NA
Value Chain: Suppliers and Network partners		0	0	NA	0	0	NA
Value Chain: Channel Partners		0	0	NA	0	0	NA

### 24. Overview of the entity's material responsible business conduct issues

**Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format**

The materiality assessment at GPUIL is undertaken in accordance with the GRI Standards. As part of this process, a four-pillar approach is finalized to identify key material topics and further risk profiling is conducted to identify Risks and opportunities around them:

1. Peer identification and secondary literature review of industry performance and sector-specific global standards.
2. Stakeholder identification, prioritization and engagement with stakeholders.
3. Feedback from internal and external stakeholders.
4. A hybrid research model to prioritize topics using both quantitative and qualitative data.

S. No.	Material issue identified	Environmental E / Social (S)	Indicate whether risk or opportunity (R/O)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
<b>Transportation sector (Highways and EPC)</b>				
1.	Energy Management	E	Risk	Negative
2.	Climate Change and GHG Emissions	E	Risk	Negative
3.	Waste management	E	Opportunity	Positive
4.	Workforce health and safety	S	Opportunity	Positive
5.	Road User Safety	S	Opportunity	Positive
6.	Employee Development and Engagement	S	Opportunity	Positive
7.	Talent attraction and retention	S	Opportunity	Positive
8.	Protection of Human Rights	S	Opportunity	Positive
<b>Energy sector</b>				
1.	Climate change and GHG emissions	E	Risk	Negative
2.	Waste management and resource conservation	E	Opportunity	Positive
3.	Land Use & Biodiversity	E	Risk	Negative
4.	Workforce health and safety	S	Opportunity	Positive
5.	Human rights	S	Opportunity	Positive
6.	Employee development and engagement	S	Opportunity	Positive
7.	Community relations	S	Opportunity	Positive

**Transportation sector**

**Material issues which are posing risk and can have negative financial implications:**

**1. Climate Change and GHG emissions**

Risk

Extreme Weather Events: Climate change can lead to more frequent and severe extreme weather events, such as floods, hurricanes, and heatwaves. These events can damage highways infrastructure, disrupt operations, and lead to increased maintenance and repair costs.

Resource Scarcity: Climate change can lead to resource scarcity, such as water scarcity, which can impact highways operations, such as road construction and maintenance, and lead to increased costs.

Regulatory Compliance: Climate change regulations, such as emissions standards and energy efficiency requirements, can impact the financial performance of highways facilities. Failure to comply with these regulations can result in fines, penalties, and reputational damage.

Stakeholder Expectations: Stakeholders, such as investors, customers, and local communities, are increasingly concerned about the impacts of climate change and expect

highways facilities to adopt sustainable practices. Failure to meet these expectations can lead to reputational damage and impact financial performance.

Mitigative measures

Resilient Infrastructure: Investing in resilient infrastructure, such as flood barriers and drainage systems, can reduce the impacts of extreme weather events on highways infrastructure.

Climate Risk Assessment: Conducting a climate risk assessment can identify climate-related risks and develop adaptation strategies to reduce the financial impact of climate change.

Stakeholder Engagement: Engaging with stakeholders, such as investors, customers, and local communities, can improve understanding of climate risks and enhance the reputation of highways facilities.

**2. Energy Management**

Risk

Energy Costs: High energy consumption and inefficient energy management can result in high energy costs, which can impact the financial performance of highways operators and contractors.

**Energy Security:** Dependence on fossil fuels and centralized energy systems can pose risks to energy security, such as supply disruptions and price volatility, which can impact the operational and financial performance of highways facilities.

**Regulatory Compliance:** Non-compliance with energy regulations, such as energy efficiency standards and emissions regulations, can result in fines and penalties, as well as reputational damage, which can impact the financial performance of highways facilities.

**Environmental Performance:** High energy consumption and emissions can have negative environmental impacts, such as air pollution and climate change, which can result in increased regulatory scrutiny, reputational damage, and potential litigation risks.

#### Mitigative measures

**Energy Efficiency Measures:** Implementing energy efficiency measures, such as upgrading lighting systems, HVAC systems, and building insulation, can reduce energy consumption and costs.

**Energy Management Systems:** Adopting energy management systems, such as energy monitoring and building automation systems, can optimize energy consumption and improve operational efficiency.

**Stakeholder Engagement:** Engaging with stakeholders, such as regulators, customers, and local communities, can improve compliance with energy regulations and enhance reputational benefits.

By identifying and addressing these material ESG issues and implementing effective mitigation measures, the highways sector can minimize risks and negative financial implications and ensure long-term sustainability and resilience.

### **Material issues which are providing opportunity and can have positive financial implications:**

#### **1. Waste Management**

**Recycling:** Implementing a recycling program for construction waste, such as asphalt, concrete, and steel, can reduce waste disposal costs and generate revenue by selling recycled materials.

**Circular Economy:** Adopting a circular economy approach can promote the reuse and recycling of materials, reduce waste generation, and create new business opportunities. For example, waste materials can be used as inputs for new products, such as recycled asphalt or concrete.

**Energy Recovery:** Waste-to-energy technologies can

convert waste materials into energy, such as heat or electricity, which can be used to power highways facilities, reducing energy costs and greenhouse gas emissions.

**Environmental Stewardship:** Promoting environmental stewardship and sustainable waste management practices can enhance the reputation of highways facilities, attract customers and investors, and improve the bottom line.

#### **2. Workforce health & safety**

**Increased Productivity:** By ensuring the health and safety of their workforce, highways facilities can reduce absenteeism, turnover, and injury rates, resulting in increased productivity and reduced costs associated with recruitment and training.

**Improved Reputation:** Adopting and promoting strong health and safety practices can enhance the reputation of highways facilities, increase customer and investor confidence, and improve the bottom line.

**Cost Savings:** Reducing accidents and injuries through safety training and equipment can result in cost savings from reduced insurance premiums, medical expenses, and legal fees.

**Compliance:** Meeting and exceeding health and safety regulations can avoid fines and penalties, reduce legal risks, and improve overall compliance with laws and regulations.

#### **3. Road User Safety**

**Reduced Costs:** By improving road user safety, highways facilities can reduce the number of accidents and injuries on their roads, resulting in lower medical costs, insurance premiums, legal fees, and other related costs.

**Increased Revenue:** Safer roads can lead to increased use of highways facilities, as customers and businesses are more likely to choose roads with a lower risk of accidents and injuries. This can result in increased revenue for the facilities.

**Improved Reputation:** Adopting and promoting strong road user safety practices can enhance the reputation of highways facilities, increase customer and investor confidence, and improve the bottom line.

**Compliance:** Meeting and exceeding road safety regulations can avoid fines and penalties, reduce legal risks, and improve overall compliance with laws and regulations.

#### **4. Employee Development and Engagement**

**Improved Productivity:** By investing in employee development and engagement, highways facilities can improve the skills, knowledge, and motivation of their workforce, resulting in increased productivity, efficiency, and innovation.

**Reduced Turnover:** By offering opportunities for professional growth and development, highways facilities can increase employee retention, reducing the costs associated with turnover and recruitment.

**Enhanced Reputation:** Promoting a culture of employee development and engagement can enhance the reputation of highways facilities, making them more attractive to customers, investors, and potential employees.

**Increased Safety:** Engaged employees who feel valued and supported are more likely to follow safety protocols, reducing the risk of accidents and injuries on the job.

#### 5. **Talent attraction and retention**

**Improved Productivity:** By attracting and retaining talented employees, highways facilities can improve the skills, knowledge, and capabilities of their workforce, resulting in increased productivity, efficiency, and innovation.

**Reduced Turnover:** By offering competitive compensation, benefits, and opportunities for growth and development, highways facilities can increase employee retention, reducing the costs associated with turnover and recruitment.

**Enhanced Reputation:** Developing a reputation as an employer of choice can make highways facilities more attractive to customers, investors, and potential employees, improving their bottom line.

**Increased Safety:** A highly skilled and motivated workforce is more likely to follow safety protocols, reducing the risk of accidents and injuries on the job.

#### 6. **Protection of Human Rights**

**Improved Reputation:** Ensuring the protection of human rights can enhance the highways facility's reputation, making it more attractive to customers, investors, and other stakeholders.

**Increased Community Engagement:** Highways facilities that prioritize the protection of human rights can engage more effectively with the communities in which they operate, promoting positive relationships and reducing the risk of conflict or legal disputes.

**Reduced Legal Risks:** By complying with relevant laws and regulations related to human rights, highways facilities can reduce their legal risks, avoiding costly fines, legal fees, and damage to their reputation.

**Enhanced Employee Satisfaction:** Providing a safe and respectful workplace that protects the human rights of employees can enhance their satisfaction, productivity, and motivation, reducing turnover and increasing productivity.

**Improved Supply Chain Management:** Highways facilities that prioritize the protection of human rights in their supply chain can identify and mitigate potential risks, such as child labor, forced labor, and human trafficking, improving their reputation and reducing legal risks.

### **Energy Sector**

#### **1. Climate change and GHG emissions**

**Regulatory Risks:** Governments around the world are implementing policies and regulations to reduce GHG emissions and combat climate change. Failure to comply with these regulations can lead to penalties, fines, and reputational damage.

**Carbon Pricing:** Many countries are implementing carbon pricing mechanisms, such as carbon taxes and emissions trading schemes, to incentivize companies to reduce their GHG emissions. Failure to reduce GHG emissions can result in higher costs associated with carbon pricing.

**Stranded Assets:** Climate change poses a risk to energy companies' assets, such as oil and gas reserves, as these resources may become uneconomical to extract as the world moves towards a low-carbon economy. This can lead to financial losses and stranded assets.

**Physical Risks:** Climate change can lead to extreme weather events such as floods, hurricanes, and wildfires, which can cause damage to energy infrastructure and lead to disruptions in supply, increasing costs and reducing revenue.

**Reputation Risks:** Energy companies that are perceived as significant contributors to climate change may face reputational damage, leading to loss of customers, investors, and other stakeholders.

To mitigate the risk, we at GMR have a structured system of ISO 14064 for disclosing Climate change emissions. This system enables us to reduce the emissions.

#### **2. Land Use & Biodiversity**

**Land Acquisition and Permitting:** GMR Energy need to acquire land and obtain permits to build energy infrastructure, such as power plants, transmission lines, and pipelines. If there are conflicts with local communities or environmental regulations, this can result in delays, increased costs, and reputational damage.

**Habitat Destruction and Biodiversity Loss:** Energy projects can lead to habitat destruction and biodiversity loss, which can impact ecosystems and endangered species. This can lead to legal and regulatory action, as well as reputational damage and loss of social license to operate.

**Natural Resource Scarcity:** Energy companies may rely on natural resources, such as water, for their operations. Climate change and other factors can lead to natural resource scarcity, which can increase costs and disrupt operations.

**Carbon Offsets and Bioenergy:** Energy companies may use carbon offsets or bioenergy as part of their strategy to reduce GHG emissions. However, these solutions can have negative impacts on land use and biodiversity, such as deforestation or monoculture crops, which can lead to reputational damage and loss of social license to operate.

**Stakeholder Engagement:** Energy companies must engage with stakeholders, including local communities and environmental organizations, to build trust and ensure the long-term sustainability of their operations. Failure to do so can lead to reputational damage, social unrest, and legal and regulatory action.

By identifying and addressing these material ESG risks and implementing effective mitigation measures, the energy sector can enhance its resilience and ensure long-term sustainability and financial performance. GWEL recently engaged with local community of Nandori village and reclaimed 5.1 Hectare barren land through plantation with 95% plantation survival rate.

**Material issues which act as opportunities and can have positive financial implications in energy sector**

**1. Waste management and resource conservation**

**Increasing efficiency:** Improving water management practices, such as reducing water use and improving wastewater treatment, can help energy companies become more efficient and reduce their operational costs.

**Lowering risks:** Water scarcity and quality issues can pose a risk to the energy sector, especially for companies that rely heavily on water for their operations. Implementing sustainable water management practices can help reduce these risks and ensure long-term viability.

**Improving reputation:** Demonstrating a commitment to sustainable water management practices can help energy companies improve their reputation and build trust with stakeholders, including customers, investors, and regulators.

**Accessing new markets:** As water scarcity becomes an increasingly pressing global issue, there is growing demand for innovative water management solutions. Energy companies that can provide these solutions may be able to access new markets and diversify their revenue streams.

**2. Workforce health and safety**

**Increasing productivity:** A safe and healthy workforce is generally more productive, as employees are less likely to be absent due to illness or injury. This can help energy companies improve their operational efficiency and reduce costs.

**Enhancing reputation:** Demonstrating a commitment to workforce health and safety can help energy companies enhance their reputation and build trust with stakeholders, including customers, investors, and regulators.

**Reducing regulatory risks:** The energy sector is subject to a wide range of health and safety regulations, and non-compliance can result in financial penalties and legal liability. Implementing effective health and safety practices can help energy companies avoid these risks.

**Attracting and retaining talent:** In a competitive labour market, offering a safe and healthy work environment can help energy companies attract and retain top talent, reducing recruitment and training costs.

The GMR Energy also has an ISO certified health & safety management system, and this management system is implemented separately at the entities of Energy sector (GWEL and GKEL- ISO 45001). Energy sector’s entity GWEL received Five Star rating and Sword of Honor in British Safety Council. This demonstrates our ability and commitment to establish, implement and maintain an OH&S management system to improve occupational health and safety, eliminate hazards and minimize OH&S risks (including system deficiencies), take advantage of OH&S opportunities, and address OH&S management system non-conformities associated with its activities.

**3. Human Rights**

**Enhancing reputation:** Demonstrating a commitment to human rights can help energy companies enhance their reputation and build trust with stakeholders, including customers, investors, and regulators.

**Reducing regulatory risks:** The energy sector is subject to a wide range of human rights regulations, and non-compliance can result in financial penalties and legal liability. Implementing effective human rights practices can help energy companies avoid these risks.

**Access to markets:** Many investors and customers are increasingly interested in ethical and sustainable business practices, including human rights considerations. Demonstrating a commitment to human rights can help energy companies access new markets and retain existing customers.



Improving relationships with communities: Energy companies often operate in communities that are impacted by their operations. Addressing human rights issues can help improve relationships with these communities, reducing the risk of protests, litigation, and reputational damage.

**4. Employee development and engagement**

Increased employee retention: When employees feel that their development and growth are prioritized by their employer, they are more likely to stay with the company long-term, reducing recruitment and training costs.

Improved productivity: Engaged employees are more likely to be productive and efficient in their work, leading to better business outcomes.

Enhanced innovation: When employees are given the opportunity to develop their skills and knowledge, they can bring new ideas and innovations to the company, leading to competitive advantages in the marketplace.

Better safety and risk management: Employee engagement

programs that prioritize safety can lead to improved safety outcomes and reduced risk in the workplace.

**5. Community relations**

Effective community relations can present opportunities and have positive financial implications for the energy sector. Building and maintaining strong relationships with local communities can lead to increased support for energy projects, improved project timelines and approvals, and reduced operational disruptions from community protests or legal challenges. Engaging with local communities and stakeholders can also help identify potential project risks and opportunities for collaboration, leading to more effective project design and implementation. Positive community relations can also enhance the reputation of energy companies, leading to increased stakeholder trust and investor confidence.

By identifying and pursuing these material ESG opportunities and implementing effective strategies, the energy sector can enhance its competitiveness and position itself for long-term growth and financial performance.

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board?(Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	<a href="https://investor.gmrpui.com/pdf/1.CSR%20POLICY-GPUIL%20-%20Final.pdf">https://investor.gmrpui.com/pdf/1.CSR%20POLICY-GPUIL%20-%20Final.pdf</a> <a href="https://investor.gmrpui.com/pdf/4.Policy%20on%20Whistle%20Blower.pdf">https://investor.gmrpui.com/pdf/4.Policy%20on%20Whistle%20Blower.pdf</a> <a href="https://investor.gmrpui.com/pdf/8.ERM_Framework_Policy_Guidelines.pdf">https://investor.gmrpui.com/pdf/8.ERM_Framework_Policy_Guidelines.pdf</a> <a href="https://investor.gmrpui.com/pdf/ABAC%20Policy%20_Oct2022_Final.pdf">https://investor.gmrpui.com/pdf/ABAC%20Policy%20_Oct2022_Final.pdf</a> <a href="https://investor.gmrpui.com/pdf/11.BRR%20POLICY.pdf">https://investor.gmrpui.com/pdf/11.BRR%20POLICY.pdf</a> <a href="https://investor.gmrpui.com/code-of-conduct">https://investor.gmrpui.com/code-of-conduct</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards adopted by your entity and mapped to each principle	DFCCIL Projects [CP-201 & CP-202] is implemented and certified by Integrated Management System [IMS] includes ISO 9001:2015 [Quality Management System]; ISO 14001:2015 [Environment Management System] and ISO 45001:2018 [Occupational Health and Safety Management System].  Our entities in both Energy and transportation sector are certified to ISO 45001 and OHSAS 18001.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p><b>Goals for FY 2023-24</b></p> <p>Black Assets (Thermal Coal - GWEL &amp; GKEL)</p> <ul style="list-style-type: none"> <li>• 5 % Reduction on achieved target of FY 23 for Hazardous , Non Hazardous and Municipal waste (GWEL &amp; GKEL)</li> <li>• 100% Ash Utilization (GWEL &amp; GKEL)</li> <li>• Reduction in Specific water consumption of GWEL &amp; GKEL</li> <li>• Implementation of Water Efficiency Management system at GKEL</li> <li>• Setting up solar Plant (1 MW) for replacing Township Power with Renewable (GKEL)</li> <li>• CCTV Analytics to enhance monitoring and enforcement related to Health and Safety at GWEL and GKEL.</li> <li>• Implementation of Business Continuity Management System at GWEL</li> <li>• Implementation of Privacy security Management system ISO 27701 at GWEL.</li> <li>• Declaration of Bajoli Plant as Net Zero carbon emission Plant</li> <li>• 10 % reduction on achieved target of FY 23 – Hazardous , Non Hazardous and Electronic Waste at Bajoli Holi</li> <li>• 5 % reduction in ground water consumption by utilizing nearby natural flowing water for laundry and sanitation at Bajoli Holi</li> </ul> <p>Target to plant 150 trees in FY 2023-24 in Power House surrounding area at Bajoli Holi.</p>								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	The performance towards goals is well aligned with the due timeline.								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements.	<p><i>GMR's motivation has always been towards achieving sustainability and we believe that economic growth and resource conservation are complementary goals to support sustainable development. This is well encapsulated in our vision statement "GMR Group will be an institution in perpetuity that will build entrepreneurial organizations, making a difference to society through creation of value. As a group we have always strived towards not just complying with ESG requirements but set standards for responsible and sustainable business conduct. We are committed to reducing our environmental footprint and optimize our resource utilization. We work to achieve Sustainable Development Goals (SDGs) through our operations, partnerships and social initiatives to contribute to creating an equitable and resilient environment and business. Through our values of humility, respect for individuals and social responsibility, we are driven to operate in a way that is socially responsible and beneficial to all of our stakeholders.</i></p> <p><i>Our disclosures are an opportunity for introspection and help enhanced alignment of our processes and policies with the best-in-class practices. We will be monitoring the progress made to our ESG targets very closely and ensure transparent reporting for our stakeholders.</i></p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Srinivas Bommidala (DIN 00061464), Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes. The ESG Committee of the Board is responsible for decision making on sustainability related issues.</p> <p>The ESG Committee comprises of the following members :</p> <ul style="list-style-type: none"> <li>• Mr. Srinivas Bommidala, Managing Director, Chairman</li> <li>• Mr. B.V.N. Rao, Non- Executive Director, Member</li> <li>• Dr. Satyanarayana Beela, Non- Executive Independent Director, Member</li> <li>• Ms. Suman Naresh Sabnani, Non- Executive Independent Director, Member*</li> </ul> <p>* Appointed as director and co-opted as member of the Committee w.e.f August 04, 2023</p>								

**10. Details of Review of NGRBCs by the Company**

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										P1	P2	P3	P4	P5	P6	P7	P8	P9
									No	No	No	No	No	No	No	No	No	

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year: Standalone**

Segment	Total number of training and awareness programmes held	Topic principles covered under the training and its impact	% Age of persons in respective category covered by the awareness programmes
Board of Directors	2	ABAC Policy, COBC	100
Key Managerial Personnel	3	COBC, PASH, Anti-corruption and anti-bribery	100
Employees (other than BoD & KMPs)	3		100
Workers	3		100

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			Not applicable		
Settlement			Not applicable		
Compounding fee			Not applicable		

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			Not applicable	
Punishment			Not applicable	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed. Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, GPUIL has a Board approved anti-corruption or anti-bribery policy.

#### **Anti-corruption or anti-bribery policy**

- The Company has adopted Anti-Corruption and Bribery policy as part of our Code of Business Conduct & Ethics. The policy is applicable to all employees, Board of Directors, subsidiaries, and Business Associates (suppliers, contractors, service providers and other key business partners) of the company and states zero tolerance towards any form of bribery and corruption.
- As per the policy, it applies to all the Employee(s) and Value Chain Partners employees. Every individual or entity to whom the Policy applies, is bound to exhibit honest and ethical conduct in his/her/its official/business dealings and relationships, both in letter and in spirit. Policy also provides guidelines on political, community and charitable contributions to avoid any risk of corruption and bribery.

#### **Governing Legislations**

- The policy has been prepared after giving specific attention to the requirements of the relevant laws to prevent/counter acts of bribery and corruption in the conduct of its business across jurisdictions as per the applicable law(s) of the land

where the GMR Group operates and forbids Employee(s) and Value Chain Partners from indulging in such acts. In setting out the principles, due consideration has been paid to Indian and International laws including the following:

- Prevention of Corruption Act, 1988 and Prevention of Money Laundering Act, 2002 - as amended from time to time.
- UN Convention on Corruption.
- UK Bribery Act; and
- US Foreign Corrupt Practices Act.

#### **Training on Anti-Corruption and Bribery**

- Regular training and awareness sessions on the Policy is provided to all employees and concerned stakeholders to acknowledge their understanding and commitment to adhere to the defined guidelines.

#### **Reporting of Concerns and Violations**

- Every person to whom the Policy applies, is encouraged to raise valid concern(s) about any Bribery or Corruption issue or suspicion of malpractice at the earliest possible stage. The GMR Group has formulated the Whistle Blower Policy with a view to providing a mechanism for the Personnel to raise concern(s) on any violation of GMR Group's Policies.
- GMR Ethics Helpline (Toll Free Number 1800 1020 467 & Email: [gmr@ethicshelpline.in](mailto:gmr@ethicshelpline.in)).

#### **Refer to the link provided below:**

[https://investor.gmrpui.com/pdf/ABAC%20Policy%20\\_Oct2022\\_Final.pdf](https://investor.gmrpui.com/pdf/ABAC%20Policy%20_Oct2022_Final.pdf)

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
<b>R&amp;D</b>	0	0	–
<b>Capex</b>	0	0	–

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

**b. If yes, what percentage of inputs were sourced sustainably?**

8.2% of total procurement was locally sourced (from within suppliers within the state/ district)

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

1. Plastics waste: It is generated in both the entities of GPUIL, however plastic waste is usually generated through packaging items only. Waste is sold to recyclers as scrap to divert from landfill.
2. E-waste & Hazardous waste: E-waste is generated from usage of LED lights, computers & accessories and hazardous waste is generated in our operations and through use of DG sets. Waste is stored in designated place

& sold to authorized recyclers in order to direct from landfill. The fly ash generated is sent for road construction, Cement plants, brick manufacturing, low lying area filling. Damaged Solar PV modules are being taken care by OEM.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not applicable

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
<b>Permanent employees</b>											
Male	777	777	100	742	95	0	0	361	46	777	100
Female	36	36	100	36	100	36	100	0	0	36	100
<b>Total</b>	<b>813</b>	<b>813</b>	<b>100</b>	<b>778</b>	<b>96</b>	<b>36</b>	<b>100</b>	<b>361</b>	<b>44</b>	<b>813</b>	<b>100</b>
<b>Other than Permanent employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* Day care facilities are available for all the employees, with usage varying from time to time.

**b. Details of measures for the well-being of workers:**

Category	% Of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
<b>Permanent workers :</b>	<b>Not applicable</b>										
<b>Other than Permanent workers</b>											
Male	2102	1892	90	210	10	0	0	0	0	0	0
Female	72	72	0	0	0	72	100	0	0	72	100
<b>Total</b>	<b>2174</b>	<b>1964</b>	<b>90</b>	<b>210</b>	<b>10</b>	<b>72</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>72</b>	<b>100</b>



**2. Details of retirement benefits, for Current FY and Previous FY.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	N.A.	Y	100	N.A.	Y
Gratuity	100	N.A.	Y	100	N.A.	Y
ESI	100	N.A.	Y	100	N.A.	Y
Others - please specify	-	-	-	-	-	-

\* There are no permanent workers engaged by the Company

**3. Accessibility of workplaces**

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, our offices/premises are accessible to differently abled employees and workers.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

GPUIL has a group-level enforced Code of Business Conduct and Ethics that includes guidelines for equal opportunities to all employees. Zero tolerance to discrimination based on community, race or gender.

[GMR Code of Business Ethics 2022.pdf \(gmrpui.com\)](#)

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	N.A.	N.A.
Female	100%	100%	N.A.	N.A.
<b>Total</b>	<b>100%</b>	<b>100%</b>	N.A.	N.A.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	<b>Yes/No (If Yes, then give details of the mechanism in brief)</b>
Permanent Workers	Yes, GMR has a Whistle Blower Policy for grievance redressal, which provides a mechanism for employees, including both full-time (PMP Appeals, Ethics Help line), part-time employees, contractual workers (Suggestion Box, Safety Committee, Mass Meeting) and others included in the value chain to report any concerns or grievances. The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimization and also allows for anonymous reporting of complaints.
Other than Permanent Workers	
Permanent Employees	For employees, we have a separate Employee Grievance Policy. Any Whistle Blower making a complaint under this Policy may make a Disclosure to the Ombudsperson through oral or digital modes of communication. Toll Free No. - 1800 1020 467 Email- gmr@ethicshelpline.in
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees/workers in respective category(A)	No. of employees/workers in respective category, who are part of association(s) or Unions (B)	% (B/A)	Total employees/workers in respective category(C)	No. of employees/workers in respective category, who are part of association(s) or Unions (D)	% (D/C)
<b>Total Permanent Employees</b>	At GMR Group, there are no trade unions.					
Male						
Female						
<b>Total Permanent Workers</b>						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
<b>Employees</b>										
Male	777	777	100	777	100	784	784	100	784	100
Female	36	36	100	36	100	37	37	100	37	100
<b>Total</b>	<b>813</b>	<b>813</b>	<b>100</b>	<b>813</b>	<b>100</b>	<b>821</b>	<b>821</b>	<b>100</b>	<b>821</b>	<b>100</b>
<b>Workers</b>										
Male	0	0	-	0	0	0	-	-	0	0
Female	0	0	-	0	0	0	-	-	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	777	749	96	784	773	98.5
Female	36	31	86	37	30	81
<b>Total</b>	<b>813</b>	<b>780</b>	<b>96</b>	<b>821</b>	<b>803</b>	<b>98</b>
<b>Workers</b>						
Male	2102	2102	100	0	0	0
Female	72	72	100	0	0	0
<b>Total</b>	<b>2174</b>	<b>2174</b>	<b>96</b>	<b>0</b>	<b>0</b>	<b>0</b>

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, GPUIL along with its subsidiaries has implemented occupational health and safety management system covering 100% of its operations. GPUIL's entities in both Energy and transportation sector are certified to ISO 45001 and OHSAS 18001. The HSE policy is driven by its commitment to ensure good health and well-being for all its employees. It provides a comprehensive framework for ensuring a safe and incidence-free workplace, effective investment in health promotion and disease prevention at all levels of the business.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine**

**basis by the entity?**

GPUIL along with its subsidiaries has implemented a health and safety risk management system to undertake safety audits and identify work related hazards in our operations.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, GPUIL has established processes in its subsidiaries for workers to report the work-related hazards and to remove themselves from such risks.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. GMR Group has medical centers at all the offices which are accessible to the employees and workers.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

- Hazard identification, Risk Assessment and Management is done in accordance with Hazard Identification and Risk Assessment (HIRA) Procedure and Job Safety Analysis (JSA) Procedure.
- Hierarchy of controls is followed for application of risk control measures, Control Plans commensurate to risk are deployed before execution of job. No job is executed until risks are brought to acceptable range.
- Safety Committees are in place at various levels to review the adequacy of resources for safety and to provide support for safety management system deployment.
- Deployment of Safe and Healthy system of work is assured through periodic safety audits and inspections across sites.

Specifically, the energy sector entities have implemented the following measures:

- The energy sector has a well-established procedure for

consultation and participation of stakeholders

- Needs and expectations of employees, workers and other stakeholders being identified through the various forums explained in the procedure.
- Involvement in the development and review of policy and procedures to manage risks.
- Consultation when there are any changes that affect environment, workplace health and safety.
- The role of employees representing on this forum is clearly defined
- Management reviews (Monthly Safety Committee, MRM,)
- Safety Improvement systems
- Plant Safety Leaders
- Auxiliary Fire Fighting Force (AFFF)
- Relevant stakeholders are involved during Policy setting and development of scope for OHSMS in GWEL.
- Employees are encouraged to suggest improvements in

OH&S management through suggestion scheme, Near miss reporting, system improvement plan and Idea factory.

- Encouraged to take part in identification of non-conformities, Safety Observations and HIRA preparation.
- All relevant stakeholders are involved in the OHS objective setting process and development of plans for effective implementation of the identified targets.

- Stakeholders needs are addressed during the procurement stage. OHSMS policy and GMR group's values & beliefs, Business ethics are shared to vendors.
- Periodic feedback is done through Vendor Evaluation survey to understand their needs and further development in OHSMS system.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	
Health & Safety	0	0	-	0	0	

**14. Assessments for the year:**

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

- Processes are in place in case of safety related accidents to being investigated and learnings from investigation reports are shared across organization for deployment of corrective actions to stop recurrence of such incidents. Effectiveness of Corrective actions deployment is also checked during safety Audits.
- Significant risks/concerns arising from assessment of Health and Safety Practices are addressed through elimination of manual job by use of Technology/Digitization, Safety Capability Building, Monitoring and supervision, etc.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

(A) Employees: Yes

(B) Workers: Yes

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Through HR Clearance in every month before depositing the bills

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY2021-22	FY 2022-23	FY2021-22
Employees	0	0	0	0
Workers	0	0	0	0

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

- GPUIL along with its subsidiaries identifies its stakeholder groups through the Stakeholder Engagement and Materiality Assessment (SEMA) process.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Groups	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others-please specify)	Purpose and scope of engagement including key Topics and Concerns raised during such engagement
Employee	No	Review Meetings	Monthly/ Quarterly/ Annually	<ul style="list-style-type: none"> <li>• Job satisfaction</li> <li>• Career progression</li> <li>• Learning &amp; development and knowledge sharing</li> <li>• Employment terms and job stability</li> <li>• Workplace safety</li> <li>• Diversity and inclusion</li> <li>• Company strategy and leadership</li> <li>• Positive corporate image</li> <li>• Environmental stewardship</li> </ul>
		Strategy Workshop	Annually	
		CEO Communication	Half-yearly	
		KM Sessions, Idea factory camps, 5S session	Periodically	
		Email, wallpaper and screensaver	Periodically	
		Internal employee feedback surveys	Periodically	
		Company intranet - Navyata Digital HR		
		Employee helpline	Periodically	
		Trainings and workshops		
		B2B relationship meeting	Periodically	
		Conference and forums	Periodically	
GMR Awards	Periodically			
Feedback	Periodically			
Customers	No	Power trading and gas market participation	Periodically	<ul style="list-style-type: none"> <li>• Managing energy use with new technologies</li> <li>• Lowering energy costs</li> <li>• Interest towards clean energy</li> <li>• Energy efficiency</li> <li>• Safety</li> </ul>
		Internet based feedback interface	On-going	
		Customer satisfaction surveys	Periodically	
		24*7 customer care	On-going	
		Publications and reports	Monthly/ Quarterly/ Annually	
		Energy efficiency and demand response programs	Periodically	
Business Associate	No	Meeting with service provider	Monthly	<ul style="list-style-type: none"> <li>• Infrastructure</li> <li>• Safe, secure, efficient and clean operational environment</li> <li>• Reliable, compatible and innovative IT solutions</li> <li>• Business opportunities and growth</li> </ul>
		Trainings and workshops	Periodically	
		B2B Relationship Meeting	Periodically	
		Conference and forums	Periodically	

Stakeholder Groups	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others-please specify)	Purpose and scope of engagement including key Topics and Concerns raised during such engagement
Government/ Regulators	No	In-person / virtual meetings	On-going	<ul style="list-style-type: none"> <li>Regulatory compliance</li> <li>Frequent communication &amp; interaction</li> <li>Reliability</li> <li>Security, affordability and sustainability of electric supply</li> <li>Energy market structure and regulation</li> <li>Policies</li> <li>Financial derivatives</li> <li>Safety, CSR</li> <li>Fuel diversification and balanced energy matrix</li> </ul>
		Event and Conference	Periodically	
		Power plant tours	Periodically	
		Policy papers, testimony and briefings	On-going	
		Regulatory proceedings and rate cases	On-going	
		CEA and state authority reporting	Periodically	
		Reporting in compliance with national and local requirements across all sites	Periodically	
Society (Community)	No, except in few cases of CSR Initiatives for marginalized communities	Corporate Social Initiatives	On-going	<ul style="list-style-type: none"> <li>Economic and business development</li> <li>Initiative for green sustainable environment</li> <li>Employee Opportunity (employment of local talent) &amp; relationship</li> <li>Infrastructure</li> <li>Emergency response and service restoration</li> <li>Social initiatives</li> </ul>
		Periodic community meetings for communities surrounding power plants	Periodically	
		Career fairs	Periodically	
		Volunteer projects	On-going	
		Website	Periodically	
		Traditional and social media	Periodically	
Suppliers	No	Information through web portal (Safety policies and guidelines, procedures, terms and conditions)	Periodically	<ul style="list-style-type: none"> <li>Fair and transparent procurement and sourcing.</li> <li>Requirements, environmental guiding principles and supplier diversity objectives</li> </ul>
Investors and shareholders	No	Quarterly earnings presentations	Quarterly	<ul style="list-style-type: none"> <li>Strategy and growth plans</li> <li>Return on investment</li> <li>Capital allocation</li> <li>Governance</li> <li>Financial performance and liquidity</li> <li>Shareholder returns, including dividends</li> <li>Risk and crisis management</li> <li>Environmental performance</li> </ul>
		Investor relations website	On-going	
		Rating agency discussions	On-going	
		Investor and public forum events such as the Annual Shareholder Meeting	Monthly/ Quarterly/ Annually	
		Annual and Corporate Social Responsibility Reports	Annually	
		Traditional and social media	Periodically	
		Periodic Stock Exchange intimation	Periodically	



Stakeholder Groups	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others-please specify)	Purpose and scope of engagement including key Topics and Concerns raised during such engagement
Industry observers	No	Industry organizations, conferences, and direct dialogue	Periodically	<ul style="list-style-type: none"> <li>• Employment</li> <li>• Business development</li> <li>• Infrastructure</li> <li>• Trends in the sector</li> <li>• Environmental performance and policies</li> <li>• Safety</li> <li>• Skilled workforce development</li> </ul>
		Advisory councils		
		Website		
		Traditional and social media		
Media	No	Press conferences	On-going	<ul style="list-style-type: none"> <li>• Business impact on community and country</li> </ul>
		Press releases	On-going	
		Interviews	On-going	

**PRINCIPLE 5: Businesses should respect and promote human rights**

**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B / A)	Total (C)	No of employees/workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	813	813	100	821	821	100
Other than permanent	0	0	0	0	0	0
<b>Total Employees</b>	<b>813</b>	<b>813</b>	<b>100</b>	<b>821</b>	<b>821</b>	<b>100</b>
<b>Workers</b>						
Permanent	0	0	0	0	0	0
Other than permanent	2174	2174	100	2195	2195	100
<b>Total Workers</b>	<b>2174</b>	<b>2174</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
<b>Employees</b>										
Permanent	813	55	7	758	93	821	560	68	261	32
Male	777	44	6	733	94	784	537	68	247	32
Female	36	11	31	25	69	37	23	62	14	38
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
<b>Workers</b>										
Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	2174	1390	64	784	36	2195	1373	63	822	37
Male	2102	1320	63	782	37	2125	1305	61	820	39
Female	72	70	97	2	3	70	68	97	2	3

**3. Details of remuneration/salary/wages, in the following format: Standalone**

Category	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	11	1,87,64,173	0	0
Key Managerial Personnel	3	76,18,007	0	0
Employees other than BoD and KMP	113	13,98,991	4	7,16,556
Workers	0	0	0	0

\* Out of 11 directors, remuneration paid to 2 two executive directors. Six independent directors were paid sitting fee and not considered in the determination of the median remuneration.

\*\* Managing director has been included in the category of KMP and not in Board of directors.

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Human rights aspects and grievance redressal is mentioned in our Code of Business Conduct and Ethics Refer to our Code of Business Conduct and Ethics-

<https://investor.gmrpui.com/code-of-conduct>

**6. Number of Complaints on the following made by employees and workers:**

Complaints	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour / Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other Human Rights related issues	0	0	-	0	0	-

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Refer to our Code of Business Conduct and Ethics-  
<https://investor.gmrpi.com/code-of-conduct>

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes

**9. Assessments for the year:**

Complaints	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100
Others - please specify	This is assessed by 3rd party under SA 8000 Management system. GWEL is having SA 8000. No cases/Complaints reported.

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not applicable

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

**Energy Sector**

Parameter	FY 2022-23 (GJ)	FY 2021-22 (GJ)
Total electricity consumption (A)	1,61,731.3	1,42,386.9
Total fuel consumption (B)	11,05,44,556.6	10,64,03,842.0
Energy consumption through other sources (C)	59,217.4	63,381.2
<b>Total energy consumption (A+B+C)</b>	<b>11,07,65,505.3</b>	<b>10,66,09,610.0</b>

**Transportation sector:-**

Parameter	FY 2022-23 (GJ)	FY 2021-22 (GJ)
Total electricity consumption (A)	30,330.0	30,094.56
Total fuel consumption (B)	4,001.3	4,000.3
Energy consumption through other sources (C)	0	0
<b>Total energy consumption (A+B+C)</b>	<b>34,331.3</b>	<b>34,094.8</b>

Parameter	FY 2022-23	FY 2021-22
GPUIL*	18.80	18.09
Energy intensity per rupee of turnover (Total energy consumption (TJ) / turnover in crores)		

\*For Energy Sector GKEL, GWEL, Bajoli Holi, GGAL, Gujarat Solar, Rajam and for Transportation Sector both Highways and DFCC are considered for the intensity calculation

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes. For the energy sector GKEL data was assessed through M/s Betcon in November 2021.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

For energy sector:

Yes, GKEL IS DC under PAT CYCLE V. Target is achieved

GWEL - Target NHR - 2554.62 kcal/KWh

Achieved NHR - 2524.24 Kcal/KWh

GWEL is Under PAT Cycle-II & have over-achieved target by 30 Kcal/kWh

3. **Provide details of the following disclosures related to water, in the following format:**

**Energy Sector:**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	2,33,86,166	2,13,24,565
(ii) Groundwater	183	182
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	19,28,249	27,80,087
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>2,53,14,598</b>	<b>2,41,04,834</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>2,55,83,018</b>	<b>2,42,54,779</b>

\*Water data includes GKEL, GWEL and Rajam

**Transportation sector:**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0.0	0.0
(ii) Groundwater	45,605.6	48,851.5
(iii) Third party water	0.0	0.0
(iv) Seawater / desalinated water	0.0	0.0
(v) Others	0.0	0.0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>45,605.6</b>	<b>48,851.5</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>45,605.6</b>	<b>48,851.5</b>

*\*Water data includes Highways and DFCC*

Parameter	FY 2022-23	FY 2021-22
<b>Water intensity per rupee of turnover</b> (Water consumed (KL) / turnover (in crores)	4,350	5,676

*\*For Transportation Sector both Highways and DFCC are considered and for Energy Sector no entity was considered for the intensity calculation*

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No independent assessment has been carried out for the KPIS mentioned above in FY 2022-23.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

ZERO Liquid Discharge Strategy:

GKEL & GWEL of Energy sector and DFCC project of Transportation sector have implemented system of Zero Liquid Discharge in design Stage only. All wastewater is purified & recycled hence, leaving Zero Discharge outside the plant at end of treatment cycle.

We are having individual scheme of treatment for reuse/ recycle of different wastewater being generated.

Domestic water after treatment is used for Green Belt Development while Industrial effluent after treatment is used for various process applications with Zero Water Discharge outside the system.

PT Plant Waste: PT plant waste is generated from PT clarifier and also from ERS clarifier. Sludge and water is been separated through sludge handling system, which consists of sludge pit-Sludge Thickener- Centrifuge Feed tank- Centrifuge- Sludge Transfer point. Water is being separated in this process is recycled back to Reservoir through the Supernatant tank. RGSF back wash waste is also being collected in supernatant tank, which is being recycled back to reservoir after the settlement of impurities. Solid Sludge separated in the aforementioned process

is collected in Trolley truck and disposed off through accredited authority as per standard procedure.

RO-DM Waste: Wastewater is being generated during the generation of RO- DM water is collected in Effluent collection (EC Pit) Pit. Acid and Alkali treatment scheme is provided for Neutralization of EC pit waste. After the neutralization process, treated water is used for the Ash handling plant and also Coal handling plant for dust suppression etc.,

Circulating water waste: Circulating water system COC (Cycle of Concentration) is being operated at greater than 7 against design of 4 to optimize on water consumption. With the help of specialized chemicals, key operating parameters of circulating water are being maintained so as to control Bio growth, corrosion, scaling and deposits. The system blow-down requirement is met by discharging waste through the Effluent recovery system (ERS) & Fire Fighting System. Further water from ERS is passed through clarifier- MGF- UF- RO system. Treated effluent from the aforementioned ERS is utilized for DM water production.

Domestic water waste: All the domestic effluents being collected in collection sump of STP. STP system consists of collection sump- Collection chamber- FBR (Fluidized Bed Reactor)- Tube settler- Clarifier storage tank- Filter Press. Treated water from the STP used for Green belt development.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

**For Energy sector:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Mg/Nm <sup>3</sup>	304	294
SOx	Mg/Nm <sup>3</sup>	1,178	1,196
Particulate matter (PM)	Mg/Nm <sup>3</sup>	39	38
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others, please specify	NA	NA	NA

\*Air emissions data includes data from GKEL and GWEL

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Pollution Control Board Approved agency does the independent assessment/ evaluation of our Emissions data.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

**Energy Sector**

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,26,05,008	1,20,25,573
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	926	1,032

\*Air emissions data includes data from GKEL and GWEL

**Transportation sector**

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	22	21
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	296	296

\*Emissions data includes Highways and DFCC

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 1 and Scope 2 emissions / turnover (in crores)*</b>	tonnes of CO <sub>2</sub> / turnover	2139	2,809

**\*At GPUIL level**

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

ISO 14064 standard is implemented at GKEL and GWEL. As a part of this system, certifying agency does the assessment.



**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

**Energy Sector:**

**GKEL**

S. No	Details of project	FY 2022-23 (energy saving in kWh)	FY 2021-22 (energy saving in kWh)
1	Replacement of conventional light to LED in FY 2021-22	79,174	86,928
2	Compressor replacement 1 No in FY 2021-22	4,37,580	1,19,340
3	Replacement of conventional light to LED in FY 2022-23	21,404	0
4	Compressor replacement 1 No in FY 2022-23	2,38,680	0

**GWEL**

S. No	Details of project	FY 2022-23 (energy saving in kWh)	FY 2021-22 (energy saving in kWh)
1	Auxiliary Power Consumption reduction through removal of short Column Pipe in River Water Pump	-	61,706
2	Installation of Airtron-AC Energy Saver for energy conservation in Air Conditioner	-	29,134
3	BFP Power Consumption Optimization by Replacement of Existing Valve with Modified RC Valve	-	17,86,220
4	Power Consumption Optimization through 3 Mill Operation during low load operation	-	2,64,005
5	Installation of Intelligent Flow Controller & Intelligent Compressor Controller in Compressed Air System for Energy Conservation	2,32,505	-
6	Anti-Erosion Ceramic Coating in Flue Gas duct	75,97,789	-
7	AHP Power Consumption Optimization through Cycle Time Reduction	22,40,540	-
8	BFP Power Consumption Reduction through FRS Operation Optimization	19,05,000	-

**8. Provide details related to waste management by the entity, in the following format:**

**Energy Sector**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	1.652	2.158
E-waste (B)	7.498	0.838
Bio-medical waste (C)	0.04096	0.05401
Construction and demolition waste (D)	0	0
Battery waste (E)	13.05	19.593
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	44.99	29.60
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	930396	821091
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>930463.234</b>	<b>821143.246</b>

Parameter	FY 2022-23	FY 2021-22
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	0	0
(ii) Re-used	6,78,882	5,27,103
(iii) Other recovery operations	0	0
<b>Total</b>	<b>6,78,882</b>	<b>5,27,103</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0	00
(ii) Landfilling	9.87	11.66
(iii) Other disposal operations	0	0
<b>Total</b>	<b>9.87</b>	<b>11.66</b>

#### Transportation Sector

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated</b>		
Plastic waste (in MT) <b>(A)</b>	0	0
E-waste (in MT) <b>(B)</b>	0	0
Bio-medical waste (in MT) <b>(C)</b>	0	0
Construction and demolition Waste (in MT) <b>(D)</b>	51.78	131.72
Battery waste (in MT) <b>(E)</b>	0	0
Radioactive waste (in MT) <b>(F)</b>	0	0
Other Hazardous waste. Please specify, if any. (G) (in Liters)	5468	2767.8
Other Hazardous waste. Please specify, if any. (G.i) (in nos.)	905	557
Other Non-hazardous waste generated (in MT) (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	312.41	113.98
Total (G) Ltrs	5468	2767.8
Total (G.i) Nos.	905	557
Total (A+B + C + D + E + F + H) MT	364.19	245.7
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled (in MT)	312.41	113.98
(ii) Re-used (in MT)	51.78	131.72
(ii.a) Re-used (in Litres)	5468	2767.8
(iii) Other recovery options (in MT)	0	0
<b>Total (in Ltrs)</b>	<b>5468</b>	<b>2767.8</b>
<b>Total (in MT)</b>	<b>364.19</b>	<b>245.7</b>

Parameter	FY 2022-23	FY 2021-22
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration (Nos.)	905	557
(ii) Landfilling (in MT)	0	0
(iii) Other disposal options (in MT)	0	0
<b>Total</b>	<b>905</b>	<b>557</b>

\*Waste data includes Highways and DFCC

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Waste management practices at GKEL and GWEL:

1. Fly ash: Generated fly ash is collected in closed silos & send to cement manufacturing plant, fly ash brick plant & construction of road.
2. Used oil: Used oil collect from process & store in Hazardous waste shed. It is sold to authorized recyclers.
3. E-waste: Generated E-waste stored at e-waste shed & sell to authorized recyclers.
4. Battery waste: Collected battery waste store at Hazardous Waste shed and sell to authorized recyclers under buy back policy.

At Bajoli Holi, a bio-medical waste pit is developed at site as per IS standard. The quantity of waste being quite less, a deep burial pit has been constructed, which is safe and in compliance to PCB.

Waste management procedure is duly defined in the IMS manual of the organisation. All the Hazardous/Non-Hazardous waste are defined in the procedure as per which Segregation, collection, disposal is defined. Reduction targets are taken in the Objective and targets of the individual departments and same is being reviewed on monthly basis.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	GMR Kamalanga Energy Limited, AT/PO: Kamalanga, PS: Kantabania, VIA: Meramundali, Dist: Dhenkanal, Odisha Pin 759121.	Power Generation	Yes
2	GMR WARORA Energy Ltd Plot-B-1, MIDC Growth Centre Mohabala-Tehsil-Warora, Maharashtra - 442907	Power Generation	Yes

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not applicable

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, all the plants and entities are compliant with the above referred Laws/ Rules

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
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Not applicable

**Leadership Indicators**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

**For Energy sector:**

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>0</b>	<b>0</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	11,57,128.524	12,89,195
Total fuel consumption (E)	78,84,077.394	77,76,975
Energy consumption through other sources (F)	959.65	850
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>27,60,999.568</b>	<b>23,20,301</b>

*\*Electricity consumption is considered for GKEL & GWEL*

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No**

**2. Provide the following details related to water discharged:**

**For Energy sector:**

<b>Parameter</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
<b>Water discharge by destination and level of treatment (in kilolitres) -</b>		
(i) To Surface water		
- No treatment	Our Plant is Zero Liquid Discharge entity. All the effluent generated from process is being treated in ETP and is used in various plant activities.	Our Plant is Zero Liquid Discharge entity. All the effluent generated from process is being treated in ETP and is used in various plant activities.
- With treatment - please specify level of Treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(ii) To Groundwater		
- No treatment	45.84	183.384
- With treatment - please specify level of Treatment	-	-
(iii) To Seawater		
- No treatment	No treatment	No treatment
- With treatment - please specify level of Treatment	-	-
(iv) Sent to third-parties		
- No treatment	No treatment	No treatment
- With treatment - please specify level of Treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment - please specify level of Treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>45.84</b>	<b>183.384</b>

The GKEL & GWEL Plant is Zero Liquid Discharge entity. All the effluent generated from process is being treated in ETP and is used in various plant activities.

Water is discharged to groundwater at Rajam.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

**3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters): NA**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of Area
- (ii) Nature of Operations

(iii) Water Withdrawal, Consumption and Discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
<b>Total volume of water withdrawal (in kilolitres)</b>	NA	NA
<b>Total volume of water consumption (in kilolitres)</b>	NA	NA
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	NA	NA
<b>Water intensity</b> (optional) - the relevant metric may be selected by the entity	NA	NA
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	NA	NA
- No treatment		
- With treatment - please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>		

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

**For Energy Sector:**

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2,15,751.20	1,95,697.90
<b>Total Scope 3 emissions per rupee of turnover</b>	tCO <sub>2</sub> e/ rupee	0.000015	0.00013

\*Emissions data includes data from GKEL and GWEL

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. NA

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	100% ash utilization	100 % fly ash utilization is ensured. Total legacy ash also utilized.	Cumulative fly ash is null.
2.	DFDS installed at truck tippler	To mitigate fugitive emission during unloading of coal truck at truck tippler, DFDS is installed and operate effectively.	Fugitive emission from truck tippler is controlled.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Entities have both Business Continuity & Disaster management Plan which is called as Onsite Emergency Response Plan. It comprises of all the expected emergency that can take place in Thermal Power Plant and mitigation measures for the same.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No Significant adverse environmental impact has been observed arising from the value chain

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

100%

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.

Nil

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

The Company is working on availing membership from the various industry chambers / associations .

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable	Not Applicable	Not Applicable

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link

Though it is not mandated, GMR Varalaksmi Foundation (GMRVF) conducted final impact evaluation of Livelihood Restoration Program at Kamalanga through a third party during the year. The program which was implemented over a period of six years has benefited about 1500 project affected families ; GWEL and GKEL are certified under ISO 26000 which is a CSR standard by reputed agency Bureau Veritas



**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
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NA

**3. Describe the mechanisms to receive and redress grievances of the community.**

GMRVF, CSR arm of GMR Group, is implementing various community development initiatives for the benefit of communities around the business locations of GPUIL. To address any grievances from the communities, comprehensive mechanism for receiving grievances and addressing those community issues under CSR was devised and implemented through GMRVF. The status of various grievances received and addressed are being tracked by the CSR team.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	4.9%	1.6%
Sourced directly from within the district and neighbouring districts	4.8%	4.3%

**Leadership Indicators**

**1. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sr. No.	State	Aspirational District	Amount spent (₹ in crore)
1	Odisha	Dhenkanal (Supporting 10 government schools, one English medium DAV school, 16 Anganwadi, Running a Mobile Medical Unit, Tele-medicine program, Farm and non-farm livelihood support activities), Infrastructure development in periphery villages	3.27
2	Himachal Pradesh	Chamba (Supporting government schools, running a Mobile Medical Unit and health outreach programs, livelihood support activities)	0.30

**2. Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Education - Support to Government Schools	7580	100
2.	Health - Mobile Medical Unit	28400	90
3.	Health- Evening Medical Clinics	16250	80
4.	Health-camps	19500	90
5.	Health - Awareness camps	38000	70
6.	Health- Nutrition Centers	222	100
7.	Water ATM	3500	50
8.	Vocational Training	200	100
9.	Livelihoods-Farming	505	90
10.	Livelihoods - Non-farm	150	90

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicator**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

**GKEL & GWEL**

The Customers can use several access mechanisms that best suits their requirement, in order to register a query or a complaint. Daily mail communication sent to the Customers by the Plant Shift-in-charge to the Customers regarding Scheduling / Curtailment / Consent also includes the website link to the PPA team. However, the most preferred and regular communication of the PPA Customer is with the Plant Operations Shift-in-charge since they are mostly operational in nature.

All queries / complaints are logged in the complaint register maintained in the Operations Department. If the nature of the query / complaint is within the purview of the shift-in-charge's responsibility, then he is responsible for the closure of the same within the prescribed time limit and subsequently inform the Customer of the closure/response upon completion of the action.

The records of all such communication are maintained with the Shift-in-charge. If the nature of the query/complaint requires escalation, then COO is consulted for effective resolution. In addition, the query / complaint data is reviewed in the daily operations meeting and also in the monthly operation review meeting which is chaired by CEO for trends and these form the basis for continuous improvement projects to "deliver the promise" which is one of GMR's core values. There have been no complaints thus far and all communication with the Customer is for the scheduling / consent / curtailment

**Bajoli Holi**

There are 2 Beneficiaries to Bajoli Holi, One is UPPCL and another is DIAL. PPA management team receive the complaints and being resolved by them over Phones and Emails. Separate logs are not created for the same.

**GETL**

Consumers raise complaints in case of energy accounting, billing and settlement related which are specific to particular contract terms and conditions. Customers viz. Seller(s) or Buyer(s) as the case may be are handled by dedicated relationship manager who handles such complaints end to end by seeking internal co-ordination with concerned team depending upon queries related to business operations, commercial or contracts as the case may be.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

**3. Number of consumer complaints in respect of the following:**

Complaints	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	3	NIL	All complaints resolved within requisite timelines specified in contracts	5	NIL	All complaints resolved within requisite timelines specified in contracts
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. The privacy policy is published on GMR website and the link for the same has been provided. Information Security and Cyber Security Policy exists and is not published in public domain. The policy can be shared with required stakeholders. (<https://www.gmrgroup.in/privacy-policy/>)

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There have been no issues reported with respect to cyber security and data privacy. There is Next Generation 24x7 Security Operations Centre (SOC) which provides Cyber Threats Detection & Response capabilities to ensure quick and effective detection and response to information and cyber security incidents.

# Financial Section

## To the Members of GMR Power and Urban Infra Limited

### Report on the Audit of the Consolidated Financial Statements

#### Qualified Opinion

1. We have audited the accompanying consolidated financial statements of GMR Power and Urban Infra Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates, joint ventures and joint operations, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures and joint operations except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates, joint ventures and joint operations, as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### Basis for Qualified Opinion

3. As stated in note 7(b)(12)(i) to the accompanying consolidated financial statements, the Group has an investment amounting to ₹ 895.74 crore (net of impairment) in GMR Energy Limited ('GEL'), a joint venture company and outstanding loan (including accrued interest) amounting to ₹ 2,188.80 crore recoverable from GEL and its subsidiaries and joint ventures as at 31 March 2023. GEL has further invested in GMR Kamalanga Energy Limited ('GKEL'), a subsidiary of GEL.

As further mentioned in note 7(b)(12)(iii), the fair value of investment in GKEL considered for the purpose of determining the carrying value of aforesaid investment is based on the valuation performed by an external expert using the discounted future cash flows method which is significantly dependent on

the achievement of certain key assumptions considered in aforementioned valuation such as settlement of disputes with customers and timely realization of receivables, expansion and optimal utilization of existing capacity, and favourable outcome of the litigations with respect to claims of capital creditors filed against GKEL.

In addition to the above, considering the erosion of net worth and net liability position of GKEL, we, in the capacity of auditors of GKEL have also given a separate section on material uncertainty related to going concern in the audit report on the Financial Statements of GKEL for the year ended 31 March 2023.

Owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying values of the loans (including accrued interest) and non-current investment as at 31 March 2023 and the consequential impact on the accompanying consolidated financial statements.

The opinion expressed by us on the consolidated financial statements of the Holding Company for the year ended 31 March 2022 vide our audit report dated 18 May 2022 was also qualified in respect of above matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates, joint ventures and joint operations in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 19 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion.

#### Emphasis of Matters

5. We draw attention to note 33(a) to the accompanying consolidated financial statements, which describes the uncertainty related to the outcome of a tax assessment from Maldives Inland Revenue Authority ('MIRA') on business profit tax. As per the statement issued by MIRA dated 28 October 2021, GMR Male International Airport Private Limited ('GMIAL') has to settle business profit tax amounted to USD 1.44 crore and fines on business profit tax amounted to USD 0.82 crore. As per the letter dated 22 January 2020 issued by the Ministry of Finance Male, Republic of Maldives, "the amount of tax assessed

by the MIRA relating to the final arbitration award is only USD 0.59 crore and this amount should be paid by whom the payment was settled to GMIAL in the event of any tax payable by GMIAL". Further the letter also confirms that GMIAL is not liable to pay for the taxes assessed by MIRA on the arbitration sum and the Government of Maldives have initiated communication with MIRA to settle the taxes and fines payable on the arbitration award. Accordingly, the ultimate outcome of the business tax assessment sent by the MIRA cannot be determined and hence, the effect on the consolidated financial results is uncertain. Accordingly, the Group has not made any provision in the accompanying consolidated financial statements. Our opinion is not modified in respect of this matter.

The above matter has also been reported as an emphasis of matter in the audit report dated 04 May, 2023 issued by other firm of chartered accountants on the financial statement of GMIAL for the period ended 31 December 2022.

6. We draw attention to note 42(i) to the accompanying consolidated financial statements in relation to implications of CERC (Procedures, terms and conditions for grant of trading license and other related matters) Regulation, 2020, effective from January 2020 on the operations of GMR Energy Trading Limited ('GETL'), a subsidiary of the Holding Company. GETL is in the process of ensuring necessary compliances with respect to current/liquidity ratio as required under aforesaid regulations in due course.

The Management of the Holding Company based on the legal opinion is of the view that non achievement of the said ratio will not have any material implication on operations of GETL. Our opinion is not modified in respect of this matter.

The above matter has also been reported as an emphasis of matter in the audit report dated 26 April 2023 issued by other firm of chartered accountants on the financial results of GETL for year ended 31 March 2023.

7. We draw attention to note 43(i) to the accompanying consolidated financial statements which describes that the milestones linked to the contingent sale consideration receivable on account of sale of equity stake and inter-corporate deposits recoverable from Kakinada SEZ Limited ('KSEZ') have not been achieved, and as a result, the Group has reversed the balance consideration receivable amounting to ₹ 442.58 crore during the current year, which has been charged to Statement of Profit and Loss and disclosed under exceptional items. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

8. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates, and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
9. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<b>1. Assessment of going concern basis</b> (refer Note 1.1 to the accompanying consolidated financial statements)	
<p>The Group has profit before tax amounting to ₹ 1,232.19 crores for the year ended 31 March 2023 with a consequent lower credit rating of some of its borrowings. While the above factors indicated a need to assess the Group's ability to continue as a going concern, as mentioned in note 1.1 to the accompanying consolidated financial statements, the Group has taken into consideration various initiatives including monetization of assets, recovery of outstanding claims in various infra business (highway sector/EPC), raising finances from financial institutions/ group companies, strategic investors and from other strategic initiatives and refinancing of existing debts considered as mitigating factors in its assessment for use of going concern basis of accounting for preparation of the accompanying consolidated financial statements.</p>	<p>Our audit procedures included but were not limited to, the following in relation to assessment of appropriateness of going concern basis of accounting:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management's process for identifying all the events or conditions that could impact the Group's ability to continue as a going concern and the process followed to assess the mitigating factors for such events or conditions. Also, obtained an understanding around the methodology adopted and the associated controls implemented by the Group to assess their future business performance to prepare a robust cash flow forecast;</li> <li>• Reconciled the cash flow forecast to the approved future business plans of the respective companies included in the Group, as applicable, and considered the same for our</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>For the aforesaid purpose, the Management has prepared future cash flow forecasts based on the management business plans as approved by the Board of the Directors and performed sensitivity analysis of the key assumptions and inputs used in such projections to assess whether the Group would be able to operate as a going concern for a period of at least 12 months from the date of financial statements and concluded that the going concern basis of accounting used for preparation of the accompanying consolidated financial statements is appropriate and there is no material uncertainty in such assessment.</p> <p>We have considered the assessment of management's evaluation of going concern basis of accounting as a key audit matter due to the pervasive impact thereof on the consolidated financial statements and the significant judgements and assumptions that are inherently subjective and dependent on future events, involved in preparation of cash flow projections and determination of the overall conclusion by the management.</p>	<p>assessment of the Group's capability to meet its financial obligation falling due within next twelve months;</p> <ul style="list-style-type: none"> <li>• In order to corroborate management's future business plans and to identify potential contradictory information, we read the minutes of the Board of Directors and discussed the same with the management;</li> <li>• Tested the appropriateness of key assumptions used by the management that had most material impact in preparation of the cash flow forecast and evaluated the completeness and accuracy of the expected outflow on account of debt repayments and other commitments made by the Group;</li> <li>• Performed independent sensitivity analysis to test the impact of estimation uncertainty on the cash flows due to change in key assumptions;</li> <li>• Reviewed the historical accuracy of the cash flow projections prepared by the management in prior periods;</li> <li>• Inspected the relevant documents and other supporting evidence for management's plan for raising finance through strategic investors and of refinancing of existing borrowings and recoverability of claims; and</li> <li>• Assessed the appropriateness and adequacy of the disclosures made in the consolidated financial statements in respect of going concern.</li> </ul>
<p><b>2. Evaluation and disclosure of accrual estimates for legal claims, litigation matters and contingencies</b> (refer note 2.2(t) for accounting policy and note 38(c) for disclosures of the accompanying consolidated financial statements)</p>	
<p>The Group has ongoing litigations with various authorities and third parties which could have a significant impact on the consolidated financial statements, if the potential exposures were to materialize. The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective. Claims against the Group are disclosed in the consolidated financial statements by the Group.</p> <p>We have determined the evaluation and disclosure for litigations matters and contingencies as a key audit matter because the outcome of such legal claims and litigation is uncertain and the position taken by management involves significant judgments and estimations to determine the likelihood and/or timing of cash outflows and the interpretation of preliminary and pending court rulings.</p> <p>Considering the aforementioned matter is fundamental to the understanding of the users of the consolidated financial statements, we further draw attention to the following specific matters involving significant litigations and contingencies:</p>	<p>Our audit procedures in relation to the assessment of legal claims, litigation matters and contingencies included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's process and evaluated design, implementation and operating effectiveness of management's key internal controls over assessment of legal claims, litigations and various other contingencies and completeness of disclosures;</li> <li>• Obtained and read the summary of litigation matters provided by management, the supporting documentation on sample basis and held discussions with the management of the Group;</li> <li>• For claims/matters/disputes settled during the year if any, we have read the related orders/directions issued by the courts/ settlement agreements in order to verify whether the settlements were appropriately accounted for/disclosed;</li> <li>• Evaluated various legal opinions obtained by management and conducted a review of the assessment done by the management through internal and external tax and legal experts for the likelihood of contingencies and potential impact</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>a. Note 42(ii) to the accompanying consolidated financial statements relating to certain claims and counter claims filed by GMR Power Corporation Limited ('GPCL'), (an erstwhile step down subsidiary of the Holding Company, now merged with GMR Generation Assets Limited ('GGAL'), a subsidiary of the Holding Company vide National Company Law Tribunal ('NCLT') order dated 13 March 2020) and Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) which are pending before the Honorable Supreme Court of India and Appellate Tribunal For Electricity ('APTEL') as detailed in the aforesaid note. Based on GPCL's internal assessment and legal opinion, pending final outcome of the litigation, the management is of the view that no further adjustments in addition to those described in aforementioned note are required to be made to the accompanying consolidated financial statements for the aforesaid matter.</p> <p>The above matter is also reported as an emphasis of matter in the audit report dated 24 April 2023 issued by another firm of chartered accountants on the standalone financial results of GGAL for the year ended 31 March 2023. Further, considering the erosion of net worth and net liability position of GGAL, such auditor has also given a separate section on the material uncertainty relating to going concern in their audit report.</p> <p>b. Note 41(iii) to the accompanying consolidated financial statements, which states that Honorable High Court of Delhi vide its order dated 06 April 2022 in favour of GMR Pochanpalli Expressways Limited ('GPEL'), a subsidiary of the Holding Company, has held that overlay work is to be carried out as and when the roughness index of roads surpasses the specified thresholds. However, basis legal opinion obtained, the Group's management is of the view that pending finality of the appeal filed by NHAI before the divisional bench of the Hon'ble Delhi High Court, since the matter is sub-judice, the Group has not given financial effect to the impact of the aforementioned order in the accompanying consolidated financial statements.</p> <p>The above matter has also been reported as an emphasis of matter in the audit report dated 27 April 2023 issued by other firm of chartered accountants on the financial statement of GPEL for the year ended 31 March 2023.</p>	<p>of various litigations and legal claims, examining the available supporting documents;</p> <ul style="list-style-type: none"> <li>Involved auditor's experts to assess relevant judgements passed by the appropriate authorities in order to assess the basis used for the accounting treatment and resulting disclosures for entities audited by us;</li> <li>Assessed the financial statements of the components with regards to the disclosures pertaining to the various legal claims, litigation matters and contingencies; and</li> <li>Assessed the appropriateness and adequacy of the related disclosures in note 38(c) to the consolidated financial statements in accordance with the requirements of applicable accounting standards.</li> </ul>
<p><b>3. Revenue recognition and measurement of upfront losses on long-term construction contracts</b> (refer note 2.2(f) for the accounting policy and note 24 for disclosures of the accompanying consolidated financial statements)</p>	
<p>For the year ended 31 March 2023, the Holding Company has recognized revenue from Engineering, procurement and construction (EPC) contracts of ₹ 1,000.47 crores and has accumulated provisions for upfront losses amounting to ₹ 4.64 crores as at 31 March 2023.</p> <p>The Holding Company's revenue primarily arises from construction contracts, which is recognised over a period of time in accordance</p>	<p>Our audit procedures for recognition of contract revenue, margin and contract costs, and related receivables and liabilities included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>Evaluated the appropriateness of the Holding Company's accounting policy for revenue recognition from construction contracts in accordance with Ind AS 115, 'Revenue from Contracts with Customers';</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p>with the requirements of Ind AS 115, Revenue from Contract with Customers, as further explained in note 2.2(f) to the accompanying consolidated financial statements, and which, by its nature, is complex given the significant judgements involved in the assessment of current and future contractual performance obligations.</p> <p>The Holding Company recognises revenue and margins based on the stage of completion which is determined on the basis of the proportion of value of goods or services transferred as at the Balance Sheet date, relative to the value of goods or services promised under the contract.</p> <p>The recognition of contract revenue, contract costs and the resultant profit/ loss therefore rely on the estimates in relation to forecast contract revenue and the total cost. These contract estimates are reviewed by the management on a periodic basis. In doing so, the management is required to exercise judgement in its assessment of the valuation of contract variations and claims and liquidated damages as well as the completeness and accuracy of forecast costs to complete and the ability to deliver contracts within contractually determined timelines. The final contract values can potentially be impacted on account of various factors and are expected to result in varied outcomes. Changes in these judgements, and the related estimates as contracts progress can result in material adjustments to revenue and margins/ onerous obligations.</p> <p>Owing to these factors, we have determined revenue recognition and provision for upfront losses from EPC contracts as a key audit matter for the current year audit.</p> <p>In addition to the above, following disclosures made in the accompanying standalone financial statements have been considered as fundamental to the user's understanding of such financial statements:</p> <p>a. We draw attention to note 24(h) to the accompanying consolidated financial statements which describes that the Holding Company has recognised certain claims in the current year pertaining to Dedicated Freight Corridor Corporation ('DFCC') project basis evaluation by the joint venture ('JV') incorporated between the Company and SEW Infrastructure Limited, of JV's entitlement under the contract towards recovery of prolonged cost, as further detailed in the aforesaid note.</p>	<ul style="list-style-type: none"> <li>• Assessed the design and implementation of key controls, over the recognition of contract revenue and tested the operating effectiveness of these controls;</li> <li>• For a sample of contracts, we have tested the appropriateness of amount recognized as revenue by evaluating key management judgements inherent in the determining forecasted contract revenue and costs to complete that drive the accounting under the percentage of completion method by performing following procedures: <ul style="list-style-type: none"> <li>o reviewed the contract terms and conditions;</li> <li>o evaluated the identification of performance obligation of the contract;</li> <li>o evaluated the appropriateness of management's assessment that performance obligation was satisfied over time and consequent recognition of revenue using percentage of completion method;</li> <li>o obtained an understanding of the assumptions applied in determining the forecasted revenue and cost to complete;</li> <li>o assessed management's estimates of the impact to revenue and budgeted costs arising from scope changes made to the original contracts, claims, disputes and liquidation damages (including prolongation claims) with reference to supporting documents including variation orders and correspondence between the Holding Company and the customers; and</li> </ul> </li> <li>• Assessed the appropriateness and adequacy of disclosures made by the management with respect to revenue recognised during the year in accordance with applicable accounting standards.</li> </ul>
<p><b>4. Impairment testing carried out for carrying value of investments in joint venture and associates and carriage-ways grouped under other intangible assets of the Group</b> (refer note 7a, 7b and 6 to the accompanying consolidated financial statements other than those referred in basis of qualified opinion paragraph 3 above)</p>	<p>Our audit procedures with respect to assessment of impairment loss on carrying value of investments in joint venture and associates and carriage-ways grouped under other intangible assets of the Group included but not limited to the following:</p>
<p>The Group has total investments in joint ventures and associates amounting to ₹ 903.47 crores and carriage-ways grouped under other intangible assets amounting to ₹ 2,062.46 crores. The aforementioned investments and intangible assets are accounted for in accordance with Ind AS 27, Separate Financial Statements and Ind AS 38, Intangible Assets, respectively.</p>	<p>Our audit procedures with respect to assessment of impairment loss on carrying value of investments in joint venture and associates and carriage-ways grouped under other intangible assets of the Group included but not limited to the following:</p>

Key audit matter	How our audit addressed the key audit matter
<p>The Group assesses these investments and assets for impairment when impairment indicators exist by comparing the recoverable amount (determined as the higher of fair value less costs of disposal and value in use) with the carrying amount of the respective assets as on the reporting date. The value in use is computed using the Discounted Cash Flow Model ('DCF') model.</p> <p>The determination of recoverable amounts of the carrying value of these investments in joint venture and associates and carriage-ways grouped under other intangible assets of the Group relies on various management estimates of future cash flows and their judgment with respect to the following:</p> <p><b>Investments in joint venture and associates:</b></p> <p>In case of investments in entities in the energy business, cash flow projections are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants, market prices of gas, coal and other fuels, restructuring of loans etc.</p> <p><b>Carrying values of carriage-ways grouped under other intangible assets:</b></p> <p>In case of investments in carriage-ways, cash flow projections are based on assumptions relating to periodic major maintenance by using a model that incorporates a number of assumptions, including the life of the concession agreement, annual traffic growth and the expected cost of the periodic major maintenance which are considered as reasonable by the management and also consider favourable outcomes of litigations etc. in the carriage-ways business.</p> <p>The key assumptions underpinning management's assessment of the recoverable amount further include, but are not limited to, projections of growth rates, discount rates, estimated future operating and capital expenditure. Changes to assumptions could lead to material changes in estimated recoverable amounts, resulting in impairment of investments in joint venture and carriage-ways grouped under other intangible.</p> <p>Considering the significance of the amounts involved and auditor attention required to test the appropriateness of the accounting estimates that involves high estimation uncertainty and significant management judgement, this matter has been determined as a key audit matter for current year's audit.</p> <p>Considering the matter is fundamental to the understanding of the users of the accompanying consolidated financial statements we further draw attention to:</p> <p>a. Note 7b(11) and 7b(12)(ii) to the accompanying consolidated financial statements which is in addition to the matters described in Basis for Qualified Opinion above, regarding the investment made by the Group in GEL amounting to ₹ 895.74 crores as at 31 March 2023. The recoverability of such investment is further dependent upon various claims and other receivables from customers of GMR Warora Energy Limited</p>	<ul style="list-style-type: none"> <li>• Obtained an understanding of the management's process for identifying impairment indicators as well as determining the appropriate methodology to carry out impairment testing for the carrying value of investments in accordance with the requirements of Ind AS 36, Impairment of Assets;</li> <li>• Evaluated the Group's valuation methodology in determining the value-in-use and fair value to estimate the recoverable value of such investments. In making this assessment, we also assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management;</li> <li>• Involved auditor's valuation specialists to assess the appropriateness of the value-in-use and fair value determined by the management and to test reasonability of the key assumptions used in the cash flow forecasts such as growth rates during the explicit period, terminal growth rate and the discount rate;</li> <li>• We have carried out discussions with management on the performance of these investments as compared to previous year in order to evaluate whether the inputs and assumptions used in the aforesaid cash flow forecasts were suitable;</li> <li>• Discussed the significant ongoing litigations in these entities which had a material impact to ascertain the appropriateness of the outcome considered in the respective valuation models;</li> <li>• Tested the arithmetical accuracy of the calculations performed by the management expert; and</li> <li>• Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the requirements of relevant accounting standards.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>(‘GWEL’), a subsidiary of GEL, which are pending settlement / realization as on 31 March 2023, capacity utilization of plant in future years and certain other key assumptions as considered in the valuation performed by an external expert.</p> <p>The above claims also include disputed claims pertaining to recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited (‘MSEDCL’) by GWEL. GWEL has disputed the contention of MSEDCL that the cost of transmission charges are to be paid by GWEL. However, based on the Order of the Appellate Tribunal for Electricity (‘APTEL’) (‘the Order’) dated 08 May 2015, currently contested by MSEDCL in the Hon’ble Supreme Court and pending conclusion, GWEL has accounted for reimbursement of such transmission charges in the Statement of Profit and Loss amounting to ₹ 616.33 crore for the period from 17 March 2014 to 31 March 2023 and transmission charges invoiced directly to MSEDCL by Power Grid Corporation Limited for the period December 2020 to March 2023 as contingent liability, as further described in aforesaid note.</p> <p>The management of the Holding Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment of the Group in GEL, taking into account the matters described above in relation to the investment made by GEL in GWEL is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying Statement for the year ended 31 March 2023.</p> <p>The above matters with respect to GWEL are also reported as an emphasis of matter in the audit report dated 05 May 2023 issued by other firm of chartered accountants on the standalone financial statements of GWEL for the year ended 31 March 2023.</p> <p>b. Note 7(b)(12)(iv) to the accompanying consolidated financial statements which is in addition to the matters described in Basis for Qualified Opinion above, regarding the investment made by the Group in GEL amounting to ₹ 895.74 crore as at 31 March 2023. The recoverability of such investment is further dependent upon achievement of business plans of GMR Bajoli Holi Hydropower Private Limited (‘GBHHPL’), a joint venture of GEL and recoverability of capital advances in the near future given to contractor for GBHPPL’s project, which along with other claims which are pending before the Arbitral Tribunal as described in the said note.</p> <p>The management of the Holding Company, based on its internal assessment, legal opinion and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment of the Group in GEL, taking into account the matter described above in relation to the</p>	

Key audit matter	How our audit addressed the key audit matter
<p>investment made by GEL in GBHPPL, is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying consolidated financial statement for the year ended 31 March 2023.</p> <p>c. Note 41(i) and 41(ii) to the accompanying consolidated financial statements which relates to the ongoing arbitrations with National Highways Authority of India (NHAI) for compensation of losses being incurred by GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') and GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL'), step-down subsidiaries of the Holding Company, since the commencement of commercial operations. Pending outcome of the aforementioned arbitration proceedings, GHVEPL has not paid to NHAI an amount of ₹ 1,291.57 crore as at 31 March 2023 towards additional concession fee along with interest thereon and GACEPL has not provided for interest on the negative grant amounting to ₹ 60.33 crore calculated up-to 25 August 2020 in the accompanying consolidated financial statements.</p> <p>GACEPL's claim for compensation of losses is currently pending for re-initiation of arbitration proceedings as per the order of the High Court of Delhi dated 26 September 2022 which has set aside the earlier issued Arbitral Award dated 26 August 2020 appealed under Section 34 by GACEPL and has referred the entire dispute back to Arbitration Tribunal. Such order of the High Court has been further appealed by NHAI and others under section 37 which is currently pending with the Hon'ble High Court for final judgement.</p> <p>Further, based on management's internal assessment of compensation inflows, external legal opinions and valuation performed by independent experts, the management is of the view that the recoverable amounts of the carriageways of GACEPL and GHVEPL is assessed to be in excess of the respective carrying values amounting ₹ 280.77 crore and ₹ 1,778.37 crore as at 31 March 2023. Currently, useful life of 25 years has been considered in arriving at the carrying value and amortisation of carriageways of GHVEPL, on the basis of management's plan to develop the six-lane project within the contractually stipulated timelines ending in April 2024. This useful life is subject to the outcome of the dispute between GHVEPL and NHAI in relation to the restriction of concession period by NHAI to 15 years and withdrawal of six laning of the highway project, in which case the useful life will need to be revised. The management has obtained a legal opinion and is of the view that the original contractual term of 25 years is likely to be enforced and accordingly, no adjustments to the consolidated financial statements are considered necessary.</p> <p>The above matters have also been reported as an emphasis of matters in the audit reports dated 27 April 2023 issued by other</p>	

Key audit matter	How our audit addressed the key audit matter
<p>firms of chartered accountants on the financial statements of the GACEPL and GHVEPL, for the year ended 31 March 2023. Further, considering the erosion of net worth and net liability position of these entities, such auditors have also given a separate section on the material uncertainty relating to going concern in their respective audit reports.</p>	

**Information other than the Consolidated Financial Statements and Auditor’s Report thereon**

10. The Holding Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance, Directors’ Report, etc., but does not include the consolidated financial statements and our auditor’s report thereon. These reports are expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

11. The accompanying consolidated financial statements have been approved by the Holding Company’s Board of Directors. The Holding Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates, joint ventures and joint operations in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company’s Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial

statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate companies, joint ventures and joint operations companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

12. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

13. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates, joint ventures and joint operations.

**Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements**

14. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it

exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

15. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates, joint ventures and joint operations to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates, joint ventures and joint operations to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, and its associates, joint ventures and joint operations to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

16. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

17. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

18. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

19. We did not audit the annual financial statements of 52 subsidiaries and 1 joint operation (including 8 subsidiaries consolidated for the year ended 31 December 2022, with a quarter lag and 1 joint operation consolidated for the year ended 31 December 2022, with a quarter lag) whose financial statements reflects (before adjustments for consolidation) total assets of ₹ 13,374.32 crore and net assets of ₹ (1,631.99) crore as at 31 March 2023, total revenues of ₹ 4,454.95 crore, and net cash inflows of ₹ 526.91 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also includes the Group's share of net profit (including other comprehensive income) of ₹ 679.50 crore for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of 23 associates and 16 joint ventures (including 22 associates and 2 joint



ventures consolidated for the year ended 31 December 2022, with a quarter lag), whose annual financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint operation, associates and joint ventures, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint operation, associates and joint ventures, are based solely on the reports of the other auditors.

Further, of these subsidiaries, associates, joint ventures, joint operations, 8 subsidiaries, 22 associates, 5 joint ventures, and 1 joint operations are located outside India, whose financial statements other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors and under generally accepted auditing standard applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, associates, joint ventures and joint operations from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries, associates, joint venture and joint operations located outside India, is based on the audit report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

20. We did not audit the financial information of 6 subsidiaries (including 6 subsidiaries consolidated for the year ended 31 December 2022, with a quarter lag), whose financial information reflect (before adjustment of consolidation) total assets of ₹ 23.43 crore and net assets of ₹ 22.66 crore as at 31 March 2023, total revenues of ₹ 0.04 crore, and net cash flows of ₹ 0.23 crore for the year then ended, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 0.44 crore for the year ended 31 March 2023, in respect of 1 joint venture (including 1 joint venture consolidated

for the year ended 31 December 2022, with a quarter lag), whose financial information have not been audited by us. This financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries and joint ventures, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

#### **Report on Other Legal and Regulatory Requirements**

21. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 19, on separate financial statements of the subsidiaries, associates and joint ventures, we report that the Holding Company, 9 subsidiary companies and 4 joint venture companies incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 35 subsidiary companies, 1 associate company and 8 joint ventures incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies/ associate companies/ joint venture companies.
22. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 19 above, of companies included in the consolidated financial statements for the year ended 31 March 2023 and covered under the Act we report that:
  - a) Following are the qualifications/adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2023 for which such Order reports have been issued till date and made available to us:



S. No.	Company Name	CIN	Relationship	Clause No.
1	GMR (Badrinath) Hydro Power Generation Private Limited	U40101UR2006PTC031381	Joint venture	ix(a), ix(d)
2	GMR Ambala Chandigarh Expressways Private Limited	U45203KA2005PTC036773	Subsidiary	ix(a), xix
3	GMR Bajoli Holi Hydropower Private Limited	U40101HP2008PTC030971	Joint Venture	ix(a)
4	GMR Bundelkhand Energy Private Limited	U40101KA2010PTC054124	Joint venture	iii(c)
5	GMR Energy Limited	U85110MH1996PLC274875	Joint Venture	iii(f), ix(a), xix
6	GMR Energy Trading Limited	U31200KA2008PLC045104	Subsidiary	iii(c), ix(a), ix(d)
7	GMR Generation Assets Limited	U40104MH2010PLC282702	Subsidiary	ix(a), ix(d), xix
8	GMR Gujarat Solar Power Limited	U40100KA2008PLC045783	Joint venture	iii(c), iii(d), iii(e)
9	GMR Highways Limited	U45203MH2006PLC287171	Subsidiary	iii(e), ix(a)
10	GMR Hyderabad Vijayawada Expressways Private Limited	U45201KA2009PTC050109	Subsidiary	ix(a), xix
11	GMR Londa Hydropower Private Limited	U40101KA2008PTC048190	Subsidiary	ix(d)
12	GMR Pochanpalli Expressways Limited	U45200KA2005PLC049327	Subsidiary	iii(c)
13	GMR SEZ & Port Holdings Limited	U74900MH2008PLC274347	Subsidiary	iii(e), ix(a)
14	GMR Warora Energy Limited	U40100MH2005PLC155140	Joint venture	ii(b), vii(a), ix(a)
15	GMR Rajahmundry Energy Limited	U40107KA2009PLC051643	Associate	ix(a), ix(d)
16	GMR Kamalanga Energy Limited	U40101KA2007PLC044809	Joint Venture	ii(b), vii(a), xix
17	GMR Power and Urban Infra Limited	L45400MH2019PLC325541	Holding Company	ii(b), iii(e), ix(a)

23. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
- We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section with respect to the consolidated financial statements.
  - The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - Except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
  - The matters described in paragraph 5, 6 and 7 of the Emphasis of Matter reported in sr. no. 2(a), 2(b), 3(a), 4(a), 4(b) and 4(c) of the Key audit matters section in paragraph 9 above and paragraph 3 of the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Group, its associates and joint ventures;
  - On the basis of the written representations received from the directors of the Holding Company, its joint venture companies and taken on record by the Board of Directors of the Holding Company, its joint venture companies, respectively, and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies, covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.
  - The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3 of the Basis for Qualified Opinion.
  - With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed a modified opinion; and

- i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures incorporated in India whose financial statements have been audited under the Act:
- i. Except for the possible effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures as at 31 March 2023, as detailed in Note 7a, 7b, 38, 41 and 42 to the accompanying consolidated financial statements;
  - ii. Except for the possible effects of the matters described in the Basis for Qualified Opinion section, provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 24(f) to the accompanying consolidated financial statements;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, during the year ended 31 March 2023;
  - iv. a. The respective managements of the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in note 50 (xi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, its associate companies or its joint venture companies to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
  - b. The respective managements of the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the note 50 (xii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, or its associate companies or its joint venture companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, associates and joint ventures, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The Holding Company, its subsidiary companies, associate companies, and joint venture companies have not declared or paid any dividend during the year ended 31 March 2023.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use



accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 01 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Danish Ahmed**

Partner

Membership No.: 552144

**UDIN:** 23522144BGZHMV1077

**Place:** New Delhi

**Date:** 23 May 2023

**Annexure I**

**List of entities included in the Statement**

<b>S.No.</b>	<b>Name of the entity</b>	<b>Relation</b>
1	GMR Power and Urban Infra Limited (GPUIL)	Holding Company
2	GMR Energy (Netherlands) B.V. (GENBV) <sup>6</sup>	Subsidiary
3	GMR Tambaram Tindivanam Expressways Limited (GTTEL) <sup>1</sup>	Subsidiary
4	GMR Tuni Anakapalli Expressways Limited (GTael) <sup>1</sup>	Subsidiary
5	Honey Flower Estates Private Limited (HFEPL)	Subsidiary
6	GMR Infrastructure (UK) Limited (GIUL)	Subsidiary
7	GMR Aviation Private Limited (GAPL)	Subsidiary
8	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Subsidiary
9	GMR Coal Resources Pte Limited (GCRPL)	Subsidiary
10	GIL SIL JV	Joint Venture
11	GMR Aerostructure Services Limited (GASL)	Subsidiary
12	GMR Energy Trading Limited (GETL)	Subsidiary
13	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	Subsidiary
14	GMR Pochanpalli Expressways Limited (GPEL)	Subsidiary
15	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	Subsidiary
16	PT Golden Energy Mines Tbk (PTGEMS) <sup>2</sup>	Associate
17	PT Dwikarya Sejati Utma (PTDSU) <sup>2</sup>	Associate
18	PT Duta Sarana Internusa (PTDSI) <sup>2</sup>	Associate
19	PT Barasentosa Lestari (PTBSL) <sup>2</sup>	Associate
20	PT Unsoco (Unsoco) <sup>2</sup>	Associate
21	PT Roundhill Capital Indonesia (RCI) <sup>2</sup>	Associate
22	PT Borneo Indobara (BIB) <sup>2</sup>	Associate
23	PT Kuansing Inti Makmur (KIM) <sup>2</sup>	Associate
24	PT Karya Cemerlang Persada (KCP) <sup>2</sup>	Associate
25	PT Bungo Bara Utama (BBU) <sup>2</sup>	Associate
26	PT Bara Harmonis Batang Asam (BHBA) <sup>2</sup>	Associate
27	PT Berkat Nusantara Permai (BNP) <sup>2</sup>	Associate
28	PT Tanjung Belit Bara Utama (TBBU) <sup>2</sup>	Associate
29	PT Trisula Kencana Sakti (TKS) <sup>2</sup>	Associate
30	PT Era Mitra Selaras (EMS) <sup>2</sup>	Associate
31	PT Wahana Rimba Lestari (WRL) <sup>2</sup>	Associate
32	PT Berkat Satria Abadi (BSA) <sup>2</sup>	Associate
33	GEMS Trading Resources Pte Limited (GEMSCR) <sup>2</sup>	Associate
34	PT Kuansing Inti Sejahtera (KIS) <sup>2</sup>	Associate
35	PT Bungo Bara Makmur (BBM) <sup>2</sup>	Associate
36	PT GEMS Energy Indonesia (PTGEI) <sup>2</sup>	Associate
37	PT Karya Mining Solution (KMS) <sup>2</sup>	Associate
38	Aklima Properties Private Limited (AKPPL)	Subsidiary
39	Amartya Properties Private Limited (AMPPL)	Subsidiary
40	Advika Properties Private Limited (APPL)	Subsidiary
41	Asteria Real Estates Private Limited (AREPL)	Subsidiary

S.No.	Name of the entity	Relation
42	Bougianvile Properties Private Limited (BOPPL)	Subsidiary
43	Baruni Properties Private Limited (BPPL)	Subsidiary
44	Camelia Properties Private Limited (CPPL)	Subsidiary
45	Deepesh Properties Private Limited (DPPL)	Subsidiary
46	Eila Properties Private Limited (EPPL)	Subsidiary
47	GMR Bundelkhand Energy Private Limited (GBEPL)	Joint Venture
48	GMR Consulting Services Limited (GCSL)	Joint Venture
49	GMR Indo-Nepal Power Corridors Limited (GINPCL)	Joint Venture
50	GMR Londa Hydropower Private Limited (GLHPPL)	Subsidiary
51	GMR Maharashtra Energy Limited (GMAEL)	Joint Venture
52	GMR Smart Electricity Distribution Private Limited [formerly GMR Mining & Energy Private Limited (GMEL)]	Subsidiary
53	GMR Highways Limited (GMRHL)	Subsidiary
54	Gerbera Properties Private Limited (GPL)	Subsidiary
55	GMR Rajam Solar Power Private Limited (GRSPPL)	Joint Venture
56	GMR SEZ & Port Holdings Limited (GSPHL)	Subsidiary
57	GMR Vemagiri Power Generation Limited (GVPGL)	Joint Venture
58	Honeysuckle Properties Private Limited (HPPL)	Subsidiary
59	Idika Properties Private Limited (IPPL)	Subsidiary
60	Krishnapriya Properties Private Limited (KPPL)	Subsidiary
61	Lantana Properties Private Limited (LPPL)	Subsidiary
62	Larkspur Properties Private Limited (LAPPL)	Subsidiary
63	Lilliam Properties Private Limited (LPPL)	Subsidiary
64	Lakshmi Priya Properties Private. Limited (LPPPL)	Subsidiary
65	Nadira Properties Private Limited (NPPL)	Subsidiary
66	Namitha Real Estates Private Limited (NREPL)	Subsidiary
67	Padmapriya Properties Private Limited (PAPPL)	Subsidiary
68	Prakalpa Properties Private Limited (PPPL)	Subsidiary
69	Pranesh Properties Private Limited (PRPPL)	Subsidiary
70	Purnachandra Properties Private Limited (PUPPL)	Subsidiary
71	Radhapriya Properties Private Limited (RPPL)	Subsidiary
72	Shreyadita Properties Private Limited (SPPL)	Subsidiary
73	Sreepa Properties Private Limited (SRPPL)	Subsidiary
74	Suzone Properties Private Limited (SUPPL)	Subsidiary
75	Dhruvi Securities Limited (DSL) [formerly Dhruvi Securities Private Limited (DSPL)]	Subsidiary
76	Indo Tausch Trading DMCC (ITTD)	Subsidiary
77	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	Subsidiary
78	GMR Krishnagiri SIR Limited (GKSIR)	Subsidiary
79	GMR Male International Airport Private Limited (GMIAL)	Subsidiary
80	GMR Generation Assets Limited (GGAL)	Subsidiary
81	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	Joint Venture
82	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	Joint Venture
83	GMR Gujarat Solar Power Limited (GGSPPL)	Joint Venture
84	GMR Rajahmundry Energy Limited (GREL)	Associate

<b>S.No.</b>	<b>Name of the entity</b>	<b>Relation</b>
85	GMR Power & Urban Infra (Mauritius) Limited(GPUIML) [formerly GMR Infrastructure (Mauritius) Limited (GIML)]	Subsidiary
86	GMR Lion Energy Limited (GLEL)	Joint Venture
87	Gateways for India Airports Private Limited (GFIAL)	Subsidiary
88	GMR Upper Karnali Hydropower Limited	Joint Venture
89	Karnali Transmission Company Private Limited	Joint Venture
90	GMR Warora Energy Limited (GWEL)	Joint Venture
91	Megawide GISPL Construction Joint Venture (MGCJV)	Joint operation
92	GMR Energy (Mauritius) Limited (GEML)	Joint Venture
93	GMR Energy Projects (Mauritius) Limited (GEPML)	Subsidiary
94	GMR Infrastructure (Overseas) Limited (GIOL)	Subsidiary
95	GMR Energy (Cyprus) Limited, Cyprus <sup>3</sup>	Subsidiary
96	GADL International Limited [formerly GADL (Isle of Man) Limited] <sup>4</sup>	Subsidiary
97	GMR Infrastructure (Cyprus) Limited <sup>5</sup>	Subsidiary
98	GMR Infrastructure Overseas Limited (Malta)	Subsidiary
99	Limak GMR Joint Venture	Joint Venture
100	GMR Infrastructure (Global) Limited <sup>5</sup>	Subsidiary
101	PT GMR Infrastructure Indonesia (PTGII)	Subsidiary
102	GMR Energy Limited (GEL)	Joint Venture
103	GMR Kamalanga Energy Limited (GKEL)	Joint Venture
104	GMR Tenaga Operations and Maintenance Private Limited (GTOM)	Joint Venture
105	GMR Green Energy Limited (GGEL) (formerly GMR Green Energy Private Limited (GGEPL))	Subsidiary

1. Merged with GMR Highways Limited w.e.f. 11 August 2022
2. Till 31 August 2022
3. Dissolved w.e.f. 20 May 2022
4. Dissolved w.e.f. 21 June 2022
5. Filed for liquidation during the year
6. Dissolved w.e.f. 31 January 2023

## Annexure II

### **Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the consolidated financial statements of GMR Power and Urban Infra Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates, joint ventures and joint operations as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, its associate companies, joint venture companies and joint operation companies, which are companies covered under the Act, as at that date.

#### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies, joint venture companies and joint operation companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements**

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies, joint venture companies and joint operation companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require

that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies, joint venture companies and joint operation companies as aforesaid.

#### **Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls,



material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Qualified Opinion**

8. According to the information and explanations given to us and based on our audit, and consideration of the report of the other auditors on internal financial controls with reference to financial statements of a subsidiary, the following material weaknesses have been identified in the operating effectiveness of the internal financial controls with reference to financial statements of the Holding company and its joint venture company as at 31 March 2023:

The Holding Company's internal control system towards estimating the carrying value of investment and loans (including accrued interest) in a joint venture, as more fully explained in note 7b(12)(i) to the consolidated financial statements, were not operating effectively due to uncertainties in the judgments and assumptions made by the Holding Company in such estimations, which could result in the Group not providing for adjustments, if any, that may be required to the carrying values of investments, loans (including accrued interest) and its consequential impact on the accompanying consolidated financial statements.

The report on internal financial controls with reference to financial statements of the joint venture company, GMR Energy Limited, is also qualified with respect to the above matter, issued by us vide our report dated 08 May 2023.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Holding Company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion, the Group have, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and

except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2023.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31 March 2023, and the material weakness have affected our opinion on the consolidated financial statements of the Holding Company and we have issued a modified opinion on the consolidated financial statements.

#### **Other Matter**

11. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 44 subsidiary companies, which are companies covered under the Act, whose financial statements reflect (before adjustments for consolidation) total assets of ₹ 11,183.64 crore and net assets of ₹ 416.78 crore as at 31 March 2023, total revenues of ₹ 2,108.51 crore and net cash inflows amounting to ₹ 503.70 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 293.30 crore for the year ended 31 March 2023, in respect of 1 associate companies and 11 joint venture companies, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, associate companies and joint venture companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, associate companies and joint venture companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Danish Ahmed**

Partner

Membership No.: 552144

**UDIN:** 23522144BGZHMV1077

**Place:** New Delhi

**Date:** 23 May 2023



## Consolidated balance sheet as at March 31, 2023

	Notes	March 31, 2023	March 31, 2022
(₹ in crore)			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	284.28	300.41
Right of use asset	4	10.62	5.36
Investment property	5	550.27	527.42
Other intangible assets	6	2,066.88	2,180.03
Investments accounted for using equity method	7a, 7b	903.47	4,322.41
<b>Financial assets</b>			
Investments	8	1,190.61	609.58
Trade receivables	9	153.30	0.88
Loans	10	792.36	1,052.42
Other financial assets	11	830.63	1,015.61
Income tax assets (net)		18.87	26.44
Deferred tax assets (net)	34	4.12	4.40
Other non-current assets	12	62.27	23.67
		<b>6,867.68</b>	<b>10,068.63</b>
<b>Current assets</b>			
Inventories	13	50.25	87.13
<b>Financial assets</b>			
Investments	14	17.00	45.76
Trade receivables	9	544.69	622.94
Cash and cash equivalents	15	965.53	455.17
Bank balances other than cash and cash equivalents	15	138.38	85.05
Loans	10	1,234.01	387.08
Other financial assets	11	1,639.33	1,749.10
Other current assets	12	139.44	221.00
		<b>4,728.63</b>	<b>3,653.23</b>
Assets classified as held for sale	33	206.22	350.78
		<b>4,934.85</b>	<b>4,004.01</b>
<b>Total assets</b>		<b>11,802.53</b>	<b>14,072.64</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	16	301.80	301.80
Other equity	17	(2,923.16)	(2,466.24)
Equity attributable to the equity holders of the parent		(2,621.36)	(2,164.44)
Non-controlling interests	36	(120.12)	(68.09)
<b>Total equity</b>		<b>(2,741.48)</b>	<b>(2,232.53)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	18	6,480.84	7,421.49
Trade payables	19	151.79	-
Lease liabilities	39	5.37	2.93
Other financial liabilities	20	273.01	224.85
Other non-current liabilities	21	18.94	17.42
Provisions	22	68.85	49.56
		<b>6,998.80</b>	<b>7,716.25</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	23	1,720.14	2,980.29
Trade payables	19	2,603.51	2,449.02
Lease liabilities	39	9.39	8.40
Other current financial liabilities	20	2,289.25	1,993.16
Other current liabilities	21	246.55	200.80
Provisions	22	640.85	751.73
Current tax liabilities (net)		12.44	21.79
		<b>7,522.13</b>	<b>8,405.19</b>
Liabilities directly associated with assets classified as held for sale	33	23.08	183.73
		<b>7,545.21</b>	<b>8,588.92</b>
<b>Total liabilities</b>		<b>14,544.01</b>	<b>16,305.17</b>
<b>Total equity and liabilities</b>		<b>11,802.53</b>	<b>14,072.64</b>

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the consolidated financial statements.

This is the consolidated balance sheet referred to in our report of even date

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm registration number: 001076N/ N500013

**Danish Ahmed**  
Partner  
Membership number: 522144

Place: New Delhi  
Date: May 23, 2023

For and on behalf of the Board of Directors

**Srinivas Bommidala**  
Managing Director  
DIN: 00061464  
Place : New Delhi

**Suresh Bagrodia**  
Chief Financial Officer  
Place: New Delhi

Date: May 23, 2023

**Grandhi Kiran Kumar**  
Non-Executive Director  
DIN: 00061669  
Place : Dubai

**Vimal Prakash**  
Company Secretary  
Membership Number: A20876  
Place: New Delhi

## Consolidated statement of profit and loss for the year ended March 31, 2023

(₹ in crore)

	Notes	March 31, 2023	March 31, 2022
<b>Continuing operations</b>			
<b>Income</b>			
Revenue from contracts with customers	24	5,524.69	4,101.81
Other income	25	367.62	179.89
<b>Total income</b>		<b>5,892.31</b>	<b>4,281.70</b>
<b>Expenses</b>			
Revenue share paid/payable to concessionaire grantors		191.51	151.61
Cost of material consumed	26	589.16	651.79
Purchase of traded goods	27	3,400.99	2,057.28
Sub-contracting expenses		437.61	336.42
Employee benefits expense	28	96.40	71.56
Other expenses	29	416.22	337.66
Depreciation and amortisation expense	30	151.39	128.16
Finance cost	31	1,350.25	1,354.49
<b>Total expenses</b>		<b>6,633.53</b>	<b>5,088.97</b>
<b>Loss before share of profit of investments accounted for using equity method, exceptional items and tax from continuing operations</b>		<b>(741.22)</b>	<b>(807.27)</b>
Share of profit of investments accounted for using equity method (Dividend received from joint ventures and associates during the year ended March 31, 2023 ₹ 806.01 crore (March 31, 2022 ₹ 842.53 crore))		741.47	246.17
<b>Profit/ (loss) before exceptional items and tax from continuing operations</b>		<b>0.25</b>	<b>(561.10)</b>
Exceptional items	52	1,231.94	15.09
<b>Profit/ (loss) before tax from continuing operations</b>		<b>1,232.19</b>	<b>(546.01)</b>
<b>Tax expenses of continuing operations</b>	34		
Current tax expense		92.49	105.59
Deferred tax expense/ (credit)		0.25	(0.06)
<b>Profit/ (loss) after tax from continuing operations</b>		<b>1,139.45</b>	<b>(651.54)</b>
<b>Discontinued operations</b>			
Loss from discontinued operations before tax	33	(0.21)	(0.03)
<b>Tax expense of discontinued operations</b>	34		
Current tax		-	-
Deferred tax		-	-
<b>Loss after tax from discontinued operations</b>		<b>(0.21)</b>	<b>(0.03)</b>
<b>Profit/ (loss) for the year</b>	<b>(A)</b>	<b>1,139.24</b>	<b>(651.57)</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>			
Exchange differences on translation of financial statements of foreign operations		180.94	5.63
Income tax effect		-	-
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>		<b>180.94</b>	<b>5.63</b>
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement loss on defined benefit plans		(0.52)	(0.01)
Income tax effect		0.03	-
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>		<b>(0.55)</b>	<b>(0.01)</b>

## Consolidated statement of profit and loss for the year ended March 31, 2023

(₹ in crore)

	Notes	March 31, 2023	March 31, 2022
<b>Other comprehensive income for the year, net of tax</b>	<b>(B)</b>	<b>180.39</b>	<b>5.62</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>(A + B)</b>	<b>1,319.63</b>	<b>(645.95)</b>
<b>Profit/ (loss) for the year</b>		<b>1,139.24</b>	<b>(651.57)</b>
Attributable to			
a) Equity holders of the parent		1,182.79	(647.54)
b) Non controlling interests		(43.55)	(4.03)
<b>Other comprehensive income for the year</b>			
Attributable to			
a) Equity holders of the parent		169.21	3.95
b) Non controlling interests		11.18	1.67
<b>Total comprehensive income for the year</b>			
Attributable to			
a) Equity holders of the parent		1,352.00	(643.59)
b) Non controlling interests		(32.37)	(2.36)
<b>Earnings per equity share (₹) from continuing operations</b>			
Basic and diluted, computed on the basis of profit/ (loss) from continuing operations attributable to equity holders of the parent (per equity share of ₹ 5 each)	32	19.60	(10.73)
<b>Earnings per equity share (₹) from discontinued operations</b>			
Basic and diluted, computed on the basis of loss from discontinued operations attributable to equity holders of the parent (per equity share of ₹ 5 each)	32	(0.00)	(0.00)
<b>Earnings per equity share (₹) from continuing and discontinued operations</b>			
Basic and diluted, computed on the basis of profit/ (loss) attributable to equity holders of the parent (per equity share of ₹ 5 each)	32	19.60	(10.73)

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm registration number: 001076N/ N500013

**Danish Ahmed**

Partner

Membership number: 522144

Place: New Delhi

Date: May 23, 2023

For and on behalf of the Board of Directors

**Srinivas Bommidala**

Managing Director

DIN: 00061464

Place : New Delhi

**Suresh Bagrodia**

Chief Financial Officer

Place: New Delhi

Date: May 23, 2023

**Grandhi Kiran Kumar**

Non-Executive Director

DIN: 00061669

Place : Dubai

**Vimal Prakash**

Company Secretary

Membership Number: A20876

Place: New Delhi

Consolidated statement of changes in equity for the year ended March 31, 2023

(₹ in crore)

Particulars	Attributable to the equity holders											Total Equity				
	Reserves & Surplus										Non Controlling interest (refer note 36)					
	Equity share capital (refer note 16)	Equity share capital pending issuance (refer note 16)	Equity component of loan (refer note 17)	Securities premium (refer note 17)	Debt redemption reserve (refer note 17)	Capital reserve on consolidation (refer note 17)	Capital reserve on acquisition (refer note 17)	Capital reserve (refer note 17)	Foreign currency monetary translation reserve (FCMTR) (refer note 17)	Special Reserve u/s 45-1C of Reserve Bank of India ("RBI") Act (refer note 17)			Retained earnings (refer note 17)	Items of OCI		
<b>For the year ended March 31, 2023</b>																
<b>As at April 01, 2022</b>	301.80	-	297.01	10,010.98	92.59	27.05	3.41	(301.80)	(222.31)	12.97	(12,552.81)	166.67	(68.09)		(2,232.53)	
Changes due to prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at April 01, 2022</b>	301.80	-	297.01	10,010.98	92.59	27.05	3.41	(301.80)	(222.31)	12.97	(12,552.81)	166.67	(68.09)		(2,232.53)	
Profit/(loss) for the year	-	-	-	-	-	-	-	-	-	-	1,182.79	-	(43.55)		1,139.24	
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	(0.55)	169.76	11.18		180.39	
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	-	-	1,182.24	169.76	(32.37)		1,319.63	
FCMTR amortisation during the year	-	-	-	-	-	-	-	-	25.83	-	-	-	-	-	25.83	
Exchange difference on foreign currency convertible bond ("FCCB") recognised during the year	-	-	-	-	-	-	-	-	(175.38)	-	-	-	-	-	(175.38)	
Extinguishment of equity component of loan	-	-	(229.22)	-	-	-	-	-	-	-	-	-	-	-	(229.22)	
Amount transferred to retained earning	-	-	-	-	-	-	-	-	-	-	19.66	-	(19.66)	-	-	
Amount transferred to the consolidated statement of profit and loss on account of disposal of foreign associate (Refer note 7(b))	-	-	-	-	-	-	-	-	-	-	-	(1,448.81)	-	-	(1,448.81)	
<b>As at March 31, 2023</b>	301.80	-	67.79	10,010.98	92.59	27.05	3.41	(301.80)	(371.86)	12.97	(11,350.91)	(1,113.38)	(120.12)		(2,741.48)	

# Consolidated statement of changes in equity for the year ended March 31, 2023

(₹ in crore)

Particulars	Attributable to the equity holders										Total Equity			
	Reserves & Surplus													
	Equity share capital (refer note 16)	Equity share capital pending issuance (refer note 16)	Equity component of loan (refer note 17)	Securities premium (refer note 17)	Debt redemption reserve (refer note 17)	Capital reserve on consolidation (refer note 17)	Capital reserve on acquisition (refer note 17)	Capital reserve (refer note 17)	Foreign currency translation reserve ('FCMTR') (refer note 17)	Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act (refer note 17)		Retained earnings (refer note 17)	Items of OCI	Non Controlling interest (refer note 36)
<b>For the year ended March 31, 2022</b>														
<b>As at April 01, 2021</b>	-	301.80	-	10,010.98	92.59	27.05	3.41	(301.80)	(159.35)	11.99	(11,900.88)	159.31	(65.73)	(1,820.63)
Changes due to prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at April 01, 2021</b>	-	301.80	-	10,010.98	92.59	27.05	3.41	(301.80)	(159.35)	11.99	(11,900.88)	159.31	(65.73)	(1,820.63)
Loss for the year	-	-	-	-	-	-	-	-	-	-	(647.54)	-	(4.03)	(651.57)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	(0.01)	3.96	1.67	5.62
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	-	-	(647.55)	3.96	(2.36)	(645.95)
FCMTR amortisation during the year	-	-	-	-	-	-	-	-	10.81	-	-	-	-	10.81
Exchange difference on foreign currency convertible bond ('FCCB') recognised during the year	-	-	-	-	-	-	-	-	(73.77)	-	-	-	-	(73.77)
Shares issued during the year pursuant to a scheme to merger (refer note 16)	301.80	(301.80)	-	-	-	-	-	-	-	-	-	-	-	-
Equity component of loan during the year	-	-	297.01	-	-	-	-	-	-	-	-	-	-	297.01
Amount transferred from the consolidated statement of profit and loss	-	-	-	-	-	-	-	-	-	0.98	(0.98)	-	-	-
Amount transferred to the consolidated statement of profit and loss	-	-	-	-	-	-	-	-	-	-	(3.40)	3.40	-	-
<b>As at March 31, 2022</b>	<b>301.80</b>	<b>-</b>	<b>297.01</b>	<b>10,010.98</b>	<b>92.59</b>	<b>27.05</b>	<b>3.41</b>	<b>(301.80)</b>	<b>(222.31)</b>	<b>12.97</b>	<b>(12,552.81)</b>	<b>166.67</b>	<b>(68.09)</b>	<b>(2,322.53)</b>

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the consolidated financial statements.

This is the consolidated statement of changes in equity referred to in our report of even date

## For and on behalf of the Board of Directors

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm registration number: 001076N/ N500013

**Danish Ahmed**  
Partner  
Membership number: 522144

**Srinivas Bommidala**  
Managing Director  
DIN: 00061464  
Place : New Delhi

**Grandhi Kiran Kumar**  
Non-Executive Director  
DIN: 00061669  
Place : Dubai

**Suresh Bagrodia**  
Chief Financial Officer  
Place: New Delhi

**Vimal Prakash**  
Company Secretary  
Membership Number: A20876  
Place: New Delhi

Place: New Delhi  
Date: May 23, 2023

Date: May 23, 2023

## Consolidated statement of cash flows for the year ended March 31, 2023

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Cash flow from operating activities</b>		
Profit/(loss) from continuing operations before tax expenses	1,232.19	(546.01)
Loss from discontinued operations before tax expenses	(0.21)	(0.03)
<b>Profit/(loss) before tax expenses</b>	<b>1,231.98</b>	<b>(546.04)</b>
<b>Adjustments</b>		
Depreciation and amortisation expense	151.39	128.16
Adjustments to the carrying value of investments (net)	(0.56)	44.10
Provisions no longer required, written back	(28.38)	(6.48)
Exceptional items	(1,231.94)	(15.09)
Unrealised exchange loss	29.43	23.10
Profit on sale/write off on property, plant and equipment and investment property (net)	(53.54)	(34.60)
Provision / write off of doubtful advances and trade receivables	5.70	24.28
Reversal of upfront loss on long term construction cost	(16.14)	(10.25)
Profit on sale of current investment (net)	(2.73)	(0.02)
Finance costs	1,350.25	1,354.49
Finance income	(429.97)	(380.87)
Share of profit of investment accounted for using equity method	(741.47)	(246.17)
<b>Operating profit before working capital changes</b>	<b>264.02</b>	<b>334.61</b>
<b>Movements in working capital</b>		
Changes in trade payables, other financial liabilities, other liabilities and provisions	287.53	530.25
Changes in non-current/current financial assets and other assets	772.47	441.63
<b>Cash generated from operations</b>	<b>1,324.02</b>	<b>1,306.49</b>
Direct taxes paid (net)	(93.69)	(91.87)
<b>Net cash generated from operating activities (A)</b>	<b>1,230.33</b>	<b>1,214.62</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment, investment property, intangible assets and cost incurred towards such assets under construction / development (net)	(24.49)	(151.69)
Proceeds from sale of property, plant and equipment's, investment properties and intangible assets	95.17	201.81
Loans given (net)	(595.31)	173.67
(Purchase) / proceeds from sale of investments (net)	(169.57)	209.62
Consideration received on disposal of joint ventures/associates/subsidiaries	3,433.55	-
Consideration / advance received for sale of investment	-	161.31
Investment in non convertible debentures	(542.13)	(500.00)
Movement in investments in bank deposits (net) (having original maturity of more than three months)	(57.34)	47.00
Dividend received from associates and joint ventures	806.01	842.53
Finance income received	147.90	282.41
<b>Net cash from investing activities (B)</b>	<b>3,093.79</b>	<b>1,266.66</b>



## Consolidated statement of cash flows for the year ended March 31, 2023

(₹ in crore)		
Particulars	March 31, 2023	March 31, 2022
<b>Cash flow from financing activities</b>		
Proceeds from non-current borrowings	1,126.30	1,360.24
Repayment of non-current borrowings (including current maturities)	(4,282.23)	(2,022.56)
Proceeds from /(repayment) of current term borrowings (net)(excluding current maturities)	407.45	(327.68)
Repayment of lease liability principal	(5.81)	(2.71)
Repayment of lease liability interest	(0.53)	(0.91)
Finance costs paid	(1,084.91)	(1,219.44)
<b>Net cash used in financing activities</b>	<b>(3,839.73)</b>	<b>(2,213.06)</b>
Net increase in cash and cash equivalents (A + B + C)	484.39	268.22
Cash and cash equivalents as at beginning of the year	455.65	186.69
Effect of exchange difference on cash and cash equivalents held in foreign currency	25.93	0.74
<b>Cash and cash equivalents as at the end of the year</b>	<b>965.97</b>	<b>455.65</b>

(₹ in crore)		
	March 31, 2023	March 31, 2022
<b>Components of cash and cash equivalents</b>		
Balances with banks		
- On current accounts	419.47	333.29
Deposits with original maturity of less than three months	544.81	121.28
Cash on hand	1.25	0.60
	<b>965.53</b>	<b>455.17</b>
Cash at bank and short term deposits attributable to entities held for sale	0.44	0.48
<b>Total cash and cash equivalents as at the end of the year</b>	<b>965.97</b>	<b>455.65</b>

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the consolidated financial statements.

This is the consolidated statement of cash flows referred to in our report of even date

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm registration number: 001076N/ N500013

**Danish Ahmed**  
Partner  
Membership number: 522144

Place: New Delhi  
Date: May 23, 2023

For and on behalf of the Board of Directors

**Srinivas Bommidala**  
Managing Director  
DIN: 00061464  
Place : New Delhi

**Suresh Bagrodia**  
Chief Financial Officer  
Place: New Delhi

Date: May 23, 2023

**Grandhi Kiran Kumar**  
Non-Executive Director  
DIN: 00061669  
Place : Dubai

**Vimal Prakash**  
Company Secretary  
Membership Number: A20876  
Place: New Delhi

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 1. Corporate information

GMR Power and Urban Infra Limited ('GPUIL' or 'the Holding Company') is a public limited Company incorporated under the provisions of the Companies Act, 2013 on May 17, 2019. The Holding Company is domiciled in India and has its registered office located at Plot No.C-31 G Block, 701, 7th Floor, Naman Center Bandra Kurla Complex, Mumbai, Maharashtra- 400051.

The Holding Company and its subsidiaries, associates, joint ventures and jointly controlled operations (hereinafter collectively referred to as 'the Group') are mainly engaged in generation of power, coal mining and exploration activities, development of highways, development, maintenance and operation of special economic zones, and construction business including Engineering, Procurement and Construction ('EPC') contracting activities.

#### Power sector

Certain entities of the Group are involved in the generation of power. These are separate Special Purpose Vehicles ('SPV') which have entered into Power Purchase Agreements ('PPA') with the electricity distribution companies of the respective state governments / other government authorities (either on the basis of Memorandum of Understanding or through a bid process) or short-term power supply agreements to generate and sell power directly to consumers as a merchant plant. Certain entities of the Group are involved in the coal mining and exploration activities and the Group is also involved in energy and coal trading activities through its subsidiaries.

#### Development of highways

Certain entities of the Group are engaged in development of highways on build, operate and transfer model on annuity or toll basis. These are SPVs which have entered into concessionaire agreements with National Highways Authority of India ('NHAI') or the respective state governments for carrying out these projects.

#### Construction business

Certain entities of the Group are in the business of construction including as an EPC contractor. These entities are engaged in handling of EPC solution in the infrastructure sector.

#### Others

Entities of the Group which cover all residual activities of the Group that include special economic zones, investment activities and management / technical consultancy.

Other explanatory information to the consolidated financial statement comprises of notes to the consolidated financial statements for the year ended March 31, 2023. The consolidated financial statements were approved by the Board of Directors and authorised for issue in accordance with a resolution of the directors on May 23, 2023.

### 1.1 Going concern

The consolidated financial results for the year ended 31 March 2023 reflected an excess of current liabilities (including liabilities directly associated with assets classified as held for sale) over current assets (including assets classified as held for sale) of ₹ 2,610.36 crore and profit from operations before tax amounting to ₹ 1,232.19 crore. The Group has in the past incurred losses primarily on account of losses in the energy and highway sector as detailed in notes 7, 41(i) and 41(ii). This as consequence had impact on net worth, delay in repayment of debts and interest servicing and lower credit ratings for some of its borrowings. Management is taking various initiatives including monetization of assets, recovery of outstanding claims in various infra business (highway sector/EPC) investee entities, raising finances from financial institutions/ group companies, strategic investors and from other strategic initiatives, and refinancing of existing debts and other strategic initiatives to ensure the repayment of borrowings and debts in an orderly manner.

Further, the Group has received certain favorable orders on various ongoing matters in energy, highway and DFCC which involve significant value of claims. Management is optimistic of such favorable orders and believes that such claims will further improve its cash flows and profitability. The details of such claims have been enumerated below: -

- i) In case of DFCC, there are various claims under various heads which has been either agreed by DFCCIL or Group has got the award through Dispute Adjudication Board (DAB). Total amount of claim as on March 31, 2023 is approximately ₹ 299.71 crore which will be received progressively based on the work to be carried out.
- ii) Group have also raised a claim on Dedicated Freight Corridor Corporation of India Limited ('DFCCIL') under Change in Law on account of Mining Ban in the state of UP and has invoked arbitration after DFCCIL declined to accept the DAB award which was in favor of the Group. Arbitral Tribunal has given its award on April 22, 2023 wherein it has quantified the claims up to December 2019 in a sum of ₹ 45.20 crore. Based on the principles laid down by Tribunal for quantification, total claim on account of Change in Law

## Notes to the consolidated financial statements for the year ended March 31, 2023

for the entire Project period will come to ₹ 91.16 crore. Group is yet to receive the claim amount which is expected shortly.

- iii) Certain other claims in Energy and Highway sector as detailed in note 7(b)(11), 7(b)(12)(ii), 7(b)(12)(iii) and 42(ii) respectively.

Considering the above factors, the consolidated financial statements continue to be prepared on a going concern basis which contemplates realisation of current assets and settlement of current liabilities in an orderly manner.

### 2. Significant accounting policies

The significant accounting policies applied by the Group in the preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial statements, unless otherwise indicated below.

#### Recent accounting pronouncement issued but not made effective:

##### Ind AS 1 - Presentation of Financial Statements

The Ministry of Corporate Affairs ("MCA") vide notification dated March 31, 2023, has issued an amendment to Ind AS 1 which specifies that an entity to disclose their material accounting policies rather than their significant accounting policies and include corresponding amendments to Ind AS 107 and Ind AS 34 with effect from April 01, 2023.

##### Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The Ministry of Corporate Affairs ("MCA") vide notification dated March 31, 2023, has issued an amendment to Ind AS 8 which specifies that the definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates with effect from April 01, 2023.

##### Ind AS 12 - Income Taxes

The Ministry of Corporate Affairs ("MCA") vide notification dated March 31, 2023 has issued an amendment to Ind AS 12 which narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Also, there is corresponding amendment to Ind AS 101. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2023.

The Group is in the process of evaluating the impact on consolidated financial statements.

### 2.1. Basis of Consolidation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, including the rules notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013 as amended from time to time.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The functional and presentation currency of the Group is Indian Rupee (₹) which is the currency of the primary economic environment in which the Group operates.

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as at March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements

## Notes to the consolidated financial statements for the year ended March 31, 2023

- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities, used for the purpose of consolidation are drawn up to same reporting date as that of the Holding company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so. In case of entities, where it is impracticable to do so, they are consolidated using the most recent financial statements available, which has a lag of three months, adjusted for the effects of significant transactions or events occurring between the date of those financial statements and consolidated financial statements.

### **Consolidation procedure:**

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's

investment in each subsidiary and the parent's portion of equity of each subsidiary.

- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.
- (d) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Holding Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 2.2. Summary of significant accounting policies:

#### a. Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Re-acquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Business combinations arising from transfers of interests in entities that are under the common control are

accounted at pooling of interest method. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation represents excess of the Group's share in the net worth of a subsidiary over the cost of acquisition at each point of time of making the investment in the subsidiary. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

#### b. Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The results, assets and liabilities of joint venture and associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable. An investment in associate or joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint

## Notes to the consolidated financial statements for the year ended March 31, 2023

venture or associate. On acquisition of investment in a joint venture or associate, any excess of cost of investment over the fair value of the assets and liabilities of the joint venture, is recognised as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognised directly in equity as capital reserve. The unrealised profits/losses on transactions with joint ventures are eliminated by reducing the carrying amount of investment.

The carrying amount of investment in joint ventures and associates is reduced to recognise impairment, if any, when there is objective evidence of impairment.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When the end of the reporting period of the parent is different from that of an associate or a joint venture, an associate or a joint venture, for consolidation purposes, prepares additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of an associate or a joint venture, unless it is impracticable to do so. In case of entities, where it is impracticable to do so, they are consolidated using the most recent financial statements available, with a lag of three months, adjusted for the effects of significant transactions or events occur between the date of those financial statements and consolidated financial statements. When necessary, adjustments are made to bring the accounting policies in

line with those of the Group.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

### **c. Interest in joint operations**

In respect of its interests in joint operations, the Group recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Holding Company and its subsidiaries are combined for consolidation. Interests in joint operations are included in the segments to which they relate.

The financial statements of the joint operations are prepared for the same reporting period as the Group. When the end of the reporting period of the parent is different from that of a joint operation, a joint operations for consolidation purposes, prepares additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of a joint operations, unless it is impracticable to do so. In case of entities, where it is impracticable to do so, they are consolidated using the most recent financial statements available, with a lag of three months, adjusted for the effects of significant transactions or events occurring between the date of those financial statements and consolidated financial statements. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

### **d. Current versus non-current classification**

The Group presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realised within twelve months after the reporting period, or



## Notes to the consolidated financial statements for the year ended March 31, 2023

- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle,
- ii. It is held primarily for the purpose of trading,
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Advance tax paid is classified as non-current assets.

Operating cycle for the business activities of the Group extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective line of business.

### e. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### f. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue from contracts with customers is recognised when it satisfies a performance obligation by transferring



## Notes to the consolidated financial statements for the year ended March 31, 2023

promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

### **Significant financing component**

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised service to the customer and when the customer pays for that service will be one year or less.

The Group also receives long-term advances from customers for rendering services. The transaction price for such contracts are discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

### **Contract balances**

#### **Contract assets**

A contract asset is the right to consideration in exchange for services transferred to the customer (which consist of unbilled revenue). If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

### **Trade receivables**

The trade receivables are measured at transaction price and where the value are different from the fair value, at fair value. Trade receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

### **Contract liabilities**

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### **Energy sector**

In case of power generating and trading companies, revenue from energy units sold as per the terms of the PPA and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled revenue accrued up to the end of the accounting year.

Revenue earned in excess of billings has been included under "other assets" as unbilled revenue and billings in excess of revenue earned have been disclosed under "other liabilities" as unearned revenue.

Claims for delayed payment charges and any other claims, in which the Group companies are entitled to under the PPAs, are recognized on reasonable certainty to expect ultimate collection.

Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers. Revenue/ charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognized/ charged at rates notified by CERC from time to time, as revenue from sale of energy and adjusted with revenue from sale of energy. Further, revenue is recognized/adjusted towards truing up in terms of the applicable CERC regulations.

## Notes to the consolidated financial statements for the year ended March 31, 2023

Revenue from electrical energy transmission charges is recognized on an accrual basis in accordance with the provisions of the transmission service agreements.

Revenue from sale of coal is recognised when the risks and rewards of ownership passes to the purchaser in accordance with the terms of sale, including delivery of the product, the selling price is fixed or determinable, and collectability is reasonably assured. Revenue earned in the pre-production stage and related operating costs have been recorded against the carrying value of mining and exploration and development properties.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from energy trading are recognised as per the agreement with the customer. In case of the energy trading agreements, where the Group is entitled only for a fixed margin and the associated risk and rewards are with the third parties, revenue is recognised only to the extent of assured margin.

### Highways Sector

In case of entities involved in construction and maintenance of Roads, revenue is recognised in line with the Appendix C to Ind AS 115 – Service Concession Arrangements. Toll revenue is recognised on an accrual basis which coincides with the collection of tolls from the users of highways.

Revenue share paid / payable to concessionaire grantors:

Revenue share paid / payable to concessionaires / grantors as a percentage of revenues, pursuant to the terms and conditions of the relevant agreement for development, construction, operation and maintenance of the respective highways has been disclosed as revenue share paid / payable to concessionaire grantors in the consolidated statement of profit and loss.

### For Construction business entities

Construction revenue and costs are recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred

if it is probable that they will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method i.e. over the period of time. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- i. The amount of revenue can be measured reliably,
- ii. It is probable that the economic benefits associated with the contract will flow to the Group,
- iii. The stage of completion of the contract at the end of the reporting period can be measured reliably,
- iv. The costs incurred or to be incurred in respect of the contract can be measured reliably.

Provision is made for all losses incurred to the balance sheet date. Variations in contract work, claims and incentive payments are recognised to the extent that it is probable that they will result in revenue, and they are capable of being reliably measured. Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers.

Amount received before the related work is performed are disclosed in the Balance Sheet as a liability towards advance received. Amounts billed for work performed but yet to be paid by the customers are disclosed in the Balance Sheet as trade receivables.

### Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable except the interest income received from customers for delayed payments which are accounted on the basis of reasonable certainty / realisation.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated

## Notes to the consolidated financial statements for the year ended March 31, 2023

future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other operating income / other income in the consolidated statement of profit and loss depending upon the nature of operations of the entity in which such revenue is recognised.

### **Others**

- i. Income from management / technical services is recognised as per the terms of the agreement on the basis of services rendered.
- ii. Insurance claim is recognised on acceptance of the claims by the insurance company.
- iii. Revenue from charter services is recognised based on services provided as per the terms of the contracts with the customers.

Revenue earned in excess of billings has been included under 'other financial assets' as unbilled revenue and billings in excess of revenue has been disclosed under 'other liabilities' as unearned revenue.

### **g. Service concession arrangements**

The Group constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix C to Ind AS 115 – Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the operator receives a right (i.e. a concessionaire) to charge users of the public service. The financial model is used when the operator has an unconditional contractual right to receive cash or other financial assets from or at the direction of the grantor for the construction service. When the unconditional right to receive cash covers only part of the service, the two models

are combined to account separately for each component. If the operator performs more than one service (i.e. construction, upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the service delivered, when the amount are not separately identifiable.

Other intangible asset is amortised over the shorter of the estimated period of future economic benefits which the other intangible assets are expected to generate or the concession period, from the date they are available for use.

An asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.

The Group recognises a financial asset to the extent that it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor. In case of annuity-based carriageways, the Group recognises financial asset.

### **h. Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### i. Taxes on income

#### Current tax

Tax expense for the year comprises current tax and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax assets and

liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets include Minimum Alternative Tax ("MAT") paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realized.

In the year in which the Group recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

### j. **Non-current assets held for sale and discontinued operations.**

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly

## Notes to the consolidated financial statements for the year ended March 31, 2023

probable when:

- a) The appropriate level of management is committed to a plan to sell the asset,
- b) An active programme to locate a buyer and complete the plan has been initiated,
- c) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the consolidated balance sheet.

Property, plant and equipment and other intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- i) Represents a separate major line of business or geographical area of operations,
- ii) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations  
Or
- iii) Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented separately in the consolidated statement of profit and loss.

### **k. Property, plant and equipment**

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date and is stated at cost less accumulated impairment loss.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss as and when incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

### **l. Depreciation on property, plant and equipment**

#### **Energy sector**

In case of domestic entities, the depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Act except on case of plant and machinery in case of some gas based power plants and power generating units dedicated for generation of power under CERC tariff regulations where the useful life of the asset is considered as 25 years as prescribed by CERC being the regulatory authority in the energy sector, as against 40 years as per Schedule II of the Act.

#### **Other entities**

For domestic entities other than aforesaid entities, the depreciation on the Property plant and equipment is

## Notes to the consolidated financial statements for the year ended March 31, 2023

calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Companies Act, 2013.

The management has estimated the useful life of assets individually costing ₹ 5,000 or less to be less than one year, which is lower than those indicated in Schedule II.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight-line basis over the lease term. Where there is reasonable certainty that the Group shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Group for similar assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

### **Useful life of Property, plant and equipment, other than disclosed above:**

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category of asset	Estimated useful life
Plant and equipment	4 – 15 years
Buildings	7 – 30 years
Office equipment	5 years
Furniture and fixtures	3-10 years
Vehicles and Aircrafts	5 – 25 years
Computers	3-6 years

Leasehold improvements are depreciated over the primary period of lease or estimated useful life, whichever is lower, on straight line basis.

The Group, based on technical assessment made by the technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

### **m. Investment property**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes borrowing costs for long-term construction projects if the recognition criteria are met.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life / residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in consolidated statement of profit and loss in the period of derecognition.

### **Investment property under construction**

Investment property under construction represents expenditure incurred in respect of capital projects and are carried at cost. Cost includes land, related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure.

### **n. Other intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the



## Notes to the consolidated financial statements for the year ended March 31, 2023

date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of other intangible assets are assessed as either finite or indefinite.

### **o. Amortisation of other intangible assets**

Other intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period, with the effect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Amortization of mining properties is based on using unit-of-production method from the date of commencement of commercial production of the respective area of interest over the lesser of the life of the mine or the terms of the coal contracts of work or mining business license.

Carriageways related to toll based road projects are amortized based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in terms of MCA notification dated April 17, 2012 and in terms of the amendments to the Schedule II of the Act vide MCA notification dated March 31, 2014 pursuant to the exemption provided as per D22 (i) of Ind AS 101.

The total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in traffic and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.

Other intangible assets representing power plant concessionaire rights and carriageways are amortized over the concession period, ranging from 23 to 40 years and 17.5 to 25 years respectively, as the economic benefits from

the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

Software is amortised based on the useful life of six years on a straight-line basis as estimated by the management.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

### **p. Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

### **q. Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

#### Group as a lessee

Assets acquired on leases where a significant portion of



## Notes to the consolidated financial statements for the year ended March 31, 2023

risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset. The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

### Group as a lessor:

Leases are classified as finance leases when substantially

all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

### **r. Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Contract work in progress: contract work in progress comprising construction costs and other directly attributable overheads is valued at lower of cost and net realisable value

Cost of inventories is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred that relate to future activities on the contract are recognised as "Contract work in progress".

Contract work in progress comprising construction costs

## Notes to the consolidated financial statements for the year ended March 31, 2023

and other directly attributable overheads is valued at lower of cost and net realisable value.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to that extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

**s. Impairment of non-financial assets, investments in joint ventures and associates**

As at the end of each accounting year, the Group reviews the carrying amounts of its Property plant and equipment ('PPE'), investment properties, other intangible assets and investments in associates and joint ventures to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in case of an individual asset, at the higher of the net selling price and the value in use; and
- (ii) in case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the respective company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the consolidated statement of profit and loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

**t. Provisions and contingent liabilities**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost

## Notes to the consolidated financial statements for the year ended March 31, 2023

of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Provisions and contingent liabilities are reviewed at each balance sheet.

### **Decommissioning liability:**

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the consolidated statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

### **u. Retirement and other employee benefits**

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution scheme. The Group has no obligation, other than the contribution payable. The Group recognizes contribution payable to provident fund, pension fund and superannuation fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess

is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

The Group presents the leave as a current liability in the consolidated balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- a. The date of the plan amendment or curtailment, and
- b. The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group

## Notes to the consolidated financial statements for the year ended March 31, 2023

recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b. Net interest expense or income.

### v. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the consolidated statement of profit and loss. In case of interest free or concession loans/debentures/preference shares given to associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Investment in equity instruments issued by associates and joint ventures are measured at cost less impairment.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### (a) Financial assets

##### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and

the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### Impairment of financial assets, excluding investments in joint ventures and associates

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through profit or loss.

The Group recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Financial instruments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

#### De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset,

## Notes to the consolidated financial statements for the year ended March 31, 2023

and the transfer qualifies for de-recognition under Ind AS 109.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in the consolidated statement of profit and loss.

For trade and other receivables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### (b) Financial liabilities and equity instruments

#### Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost

using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the consolidated statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### a. Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

#### b. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

#### Put option liability

The potential cash payments related to put options issued by the Group over the equity of subsidiary companies to non-controlling interests are accounted for as financial liabilities when such options may only be settled other than by exchange of a fixed amount of cash or another financial asset for a fixed number of shares in the subsidiary. The financial liability for such put option is accounted for under Ind AS 109.

The amount that may become payable under the

## Notes to the consolidated financial statements for the year ended March 31, 2023

option on exercise is initially recognised at fair value under other financial liabilities with a corresponding charge directly to equity. All subsequent changes in the carrying amount of the financial liability are recognised in the profit or loss attributable to the parent. The entity recognises both the non-controlling interest and the financial liability under the NCI put. It continues to measure non-controlling interests at proportionate share of net assets.

If the put option is exercised, the entity accounts for an increase in its ownership interest. At the same time, the entity derecognises the financial liability and recognises an offsetting credit in the same component of equity reduced on initial recognition. In the event that the option expires unexercised, the liability is derecognised with a corresponding adjustment to equity.

### **Off-setting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **w. Derivative financial instruments**

The Group uses derivative financial instruments, such as call spread options, interest rate swap etc. forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in consolidated OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

- b) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- c) Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges that meet the strict criteria for hedge accounting are accounted for as described below:

The effective portion of the gain or loss on the hedging instrument is recognised in consolidated OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts recognised as consolidated OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in consolidated OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.



## Notes to the consolidated financial statements for the year ended March 31, 2023

### x. Convertible preference shares/ debentures

Convertible preference shares / debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares / debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for conversion right. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares / debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

### y. Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### z. Cash dividend

The Group recognises a liability to make cash distributions to equity holders of the respective Companies when the distribution is authorised and the distribution is no longer at the discretion of such Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the respective Company's Board of Directors.

### aa. Foreign currencies

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.
- Exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Group has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101-"First time adoption of Indian Accounting Standard" are



## Notes to the consolidated financial statements for the year ended March 31, 2023

recognised directly in equity or added/ deducted to/ from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

### **Group companies:**

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that foreign operation is recognised in the consolidated statement of profit and loss.

### **bb. Exceptional items**

An item of income or expense which due to its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in the consolidated financial statements.

### **cc. Corporate social responsibility ('CSR') expenditure**

The Group charges its CSR expenditure during the year to the consolidated statement of profit and loss.

### **dd. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 2.3. The entities consolidated in the consolidated financial statements are listed below:

Sl. No.	Name of the entity	Short names	Country of incorporation	Relationship as at March 31, 2023	Percentage of effective ownership interest held (directly and indirectly) as at March 31, 2023	Percentage of voting rights held as at March 31, 2023	As % of consolidated net assets	Net assets, i.e. total assets minus total liabilities*	As % of total profit after tax	Profit after tax*	As % of other comprehensive income	Other comprehensive income*	As % of total comprehensive income	Total comprehensive income*
<b>Parent</b>														
1	<b>GMR Power and Urban Infra Limited (GPUIL)</b>	<b>GPUIL</b>	<b>India</b>	<b>Holding Company</b>			<b>67.91%</b>	<b>403.14</b>	<b>-21.65%</b>	<b>(282.85)</b>	<b>44.23%</b>	<b>(958.46)</b>	<b>-129.11%</b>	<b>(641.30)</b>
<b>Subsidiaries</b>														
<b>Indian</b>														
2	GMR Energy Trading Limited (GETL)	GETL	India	Subsidiary	95.97%	89.06%	23.78%	141.23	0.59%	7.68	-0.01%	0.09	1.56%	7.77
3	GMR Londa Hydropower Private Limited (GHPLP)	GHPLP	India	Subsidiary	82.16%	100.00%	-17.18%	(102.05)	-0.52%	(6.83)	0.00%	-	-1.37%	(6.83)
4	GMR Smart Electricity Distribution Private Limited (Formerly GMR Mining & Energy Private Limited)	GMEI	India	Subsidiary	82.16%	100.00%	-0.25%	(1.50)	-0.03%	(0.41)	0.00%	-	-0.06%	(0.41)
5	GMR Generation Assets Limited (GGAL)	GGAL	India	Subsidiary	82.16%	82.16%	-139.33%	(827.51)	-14.34%	(187.45)	0.00%	-	-37.73%	(187.45)
6	GMR Green Energy Limited(GEEL) (Formerly GMR Green Energy Private Limited)	GGEL	India	Subsidiary <sup>1</sup>	100.00%	100.00%	-0.01%	(0.04)	-0.01%	(0.08)	0.00%	-	-0.02%	(0.08)
7	GMR Highways Limited (GMRHL)	GMRHL	India	Subsidiary <sup>1</sup>	100.00%	100.00%	223.55%	1327.70	-9.94%	(29.92)	0.00%	(0.02)	-26.16%	(29.94)
8	GMR Tambaram Tindivanam Expressways Limited (GTTEL)	GTTEL	India	Subsidiary <sup>1</sup>	NA	NA	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	GMR Tum Anapallil Expressways Limited (GTTEL)	GTTEL	India	Subsidiary <sup>1</sup>	NA	NA	0.00%	-	0.00%	-	0.00%	-	0.00%	-
10	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	GACEPL	India	Subsidiary	100.00%	100.00%	-48.01%	(255.42)	-2.77%	(86.26)	-0.01%	0.07	-7.29%	(86.19)
11	GMR Pochampalli Expressways Limited (GPPL)	GPPL	India	Subsidiary	100.00%	100.00%	50.27%	298.53	3.36%	43.95	-0.01%	0.10	8.87%	44.05
12	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	GHVEPL	India	Subsidiary	90.00%	90.00%	-19.23%	(1135.76)	-10.23%	(133.71)	0.01%	(0.06)	-26.95%	(133.77)
13	GMR Chennai Outer Ring Road Private Limited (GCOORPL)	GCOORPL	India	Subsidiary	90.00%	90.00%	7.40%	48.97	3.17%	41.41	0.00%	(0.00)	8.33%	41.40
14	Gateways for India Airports Private Limited (GFIAPL)	GFIAPL	India	Subsidiary	86.49%	86.49%	0.44%	2.61	0.00%	0.04	0.00%	-	0.01%	0.04
15	GMR Aerospace Services Limited (GASL)	GASL	India	Subsidiary	100.00%	100.00%	38.05%	225.99	3.70%	48.41	0.00%	-	9.75%	48.41
16	GMR Aviation Private Limited (GAPL)	GAPL	India	Subsidiary	100.00%	100.00%	22.02%	130.76	0.30%	3.92	-0.01%	0.08	0.81%	4.00
17	GMR Kishinagi SIR Limited (GKSIR)	GKSIR	India	Subsidiary	100.00%	100.00%	41.08%	244.01	-1.81%	(23.60)	0.00%	-	-4.75%	(23.60)
18	Adivita Properties Private Limited (APPL)	APPL	India	Subsidiary	100.00%	100.00%	0.63%	3.73	0.21%	2.79	0.00%	-	0.56%	2.79
19	Aklima Properties Private Limited (AKPPL)	AKPPL	India	Subsidiary	100.00%	100.00%	0.84%	4.97	0.23%	3.05	0.00%	-	0.61%	3.05
20	Amaraya Properties Private Limited (AMPPL)	AMPPL	India	Subsidiary	100.00%	100.00%	0.09%	0.53	0.04%	0.54	0.00%	-	0.11%	0.54
21	Baumi Properties Private Limited (BPPL)	BPPL	India	Subsidiary	100.00%	100.00%	0.63%	3.72	0.20%	2.59	0.00%	-	0.52%	2.59
22	Bougainvillea Properties Private Limited (BOPPL)	BOPPL	India	Subsidiary	100.00%	100.00%	2.02%	12.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
23	Candela Properties Private Limited (CPPL)	CPPL	India	Subsidiary	100.00%	100.00%	2.02%	12.01	0.03%	0.35	0.00%	-	0.07%	0.35
24	Deepesh Properties Private Limited (DPPL)	DPPL	India	Subsidiary	100.00%	100.00%	1.9%	11.64	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
25	Eila Properties Private Limited (EPL)	EPL	India	Subsidiary	100.00%	100.00%	0.12%	0.71	0.07%	0.97	0.00%	-	0.20%	0.97
26	Gebera Properties Private Limited (GPL)	GPL	India	Subsidiary	100.00%	100.00%	15.4%	9.15	0.02%	0.21	0.00%	-	0.04%	0.21
27	Lakshmi Priya Properties Private Limited (LPPPL)	LPPPL	India	Subsidiary	100.00%	100.00%	0.91%	5.40	0.36%	4.67	0.00%	-	0.94%	4.67
28	Honeycastle Properties Private Limited (HPPPL)	HPPPL	India	Subsidiary	100.00%	100.00%	0.56%	3.35	0.07%	0.86	0.00%	-	0.17%	0.86
29	Iolika Properties Private Limited (IPL)	IPL	India	Subsidiary	100.00%	100.00%	0.27%	1.63	0.10%	1.24	0.00%	-	0.23%	1.24
30	Krishnapriya Properties Private Limited (KPL)	KPL	India	Subsidiary	100.00%	100.00%	1.29%	7.65	0.37%	4.82	0.00%	-	0.97%	4.82
31	Lakshpur Properties Private Limited (LAPPL)	LAPPL	India	Subsidiary	100.00%	100.00%	1.22%	7.27	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
32	Nadira Properties Private Limited (NPL)	NPL	India	Subsidiary	100.00%	100.00%	0.55%	3.29	0.19%	2.54	0.00%	-	0.51%	2.54
33	Pednapriya Properties Private Limited (PAPPL)	PAPPL	India	Subsidiary	100.00%	100.00%	0.98%	5.84	0.06%	0.79	0.00%	0.02	0.16%	0.80

Notes to the consolidated financial statements for the year ended March 31, 2023

2.3. The entities consolidated in the consolidated financial statements are listed below:

Sl. No.	Name of the entity	Short names	Country of incorporation	Relationship as at March 31, 2023	Percentage of effective ownership interest held (directly and indirectly) as at March 31, 2023	Percentage of voting rights held as at March 31, 2023	As % of consolidated net assets	Net assets, i.e. total assets minus total liabilities*	As % of total profit after tax	Profit after tax*	As % of other comprehensive income		Total comprehensive income <sup>†</sup>	
											March 31, 2023	March 31, 2023		March 31, 2023
													(₹ in crore)	
34	Prakalpa Properties Private Limited (PPPL)	PPPL	India	Subsidiary	100.00%	100.00%	0.31%	1.82	0.17%	2.22	0.00%	-	0.45%	2.22
35	Purnachandra Properties Private Limited (PUPPL)	PUPPL	India	Subsidiary	100.00%	100.00%	1.73%	10.29	0.34%	4.48	0.00%	-	0.90%	4.48
36	Shreyadita Properties Private Limited (SPL)	SPL	India	Subsidiary	100.00%	100.00%	2.06%	12.24	0.14%	1.88	0.00%	-	0.38%	1.88
37	Panesh Properties Private Limited (PRPPL)	PRPPL	India	Subsidiary	100.00%	100.00%	2.19%	13.01	0.91%	11.95	0.00%	-	2.40%	11.95
38	Sreepa Properties Private Limited (SRPPL)	SRPPL	India	Subsidiary	100.00%	100.00%	1.04%	6.19	0.24%	3.10	0.00%	-	0.62%	3.10
39	Radhapriya Properties Private Limited (RPPL)	RPPL	India	Subsidiary	100.00%	100.00%	-0.34%	(2.03)	-0.01%	(0.19)	0.00%	-	-0.04%	(0.19)
40	Asteria Real Estates Private Limited (AREPL)	AREPL	India	Subsidiary	100.00%	100.00%	0.84%	5.00	0.37%	4.80	0.00%	-	0.97%	4.80
41	Lantana Properties Private Limited (Lantana)	Lantana	India	Subsidiary	100.00%	100.00%	0.52%	3.11	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
42	Namitha Real Estates Private Limited (NREPL)	NREPL	India	Subsidiary	100.00%	100.00%	-0.40%	(2.35)	-0.02%	(0.26)	0.00%	-	-0.05%	(0.26)
43	Honey Flower Estates Private Limited (HFEPPL)	HFEPPL	India	Subsidiary	100.00%	100.00%	7.07%	41.99	0.18%	2.32	0.00%	-	0.47%	2.32
44	GMR-SEZ & Port Holdings Limited (GSPHL)	GSPHL	India	Subsidiary	100.00%	100.00%	-30.01%	(178.25)	-6.50%	(84.98)	0.00%	0.00	-17.11%	(84.98)
45	Suzanne Properties Private Limited (SUPPL)	SUPPL	India	Subsidiary	100.00%	100.00%	-0.90%	(5.34)	-0.05%	(0.69)	0.00%	-	-0.14%	(0.69)
46	Lililan Properties Private Limited (LPL)	LPL	India	Subsidiary	100.00%	100.00%	-0.36%	(2.14)	0.00%	(0.03)	0.00%	-	-0.01%	(0.03)
47	Dhruvi Securities Limited (DSL) [Formerly Dhruvi Securities Private Limited (DSPLI)]	DSPLI	India	Subsidiary	100.00%	100.00%	55.19%	327.81	-0.07%	(0.88)	1.70%	(13.74)	-2.94%	(14.63)
<b>Foreign</b>														
48	GMR Energy (Cyprus) Limited (GECIL)	GECIL	Cyprus	Subsidiary <sup>(1)</sup>	100.00%	100.00%	0.00%	-	0.00%	-	1.81%	(14.70)	-2.96%	(14.70)
49	GMR Energy (Netherlands) B.V. (GENEBV)	GENEBV	Netherlands	Subsidiary	100.00%	100.00%	0.01%	0.04	-0.03%	(0.33)	1.99%	(16.16)	-3.32%	(16.50)
50	GMR Energy Projects (Mauritius) Limited (GEPML)	GEPML	Mauritius	Subsidiary	100.00%	100.00%	-34.63%	(2,046.84)	8.02%	104.77	26.35%	(213.53)	-21.89%	(108.76)
51	GMR Infrastructure (Singapore) Private Limited (GISPL)	GISPL	Singapore	Subsidiary	100.00%	100.00%	151.49%	899.71	2.03%	265.3	-15.30%	123.94	30.29%	150.47
52	GMR Coal Resources Private Limited (GCRPL)	GCRPL	Singapore	Subsidiary	100.00%	100.00%	4.79%	28.44	16.04%	209.66	8.84%	(71.67)	27.76%	138.00
53	GADL International Limited (GADLIL)	GADLIL	Ble of Man	Subsidiary <sup>(1)</sup>	100.00%	100.00%	0.00%	-	0.00%	(0.01)	0.14%	(1.10)	-0.22%	(1.11)
54	GMR Male International Airport Private Limited (GMIAL)	GMIAL	Maldives	Subsidiary	76.67%	76.67%	122.08%	725.04	-0.02%	(0.21)	-5.96%	48.33	9.69%	48.12
55	GMR Power & Urban Infra (Mauritius) Limited (GMIU) [Formerly GMR Infrastructure (Mauritius) Limited (GMIU)]	GMIU	Mauritius	Subsidiary	100.00%	100.00%	60.92%	361.84	60.92%	796.28	-6.93%	56.18	171.60%	852.46
56	GMR Infrastructure (Cyprus) Limited (GICL)	GICL	Cyprus	Subsidiary	100.00%	100.00%	-0.06%	(0.34)	-0.02%	(0.25)	13.54%	(109.71)	-22.13%	(109.56)
57	GMR Infrastructure Overseas Limited, Malta (GIOL)	GIOL	Malta	Subsidiary	100.00%	100.00%	3.87%	22.96	-0.02%	(0.32)	-0.06%	0.51	0.04%	0.19
58	GMR Infrastructure (UK) Limited (GIUL)	GIUL	United Kingdom	Subsidiary	100.00%	100.00%	-2.72%	(16.13)	-0.31%	(4.05)	-0.18%	1.49	-0.52%	(2.56)
59	GMR Infrastructure (Global) Limited (GGL)	GGL	Ble of Man	Subsidiary	100.00%	100.00%	0.00%	(0.00)	0.00%	-	14.18%	(114.89)	-23.13%	(114.89)
60	Indo Tausch Trading DMCC (Indo Tausch)	Indo Tausch	United Arab Emirates	Subsidiary	100.00%	100.00%	8.05%	47.78	-1.20%	(15.62)	0.17%	(1.34)	-3.41%	(16.96)
61	PT GMR Infrastructure Indonesia (PTGI)	Singapore	Singapore	Subsidiary <sup>(2)</sup>	100.00%	100.00%	0.64%	3.81	-0.41%	(5.53)	0.00%	(0.03)	-1.00%	(5.53)
62	GMR Infrastructure (Overseas) Limited (GI(OL))	GI(OL)	Mauritius	Subsidiary	100.00%	100.00%	-196.42%	(1,166.55)	9.79%	127.90	15.50%	(125.98)	0.47%	2.32
<b>Joint ventures (investment as per equity method) and jointly controlled operations</b>														
<b>Indian</b>														
63	GMR Energy Limited (GEL)	GEL	India	Joint Venture <sup>(3)</sup>	69.58%	58.86%	150.82%	895.74	-9.44%	(123.32)	0.06%	(0.49)	-24.92%	(123.81)
64	GIIL SII JV	GIIL SII JV	India	Joint Venture	51.00%	51.00%	0.71%	4.23	0.04%	0.58	0.00%	-	0.12%	0.58

## Notes to the consolidated financial statements for the year ended March 31, 2023



### 2.3. The entities consolidated in the consolidated financial statements are listed below:

Sl. No.	Name of the entity	Short names	Country of incorporation	Relationship as at March 31, 2023	Percentage of effective ownership interest held (directly and indirectly) as at March 31, 2023	Percentage of voting rights held as at March 31, 2023	As % of consolidated net assets	Net assets, i.e. total assets minus total liabilities*	As % of total profit after tax	Profit after tax**	As % of other comprehensive income	Other comprehensive income*	As % of total comprehensive income	Total comprehensive income*	
															March 31, 2023
<b>Foreign</b>															
65	Megawide GSPL Construction Joint Venture (MGCJV)	MGCJV	Philippines	Jointly Controlled Operations	50.00%	50.00%	2.33%	13.84	0.96%	12.81	-0.04%	0.31	2.64%	13.11	
66	Limak GMR Joint Venture (CJV)	CJV	Turkey	Joint Venture	50.00%	50.00%	0.07%	0.44	0.03%	0.44	0.00%	-	0.05%	0.44	
<b>Associate</b>															
<b>Indian</b>															
67	GMR Rajahmundry Energy Limited (GREL)	GREL	India	Associate	36.97%	45.00%	0.00%	-	-8.35%	(109.07)	-0.01%	0.07	-21.94%	(109.00)	
<b>Foreign</b>															
68	PT Golden Energy Mines Tbk (PTGEMS)	PTGEMS	Indonesia	Associate <sup>††††</sup>	NA	NA	0.00%	0.00	74.46%	973.26	0.00%	-	195.92%	973.26	
	<b>Sub Total</b>						<b>100%</b>	<b>593.91</b>	<b>100%</b>	<b>1,307.01</b>	<b>100%</b>	<b>(810.29)</b>	<b>100%</b>	<b>496.77</b>	
	<b>Less: Non controlling interests in all subsidiaries</b>							<b>(120.12)</b>		<b>(43.55)</b>		<b>11.18</b>		<b>(32.37)</b>	
	<b>Consolidation adjustments/eliminations**</b>							<b>(3,215.27)</b>		<b>(80.67)</b>		<b>968.32</b>		<b>887.64</b>	
	<b>Total</b>							<b>(2,741.48)</b>		<b>1,182.79</b>		<b>169.21</b>		<b>1,352.00</b>	

\*The figures have been considered from the respective standalone financial statements before consolidation adjustments / eliminations.

\*\* Consolidation adjustments/eliminations include intercompany eliminations and consolidation adjustments.

Notes to the consolidated financial statements for the year ended March 31, 2023

2.3. The entities consolidated in the consolidated financial statements are listed below:

Sl. No.	Name of the entity	Short names	Country of incorporation	Relationship as at March 31, 2022	Percentage of effective ownership interest held (directly and indirectly) as at March 31, 2022	Percentage of voting rights held as at March 31, 2022	As % of consolidated net assets	Net assets, i.e. total assets minus total liabilities <sup>a</sup>	As % of total profit after tax	Profit after tax <sup>a</sup>	March 31, 2022			Total comprehensive income <sup>b</sup>
											As % of other comprehensive income	Other comprehensive income <sup>b</sup>	As % of total comprehensive income	
<b>Parent</b>														
1	GMR Power and Urban Infra Limited (GPUL)	GPUL	India	Holding Company <sup>1</sup>		18.77%	1423.35	-10.17%	(48.68)	100.28%	590.73	50.73%	542.05	
<b>Subsidiaries</b>														
<b>Indian</b>														
2	GMR Energy Trading Limited (GETL)	GETL	India	Subsidiary	81.00%	81.00%	79.56	0.99%	4.75	0.00%	(0.01)	0.44%	4.74	
3	GMR Londa Hydropower Private Limited (GHPL)	GHPL	India	Subsidiary	82.16%	100.00%	(95.23)	-1.28%	(6.15)	0.00%	-	-0.58%	(6.15)	
4	GMR Smart Electricity Distribution Private Limited (Formerly GMR Mining & Energy Private Limited)	GDEL	India	Subsidiary	82.16%	100.00%	(1.09)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	
5	GMR Generation Assets Limited (GGA)	GGAL	India	Subsidiary	82.16%	82.16%	(640.05)	15.92%	74.85	0.00%	-	7.01%	74.85	
6	GMR Green Energy Limited(GEEL) (Formerly GMR Green Energy Private Limited)	GGEL	India	Subsidiary <sup>5</sup>	NA	NA	NA	0.00%	-	0.00%	-	0.00%	-	
7	GMR Highways Limited (GMRHL)	GMRHL	India	Subsidiary <sup>3</sup>	100.00%	100.00%	895.59	-19.55%	(93.71)	0.03%	0.20	-8.73%	(93.50)	
8	GMR Tambaram Tindivanam Expressways Limited (GTTEL)	GTTTEL	India	Subsidiary <sup>3</sup>	95.18%	100.00%	286.63	5.29%	25.37	0.00%	-	2.37%	25.37	
9	GMR Tum Anakapalli Expressways Limited (GTTEL)	GTAEL	India	Subsidiary <sup>3</sup>	95.18%	100.00%	157.61	2.25%	10.80	0.00%	-	1.01%	10.80	
10	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	GACEPL	India	Subsidiary	100.00%	100.00%	(665.69)	-18.43%	(89.33)	0.00%	(0.00)	-8.27%	(88.24)	
11	GMR Pohtampalli Expressways Limited (GPEL)	GPEL	India	Subsidiary	100.00%	100.00%	254.48	3.40%	16.28	-0.01%	(0.04)	1.52%	16.24	
12	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	GHVEPL	India	Subsidiary	90.00%	90.00%	(1,001.99)	-13.21%	(171.01)	0.00%	(0.02)	-16.01%	(171.03)	
13	GMR Chennai Outer Ring Road Private Limited (GCONRPL)	GCONRPL	India	Subsidiary	90.00%	90.00%	2.57	-2.95%	(14.12)	-0.01%	(0.07)	-1.33%	(14.20)	
14	Gateways for India Airports Private Limited (GFIAL)	GFIAL	India	Subsidiary	86.49%	86.49%	2.58	0.01%	0.03	0.00%	(0.00)	0.00%	0.03	
15	GMR Aerostucture Services Limited (GASL)	GASL	India	Subsidiary	100.00%	100.00%	139.50	-1.86%	(8.93)	0.00%	-	-0.84%	(8.93)	
16	GMR Aviation Private Limited (GAPL)	GAPL	India	Subsidiary	100.00%	100.00%	126.76	-0.99%	(4.73)	0.01%	0.08	-0.44%	(4.65)	
17	GMR Krishnagiri SIR Limited (GKSIR)	GKSIR	India	Subsidiary	100.00%	100.00%	32.07	-7.73%	(37.04)	0.00%	-	-3.47%	(37.04)	
18	Adivia Properties Private Limited (APPL)	APPL	India	Subsidiary	100.00%	100.00%	0.93	0.46%	2.22	0.00%	-	0.21%	2.22	
19	Aklima Properties Private Limited (AKPL)	AKPL	India	Subsidiary	100.00%	100.00%	1.89	0.18%	0.85	0.00%	-	0.08%	0.85	
20	Amartya Properties Private Limited (AMPPL)	AMPPL	India	Subsidiary	100.00%	100.00%	(0.34)	0.03%	0.17	0.00%	-	0.02%	0.17	
21	Bauni Properties Private Limited (BPL)	BPL	India	Subsidiary	100.00%	100.00%	1.14	0.45%	2.16	0.00%	-	0.20%	2.16	
22	Bogamvillea Properties Private Limited (BOPPL)	BOPPL	India	Subsidiary	100.00%	100.00%	12.00	2.20%	10.56	0.00%	-	0.99%	10.56	
23	Camelia Properties Private Limited (CPL)	CPL	India	Subsidiary	100.00%	100.00%	11.62	1.10%	5.27	0.00%	-	0.49%	5.27	
24	Deepesh Properties Private Limited (DPL)	DPL	India	Subsidiary	100.00%	100.00%	11.65	0.56%	2.66	0.00%	-	0.25%	2.66	
25	Ela Properties Private Limited (EPL)	EPL	India	Subsidiary	100.00%	100.00%	(0.27)	-0.02%	(0.07)	0.00%	-	-0.01%	(0.07)	
26	Gebera Properties Private Limited (GPR)	GPR	India	Subsidiary	100.00%	100.00%	8.62	1.10%	5.27	0.00%	-	0.49%	5.27	
27	Lakshmi Priya Properties Private Limited (LPPPL)	LPPPL	India	Subsidiary	100.00%	100.00%	0.74	0.36%	1.71	0.00%	-	0.16%	1.71	
28	Honeyuckle Properties Private Limited (HPL)	HPL	India	Subsidiary	100.00%	100.00%	2.49	0.35%	1.68	0.00%	-	0.16%	1.68	
29	Idika Properties Private Limited (IPL)	IPL	India	Subsidiary	100.00%	100.00%	0.39	0.21%	0.99	0.00%	-	0.09%	0.99	
30	Krishnagiri Properties Private Limited (KPL)	KPL	India	Subsidiary	100.00%	100.00%	2.50	0.29%	1.40	0.00%	-	0.13%	1.40	
31	Lakshpur Properties Private Limited (LAPPL)	LAPPL	India	Subsidiary	100.00%	100.00%	7.29	0.38%	1.80	0.00%	-	0.17%	1.80	
32	Nadira Properties Private Limited (NPL)	NPL	India	Subsidiary	100.00%	100.00%	0.75	0.02%	0.07	0.00%	-	0.01%	0.07	
33	Padmavathi Properties Private Limited (PAPPL)	PAPPL	India	Subsidiary	100.00%	100.00%	5.05	0.35%	1.66	0.00%	(0.02)	0.15%	1.64	

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 2.3. The entities consolidated in the consolidated financial statements are listed below:

Sl. No.	Name of the entity	Short names	Country of incorporation	Relationship as at March 31, 2022	Percentage of effective ownership interest held (directly and indirectly) as at March 31, 2022	Percentage of voting rights held as at March 31, 2022	As % of consolidated net assets	Net assets, i.e. total assets minus total liabilities*	As % of total profit after tax	Profit after tax*	As % of other comprehensive income <sup>a</sup>		As % of total comprehensive income		Total comprehensive income <sup>a</sup>	
											March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022		March 31, 2022
34	Prakrpa Properties Private Limited (PPPL)	PPPL	India	Subsidiary	100.00%	100.00%	-0.1%	(0.40)	0.06%	0.28	0.00%	-	0.03%	0.28		
35	Purechandra Properties Private Limited (PUPPL)	PUPPL	India	Subsidiary	100.00%	100.00%	0.08%	5.61	0.81%	3.86	0.00%	-	0.36%	3.86		
36	Shreyadita Properties Private Limited (SPPL)	SPPL	India	Subsidiary	100.00%	100.00%	0.13%	10.18	2.10%	9.61	0.00%	-	0.90%	9.61		
37	Pranesh Properties Private Limited (PRPPL)	PRPPL	India	Subsidiary	100.00%	100.00%	0.01%	1.05	0.06%	0.29	0.00%	-	0.03%	0.29		
38	Sreepa Properties Private Limited (SRPPL)	SRPPL	India	Subsidiary	100.00%	100.00%	0.04%	3.09	0.40%	1.89	0.00%	-	0.18%	1.89		
39	Radhapriya Properties Private Limited (RPPPL)	RPPPL	India	Subsidiary	100.00%	100.00%	-0.02%	(1.84)	-0.20%	(0.97)	0.00%	-	-0.09%	(0.97)		
40	Asteria Real Estate Private Limited (AREPL)	AREPL	India	Subsidiary	100.00%	100.00%	0.00%	0.19	0.09%	0.42	0.00%	-	0.04%	0.42		
41	Lantana Properties Private Limited (Lantana)	Lantana	India	Subsidiary	100.00%	100.00%	0.04%	3.12	-0.01%	(0.04)	0.00%	-	0.00%	(0.04)		
42	Namtha Real Estates Private Limited (NREPL)	NREPL	India	Subsidiary	100.00%	100.00%	-0.03%	(2.09)	-0.04%	(0.20)	0.00%	-	-0.02%	(0.20)		
43	Honey Flower Estates Private Limited (HFEPPL)	HFEPPL	India	Subsidiary	100.00%	100.00%	0.52%	39.67	0.18%	0.85	0.00%	-	0.08%	0.85		
44	GMR SEZ & Port Holdings Limited (GSPHL)	GSPHL	India	Subsidiary	100.00%	100.00%	-2.89%	(219.27)	-14.71%	(70.53)	0.00%	0.01	-6.60%	(70.52)		
45	Suzone Properties Private Limited (SUPPL)	SUPPL	India	Subsidiary	100.00%	100.00%	-0.06%	(4.66)	0.03%	0.13	0.00%	-	0.01%	0.13		
46	Lillian Properties Private Limited (LPL)	LPL	India	Subsidiary	100.00%	100.00%	-0.03%	(2.10)	0.13%	0.60	0.00%	-	0.06%	0.60		
47	Dhruvi Securities Limited (DSL) [Formerly Dhruvi Securities Private Limited (DSPJLI)]	DSPLI	India	Subsidiary	100.00%	100.00%	4.06%	307.78	1.02%	4.89	15.83%	93.23	9.18%	98.11		
<b>Foreign</b>																
48	GMR Energy (Cyprus) Limited (GECU)	GECU	Cyprus	Subsidiary <sup>11</sup>	100.00%	100.00%	0.00%	(0.00)	0.00%	-	-0.68%	(4.01)	-0.38%	(4.01)		
49	GMR Energy (Netherlands) B.V. (GEBV)	GEBV	Netherlands	Subsidiary	100.00%	100.00%	2.22%	168.30	-1.00%	(4.79)	-0.40%	(2.38)	-0.67%	(7.18)		
50	GMR Energy Projects (Mauritius) Limited (GEPML)	GEPML	Mauritius	Subsidiary	100.00%	100.00%	-25.55%	(1,891.09)	-9.81%	(47.03)	-5.51%	(32.46)	-7.44%	(79.49)		
51	GMR Infrastructure (Singapore) Pte Limited (GISPL)	GISPL	Singapore	Subsidiary	100.00%	100.00%	25.43%	1928.67	13.63%	65.34	2.06%	12.11	7.25%	77.45		
52	GMR Coal Resources Pte Limited (GCRPL)	GCRPL	Singapore	Subsidiary	100.00%	100.00%	20.14%	157.69	96.10%	46.66	-2.98%	(17.55)	41.48%	443.10		
53	GADL International Limited (GADLIL)	GADLIL	Ile of Man	Subsidiary <sup>11</sup>	100.00%	100.00%	0.00%	0.04	0.00%	(0.01)	-0.05%	(0.30)	-0.03%	(0.31)		
54	GMR Male International Airport Private Limited (GMAL)	GMAL	Maldives	Subsidiary	76.87%	76.87%	8.59%	651.72	-0.01%	(0.03)	1.24%	7.29	0.68%	7.26		
55	GMR Power & Urban Infra (Mauritius) Limited (GPMU) [Formerly GMR Infrastructure(Mauritius) Limited (GMU)]	GML	Mauritius	Subsidiary	100.00%	100.00%	11.64%	888.02	38.76%	185.81	0.08%	0.47	17.44%	186.29		
56	GMR Infrastructure (Cyprus) Limited (GCI)	GCI	Cyprus	Subsidiary	100.00%	100.00%	0.00%	(0.07)	-0.06%	(0.27)	-2.81%	(16.54)	-1.57%	(16.81)		
57	GMR Infrastructure Overseas Limited, Malta (GIOL)	GIOL	Malta	Subsidiary	100.00%	100.00%	0.30%	22.67	-4.40%	(21.09)	-0.33%	(1.95)	-2.16%	(23.05)		
58	GMR Infrastructure (UK) Limited (GIUL)	GIUL	United Kingdom	Subsidiary	100.00%	100.00%	-0.16%	(12.08)	-0.88%	(4.23)	-0.17%	(1.00)	-0.49%	(5.23)		
59	GMR Infrastructure (Global) Limited (GGL)	GGL	Ile of Man	Subsidiary	100.00%	100.00%	0.00%	(0.00)	0.00%	-	-2.94%	(17.32)	-1.62%	(17.32)		
60	Indo Tausch Trading DMCC (Indo Tausch)	Indo Tausch	United Arab Emirates	Subsidiary	100.00%	100.00%	0.26%	19.71	-0.07%	(0.32)	0.00%	(0.03)	-0.03%	(0.34)		
61	PT GMR Infrastructure Indonesia (PTGI)	Singapore	Singapore	Subsidiary <sup>6</sup>	100.00%	100.00%	0.01%	0.46	-0.23%	(1.10)	0.00%	-	-0.10%	(1.10)		
62	GMR Infrastructure (Overseas) Limited (GIO/L)	GIO/L	Mauritius	Subsidiary	100.00%	100.00%	-13.82%	(1,047.82)	32.43%	155.45	-3.67%	(21.60)	12.53%	133.85		
<b>Joint ventures (investment as per equity method) and jointly controlled operations</b>																
<b>Indian</b>																
63	GMR Energy Limited (GEL)	GEL	India	Joint Venture <sup>6a</sup>	69.98%	52.57%	8.53%	646.71	-130.31%	(624.62)	-0.17%	(0.99)	-58.96%	(625.60)		
64	GIL SIL JV	GIL SIL JV	India	Joint Venture	51.00%	51.00%	0.05%	3.66	0.05%	0.24	0.00%	-	0.02%	0.24		

Notes to the consolidated financial statements for the year ended March 31, 2023

2.3. The entities consolidated in the consolidated financial statements are listed below:

Sl. No.	Name of the entity	Short names	Country of incorporation	Relationship as at March 31, 2022	Percentage of effective ownership interest held (directly and indirectly) as at March 31, 2022	Percentage of voting rights held as at March 31, 2022	As % of consolidated net assets	Net assets, i.e. total assets minus total liabilities*	As % of total profit after tax	Profit after tax*	As % of other comprehensive income	Other comprehensive income*	As % of total comprehensive income	Total comprehensive income*
<b>Foreign</b>														
65	Megawide GSPJ Construction Joint Venture (MGCJV)	MGCJV	Philippines	Jointly Controlled Operations	50.00%	50.00%	0.41%	31.27	0.09%	0.42	0.00%	-	0.04%	0.42
66	Limak GMR Joint Venture (CJV)	CJV	Turkey	Joint Venture	50.00%	50.00%	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
<b>Associate</b>														
<b>Indian</b>														
67	GMR Rajmundry Energy Limited (GREL)	GREL	India	Associate	36.97%	45.00%	-6.29%	(477.14)	-21.96%	(105.26)	0.00%	0.01	-9.85%	(105.25)
<b>Foreign</b>														
68	PT Golden Energy Mines Tbk (PTGEMS)	PTGEMS	Indonesia	Associate <sup>3/11/12</sup>	30.00%	30.00%	48.38%	3,668.98	160.91%	771.33	0.19%	1.10	72.31%	772.43
	<b>Sub Total</b>						<b>7,584.33</b>	<b>100%</b>	<b>478.35</b>	<b>100%</b>	<b>588.94</b>	<b>100%</b>	<b>1,068.27</b>	
	<b>Less: Non controlling interests in all subsidiaries</b>						<b>(68.09)</b>		<b>(4.03)</b>		<b>1.67</b>		<b>(2.36)</b>	
	<b>Consolidation adjustments/eliminations**</b>						<b>(9,748.77)</b>		<b>(1,122.86)</b>		<b>(586.66)</b>		<b>(1,709.50)</b>	
	<b>Total</b>						<b>(2,232.53)</b>		<b>(647.54)</b>		<b>3.95</b>		<b>(683.59)</b>	

\*The figures have been considered from the respective standalone financial statements before consolidation adjustments / eliminations.

\*\* Consolidation adjustments/eliminations include intercompany eliminations and consolidation adjustments.



## Notes to the consolidated financial statements for the year ended March 31, 2023

The reporting dates of the subsidiaries, joint ventures and associates coincide with that of the parent Company except in case of foreign subsidiaries (refer SI. No 48 to 62) , foreign joint ventures (refer SI. No 65 and 66) and foreign associate (refer SI. No 68) whose financial statements for the year ended on and as at December 31, 2022 were considered for the purpose of consolidated financial statements of the Group.

The financial statements of other subsidiaries / joint ventures / associates have been drawn up to the same reporting date as of the Company, i.e. March 31, 2023.

### Notes:

- 1 The disclosure of Net Assets, Profit after tax, Other comprehensive Income of GMR Power and Urban Infra Limited (holding company) is disclosed after giving effect to the scheme of amalgamation and demerger (refer note 49) in accordance with the requirement of Appendix C of Ind AS 103.
- 2 During the year ended March 31, 2019, the Group has accounted for the put option to acquire additional 17.85% stake from investors in regard to GMR Energy Limited at an agreed amount. However, the same has been considered for effective holding but not for voting rights as at March 31, 2023 and March 31, 2022.
- 3 The amounts for net assets / (liabilities) and net profit / (loss) of PTGEMS and its subsidiaries have been presented on a consolidated basis. Refer note 15 below.
- 4 The amounts for net assets / (liabilities) and net profit / (loss) of GEL and its subsidiaries and joint ventures have been presented on a consolidated basis. Refer note 14 below.
- 5 Incorporated during the year ended March 31, 2023.
- 6 Incorporated during the year ended March 31, 2022.
- 7 Disposed during the year ended March 31, 2023.
- 8 Liquidated during the year ended March 31, 2023.
- 9 Liquidated during the year ended March 31, 2022.
- 10 Liquidated during the period ended December 31, 2022
- 11 The amounts disclosed with respect to net profit / (loss) in the table above comprises of the net profit / (loss) from the operations of such entities till the date of disposal / liquidation and net profit / (loss) from such disposal / liquidation.
- 12 Entity has been assessed as an associate during the year ended March 31, 2022.
- 13 Entities merged with GMRHL during the year ended March 31, 2023.

### 14 The entities consolidated with GEL are listed below:

SI. No.	Name of the entity	Country of incorporation	Relationship with GPUIL as at March 31, 2023	Percentage of effective ownership interest held (directly and indirectly) by GPUIL as at	
				March 31, 2023	March 31, 2022
1	GMR Vemagiri Power Generation Limited (GVPGL)	India	Joint Venture	69.58%	69.58%
2	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	Joint Venture	69.61%	69.61%
3	GMR Warora Energy Limited (GWEL)	India	Joint Venture**	64.06%	69.58%
4	GMR Gujarat Solar Power Limited (GGSPPL)	India	Joint Venture	69.58%	69.58%
5	GMR Bundelkhand Energy Private Limited (GBEPL)	India	Joint Venture	69.58%	69.58%
6	GMR Tenaga Operations and Maintenance Private Limited (GTOM)	India	Joint Venture	34.79%	34.79%
7	GMR Maharashtra Energy Limited (GMAEL)	India	Joint Venture	69.58%	69.58%

Notes to the consolidated financial statements for the year ended March 31, 2023

Sl. No.	Name of the entity	Country of incorporation	Relationship with GPUIL as at March 31, 2023	Percentage of effective ownership interest held (directly and indirectly) by GPUIL as at	
				March 31, 2023	March 31, 2022
8	GMR Rajam Solar Power Private Limited (GRSPPL)	India	Joint Venture	69.58%	69.58%
9	GMR Indo-Nepal Power Corridors Limited (GINPCL)	India	Joint Venture	69.58%	69.58%
10	GMR Indo-Nepal Energy Links Limited (GINELL)	India	Joint Venture <sup>10</sup>	69.58%	69.58%
11	GMR Consulting Services Limited (GCSL)	India	Joint Venture	69.58%	69.58%
12	GMR Kamalanga Energy Limited (GKEL)	India	Joint Venture*	67.93%	64.88%
13	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	India	Joint Venture	55.57%	55.57%
14	Rampia Coal Mine and Energy Private Limited (RCMEPL)	India	Joint Venture <sup>9</sup>	0.00%	0.00%
15	GMR Energy (Mauritius) Limited (GEML)	Mauritius	Joint Venture	71.10%	71.10%
16	Karnali Transmission Company Private Limited (KTCPL)	Nepal	Joint Venture	71.10%	71.10%
17	GMR Lion Energy Limited (GLEL)	Mauritius	Joint Venture	71.10%	71.10%
18	GMR Upper Karnali Hydropower Limited (GUKPL)	Nepal	Joint Venture	51.90%	51.90%

\* Refer note 7a(6)(b)(vi)

\*\* Refer note 7(b)(12)(ii)

**15 The entities consolidated with PTGEMS are listed below:**

Sl. No.	Name of the entity	Country of incorporation	Relationship with GPUIL as at August 31, 2022*	Percentage of effective ownership interest held (directly and indirectly) by GPUIL as at	
				March 31, 2023	March 31, 2022
1	PT Roundhill Capital Indonesia (RCI)	Indonesia	Associate	29.70%	29.70%
2	PT Borneo Indobara (BIB)	Indonesia	Associate	29.43%	29.43%
3	PT Kuansing Inti Makmur (KIM)	Indonesia	Associate	30.00%	30.00%
4	PT Karya Cemerlang Persada (KCP)	Indonesia	Associate	30.00%	30.00%
5	PT Bungo Bara Utama (BBU)	Indonesia	Associate	30.00%	30.00%
6	PT Bara Harmonis Batang Asam (BHBA)	Indonesia	Associate	30.00%	30.00%
7	PT Berkat Nusantara Permai (BNP)	Indonesia	Associate	30.00%	30.00%
8	PT Tanjung Belit Bara Utama (TBBU)	Indonesia	Associate	30.00%	30.00%
9	PT Trisula Kencana Sakti (TKS)	Indonesia	Associate	21.00%	21.00%
10	PT Era Mitra Selaras (EMS)	Indonesia	Associate	30.00%	30.00%
11	PT Wahana Rimba Lestari (WRL)	Indonesia	Associate	30.00%	30.00%
12	PT Berkat Satria Abadi (BSA)	Indonesia	Associate	30.00%	30.00%
13	GEMS Trading Resources Pte Limited (GEMSCR)	Singapore	Associate	30.00%	30.00%
14	PT Karya Mining Solution (KMS)	Indonesia	Associate	30.00%	30.00%
15	PT Kuansing Inti Sejahtera (KIS)	Indonesia	Associate	30.00%	30.00%
16	PT Bungo Bara Makmur (BBM)	Indonesia	Associate	30.00%	30.00%
17	PT GEMS Energy Indonesia (PTGEI)	Indonesia	Associate	30.00%	30.00%
18	PT Dwikarya Sejati Utma (PTDSU)	Indonesia	Associate	30.00%	30.00%

## Notes to the consolidated financial statements for the year ended March 31, 2023

Sl. No.	Name of the entity	Country of incorporation	Relationship with GPUIL as at August 31, 2022*	Percentage of effective ownership interest held (directly and indirectly) by GPUIL as at	
				March 31, 2023	March 31, 2022
19	PT Unsoco (Unsoco)	Indonesia	Associate	30.00%	30.00%
20	PT Barasentosa Lestari (PTBSL)	Indonesia	Associate	30.00%	30.00%
21	PT Duta Sarana Internusa (PTDSI)	Indonesia	Associate	30.00%	30.00%

\* During the year ended March 31, 2023, GMR Coal Resources Pte Ltd ("GCRPL"), a stepdown subsidiary of GMR Power and Urban Infra Limited (GPUIL), entered into a Share Purchase Agreement ('agreement') with PT Radhika Jananta Raya ("buyer") a subsidiary of PT ABM Investama Tbk ("ABM") and PTABM to divest its 30% equity stake in PT Golden Energy Mines Tbk ("PT GEMS"), an Associate, following a competitive bidding process. The transaction was completed after compliance of conditions precedent and accordingly the Group has recorded divestment in PTGEMS during the year ended March 31, 2023. Also refer note 42(iii)

### 3. Property, plant and equipment

(₹ in crore)

Particulars	Freehold land	Buildings (including roads)	Plant and machinery	Lease hold improvements	Office equipments (including computers)	Furniture and fixtures (including electrical installations and equipments)	Vehicles and aircrafts	Total
<b>Gross carrying amount</b>								
<b>As at April 01, 2021</b>	<b>15.36</b>	<b>58.42</b>	<b>244.10</b>	<b>12.00</b>	<b>20.35</b>	<b>7.01</b>	<b>233.05</b>	<b>590.29</b>
Additions	-	-	2.22	-	0.36	0.14	30.13	32.85
Disposals	-	-	(1.37)	-	(0.12)	(0.09)	(58.62)	(60.20)
Exchange differences (refer note 3)	-	-	-	-	-	-	0.01	0.01
<b>As at March 31, 2022</b>	<b>15.36</b>	<b>58.42</b>	<b>244.95</b>	<b>12.00</b>	<b>20.59</b>	<b>7.06</b>	<b>204.57</b>	<b>562.95</b>
Additions	-	-	1.52	3.47	1.51	1.05	10.40	17.95
Disposals	-	-	(11.75)	-	(0.15)	(0.53)	(0.68)	(13.11)
Exchange differences (refer note 3)	-	-	-	-	-	-	0.09	0.09
<b>As at March 31, 2023</b>	<b>15.36</b>	<b>58.42</b>	<b>234.72</b>	<b>15.47</b>	<b>21.95</b>	<b>7.58</b>	<b>214.38</b>	<b>567.88</b>
<b>Accumulated Depreciation</b>								
<b>As at April 01, 2021</b>	<b>-</b>	<b>13.94</b>	<b>123.09</b>	<b>11.67</b>	<b>18.11</b>	<b>5.16</b>	<b>90.98</b>	<b>262.95</b>
Charge for the year	-	2.28	18.14	0.11	0.99	0.48	11.80	33.80
Disposals	-	-	(1.26)	-	(0.11)	(0.09)	(32.75)	(34.21)
<b>As at March 31, 2022</b>	<b>-</b>	<b>16.22</b>	<b>139.97</b>	<b>11.78</b>	<b>18.99</b>	<b>5.55</b>	<b>70.03</b>	<b>262.54</b>
Charge for the year	-	-	15.73	0.63	0.89	0.54	14.88	32.67
Disposals	-	-	(10.92)	-	(0.13)	(0.17)	(0.39)	(11.61)
<b>As at March 31, 2023</b>	<b>-</b>	<b>16.22</b>	<b>144.78</b>	<b>12.41</b>	<b>19.75</b>	<b>5.92</b>	<b>84.52</b>	<b>283.60</b>
<b>Net block</b>								
<b>As at March 31, 2022</b>	<b>15.36</b>	<b>42.20</b>	<b>104.98</b>	<b>0.21</b>	<b>1.60</b>	<b>1.51</b>	<b>134.54</b>	<b>300.41</b>
<b>As at March 31, 2023</b>	<b>15.36</b>	<b>42.20</b>	<b>89.94</b>	<b>3.06</b>	<b>2.20</b>	<b>1.66</b>	<b>129.86</b>	<b>284.28</b>

#### Notes:

1. Certain property, plant and equipment has been pledged for the borrowings taken by the Group. Also refer note 18 and 23.
2. Also refer note 38(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
3. Foreign exchange differences in gross carrying amount of ₹ 0.09 crore (March 31, 2022: gain of ₹ 0.01 crore) on account of translating the financial statement items of foreign entities using the exchange rate at the balance sheet date.

Notes to the consolidated financial statements for the year ended March 31, 2023

**4. Right of use assets**

(₹ in crore)

Particulars	Land	Buildings (including roads)	Total
<b>Gross carrying amount</b>			
<b>As at April 01, 2021</b>	0.13	17.65	17.78
Disposals	-	(4.64)	(4.64)
<b>As at March 31, 2022</b>	0.13	13.01	13.14
Additions	-	10.39	10.39
<b>As at March 31, 2023</b>	0.13	23.40	23.53
<b>Accumulated amortisation</b>			
<b>As at April 01, 2021</b>	0.03	4.51	4.54
Charge for the year	0.02	3.22	3.24
<b>As at March 31, 2022</b>	0.05	7.73	7.78
Charge for the year	0.02	5.11	5.13
<b>As at March 31, 2023</b>	0.07	12.84	12.91
<b>Net carrying amount</b>			
<b>As at March 31, 2022</b>	0.08	5.28	5.36
<b>As at March 31, 2023</b>	0.06	10.56	10.62

**5. Investment property**

(₹ in crore)

Particulars	Investment property		Investment property under construction	Total
	Land	Buildings		
<b>Gross carrying amount</b>				
<b>As at April 01, 2021</b>	88.37	26.69	421.97	537.03
Acquisitions during the year	9.11	-	-	9.11
Expenses capitalised during the year	1.02	-	38.72	39.74
Disposals (refer note 43(i))	(4.97)	-	(18.42)	(23.39)
Asset classified as held for sale (refer note 33)	(32.10)	-	-	(32.10)
<b>As at March 31, 2022</b>	61.43	26.69	442.27	530.39
Acquisitions during the year	0.72	-	-	0.72
Expenses capitalised during the year	0.02	-	38.50	38.52
Disposals (refer note 43(i))	(6.33)	-	(4.08)	(10.41)
Asset classified as held for sale (refer note 33)	(7.38)	-	1.85	(5.53)
<b>As at March 31, 2023</b>	48.46	26.69	478.54	553.69
<b>Accumulated depreciation</b>				
<b>As at April 01, 2021</b>	-	2.52	-	2.52
Charge for the year	-	0.45	-	0.45
<b>As at March 31, 2022</b>	-	2.97	-	2.97
Charge for the year	-	0.45	-	0.45
<b>As at March 31, 2023</b>	-	3.42	-	3.42
<b>Net carrying amount</b>				
<b>As at March 31, 2022</b>	61.43	23.72	442.27	527.42
<b>As at March 31, 2023</b>	48.46	23.27	478.54	550.27

## Notes to the consolidated financial statements for the year ended March 31, 2023

### Notes :

(a) Information regarding income and expenditure of Investment property:

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Rental income derived from investment property	5.23	3.72
Less: Direct operating expenses (including repairs and maintenance) generating rental income	(1.39)	(2.05)
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	(0.01)	(0.02)
<b>Profit arising from investment property before depreciation</b>	<b>3.83</b>	<b>1.65</b>
Less: Depreciation for the year	(0.45)	(0.45)
<b>Profit arising from investment property</b>	<b>3.38</b>	<b>1.20</b>

(b) Investment property including land as at March 31, 2023 represents 1,002 acres (March 31, 2022 : 1,077 acres) of land and building held by the Group consisting of 785 acres (March 31, 2022 : 785 acres) of land held by GKSIR for the purpose of SEZ at Krishnagiri and 217 acres (March 31, 2022 : 292 acres) of land held by other entities of the Group.

(c) Refer note 33(b) and 33(c).

(d) Investment property of the Group has been pledged for the borrowing taken by the Group. Refer note 18 and note 23.

(e) Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 39 for details on future minimum lease rentals.

(f) Refer to note 38 (a) for disclosure of contractual commitments for investment property.

(g) Fair value hierarchy disclosures for investment property have been provided in note 46.

### 6. Other Intangible Assets

Particulars	(₹ in crore)			
	Software	Carriageways concessionaire rights	Power plant	Total
<b>Gross carrying amount</b>				
<b>As at April 01, 2021</b>	<b>1.22</b>	<b>2,734.37</b>	<b>14.82</b>	<b>2,750.41</b>
Additions	0.13	-	-	0.13
<b>As at March 31, 2022</b>	<b>1.35</b>	<b>2,734.37</b>	<b>14.82</b>	<b>2,750.54</b>
Additions	0.04	-	-	0.04
<b>As at March 31, 2023</b>	<b>1.39</b>	<b>2,734.37</b>	<b>14.82</b>	<b>2,750.58</b>
<b>Accumulated amortisation</b>				
<b>As at April 01, 2021</b>	<b>1.21</b>	<b>469.90</b>	<b>8.73</b>	<b>479.84</b>
Charge for the year	0.01	89.75	0.91	90.67
<b>As at March 31, 2022</b>	<b>1.22</b>	<b>559.65</b>	<b>9.64</b>	<b>570.51</b>
Charge for the year	0.03	112.26	0.90	113.19
<b>As at March 31, 2023</b>	<b>1.25</b>	<b>671.91</b>	<b>10.54</b>	<b>683.70</b>
<b>Net carrying amount</b>				
<b>As at March 31, 2022</b>	<b>0.13</b>	<b>2,174.72</b>	<b>5.18</b>	<b>2,180.03</b>
<b>As at March 31, 2023</b>	<b>0.14</b>	<b>2,062.46</b>	<b>4.28</b>	<b>2,066.88</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 7a. Interest in Joint Ventures

#### 1 Details of joint ventures :

Name of the Entity	Country of incorporation /Place of Business	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting right held as at		Nature of Activities	Accounting Method
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022		
<b>a) Material Joint Ventures :</b> GMR Energy Limited (GEL) and its components <sup>2,4</sup>	India	69.58%	69.58%	53.86%	52.57%	Owns/operates/ constructs thermal, solar and hydro power plants through its subsidiaries and joint ventures.	Equity Method
<b>b) Others :</b> Limak GMR Joint Venture (Limak) <sup>3</sup>	Turkey	50.00%	50.00%	50.00%	50.00%	Joint venture formed for construction of ISG airport, Turkey.	Equity Method
GIL SIL JV	India	51.00%	51.00%	51.00%	51.00%	Engaged in Engineering, Procurement and Construction (EPC) activities	Equity Method

#### Notes:

- Aggregate amount of unquoted investment in joint ventures - ₹ 903.47 crore (March 31, 2022: ₹ 653.43 crore).
- During the year ended March 31, 2019, the Group has accounted for the put option to acquire additional 17.85% stake from investors in regard to GMR Energy Limited at an agreed amount. However, the same has been considered for effective holding but not for voting rights since March 31, 2019.  
Out of the 17.85% additional stake, 2.13% holding has been transferred to GPUIL as at March 31, 2023 (0.84% holding transferred to GPUIL as at March 31, 2022).
- The reporting dates of the joint ventures entities coincide with the Holding Company except in case of Limak whose financial statements for the year ended on and as at December 31, 2021 and December 31, 2022 as applicable were considered for the purpose of consolidated financial statements of the Group as these are the entities incorporated outside India and their financials statements are prepared as per calendar year i.e., January to December.
- GEL, its subsidiaries and joint ventures as detailed in note 2.3 have been referred to as 'GEL and its components'

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 2. Summarised financial information for material joint venture

(₹ in crore)

Particulars	GEL and its components*		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Current assets</b>				
Cash and cash equivalents	47.37	52.21	47.37	52.21
Assets classified as held for disposal	3.72	-	3.72	-
Other assets	3,139.27	2,992.07	3,139.27	2,992.07
<b>Total current assets</b>	<b>3,190.36</b>	<b>3,044.28</b>	<b>3,190.36</b>	<b>3,044.28</b>
<b>Non current assets</b>				
Non current tax assets	14.94	13.43	14.94	13.43
Other non current assets	10,207.39	11,015.02	10,207.39	11,015.02
<b>Total non current assets</b>	<b>10,222.33</b>	<b>11,028.45</b>	<b>10,222.33</b>	<b>11,028.45</b>
<b>Current liabilities</b>				
Financial liabilities (excluding trade payable)	3,872.73	3,796.04	3,872.73	3,796.04
Current tax liabilities	28.12	28.30	28.12	28.30
Other liabilities (including trade payable)	1,526.43	1,401.84	1,526.43	1,401.84
<b>Total current liabilities</b>	<b>5,427.28</b>	<b>5,226.18</b>	<b>5,427.28</b>	<b>5,226.18</b>
<b>Non current liabilities</b>				
Financial liabilities (excluding trade payable)	6,886.70	7,530.01	6,886.70	7,530.01
Deferred tax liabilities	154.42	164.11	154.42	164.11
Other liabilities (including trade payable)	513.23	516.38	513.23	516.38
<b>Total non current liabilities</b>	<b>7,554.35</b>	<b>8,210.49</b>	<b>7,554.35</b>	<b>8,210.49</b>
Less : Non controlling interest	(111.01)	(120.55)	(111.01)	(120.55)
<b>Net assets</b>	<b>320.05</b>	<b>515.51</b>	<b>320.05</b>	<b>515.51</b>

\*refer note 7(a)(1)(4)

### 3. Reconciliation of carrying amounts of material joint venture

(₹ in crore)

Particulars	GEL and its components*		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Opening net assets	515.51	280.21	515.51	280.21
Loss for the year	(177.23)	(603.99)	(177.23)	(603.99)
Other Comprehensive income	(0.70)	(1.42)	(0.70)	(1.42)
Adjustment to Net asset value due to acquisition of subsidiary at fair value	-	839.52	-	839.52
Other adjustments	(17.53)	1.19	(17.53)	1.19
<b>Closing net assets</b>	<b>320.05</b>	<b>515.51</b>	<b>320.05</b>	<b>515.51</b>
Proportion of the Group's ownership	69.58%	69.58%	69.58%	69.58%
Group's share	222.69	358.69	222.69	358.69
<b>Adjustments to the equity values</b>				
a) Fair valuation of investments	2,862.53	2,862.53	2,862.53	2,862.53
b) Additional impairment charge (refer note 7(b)(12)(i))	(2,569.93)	(2,942.76)	(2,569.93)	(2,942.76)
c) Acquisition of 17.85% stake	400.25	400.25	400.25	400.25
d) Other adjustments	(19.80)	(32.01)	(19.80)	(32.01)
<b>Carrying amount of the investment</b>	<b>895.74</b>	<b>646.71</b>	<b>895.74</b>	<b>646.71</b>

\*refer note 7(a)(1)(4)



## Notes to the consolidated financial statements for the year ended March 31, 2023

### 4 Summarised statement of profit and loss for material joint venture

(₹ in crore)

Particulars	GEL and its components		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from operations	4,688.17	2,644.15	4,688.17	2,644.15
Interest income	296.12	25.74	296.12	25.74
Depreciation and amortisation expenses	530.43	336.77	530.43	336.77
Finance Cost	1,211.01	870.64	1,211.01	870.64
Other expenses (net of other income)	3,404.12	2,066.83	3,404.12	2,066.83
Tax credit	(6.93)	(18.28)	(6.93)	(18.28)
Loss from continuing operations	(154.34)	(586.07)	(154.34)	(586.07)
Loss from discontinued operations	-	(8.19)	-	(8.19)
Loss for the year	(154.34)	(594.26)	(154.34)	(594.26)
Less : Non controlling interest	22.89	9.73	22.89	9.73
Loss for the year attributable to parent	(177.23)	(603.99)	(177.23)	(603.99)
Other comprehensive income	(0.80)	(1.42)	(0.80)	(1.42)
Less : Non controlling interest	(0.10)	-	(0.10)	-
Other comprehensive income attributable to parent	(0.70)	(1.42)	(0.70)	(1.42)
Total comprehensive income to parent	(177.93)	(605.41)	(177.93)	(605.41)
Total comprehensive income to parent net of other adjustments	(177.93)	(605.41)	(177.93)	(605.41)
Group share of loss for the year	(123.80)	(421.24)	(123.80)	(421.24)
Reversal of impairment / (Additional impairment charge) (Group share)	372.83	(204.36)	372.83	(204.36)

### 5. Financial information in respect of other joint ventures

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Aggregate carrying amount of investments in individually immaterial joint ventures	7.73	6.72
Aggregate amount of Group's share of :		
- Profit for the year	1.02	0.24
- Other comprehensive income for the year	-	-
- <b>Total comprehensive income for the year</b>	<b>1.02</b>	<b>0.24</b>

### 6 Contingent liabilities in respect of joint ventures (Group's share)

#### a) Contingent liabilities (Group's share)

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Contingent Liabilities</b>		
Bank guarantees outstanding / Letter of credit outstanding	256.69	254.60
Claims against the Group not acknowledged as debts	312.13	243.53
Disputed arrears of electricity charges	54.07	54.07
Matters relating to income tax under dispute	15.85	5.25
Matters relating to indirect taxes duty under dispute	159.35	159.35
Disputed demand for deposit of fund setup by water resource department	51.71	51.71
Dispute on relinquishment charges for modification of transmission lines granted under long term access.	2.12	2.12
<b>Total</b>	<b>851.92</b>	<b>770.63</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

### b) Notes

- i) The management of the Group believes that the ultimate outcome of the below matters will not have any material adverse effect on the Group's consolidated financial position and result of operations.
- ii) Refer note 44(b) with regard to corporate guarantee provided by the Group on behalf of joint ventures.
- iii) A search under section 132 of the IT Act was carried out at the premises of GEL and certain entities of the GEL Group by the income tax authorities on October 11, 2012, followed by search closure visits on various dates during the year ended March 31, 2013 to check the compliance with the provisions of the IT Act. The income tax department has subsequently sought certain information / clarifications. During the year ended March 31, 2015 and March 31, 2016, block assessments have been completed for some of the companies of the Group and appeals have been filed with the income tax department against the disallowances made in the assessment orders. The management of the Group believes that it has complied with all the applicable provisions of the IT Act with respect to its operations.
- iv) GKEL and GWEL has been made a party to various litigation in relation to land acquired and other matters for their power project. The compensation award has already been deposited with the Government and the possession of all these lands have already been handed over to GKEL/GWEL. In all these matters there are no adverse interim orders as at March 31, 2023. The management of the Group believes that the claims filed against GKEL/GWEL are not tenable and does not have any adverse impact on the consolidated financial statements.
- v) GEL had entered into a Power Purchase Agreements ('PPAs') with Karnataka Power Transmission Corporation Limited for supply of energy during the period December 15, 1997 to July 07, 2008. GEL had a Fuel Supply Agreement ('FSA') with a fuel supplier towards purchase of Naphtha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event there was a shortfall in the purchase of the annual guaranteed quantity.

During the year ended March 31, 2013, GEL received a demand towards liquidated damages amounting to ₹ 296.16 crore along with an interest of ₹ 5.55 crore towards failure of GEL to purchase the annual guaranteed quantity

for the period from November 21, 2001 to June 06, 2008 under the erstwhile FSA. GEL had disputed the demand from the supplier towards the aforementioned damages. Further, GEL has filed its statement of defense and counter claim amounting to ₹ 35.96 crore along with interest at the rate of 18% p.a.

The matter was under arbitration. During the year ended March 31, 2017, the Arbitration Tribunal issued its arbitral award directing the fuel supplier to pay ₹ 32.21 crore to GEL towards its counter claim filed by GEL and rejected the claims of the fuel supplier. Subsequently, the fuel supplier filed an appeal before the District Civil Court of Bangalore for setting aside the entire arbitration award. The fuel supplier has also filed an interim application under Section 36 of the Arbitration and Conciliation Act for grant of interim stay on execution of the Arbitration award. The District City Civil Court vide its order issued the stay order on the operation of the Arbitration Award on furnishing of a bank guarantee by the fuel supplier equivalent to 50% of counter claim amount. Fuel supplier has filed writ petition before Karnataka High Court for setting aside the interim stay order dated March 04, 2017. Karnataka high court has dismissed the objection petition. GEL has filed execution petition before the Hon'ble Delhi High Court for execution of Arbitral award, the outcome of which is awaited.

Fuel supplier has filed an appeal before Bangalore High court against the order passed by the District Civil Court. The Hon'ble High Court, ordered stay of the Award subject to Fuel supplier depositing 50% of the Award amount. The Hon'ble High Court has allowed GEL to withdraw the amount on furnishing BG of equivalent amount. GEL has filed application for permission to withdraw amount upon submission of Corporate Guarantees. During the year ended March 31, 2020, the Hon'ble High court allowed GEL's Application with the condition that GEL give Affidavit-cum-Undertaking to state that it will not encumber/sell its land offered as security, till the disposal of the Appeal of fuel supplier.

Further, based on submission of two Corporate Guarantee copies by GEL and GGAL and Affidavit of undertaking by GMR Budelkhand Energy Limited the court had permitted GEL to withdraw the amount which has been deposited by the fuel supplier on a condition that GEL shall re-deposit the aforesaid amount before the court, within a time frame

## Notes to the consolidated financial statements for the year ended March 31, 2023

to be stipulated by the Court at the time of final disposal if the fuel supplier is successful in the appeal. The amount withdrawn by GEL has been shown as payable under other financial liabilities.

The final outcome of the case is pending conclusion. However, based on its internal assessment and a legal opinion, the management of the Group is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been made to the consolidated financial statements of GEL and the claim from the fuel supplier has been considered as a contingent liability.

- vi) During the year ended March 31, 2019, GEL received a notice of arbitration from one of the joint venture shareholders of GKEL seeking the Company to purchase their 10.20% stake in GKEL for ₹ 288.18 crore as per the terms of the shareholding agreement. During the year ended March 31, 2021, the arbitral tribunal pronounced an award directing GEL to purchase 21.93 crore shares of GKEL held by the joint venture shareholders by paying them aggregate sum of ₹ 288.18 crore approximately plus interest calculated @ 2% above the SBI PLR from October 11, 2018 till the date of award within 30 days from the date of award failing which it carries interest @18% per annum till the date of payment.

The Management of GEL is of the opinion that the invocation of the arbitration proceedings is invalid as the fund buyout obligation under the Share Subscription and Shareholder Agreement has not been validly triggered. The Management of GEL had filed a petition to challenge the award before the Hon'ble High Court of Bombay under and on the grounds available in section 34 and section 29A of the Arbitration and Conciliation Act, 1996.

During the year ended March 31, 2022, GEL has filed consent minutes of order with the erstwhile joint venture shareholder of GKEL in the Hon'ble High Court of Bombay for purchase of 219.30 million shares of GKEL held by the erstwhile joint venture shareholder for an aggregate consideration of ₹ 219.31 crore, which is to be paid in tranches as per the due dates agreed in the consent minutes. Further, in accordance with the consent minutes, GPUIL and GMR Enterprises Private Limited, the ultimate holding companies of GKEL, have jointly and severally provided an unconditional and irrevocable corporate guarantee to the erstwhile joint venture shareholder for

₹ 194.3 crore to guarantee the payment terms of GEL as agreed in the consent minutes.

All the eight tranches of the payment amounting to ₹ 219.31 crore have been completed during the current year (including payments made in the previous year) and proportionate shares of GKEL have been transferred to GEL. In accordance with the consent minutes, the GEL had recognized a liability equivalent to the difference between the fair value of the shares (as per the fair valuation exercise performed by an independent valuer) to be acquired as per the consent minutes and the obligation to be paid against purchase of such shares amounting to ₹ 39.13 crore as at March 31, 2022, which has been squared off now in the books of account. The eighth tranche was due on December 31, 2022, towards which GEL had applied for one month extension in line with the consent minutes. The payment towards this eighth tranche was made subsequently in the month of February 2023. GEL has met its payment obligations as per the consent minutes of order filed with the Hon'ble High Court of Bombay and accordingly, no other adjustments have been made in the accompanying Consolidated financial statement. Further, the corporate guarantee given by the Company and GMR Enterprises Private Limited ('GEPL') have been released, considering all the tranches have been paid.

- vii) As at March 31, 2022, the amount payable in foreign currency by the GEL Group to certain vendors of USD 0.62 crore (March 31, 2021, USD 0.79 crore) was outstanding for more than 3 years. The GEL Group is in the process of filing the application with RBI for condonation of delay. Pending such condonation, the fine/penalties, if any, that may be levied are currently unascertainable but not expected to be material, and accordingly, the consolidated financial statements does not include any adjustments with respect to such fines/penalties.
- viii) GEL and GVPGL (referred to as 'GEL Group' for this note) have entered into Technical Service Agreement ('TSA') and Parts and Repair Work Supply Agreement ('PRWST') with General Electric International Inc. and its affiliates (collectively referred as 'GE') for scheduled maintenance of gas turbines in gas based power plants. GE has raised invoices on respective companies as per the terms in the agreement, which are outstanding as at date. GEL Group has not paid the liability in contravention with Master Circular issued by the Reserve Bank of India ('RBI') on Import of Goods and Services dated July 01, 2014 (as amended).

## Notes to the consolidated financial statements for the year ended March 31, 2023

During the year ended March 31, 2020, GE served demand notice to GEL Group under section 8 of the Insolvency and Bankruptcy Code, 2016 of India demanding payment of outstanding amount. Pursuant to the above, the GEL Group and GE, entered into a settlement, wherein the GEL Group has agreed to pay the outstanding dues of USD 0.22 crore to GE as per the proposed payment plan mentioned in the settlement agreement. In case the GEL Group fail to make payment as per the agreed schedule, the GEL Group agreed to pay additional interest as per the TSA.

On July 18, 2020, GE approached International Court of Arbitration of the International Chamber of Commerce (ICC) by filing Emergency Application under ICC Arbitration Rules against the GEL Group. The Emergency Arbitrator, having jurisdiction to adjudicate a contract aggregating USD 0.09 crore between the GEL Group and one of the affiliate of General Electric International Inc., vide its order dated August 03, 2020, directed the GEL Group to pay USD 0.9 crore to GE. During the year ended March 31, 2021, the GEL Group, in accordance with the order of the emergency arbitrator and approval of the RBI (as per which no penalty or delay fee was charged), has paid the dues to GE. The GEL Group is in the process of filing the application with the RBI for condonation of delay and for approval of payment of remaining amount and hence no adjustments have been made in the consolidated financial statements. During the year ended March 31, 2021, the overseas vendors had initiated arbitration proceeding towards recovery of such overdue payable, which is pending in the Arbitral Tribunal of International Court of Arbitration of International Chamber of Commerce.

During the previous year ended March 31, 2022, GEL Group has entered a joint protocol with GE in accordance with which the GEL Group has deposited Rupees equivalent of USD 0.17 crore as a security deposit with GE amounting to ₹ 12.42 crore. The GEL Group and GE have submitted the joint protocol to the Arbitral Tribunal for their approval. The GEL Group has recorded an interest at the rate of 6-month LIBOR + 3.5% spread, of USD 0.01 crore from the date of payment.

GEL has received the RBI approval on March 31, 2022 for payment of remaining amount of USD 0.13 crore and made the payment subsequent to the year end.

- ix) During the year ended March 31, 2022, GEL had recognized interest income amounting to ₹ 59.39 crore pursuant to

the Hon'ble Supreme Court judgement dated March 30, 2022 which upheld the Appellate Tribunal for Electricity (APTEL's) judgement and dismissed the civil appeals and confirmed the liability of electricity supply companies (ESCOMs) to pay the interest.

The ESCOMs had paid their respective principal amounts to GEL in the year 2016 amounting to ₹ 67.15 crore. In response to the Hon'ble Supreme Court judgement GEL has sent a demand letter on April 08, 2022 demanding ₹ 59.72 crore towards interest from the ESCOMs compounded quarterly in accordance with aforesaid orders. The ESCOMs have submitted a reply to GEL disputing the interest amount claimed by GEL and have accepted a liability of ₹ 25.20 crore on account of interest out of demand raised of ₹ 59.72 crore. Further, during the year ended March 31, 2023, GEL has received the interest amount of ₹ 25.20 crore.

The ESCOMs have mentioned that the question of computation of interest post February 15, 2016 i.e., when repayment of principal was paid, does not arise in any event and further the claim of interest on interest is not in accordance with APTEL's order. GEL has involved an independent legal consultant to assess the matter and from perusal of the order of the Hon'ble Supreme Court, APTEL's judgement and such external legal opinion obtained, GEL believes that for the purpose of calculation of interest amount, outstanding dues includes principal amount and accrued interest.

Accordingly, GEL has claimed ₹ 59.39 crore in its books of account as communicated in its letter dated April 08, 2022 which is in accordance with applicable position of law. GEL has filed the Application before Hon'ble Supreme Court seeking consequential directions for payment of outstanding amounts pursuant to the the Hon'ble Supreme Court Order dated March 30, 2022 which remain unpaid despite the dismissal order. Replies and rejoinders are filed in the matter and likely to be listed in the month of May 2023.

- x) State of Himachal Pradesh has filed claim against GBHHPL in District court of Himachal Pradesh seeking 1% additional free power from GBHHPL based on New Hydro Power Policy, 2008.
- xi) In case of GBHHPL, petition have been filed with Hon'ble Supreme Court challenging the grant of environmental clearance and approval granted for diversion of Forest land

## Notes to the consolidated financial statements for the year ended March 31, 2023

for shifting of project site from right to left bank of river Ravi.

- xii) GKEL entered into agreement with SEPCO in 2008 for the construction and operation of a coal fired thermal power plant. Disputes arose between the parties in relation to the delays in construction and various technical issues relating to the construction and operation of the power plant. SEPCO served a notice of dispute to GKEL in March 2015 and initiated arbitration proceedings. An Arbitral Tribunal was constituted to adjudicate upon the disputes between the parties. SEPCO filed its claim and GKEL filed its counter claims before the Arbitral Tribunal. The Arbitral Tribunal has passed an Award on September 07, 2020 on the issues before it except the issues of interest and cost. Since there were computation/ clerical / typographical errors in the Award, both parties (GKEL and SEPCO) applied for correction of the Award under Section 33 of the Arbitration & Conciliation Act, 1996. The Arbitral Tribunal considered the applications of both the parties and has pronounced the corrected award on November 17, 2020 (the "Award"). GKEL has received a final award on the issues of interest and cost (the "Final Award") in the current year on June 24, 2021 which was later corrected and re-issued on September 01, 2021. The impact of such interest and cost could be approximately ₹ 35.88 crore, payable by GKEL to SEPCO. The net impact of the Award and the Final Award on GKEL could be approximately ₹ 1,080.88 crore, payable by GKEL to SEPCO (including ₹ 715.18 crore of bank guarantee invoked by GKEL). GKEL in its books of accounts as on balance sheet date shows an amount of ₹ 1,136.83 crore payable towards any such liability and thus there is no additional impact in books of accounts due to the Award and Final Award. GKEL has challenged the Award and the Final Award under Section 34 of the Arbitration and Conciliation Act, 1996 (Act) before the High Court of Orissa on February 15, 2021 and December 31, 2021 respectively. Based on legal advice obtained, GKEL has a good arguable case under section 34 of the Act to challenge the Award and seek setting aside of the same and thus GKEL is not expecting cash outflow in this matter. GKEL has in its books made provisions in view of the disputes between SEPCO and GKEL and taken into consideration the Award and the Final Award passed by the Arbitral Tribunal based on generally accepted accounting practices. Irrespective of the heads under which they appear or their nomenclature/ heading/title/narration, etc., such provisions do not make

GKEL liable for payment since liability is disputed as GKEL has challenged the award and Final Award before the Hon'ble High Court of Orissa.

- xiii) The management is of the opinion that the grant of Long Term Open Access ('LTOA') is beyond the generation capacity of the plant and requirement of reduction of LTOA was not on GKEL, own accord but was forced due to reasons attributable to implementing agencies. The management is hopeful of getting relief as requested in its petition before Appellate Tribunal of Electricity ('APTEL') and does not foresee any financial implication on such relinquishment that requires any adjustment in consolidated financial statements.

GKEL has entered into a Bulk Power Transmission Agreement ('BPTA') with Power Grid Corporation of India Limited ('PGCIL') for availing LTOA for inter-state transmission of 220MW of power to western region from its fourth unit of generating station on long term basis in future. The said BPTA was amended with revision in its commissioning schedule to September 2017. GKEL provided bank guarantees of ₹ 11 crore against the said BPTA. GKEL was unable to get longer term or medium term PPA for the generation of 4th Unit and had to temporarily suspend its construction and since the matter was beyond the control of GKEL, surrendered the transmission facility under force majeure conditions. GKEL had filed a petition with CERC to consider the relinquishment under force majeure without any liability to GKEL.

CERC had informed to take up the matter for adjudication after its decision in petition no. 92/MP/2015. The order in case of 92/MP/2015 was pronounced during FY 2019-20 wherein the CERC has decided that relinquishment charges have been payable in certain circumstances and methodology of such computation of relinquishment charges. It further ordered PGCIL that the transmission capacity which is likely to be stranded due to relinquishment of LTA shall be assessed based on load flow studies and directed it to calculate the stranded capacity and the compensation (relinquishment charges) payable by each relinquishing long term customer as per methodology specified in the Order respectively within one month of date of issue of the Order and publish the same on its website. The CERC order held that the relinquishment charges were liable to be paid for the abandoned projects.

As per calculations furnished by PGCIL in terms of order in

## Notes to the consolidated financial statements for the year ended March 31, 2023

92/MP the relinquishment charges for the 220 MW surrendered capacity is ₹ 3.05 crore (at sr. no. 48 of the list published on the website of PGCIL). However PGCIL have not yet raised any demand against this Order. Further GKEL has challenged the Order and filed an Appeal in association with Association of Power Producers ('APP') before APTEL in appeal no 417/2019.

The management of GKEL is hopeful of getting favorable order and does not foresee any financial implication on the consolidated financial statements and no provision is considered necessary.

### 7b. Interest in Associates

#### 1 Details of associates :

Name of the Entity	Country of incorporation /Place of Business	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting right held as at		Nature of Activities	Accounting Method
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022		
<b>a) Material associates :</b> GMR Rajahmundry Energy Limited (GREL) <sup>1</sup>	India	36.97%	36.97%	45.00%	45.00%	Owns and operates 768 MW combined cycle gas based power plant at Rajahmundry, Andhra Pradesh.	Equity Method
PT Golden Energy Mines TBK (PTGEMS) and its components <sup>2,3,4,5,6</sup>	Indonesia	-	30.00%	-	30.00%	Coal mining and trading operations in Indonesia.	Equity Method

#### Notes:

- Aggregate amount of unquoted investment in associates - ₹ Nil (March 31, 2022 : ₹ Nil).
- Aggregate amount of quoted investment in associates - ₹ Nil (March 31, 2022 : ₹ 3,668.98 crore).
- PTGEMS, its subsidiaries and joint ventures as detailed in note 2.3 have been referred to as 'PTGEMS' and its components'
- The reporting dates of the associates entities coincide with the Holding Company except in case of PT Gems and its components whose financial statements for the year ended on December 31, 2022 as at December 31, 2021 as applicable were considered for the purpose of consolidated financial statements of the Group as these are the entities incorporated outside India and their financials statements are prepared as per calendar year i.e., January to December. (Also refer note 6 below).
- During the year ended March 31, 2022, the Holding Company has re-evaluated the control assessment of PTGEMS which was earlier classified as joint Venture in previous periods. Based on the Master Concession agreement between PT Dian Swastatika Sentosa Tbk (now Golden Energy and Resources Limited) and GMR Coal Resources Private Limited (GCRPL), a step down subsidiary of the Holding Company, dated August 2011 both the parties assessed joint control over PT Golden Energy Mines Tbk (PT GEMS) considering GCRPL has substantive rights jointly on various policy and operating decision related matters but the same in substance are protective in nature. GCRPL can exercise only significant influence over the operating and policy decision as per Master Concession agreement. Accordingly, PT GEMS investments was classified as associate from joint venture retrospectively in the consolidated financial statements of the Holding Company as at March 31, 2022. Such reclassification does not have any financial impact in the consolidated financial statements of the Group for the year ended March 31, 2022 and in previous periods.
- During the year ended March 31, 2023, GCRPL entered into a Share Purchase Agreement ('agreement') with PT Radhika Jananta Raya ("buyer") a subsidiary of PT ABM Investama Tbk ("ABM") and PTABM to divest its 30% equity stake in PT Golden Energy Mines Tbk ("PT GEMS"), an Associate, following a competitive bidding process. The transaction was completed after compliance of conditions precedent and accordingly the Group has recorded the transaction of divestment in PTGEMS in consolidated financial statement during the year ended March 31, 2023.



## Notes to the consolidated financial statements for the year ended March 31, 2023

### 2. Summarised financial information of material associates

(₹ in crore)

Particulars	PT GEMS and its components		GREL		Total	
	December 31, 2022	December 31, 2021	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Current assets</b>						
Cash and cash equivalents	-	1,438.93	0.21	1.70	0.21	1,440.63
Other assets	-	1,788.40	14.39	17.16	14.39	1,805.56
<b>Total current assets</b>	-	<b>3,227.33</b>	<b>14.60</b>	<b>18.86</b>	<b>14.60</b>	<b>3,246.19</b>
<b>Non current assets</b>						
Non current tax assets	-	-	0.02	0.14	0.02	0.14
Deferred tax assets	-	56.40	-	-	-	56.40
Other non current assets	-	2,878.84	1,735.74	1,844.65	1,735.74	4,723.49
<b>Total non current assets</b>	-	<b>2,935.24</b>	<b>1,735.76</b>	<b>1,844.79</b>	<b>1,735.76</b>	<b>4,780.03</b>
<b>Current liabilities</b>						
Financial liabilities (excluding trade payable)	-	441.46	310.74	287.42	310.74	728.88
Current tax liabilities	-	529.60	-	-	-	529.60
Other liabilities (including trade payable)	-	2,189.82	43.64	43.24	43.64	2,233.06
<b>Total current liabilities</b>	-	<b>3,160.88</b>	<b>354.38</b>	<b>330.66</b>	<b>354.38</b>	<b>3,491.54</b>
<b>Non current liabilities</b>						
Financial liabilities (excluding trade payable)	-	387.29	2,676.18	2,571.30	2,676.18	2,958.59
Deferred tax liabilities	-	172.84	-	-	-	172.84
Other liabilities (including trade payable)	-	90.16	16.88	16.54	16.88	106.70
<b>Total non current liabilities</b>	-	<b>650.29</b>	<b>2,693.06</b>	<b>2,587.84</b>	<b>2,693.06</b>	<b>3,238.13</b>
Less : Non controlling interest		(9.62)	-	-	-	(9.62)
<b>Net assets</b>	-	<b>2,341.78</b>	<b>(1,297.08)</b>	<b>(1,054.85)</b>	<b>(1,297.08)</b>	<b>1,286.93</b>

### 3 Reconciliation of carrying amounts of material associates

(₹ in crore)

Particulars	PT GEMS and its components		GREL		Total	
	August 31, 2022 [refer note 7(b)(1)(6)]	December 31, 2021	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Opening net assets	2,341.78	2,532.10	(1,054.85)	(820.96)	1,286.93	1,711.14
Profit / (loss) for the year	3,244.20	2,571.11	(242.39)	(233.91)	3,001.81	2,337.20
Other Comprehensive income	-	3.65	0.16	0.02	0.16	3.67
Dividends paid	(2,686.71)	(2,807.50)	-	-	(2,686.71)	(2,807.50)
Foreign currency translation reserve	182.85	42.42	-	-	182.85	42.42
<b>Closing net assets</b>	<b>3,082.12</b>	<b>2,341.78</b>	<b>(1,297.08)</b>	<b>(1,054.85)</b>	<b>1,785.04</b>	<b>1,286.93</b>



## Notes to the consolidated financial statements for the year ended March 31, 2023

### 3 Reconciliation of carrying amounts of material associates (Contd.)

(₹ in crore)

Particulars	PT GEMS and its components		GREL		Total	
	August 31, 2022 [refer note 7(b)(1)(6)]	December 31, 2021	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Proportion of the group's ownership	30.00%	30.00%	45.00%	45.00%		
Group's share	924.64	702.53	(583.68)	(474.68)	340.96	227.85
<b>Adjustments to the equity values</b>						
a) Goodwill	3,170.16	2,966.45	-	-	3,170.16	2,966.45
b) Additional impairment charge (refer note 7(b)12(i))	-	-	(425.04)	(425.04)	(425.04)	(425.04)
c) Loans adjusted against provision for loss in associates	-	-	518.08	422.58	518.08	422.58
d) Amount shown under provisions (note 22) *	-	-	490.64	477.14	490.64	477.14
e) Loss on disposal of Investment ((refer note 42(iii))	(520.00)	-			(520.00)	-
f) Consideration on disposal of Investment (refer note 42(iii))	(3,574.80)	-			(3,574.80)	-
<b>Carrying amount of the investment</b>	-	<b>3,668.98</b>	-	-	-	<b>3,668.98</b>

\* The Group has recognised the liability to the extent of its constructive obligation in GREL.

### 4 Summarised statement of profit & loss for material associates

(₹ in crore)

Particulars	PT GEMS and its components		GREL		Total	
	August 31, 2022 [refer note 7(b)(1)(6)]	December 31, 2021	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from operations	14,225.32	11,717.26	-	-	14,225.32	11,717.26
Interest income	9.25	24.42	1.62	0.18	10.87	24.60
Depreciation and amortisation expenses	34.81	122.00	108.91	108.93	143.72	230.93
Finance cost	39.72	55.50	127.66	117.83	167.38	173.33
Other expenses (net of other income)	9,884.08	8,159.42	7.44	7.33	9,891.52	8,166.75
Tax expenses	973.09	789.18	-	-	973.09	789.18
Profit/ (loss) for the year	3,302.87	2,615.58	(242.39)	(233.91)	3,060.48	2,381.67
Less : Non controlling interest	58.67	44.47	-	-	58.67	44.47
Profit/ (loss) attributable to parent	3,244.20	2,571.11	(242.39)	(233.91)	3,001.81	2,337.20
Other comprehensive income	-	3.97	0.16	0.02	0.16	3.99
Less : Non controlling interest	-	0.32	-	-	-	0.32
Other comprehensive income attributable to parent	-	3.65	0.16	0.02	0.16	3.67
Total comprehensive income to parent	3,244.20	2,574.76	(242.23)	(233.89)	3,001.97	2,340.87
Group share of profit / (loss) for the year	973.26	772.43	(109.00)	(105.25)	864.26	667.18
Dividend received by Group from associates	806.01	842.53	-	-	806.01	842.53

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 5 Carrying amount of investments accounted for using equity method \*

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Aggregate amount of individually material joint ventures (refer note 7(a))	895.74	646.71
Aggregate amount of individually material associates (refer note 7(b))	-	3,668.98
Aggregate amount of individually immaterial joint ventures (refer note 7(a))	7.73	6.72
Aggregate amount of individually immaterial associates (refer note 7(b))	-	-
<b>Total</b>	<b>903.47</b>	<b>4,322.41</b>

\*The movement in carrying amount in joint ventures and associates also includes movement due to foreign currency translation reserve.

### 6 Share of profit of investments accounted for using equity method

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Material joint ventures	(123.80)	(421.24)
Material associates	864.26	667.18
Other joint ventures	1.02	0.23
<b>Total</b>	<b>741.48</b>	<b>246.17</b>

### 7 Exceptional items

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Material joint venture and associates (refer note 7(b)(12)(i))	(147.17)	204.36
<b>Total</b>	<b>(147.17)</b>	<b>204.36</b>

### 8 Contingent liabilities in respect of associates (Group's share)

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Bank guarantees outstanding	-	19.27
<b>Total</b>	<b>-</b>	<b>19.27</b>

### 9 Capital Commitments in respect of joint ventures and associates

#### a) Capital commitments in respect of joint ventures

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	12.93	48.50

### 10 Other Commitments of / towards joint ventures and associates

- i) Certain entities in power sector have entered into Power Purchase Agreements ('PPAs') with customers, pursuant to which these entities have committed to sell power of contracted capacity as defined in the respective PPAs, make available minimum Power Load Factor (PLF) over the period of tariff year as defined in the respective PPAs. The PPAs contain provision for disincentives and penalties in case of certain defaults.

- ii) Certain entities in power sector have entered into fuel supply agreements with suppliers whereby these entities have committed to purchase and suppliers have committed to sell contracted quantity of fuel for defined period as defined in the respective fuel supply agreements, including the fuel obtained through the suppliers outside India.
- iii) One of the overseas entities in power sector and the Government of Indonesia (Government) have entered into coal sale agreement for a defined period pursuant to which the entity is required to pay to the Government, amount

## Notes to the consolidated financial statements for the year ended March 31, 2023

equivalent to a specified percentage of proceeds from sale of the coal by the entity. Further, based on a regulation of the Government, all Companies holding mining rights have an obligation to pay an exploitation fee equivalent to certain percentage, ranging from 3% - 5% of sales, net of selling expenses and in certain cases, it is required to pay fixed payment (deadrent) to the Government based on total area of land in accordance with the rates stipulated therein. During the year ended March 31, 2023 the Group has disposed off its share in the said overseas entity.

- iv) One of the overseas entities in power sector (as the buyer) and its joint ventures (as the seller) in power sector have entered into a coal sale agreement for sale and purchase of coal, whereby the buyer entity and seller entity have committed to, respectively, take delivery and to deliver, minimum specified percentage of the annual tonnage as specified in the agreement for each delivery year, based on the agreed pricing mechanism. The buyer entity is also committed to use the coal for the agreed use, provided that it shall not sell any coal to any person domiciled or incorporated in the country in which the seller entity operates. During the year ended March 31, 2023 the Group has disposed off its share in the said overseas entity.
- v) One of the overseas entities in power sector has entered into a Cooperation Agreement with a third party whereby the entity is required to pay Land management fee from USD 1/ton upto USD 4.75/ton based on the provision stated in the agreement. During the year ended March 31, 2023 the Group has disposed off its share in the said overseas entity.
- vi) One of the overseas entities in power sector has entered into a Road Maintenance Agreement with third parties whereby the entity is required to maintain the road during the road usage period. During the year ended March 31, 2023 the Group has disposed off its share in the said overseas entity.
- vii) Certain entities in the power sector have entered into long term assured parts supply and maintenance agreements with sub-contractors whereby these entities have committed to pay fixed charges in addition to variable charges based on operating performance as defined in the agreements. The entities have also committed to pay incentives on attainment of certain parameters by the sub-contractors.
- viii) GEL has provided commitment to subsidiaries and joint

ventures to fund the cost overruns over and above the estimated project cost or cash deficiency, if any, to the lenders of its project stage subsidiaries, to the extent as defined in the agreements executed with the respective lenders.

- ix) Shares of the certain joint ventures have been pledged as security towards loan facilities sanctioned to the Group. Refer Note 18 and 23.
- x) The Group has committed to provide continued financial support to some of the joint ventures and associates, to ensure that these entities are able to meet their debts and liabilities as they fall due and they continue as going concerns.
- xi) Certain entities in power sector have made a commitment towards expenditure on corporate social responsibility activities amounting to ₹ 37.84 crore (March 31, 2022 : ₹ 35.81 crore).
- xii) GEL has entered into a Share Subscription and Share Holding Agreement with Infrastructure Development Finance Company Limited ('shareholder') in which it has committed to the shareholder that either GEL directly, or indirectly (along with the other group Companies as defined in the shareholding agreement) will hold at least 51% of the paid up equity share capital of GKEL.  
  
During the year ended March 31, 2022, GEL has acquired shares of GKEL from the erstwhile joint venture shareholder. Post the acquisition of such shares, the erstwhile joint venture shareholder ceased to have joint control over GKEL due to relinquishment of its right to be involved in the Affirmative Vote Items which had been agreed in the Share Subscription and Shareholders Agreement. Accordingly, GKEL became subsidiary of GEL during the previous year ended March 31, 2022.
- xiii) In terms of the prescribed new environmental norms notified as per Environment (Protection) Amendment Rules, 2015, GWEL is required to install the Flue Gas Desulphurization Systems (FGD) to control emission from the power plant by 2024.
- xiv) Certain joint ventures and associates of the Group have restrictions on their ability to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group resulting from borrowing arrangements, regulatory requirements or contractual arrangements entered by the Group.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 11 Trade receivables in respect of joint ventures and associates

GWEL entered into a Power Purchase Agreement ('PPA') with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with Appellate Tribunal for Electricity ('APTEL'). APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, GWEL has raised claim of ₹ 616.33 crore towards reimbursement of transmission charges from March 17, 2014 till March 31, 2022. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and the matter is pending conclusion. Pursuant to notification No. L-1/250/2019/CERC, the transmission charges (other than the deviation charges) are being directly billed to the respective customers (DISCOMS) by Power Grid Corporation of India Limited and accordingly, GWEL has not received transmission charges (other than the deviation charges) related invoices for the period December 2020 to March 2022. Though there is a change in the invoicing mechanism, the final obligation towards the transmission charges will be decided based on the order of the Hon'ble Supreme Court of India as stated above.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of ₹ 616.33 crore relating to the period from March 17, 2014 to March 31, 2023 (including ₹ 4.75 crore for the year ended March 31, 2023). [Further the cost of transmission with effect from

December 2020, directly invoiced by Power Grid Corporation of India Limited to DISCOMS has been disclosed as contingent liability pending the final outcome of the matter in Hon'ble Supreme Court of India.]

### 12 Others

- i) The Group has investments of ₹ 895.74 crore as at March 31, 2023 (March 31 2022 ₹ 646.71 crore) and loan (including accrued interest) amounting to ₹ 2,188.80 crore (March 31, 2022 ₹ 1,383.40 crore) crore in GMR Energy Limited ('GEL') (including its subsidiaries and joint ventures), a joint venture of the Group. GEL has certain underlying subsidiaries / joint ventures which are engaged in energy sector as further detailed in notes (ii), (iii) and (iv) below have substantially eroded net worth. Based on the valuation assessment by an external expert during the year ended March 31, 2023 and the sensitivity analysis carried out for some of the aforesaid assumptions, the value so determined after discounting the projected cash flows using discount rate ranging from 11.30% to 19.50% across various entities, the management has accounted for an reversal of impairment loss of ₹ 372.83 crore as at March 31, 2023 (March 31, 2022; impairment loss of ₹ 204.36 crore) in the value of Group's investment in GEL and its subsidiaries/ joint ventures which has been disclosed as an exceptional item in the consolidated financial statements of the Group for the year ended March 31, 2023. The management is of the view that post such diminution, the carrying value of the Group's investment in GEL is appropriate.
- ii) GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL has accumulated losses of ₹ 585.44 crore as at March 31, 2023 (₹ 753.07 crore as at March 31, 2022) which has resulted in substantial erosion of GWEL's net worth. There have been delays in receipt of the receivables from customers which has resulted in delays in meeting its financial liabilities. GWEL had claimed compensation for coal cost pass through and various "change in law" events from its customers under the Power Purchase Agreements ('PPA') and have filed petitions with the regulatory authorities for settlement of such claims in favour of GWEL. GWEL has trade receivables, other receivables and unbilled revenue (including claims) of ₹ 882.22 crore and the payment from the customers against the claims including interest on such claims which are substantially pending receipt. Based on certain favorable

## Notes to the consolidated financial statements for the year ended March 31, 2023

interim regulatory orders, the management is confident of a favorable outcome towards the outstanding receivables.

Further, GWEL received notices from one of its customer disputing payment of capacity charges of ₹ 132.01 crore for the period March 23, 2020 to June 30, 2020 as the customer had not availed power during the said period sighting force majeure on account of COVID 19 pandemic. GWEL responded and clarified that the said situation is not covered under force majeure clause in view of the clarification by the Ministry of Power stating that Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. The customer is of the view that the aforesaid clarification by the Ministry of Power cannot override the terms of the PPA and continue to dispute the payment thereof.

Accordingly, during the year ended March 31, 2021, GWEL filed petition with Central Electricity Regulatory Commission ('CERC') for settlement of the dispute. During the quarter ended March 31, 2022 the said petition was decided in favour of GWEL vide CERC order date January 20, 2022 wherein CERC directed the customer to pay the aforesaid outstanding capacity charges along with delayed payment surcharge within 60 days from the date of the aforesaid order. The customer has filed an appeal against the said CERC order with Appellate Tribunal for Electricity ('APTEL') during the quarter ended June 30, 2022. APTEL issued an interim order and directed to pay 25% of the principal amount within a period of one week from the date of interim order and deposit balance outstanding amount in an interest bearing fixed deposit with a nationalized bank. However, GWEL has not received any amount from the customer and matter is pending conclusion.

However, GWEL has certain favorable interim orders towards the aforementioned claims. Also, during the year ended March 31, 2022, GWEL has entered into a new PPA with Gujarat Urja Vikas Nigam Limited ('GUVNL') for the supply of 150 MW of power from October 2021 to July 2023. Further, in view of the COVID-19 most of the borrowing facilities of GWEL have become Special Mention Account-2/Non Performing Assets, accordingly resolution process under Prudential Framework for Resolution of Stressed Assets, as prescribed by the RBI on June 07, 2019 had been invoked on June 29, 2021 by default. ICA has been executed on July 27, 2021 by majority of lenders.

The lead lender issued a sanction letter dated April 05, 2022 for restructuring of loan facilities. As per the RBI circular as

stated above, a minimum approval of lenders representing 75% by value of total outstanding loan facilities and 60% of Lenders by number is required for approval of Resolution Plan.

During the quarter ended June 30, 2022, GWEL received the approvals from the aforesaid requisite lenders on the Resolution plan and consequently the Resolution plan was adopted in the board of directors meeting dated June 23, 2022 and approved by the shareholders of GWEL in the Extraordinary General Meeting dated June 24, 2022. Accordingly, GWEL has given effect to the Resolution plan considered in the unaudited financial results of GWEL for the quarter ended June 30, 2022. In the consortium meeting held on January 11, 2023 all the lenders have confirmed the implementation of the resolution plan in their respective books of accounts.

Accordingly, GWEL has generated profit after tax of ₹ 167.84 crore during the year ended March 31, 2023 and the management of GWEL expects that the plant will generate sufficient profits in the future years and will be able to recover the receivables and based on business plans and valuation assessment by an external expert during the year ended March 31, 2023, considering key assumptions such as capacity utilization of plant in future years based on current levels of utilization including merchant sales and sales through other long term PPA's and management's plan for entering into a new long-term PPA to replace the PPA earlier entered with one of its customers which has expired in June 2020 and implementation of the Prudential Framework for resolution of stressed assets plan with the lenders of GWEL, the management of the Group is of the view that the carrying value of the net assets in GWEL by GEL as at March 31, 2023 is appropriate.

- iii) GMR Kamalanga Energy Limited ('GKEL'), a subsidiary of GEL, is engaged in development and operation of 3\*350 MW under Phase I and 1\*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has accumulated losses of ₹ 1,386.84 crore as at March 31, 2023 (₹ 1,672.49 crore as at March 31, 2022), which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. Further, GKEL has trade receivables, other receivables and unbilled revenue (including claims) of ₹ 1,662.04 crore as at March 31, 2023 (₹ 1,555.85 crore as at March 31, 2022), for coal cost pass through and various

## Notes to the consolidated financial statements for the year ended March 31, 2023

“change in law” events from its customers under the PPAs and have filed petitions with the regulatory authorities for settlement of such claims in favour of GKEL. The payment from the customers against the claims is substantially pending receipt as at March 31, 2023. Based on certain favorable interim regulatory orders with regard to its petition for ‘Tariff Determination’ and ‘Tariff Revision’ with its customers, the management is confident of a favorable outcome towards the outstanding receivables of GKEL.

GKEL in view of the Hon'ble Supreme Court Order in Energy Watchdog vs CERC and others and CERC order in its own case for Haryana Discoms had sought legal opinion from the legal counsel on certainty of the claims with Bihar Discom. Considering opinion received from legal counsels that GKEL has good tenable case with virtual certainty with respect to coal cost pass through and favourable Order from APTEL dated December 21, 2018 and CERC judgment in GKEL's own case for Haryana Discom where the computation methodology of coal cost pass through was decided, the management was virtually certain on receipt of the GKEL's claim of revenue on coal cost pass through and was of the opinion that no contingency was involved in this regard. GKEL has received a favourable order on September 16, 2019 whereby the CERC has allowed the coal cost pass through to be charged to the Bihar Discom, based on a certain methodology. The Hon'ble Appellate Tribunal passed an Order in Appeal no. - 423 on August 6, 2021 allowing GKEL to recover expenditure incurred in procurement of alternate coal due to short fall in domestic coal supply corresponding to schedule generation pertaining to Bihar PPA and further allowed GKEL to recover the carrying cost from the date of Change in Law events till the dues are paid.

Further during the previous year, GKEL has won the bid for supply of balance 150 MW to Haryana Discom. GKEL has signed fuel supply agreement with Coal India Limited for supply of coal from its Mahanadi Coal Field Mines for 0.36 crore ton which is within a distance of 15 KM from the plant site. In addition to above, GKEL has won the bid (Shakti-III) for supply of 0.04 crore ton of coal for balance 150 MW. GKEL is actively pursuing its customers for realization of claims and selling its untied capacity in exchange market to support the GKEL's ability to continue the business without impact on its operation.

Further, GKEL had entered agreement with SEPCO in 2008 for the construction and operation of coal fired thermal

power plant. There were certain disputes between the parties in relation to the delays in construction and various technical issues relating to the construction and operation of the plant. SEPCO served a notice of dispute to GKEL in March 2015 and initiated arbitration proceedings. The Arbitral Tribunal has issued an opinion (the Award) on September 07, 2020 against GKEL. Since there were computation/ clerical / typographical errors in the Award, both parties (GKEL and SEPCO) immediately applied for correction of the award under Section 33 of the Arbitration & Conciliation Act 1996 (as amended). The Arbitral Tribunal considered the applications of both the parties and has pronounced the corrected award on November 17, 2020. GKEL already accounted for the aforementioned liability as per the award pertaining to the retention money, unpaid invoices and the Bank Guarantee revoked. GKEL has challenged the award under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'able High Court of Orissa on February 15, 2021 and December 31, 2021 respectively.

The High Court vide its judgement and order dated June 17, 2022 has dismissed the petition filed by GKEL on February 15, 2021 to put aside the Final Award on the basis that impugned award does not fall under the category which warrants interference under Section 34 of the Arbitration Act. GKEL has challenged judgement by filing special leave petition before the Supreme Court of India on grounds; a) Violation of Principles of Natural Justice, b) Judgement is in violation of the guidelines laid by Supreme Court for timely pronouncing of judgements c) Violation of due process of law and others.. Based on legal advice obtained, GKEL seems to have a good arguable case to challenge the section 34 judgement and have it set aside. Therefore, GKEL is not expecting any cash outflow in this matter in the foreseeable future. GKEL has in its books made provisions in view of the disputes between SEPCO and GKEL and taken into consideration the Award and the Final Award passed by the Arbitral Tribunal based on generally accepted accounting practices. Irrespective of the heads under which they appear or their nomenclature/heading/title/narration, etc., such provisions do not make GKEL liable for payment since liability is disputed.

In view of these matters, business plans (including expansion and optimal utilization of existing capacity), valuation assessment by an external expert during the year ended March 31, 2023, the management is of the view that



## Notes to the consolidated financial statements for the year ended March 31, 2023

the carrying value of the investments in GKEL held by GEL as at March 31, 2023 is appropriate.

- iv) GMR Bajoli Holi Hydropower Private Limited ('GBHHPL'), a subsidiary of GEL has set up 180 MW hydro based power plant in Chamba, District of Himachal Pradesh. It had experienced delays in the completion of construction and incurred costs overruns. During the current year, GBHHPL has commenced commercial operations.

With effect from July 13, 2022, GBHHPL has terminated its agreement with Gammon Engineers and Contractors Private Limited ('the contractor') in respect of the hydropower project as GBHHPL noticed repeated slippages by the contractor in achieving the targets and multifarious breaches under the work orders.

The construction had to be completed by June 2018, however the project was delayed and as a part of one time settlement with the contractor, extension was granted till May 31, 2020. Even after such time extension and payment of huge unadjusted advances, the contractor could not finish the critical components of civil works within the extended date and further delayed the completion of the project. As a consequence of such delay, GBHHPL had

recovered its dues including due to liquidated damages and unadjusted advances from the contractor by way of invoking available bank guarantees (BGs) provided by the contractor, amounting to ₹ 128.89 crore and accordingly GBHHPL has adjusted it against such advances.

Further, during the current year on June 10, 2022, GBHHPL invoked arbitration against the contractor to recover their further dues, however counter claims was also filed by the contractor before the arbitration tribunal towards costs and damages on account of prolongation of the Contract. GBHHPL filed its reply to the Statement of Defence and counterclaims on March 01, 2023. Currently, the matter is pending adjudication before the Arbitral Tribunal.

Based on the assessment of such claims and upon consideration of advice from the independent legal consultant, the management believes that GBHHPL has reasonable chances of recovery of its dues from the contractor in the future and accordingly, based on the valuation assessment carried out by an external expert during the year ended March 31, 2023, is of the view that the carrying value of its investments in GBHHPL held by GEL as at March 31, 2023 is appropriate.

- v) Also refer note 20(2).

### 8 Non-current investments

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
<b>Unquoted</b>		
<b>Investments carried at fair value through consolidated statement of profit and loss</b>		
In equity shares of other companies <sup>1</sup>	109.58	109.58
In preference shares <sup>2</sup>	100.10	-
<b>Investments at amortised cost</b>		
Investment in debentures <sup>3</sup>	1,099.91	500.00
	<b>1,309.59</b>	<b>609.58</b>
Less: provision for diminution in value of investments at amortised cost	(118.98)	-
<b>Total investments</b>	<b>1,190.61</b>	<b>609.58</b>
<b>Aggregate value of unquoted investments</b>	<b>1,309.59</b>	<b>609.58</b>
<b>Aggregate amount of provision for diminution in value of investments</b>	<b>(118.98)</b>	<b>-</b>

- During the year ended March 31, 2022, GSPHL has invested ₹ 109.08 crore in 136,120 equity shares of ₹ 10 each fully paid up of Kakinada Gateway Port Limited, a subsidiary of Aurobindo Realty & Infrastructure Private Limited.
- During the year ended March 31, 2023, GEPML has invested ₹ 100.10 crore in GEML, a subsidiary of GEL, through secured, redeemable, class B preference shares. The investment in GEML has been carried at fair value as per Ind AS 109.
- The Group has invested in secured, redeemable, non convertible debentures with coupon rate of 12% p.a for 3 years in GRSPL. The Investments in GRSPL has been carried at amortised cost as per Ind AS 109.



Notes to the consolidated financial statements for the year ended March 31, 2023

**9 Trade receivables**

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Unsecured, considered good</b>				
Trade receivables from external parties	153.30	0.88	375.76	511.16
Receivables from joint ventures and associates (refer note 44)	-	-	166.97	109.81
Receivables from other related parties (refer note 44)	-	-	1.96	1.97
<b>Total (A)</b>	<b>153.30</b>	<b>0.88</b>	<b>544.69</b>	<b>622.94</b>
<b>Trade receivables - credit impaired</b>				
Unsecured, credit impaired	28.79	28.79	30.43	36.03
<b>Total (B)</b>	<b>28.79</b>	<b>28.79</b>	<b>30.43</b>	<b>36.03</b>
<b>Loss Allowance</b>				
Less: Trade receivable - loss allowance (C)	(28.79)	(28.79)	(30.43)	(36.03)
<b>Total (A+B+C)</b>	<b>153.30</b>	<b>0.88</b>	<b>544.69</b>	<b>622.94</b>

- (i) Refer note 44 for trade or other receivables due from directors or other officers of the Group either severally or jointly with any other person and trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member.
- (ii) Includes retention money deducted by customer to ensure performance of the Group's obligations and hence are receivable on the completion of contract or after the completion of defect liability period as defined in the respective contract and accordingly no discounting has been done for the same.
- (iii) For ageing analysis, refer note 50(iii).

**10 Loans**

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Loans</b>				
<b>Unsecured, considered good</b>				
Loan to related parties (refer note 44)	748.04	1,010.90	1,234.01	386.72
Loan to employees	-	-	-	0.36
Loan to others	44.32	41.52	-	-
	792.36	1,052.42	1,234.01	387.08
<b>Loan receivable - credit impaired</b>				
Loan to related parties (refer note 44)	220.05	220.05	208.25	200.57
	220.05	220.05	208.25	200.57
<b>Loss allowance</b>				
Less: loan receivable - credit impaired	(220.05)	(220.05)	(208.25)	(200.57)
	<b>792.36</b>	<b>1,052.42</b>	<b>1,234.01</b>	<b>387.08</b>
<b>Total</b>	<b>792.36</b>	<b>1,052.42</b>	<b>1,234.01</b>	<b>387.08</b>

1. Loans are non-derivative financial instruments which generate a fixed or variable interest income for the Group. The carrying value may be affected by the changes in the credit risk of the counter parties.

## Notes to the consolidated financial statements for the year ended March 31, 2023

2. The Group made a provision for impairment in the value of loan of ₹ 7.68 crore (March 31, 2022: ₹ Nil) which has been disclosed as an 'exceptional item' in the consolidated financial statements. (refer note 52)
3. No loans are due from directors or other officers of the Holding Company either severally or jointly with any other person. Nor any loans are due from firms or private companies respectively in which any director is a partner, a director or a member.
4. The above loans have been given for business purpose.
5. The loans that fall under the category of " Loans - Non current " are repayable after one year.

### 11 Other financial assets

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Unsecured, considered good unless stated otherwise</b>				
Non-current bank balances (refer note 15)	11.88	7.88	-	-
<b>Total (A)</b>	<b>11.88</b>	<b>7.88</b>	<b>-</b>	<b>-</b>
<b>Security deposit</b>				
<b>Unsecured, considered good</b>				
Security deposit with others	7.21	9.90	7.09	6.58
<b>Total (B)</b>	<b>7.21</b>	<b>9.90</b>	<b>7.09</b>	<b>6.58</b>
<b>Unsecured, considered good unless stated otherwise</b>				
Receivable against service concession arrangements	655.14	688.92	130.48	201.08
Unbilled revenue (refer note 44)	-	-	982.30	942.66
Interest accrued on fixed deposits	-	-	3.68	2.61
Interest accrued on long term investments including loans to group companies (refer note 44)	51.86	18.04	399.82	213.63
Non trade receivable (refer note 44)	104.54	290.87	115.96	382.54
Non trade receivable considered doubtful	-	-	5.81	6.07
<b>Total (C)</b>	<b>811.54</b>	<b>997.83</b>	<b>1,638.05</b>	<b>1,748.59</b>
Less: Non trade receivable - loss allowance (D)	-	-	(5.81)	(6.07)
<b>Total (A+B+C+D)</b>	<b>830.63</b>	<b>1,015.61</b>	<b>1,639.33</b>	<b>1,749.10</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 12 Other Assets

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Capital advances</b>				
<b>Unsecured, considered good</b>				
Capital advances to others (refer note 44)	47.00	10.49	-	-
<b>Total (A)</b>	<b>47.00</b>	<b>10.49</b>	<b>-</b>	<b>-</b>
<b>Advances other than capital advances</b>				
<b>Unsecured, considered good</b>				
Advances other than capital (refer note 44)	-	-	78.64	142.71
<b>Unsecured, considered doubtful</b>				
	-	-	0.68	0.68
	-	-	79.32	143.39
Provision for doubtful advances	-	-	(0.68)	(0.68)
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>78.64</b>	<b>142.71</b>
<b>Other advances</b>				
Prepaid expenses	2.07	1.68	10.89	11.10
Deposit/ balances with statutory/ government authorities	13.20	11.50	43.40	66.75
Other receivable	-	-	6.51	0.44
<b>Total (C)</b>	<b>15.27</b>	<b>13.18</b>	<b>60.80</b>	<b>78.29</b>
<b>Total (A+B+C)</b>	<b>62.27</b>	<b>23.67</b>	<b>139.44</b>	<b>221.00</b>

### 13 Inventories

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Raw materials (valued at lower of cost and net realizable value) (refer note 26)	23.33	35.62
Consumables, stores and spares	26.92	51.51
<b>Total inventories (valued at lower of cost and net realisable value)</b>	<b>50.25</b>	<b>87.13</b>

### 14 Financial Assets - Current investments

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Investments carried at fair value through consolidated statement of profit or loss (unquoted)</b>		
Investment in domestic mutual funds	-	1.33
<b>Investments carried at amortised cost</b>		
Investments in domestic other funds	17.00	44.43
	<b>17.00</b>	<b>45.76</b>

#### Notes:

- Aggregate market value of current quoted investments - ₹ Nil (March 31, 2022: ₹ Nil)
- Aggregate carrying amount of current unquoted investments ₹ 17.00 crore (March 31, 2022: ₹ 45.76 crore)
- Aggregate provision for diminution in the value of current investments ₹ Nil (March 31, 2022: ₹ Nil)

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 15 Cash & cash equivalents, bank balances other than cash and cash equivalents

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Cash &amp; cash equivalents</b>				
Balances with banks				
- on current accounts <sup>1,3</sup>	-	-	419.47	333.29
- Deposits with original maturity of less than three months	-	-	544.81	121.28
Cash on hand	-	-	1.25	0.60
<b>(A)</b>	<b>-</b>	<b>-</b>	<b>965.53</b>	<b>455.17</b>
<b>Bank balances other than cash and cash equivalents</b>				
- Deposits with remaining maturity for less than 12 months	-	-	76.89	82.12
- Restricted balances with banks <sup>2,3,4</sup>	11.88	7.88	61.49	2.93
<b>(B)</b>	<b>11.88</b>	<b>7.88</b>	<b>138.38</b>	<b>85.05</b>
Amount disclosed under other financial assets (refer note 11)	(11.88)	(7.88)	-	-
<b>(C)</b>	<b>(11.88)</b>	<b>(7.88)</b>	<b>-</b>	<b>-</b>
<b>Total</b> style="text-align: right;"> <b>(A+B+C)</b>	<b>-</b>	<b>-</b>	<b>1,103.91</b>	<b>540.22</b>

1. Includes balances in Exchange Earner's Foreign Currency ('EEFC') Accounts.
2. Restricted deposits includes margin money deposit and deposits with banks that are pledged by the Group with the Government and other authorities and with lenders against long-term and short-term borrowings / hedging of FCCB interest / towards bank guarantee and letter of credit facilities availed by the Group.
3. Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Group and earn interest at the respective short-term deposit rates.
4. Refer notes 18 and 23 as regards restriction on balances with banks arising in connections with the borrowings made by the Group.

### 16 Equity share capital

Particulars	Number of shares	(₹ in crore)
<b>Authorised share capital:</b>		
<b>As at April 01, 2021</b>	50,000,000	50.00
Increase during the year*	1,050,000,000	500.00
<b>As at March 31, 2022</b>	<b>1,100,000,000</b>	<b>550.00</b>
Increase / (decrease) during the year	-	-
<b>As at March 31, 2023</b>	<b>1,100,000,000</b>	<b>550.00</b>

\* Pursuant to Composite Scheme of Arrangement as sanctioned by the Hon'ble National Company Law Tribunal, Bench at Mumbai vide its order dated December 22, 2021, the authorised share capital was altered from ₹ 500,000,000 divided into 50,000,000 Equity Shares of face value of ₹ 10/- each to ₹ 5,500,000,000 divided into 1,100,000,000 Equity Shares of face value of ₹ 5/- each on scheme becoming effective. Also refer note 49.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### a. Issued equity capital

Particulars	Number of shares	(₹ in crore)
<b>As at April 01, 2021</b>	-	-
Equity shares issued pursuant to scheme of arrangement [note refer 16(i)]	603,594,528	301.80
<b>As at March 31, 2022</b>	<b>603,594,528</b>	<b>301.80</b>
<b>As at March 31, 2023</b>	<b>603,594,528</b>	<b>301.80</b>

### b. Equity share pending issuance

Particulars	Number of shares	(₹ in crore)
<b>As at April 01, 2021</b>	603,594,528	301.80
Equity shares issued pursuant to scheme of arrangement [note refer 16(i)]	(60,35,94,528)	(301.80)
<b>As at March 31, 2022</b>	-	-
<b>As at March 31, 2023</b>	-	-

(i) The National Company Law Tribunal ("NCLT"), Mumbai vide its order pronounced on December 22, 2021 had sanctioned the Composite Scheme of Arrangement. The Scheme have been made effective from December 31, 2021 and as per Scheme the existing paid up share capital of ₹ 0.10 crore held by GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited) ('GIL') stands cancelled. In terms of the Scheme the Company had allotted 1 shares of ₹ 5/- each to shareholders of GIL for every 10 shares held in GIL. Accordingly on January 31, 2022 603,594,528 equity shares of ₹ 5/- each aggregating ₹ 301.80 crore have been allotted and the shares held by GIL stands cancelled.

### c. Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 5 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

### d. Shares held by the Ultimate Holding Company and / or their subsidiaries / associates:

Name of the shareholder	March 31, 2023 <sup>#</sup>		March 31, 2022 <sup>#</sup>	
	Number of shares held	(₹ in crore)	Number of shares held	(₹ in crore)
GMR Enterprises Private Limited ('GEPL'), ultimate holding company	274,084,313	137.04	274,084,313	137.04
GMR Business and Consulting LLP ('GBC'), a subsidiary of the ultimate holding company	76,513,516	38.26	76,513,516	38.26
Hyderabad Jabilli Properties Private Limited, subsidiary of the ultimate holding company	5,750,000	2.88	5,750,000	2.88
GMR Infra Ventures LLP ('GIVLLP'), a subsidiary of the ultimate holding company	3,132,181	1.57	3,132,181	1.57

<sup>#</sup> Face value of ₹ 5/- each

## Notes to the consolidated financial statements for the year ended March 31, 2023

### e. Details of shareholders holding more than 5% shares in the Holding company

Name of the shareholder	March 31, 2023		March 31, 2022	
	Number of shares held	% holding in class	Number of shares held	% holding in class
GMR Enterprises Private Limited ('GEPL'), ultimate holding company	274,084,313	45.41%	274,084,313	45.41%
GMR Business & Consultancy LLP ('GBC'), a subsidiary of the ultimate holding company	76,513,516	12.68%	76,513,516	12.68%
DVI Fund (Mauritius) Limited*	-	0.00%	5,12,50,711	8.49%
ASN Investments Limited	43,906,992	7.27%	43,906,992	7.27%

\*No shareholding as on March 31, 2023

As per records of the Company including its register of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares.

### f. Shares held by promoter group / promoters / ultimate holding company and / or their subsidiaries / associates

Name of the Shareholder	March 31, 2023		March 31, 2022		% of change during the year
	Number of shares held	% in Holding	Number of shares held*	% in Holding	
GMR Enterprises Private Limited	274,084,313	45.41%	274,084,313	45.41%	0.00%
Mallikarjuna Rao Grandhi*	173,233	0.03%	173,233	0.03%	0.00%

\*Includes shares held as karta of HUF and trustee of trust

### g. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Holding Company has not made any buy-back of shares, nor has there been an issue of shares by way of bonus share without payment being received in cash since the incorporation of the Holding Company.

Pursuant to the Scheme of arrangement the Holding Company on January 31, 2022 allotted 603,594,528 equity shares of ₹ 5/- each to the shareholders of GIL. These shares were issued for consideration other than cash.

### h. Shares reserved for issue under options

For details of shares reserved for issue under option, please refer note 18 related to terms of conversion/ redemption of foreign currency convertible bonds and optionally convertible debentures.

## 17. Other Equity

(₹ in crore)

<b>Equity component of related party loan</b> (refer note 17(a))		
<b>Balance as at April 01, 2021</b>		-
Add: Movement during the year		297.01
<b>Balance as at March 31, 2022</b>		<b>297.01</b>
Less: Extinguished during the year		(229.22)
<b>Balance as at March 31, 2023</b>	<b>(A)</b>	<b>67.79</b>
<b>Securities premium</b> (refer note 17(b))		
<b>Balance as at April 01, 2021</b>		<b>10,010.98</b>
<b>Balance as at March 31, 2022</b>		<b>10,010.98</b>
<b>Balance as at March 31, 2023</b>	<b>(B)</b>	<b>10,010.98</b>

Notes to the consolidated financial statements for the year ended March 31, 2023

17. Other Equity (Contd...)	(₹ in crore)
<b>Debenture redemption reserve</b> (refer note 17(c))	
Balance as at April 01, 2021	92.59
Balance as at March 31, 2022	92.59
Balance as at March 31, 2023	(C) 92.59
<b>Capital reserve on consolidation</b>	
Balance as at April 01, 2021	27.05
Balance as at March 31, 2022	27.05
Balance as at March 31, 2023	(D) 27.05
<b>Capital reserve on acquisition</b> (refer note 17(d))	
Balance as at April 01, 2021	3.41
Balance as at March 31, 2022	3.41
Balance as at March 31, 2023	(E) 3.41
<b>Capital reserve</b> (refer note 17(e))	
Balance as at April 01, 2021	(301.80)
Balance as at March 31, 2022	(301.80)
Balance as at March 31, 2023	(F) (301.80)
<b>Foreign currency monetary translation reserve ('FCMTR')</b> (refer note 17(f))	
Balance as at April 01, 2021	(159.35)
Less: Exchange differences on FCCB recognised during the year	(73.77)
Add: FCMTR amortisation during the year	10.81
Balance as at March 31, 2022	(222.31)
Less: Exchange differences on FCCB recognised during the year	(175.38)
Add: FCMTR amortisation during the year	25.83
Balance as at March 31, 2023	(G) (371.86)
<b>Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act</b> (refer note 17(g))	
Balance as at April 01, 2021	11.99
Add: Amount transferred from consolidated statement of profit and loss	0.98
Balance as at March 31, 2022	12.97
Balance as at March 31, 2023	(H) 12.97
<b>Deficit in the consolidated statement of profit and loss</b>	
Balance as at April 01, 2021	(11,900.88)
Less: Loss for the year	(647.54)
Less: Amount transferred to foreign currency translation reserve	(3.40)
Less: Special Reserve u/s 45-IC of RBI Act (refer note 17(g))	(0.98)
Less: Re-measurement (losses) / gains on post employment defined benefit plans	(0.01)
Balance as at March 31, 2022	(12,552.81)
Add: profit for the year	1,182.79
Add: Amount transferred from non controlling interest	19.66
Less: Re-measurement (losses) / gains on post employment defined benefit plans	(0.55)
Balance as at March 31, 2023	(I) (11,350.91)



## Notes to the consolidated financial statements for the year ended March 31, 2023

### 17. Other Equity (Contd...) (₹ in crore)

Components of Other Comprehensive Income ('OCI')	
<b>Foreign currency translation reserve (FCTR) (refer note 17(h))</b>	
<b>Balance as at April 01, 2021</b>	<b>159.31</b>
Add: Movement during the year	3.96
Add: Amount transferred from consolidated statement of profit and loss	3.40
<b>Balance as at March 31, 2022</b>	<b>166.67</b>
Add: Movement during the year	169.76
Less: Amount reclassified to consolidated statement of profit and loss on disposal of investment	(1,449.81)
<b>Balance as at March 31, 2023</b>	<b>(J) (1,113.37)</b>
<b>Total other equity</b>	<b>(A+B+C+D+E+F+G+H+I+J)</b>
<b>Balance as at March 31, 2022</b>	<b>(2,466.24)</b>
<b>Balance as at March 31, 2023</b>	<b>(2,923.16)</b>

- a) Equity component of related party loan has been created on interest free loan provided by related parties.
- b) Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- c) Certain entities in the Group have issued redeemable non-convertible debentures ('NCD'). Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), required the Company to create DRR out of profits of the entities available for payment of dividend.
- d) GAPL purchased the aircraft division of GMR Industries Limited under slump sale on October 01, 2008 for a purchase consideration of ₹ 29.00 crore on a going concern basis and the transaction was concluded in the month of March 2009. Accordingly, an amount of ₹ 3.41 crore being the excess of net value of the assets acquired (based on a valuation report) over the purchase consideration has been recognised as capital reserve on acquisition.
- e) Capital reserve created pursuant to composite scheme of arrangement. [refer note 16(b)(i)]
- f) FCMTR represents unamortised foreign exchange differences arising on translation of long-term foreign currency monetary items.
- g) As required by section 45-1C of the RBI Act, 20% of DSL's net profit of the year is transferred to special reserve. The said reserve can be used only for the purpose as may be specified by the RBI from time to time.
- h) Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to consolidated profit or loss when the net investment is disposed-off.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 18. Borrowings

(₹ in crore)

Particulars	Non-current		Current maturities	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Debentures / bonds</b>				
Foreign currency convertible bonds (unsecured)	2,214.34	2,042.41	-	-
Non convertible debentures/Bonds (secured)	147.94	193.50	45.56	43.26
<b>Term loans</b>				
<b>From banks</b>				
Indian rupee term loans (secured)	2,586.69	3,793.61	691.88	724.46
Foreign currency loans (secured)	-	74.34	-	1,449.37
<b>From financial institutions</b>				
Indian rupee term loans (secured)	70.54	88.60	18.08	31.35
Indian rupee term loans (unsecured)	43.81	87.55	43.81	43.49
<b>From others</b>				
Indian rupee term loans (secured)	70.08	61.00	-	-
Loans from related parties (unsecured)	1,339.60	1,073.40	175.00	175.00
<b>Liability component of compound financial instrument</b>				
Convertible preference shares (unsecured)	7.84	7.08	-	-
	<b>6,480.84</b>	<b>7,421.49</b>	<b>974.33</b>	<b>2,466.93</b>
<b>The above amount includes</b>				
Secured borrowings	2,875.25	4,211.05	755.52	2,248.44
Unsecured borrowings	3,605.59	3,210.44	218.81	218.49
Amount disclosed under the head "Current borrowings" (refer note 23)	-	-	(974.33)	(2,466.93)
<b>Net amount</b>	<b>6,480.84</b>	<b>7,421.49</b>	<b>-</b>	<b>-</b>

#### A. Terms of security

- i) The aforementioned Indian rupee term loans from banks and financial institutions taken by various entities of the Group are secured by way of charge on various movable and immovable assets of the respective group entities including but not limited to, present and future, leasehold rights of land, freehold land, buildings, intangibles, movable plant and machinery, other property, plant and equipment, investments, inventories, spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, intangible, goodwill, intellectual property, uncalled capital transaction accounts, rights under project documents of respective entities and all book debts, operating cash flows, current assets, receivables, Trust and Retention account('TRA'), commissions, revenues of whatsoever nature and wherever arising, all insurance contracts, accounts including Debt Service Reserve Accounts and bank accounts, bank guarantees, letter of credits, guarantee, performance bond, corporate guarantees, project assets, non-disposable undertaking with respect to shares held in certain companies, pledge of shares of subsidiaries / fellow subsidiaries / associates / joint ventures held by their respective holding companies (including holding company of the Group) and certain personal assets of some of the directors.
- ii) Out of the above total borrowings, borrowings of ₹ 135.81 crore (March 31, 2022: ₹ 321.14 crore) have been secured against some of the personal assets of certain directors and assets held / corporate guarantee given by the holding company / fellow subsidiaries.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### B. Terms of repayment

(₹ in crore)

Particulars	Interest rates range (p.a.)	Amount outstanding as at March 31, 2023	Repayable within		
			1 year	1 to 5 year	>5 year
<b>Debentures / Bonds</b>					
Foreign currency convertible bonds (unsecured) <sup>1</sup>	7.50%	2,259.68	-	-	2,259.68
Non convertible debentures (secured) <sup>2</sup>	9.38%	193.50	45.66	147.84	-
<b>Term loans</b>					
<b>From banks</b>					
Indian rupee term loans (secured)	10.35% - 13% / YBL 1 Year MCLR + 3.2%	3,311.37	705.09	2,372.67	233.61
<b>From financial institutions</b>					
Indian rupee term loans (secured)	11.00% - 13.00%	88.62	18.08	70.54	-
Indian rupee term loans (unsecured)	12.15%	86.67	43.33	43.34	-
<b>From others</b>					
Loan from others (secured)	0.00%	109.10	-	109.10	-
Loans from related parties (unsecured)	7.25%-19.46%	1,517.57	175.00	1,061.35	281.22
<b>Liability component of compound financial instrument</b>					
Convertible preference shares (unsecured)	6%	12.00	-	-	12.00
		<b>7,578.51</b>	<b>987.16</b>	<b>3,804.84</b>	<b>2,786.51</b>

#### Note

##### i) Reconciliation with carrying amount

(₹ in crore)

Total Amount repayable as per repayment terms	7,578.51
Less: Impact of recognition of borrowing at amortised cost using effective interest method	123.34
<b>Net carrying value</b>	<b>7,455.17</b>

Notes to the consolidated financial statements for the year ended March 31, 2023

**B. Terms of repayment**

(₹ in crore)

Particulars	Interest rates range (p.a.)	Amount outstanding as at March 31, 2022	Repayable within		
			1 year	1 to 5 year	>5 year
<b>Debentures / Bonds</b>					
Foreign currency convertible bonds (unsecured) <sup>1</sup>	7.50%	2,084.29	-	-	2,084.29
Non convertible debentures (secured)	9.38%	237.09	43.38	170.92	22.79
<b>Term loans</b>					
<b>From banks</b>					
Indian rupee term loans (secured)	6% - 13% / YBL 1 Year MCLR + 3.2%	4,570.43	734.48	3,530.00	305.95
Foreign currency loans (secured)	6 month USD Libor + 5.25% / 3 month USD Libor + 2.25%	1,523.34	1,449.00	74.34	-
<b>From financial institutions</b>					
Indian rupee term loans (secured)	7.00% - 15.00%	120.02	31.36	88.66	-
Indian rupee term loans (unsecured)	12.15%	131.04	43.33	87.71	-
<b>From others</b>					
Loan from others (secured)	0.00%	109.00	-	109.00	-
Loans from related parties (unsecured)	0%-19.46%	1,483.71	175.00	977.66	331.05
<b>Liability component of compound financial instrument</b>					
Convertible preference shares (unsecured)	6%	12.00	-	-	12.00
		<b>10,270.92</b>	<b>2,476.55</b>	<b>5,038.29</b>	<b>2,756.08</b>

**Note**

**i) Reconciliation with carrying amount**

(₹ in crore)

Total Amount repayable as per repayment terms	10,270.92
Less: Impact of recognition of borrowing at amortised cost using effective interest method	382.50
<b>Net carrying value</b>	<b>9,888.42</b>

- The FCCBs are convertible at ₹ 165 per share which is subject to adjustment as per the terms of the FCCBs. The exchange rate for conversion of FCCBs is fixed at ₹ 66.745/USD. As at March 31, 2023, FCCB holders have not exercised the conversion option. The Holding Company needs to take necessary steps in case the bondholders direct the Holding Company to list the FCCBs on the Singapore Exchange Trading Limited.
- Non convertible listed redeemable debentures are repayable in 34 half yearly unequal installments commencing from April 15, 2010 to Oct 15, 2026. NCD's are secured by way of first charges in all the assets of the GPEL both movable and immovable properties, both present and future (including future receivables) but excluding project assets (unless permitted by the NHAI under the concession agreement).

**19 Trade payables**

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Trade payables <sup>1</sup>	151.79	-	2,603.51	2,449.02
	<b>151.79</b>	<b>-</b>	<b>2,603.51</b>	<b>2,449.02</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

- Terms and conditions of the above financial liabilities:
  - Trade payables are non-interest bearing
  - For explanations on the Group's credit risk management processes. (refer note 46)
  - The dues to related parties are unsecured. (refer note 44)
- Refer note 50(ii) for ageing analysis

### 20 Other financial liabilities

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Security deposit from concessionaires / customers	151.83	151.96	4.71	4.10
Non-trade payable (including retention money) <sup>1</sup>	39.66	-	318.78	169.87
Liability towards put options given to non controlling interest / preference shareholders of subsidiaries / joint ventures <sup>2</sup>	-	-	996.93	1,086.93
Interest / premium on redemption of debenture/loan	53.51	41.65	961.04	723.57
<b>Total (A)</b>	<b>245.00</b>	<b>193.61</b>	<b>2,281.46</b>	<b>1,984.47</b>
Financial guarantees	28.01	31.24	7.79	8.69
<b>Total (B)</b>	<b>28.01</b>	<b>31.24</b>	<b>7.79</b>	<b>8.69</b>
<b>Total (A+B)</b>	<b>273.01</b>	<b>224.85</b>	<b>2,289.25</b>	<b>1,993.16</b>

- Retention money is payable on the completion of the contracts or after the completion of the defect liability period as defined in the respective contracts. These payments are kept as retention to ensure performance of the vendor obligation and hence are not discounted for present value of money.
- In July 2010, IDFC and Temasek ('PE investors') had made certain investments through preference shares in GMR Energy Limited (GEL). There were certain amendments to the original arrangement between the Company, GEL and the PE investors. As per the latest amended Subscription and Shareholder Agreement executed in May 2016, preference shares held by the PE investors were converted into equity shares of GEL. Post conversion, the PE investors held 17.85% of equity shares in GEL with an exit option within the timelines as defined in the aforesaid amended agreement. As the said timelines expired during the year ended March 31, 2019 and the PE investors have sought for an exit without any further extensions, the Group has recognized the financial liability of ₹ 996.93 crore (March 31, 2022: ₹ 1,086.93 crore) in the consolidated financial statements.

### 21 Other liabilities

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Advance received from customers	-	-	208.35	161.16
Deferred / unearned revenue <sup>1</sup>	18.94	2.96	6.61	12.05
Statutory dues payable	-	-	20.61	21.09
Other liabilities	-	14.46	10.98	6.50
	<b>18.94</b>	<b>17.42</b>	<b>246.55</b>	<b>200.80</b>

<sup>1</sup>Interest free security deposit received from customers (that are refundable in cash on completion of its term) are carried at amortised cost. Difference between the amortised value and transaction value of the security deposits received has been recognised as deferred revenue.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 22 Provisions

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Provision for employee benefits</b>				
Provision for gratuity (refer note 37)	2.45	1.14	0.26	0.50
Provision for compensated absences	-	-	5.72	5.63
Provision for other employee benefits	0.56	2.85	2.14	2.28
<b>Total (A)</b>	<b>3.01</b>	<b>3.99</b>	<b>8.12</b>	<b>8.41</b>
<b>Other provisions (refer note 40)</b>				
Provision for operation and maintenance	65.61	45.22	96.40	227.01
Provision for power banking arrangement	-	-	-	25.25
Provision against standard assets	0.23	0.35	-	-
Other provision	-	-	45.69	13.92
<b>Total (B)</b>	<b>65.84</b>	<b>45.57</b>	<b>142.09</b>	<b>266.18</b>
Provision for loss in an associate (refer note 7b)	-	-	490.64	477.14
<b>Total (A+B+C)</b>	<b>68.85</b>	<b>49.56</b>	<b>640.85</b>	<b>751.73</b>

### 23. Current borrowings

(₹ in crore)

Particulars	Interest rates range (p.a) March 31, 2023	Interest rates range (p.a) March 31, 2022	March 31, 2023	March 31, 2022
	<b>Secured</b>			
Cash credit and overdraft from banks	6.00%-14.25%/6 month MCLR+ 4.5%	6.00%-14.25%/6 month MCLR+ 4.5%	212.18	176.70
Indian rupee short term loans from banks	9.87%-12.60%	9.87%-12.60%	1.94	139.21
Foreign currency loans	15.00%	NA	206.81	-
Current maturities of Non-current borrowings			755.52	2,248.44
<b>Unsecured</b>				
Indian rupee short term loans from related parties	9 %-18%	9 %-18%	300.25	137.12
Negative grant	NA	NA	24.63	60.33
Current maturities of Non-current borrowings			218.81	218.49
			<b>1,720.14</b>	<b>2,980.29</b>
The above amount includes				
Secured borrowings			1,176.45	2,564.35
Unsecured borrowings			543.69	415.94
			<b>1,720.14</b>	<b>2,980.29</b>

- i) The aforementioned borrowings are secured against by way of first charge on the current assets including book debts, current assets, fixed assets, equipments, bank accounts including, without limitation, the TRA / Escrow account, lien/ pledge of various fixed deposits placed by certain entities of the Group, operating cash flows, receivables, revenues whatsoever in nature, present and future, pledge over certain shares of certain entities of the Group and unconditional and irrevocable corporate guarantee by the certain entities of the Group.

## Notes to the consolidated financial statements for the year ended March 31, 2023

- ii) Negative grant of ₹ 24.63 crore (March 31, 2022: ₹ 60.33 crore) of GACEPL is interest free and recorded at amortised cost. Negative grant is repayable on demand. As at March 31, 2023, an amount of ₹ 24.63 crore (March 31, 2022: ₹ 60.33 crore) is due and GACEPL has obtained an interim stay order from the arbitration tribunal against the recovery of the negative grant till further orders. In accordance with the terms of the Concession agreement entered into with NHAI by GACEPL dated November 16, 2005, GACEPL has an obligation to pay an amount of ₹ 174.75 crore by way of Negative Grant to NHAI. GACEPL has paid an amount of ₹ 150.12 crore till March 31, 2023 (March 31, 2022: ₹ 114.42 crore). Also refer note 41(i).

### 24 Revenue from contracts with customers

(₹ in crore)		
Particulars	March 31, 2023	March 31, 2022
<b>a) Sales / income from operations</b>		
<b>Sale of products</b>		
Power segment:		
Income from sale of electrical energy	1.45	1.61
	<b>1.45</b>	<b>1.61</b>
<b>Traded goods</b>		
Power segment:		
Income from sale of electrical energy	601.30	784.61
Income from coal trading	2,871.81	1,373.77
	<b>3,473.11</b>	<b>2,158.38</b>
<b>Roads segment:</b>		
Annuity income from expressways		
Operation and maintenance income (SCA) (Annuity)	63.38	61.57
Toll income from expressways	521.15	383.56
	<b>584.53</b>	<b>445.13</b>
<b>EPC segment:</b>		
Construction revenue	1,082.68	1,162.78
	<b>1,082.68</b>	<b>1,162.78</b>
<b>Others segment:</b>		
Income from management and other services	86.37	68.08
	<b>86.37</b>	<b>68.08</b>
<b>Sales / income from operations (a)</b>	<b>5,228.14</b>	<b>3,835.98</b>
<b>b) Other operating income</b>		
Income from management and other services	27.79	8.02
Net gain on sale or fair valuation of investments	2.73	0.02
	<b>30.52</b>	<b>8.04</b>
<b>Finance income</b>		
Interest income on:		
Bank deposits and others	195.51	170.98
Receivables from service concession arrangements	70.52	86.81
	<b>266.03</b>	<b>257.79</b>
<b>Other operating income (b)</b>	<b>296.55</b>	<b>265.83</b>
<b>Revenue from contracts with customers (a+b)</b>	<b>5,524.69</b>	<b>4,101.81</b>



## Notes to the consolidated financial statements for the year ended March 31, 2023

### Notes to revenue from contracts with customers:

#### a) Timing of rendering of services in the year ended March 31, 2023

(₹ in crore)

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Income from sale of electrical energy	602.75	-	602.75
Income from coal trading	2,871.81	-	2,871.81
Operation and maintenance income (SCA) (Annuity)	-	63.38	63.38
Construction income	-	1,082.68	1,082.68
Toll income from expressways	521.15	-	521.15
Income from management and other services	-	114.16	114.16
Net gain on sale or fair valuation of investments	-	2.73	2.73
Interest income on bank deposits and others	-	195.51	195.51
Interest income on receivables from service concession arrangements	-	70.52	70.52
<b>Total</b>	<b>3,995.71</b>	<b>1,528.98</b>	<b>5,524.69</b>

#### Timing of rendering of services in the year ended March 31, 2022

(₹ in crore)

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Income from sale of electrical energy	786.22	-	786.22
Income from coal trading	1,373.77	-	1,373.77
Operation and maintenance income (SCA) (Annuity)	-	61.57	61.57
Construction income	-	1,162.78	1,162.78
Toll income from expressways	383.56	-	383.56
Income from management and other services	-	76.10	76.10
Net gain on sale or fair valuation of investments	-	0.02	0.02
Interest income on bank deposits and others	-	170.98	170.98
Interest income on receivables from service concession arrangements	-	86.81	86.81
<b>Total</b>	<b>2,543.55</b>	<b>1,558.26</b>	<b>4,101.81</b>

\* The Group recognises revenue from these sources over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group.

#### b) Reconciliation of revenue recognised in the consolidated statement of profit and loss with contracted price

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Revenue as per contracted price	6,132.53	4,710.11
Significant financing component	-	-
Adjustment to revenue where the Group is acting as an agent	(607.84)	(608.30)
<b>Revenue from contract with customer</b>	<b>5,524.69</b>	<b>4,101.81</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

### c) Contract Balances:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Receivables		
- Non Current (Gross)	182.09	29.67
- Current (Gross)	575.12	658.97
- Provision for impairment loss (non current)	(28.79)	(28.79)
- Provision for impairment loss (current)	(30.43)	(36.03)
<b>Contract assets:</b>		
Unbilled revenue		
- Non Current	-	-
- Current	982.30	942.66
<b>Contract Liabilities</b>		
Deferred / unearned revenue		
- Non Current	18.94	2.96
- Current	6.61	12.05
<b>Advance received from customers</b>		
- Non Current	-	-
- Current	208.35	161.16

d) Revenue recognised during the year from the performance obligation satisfied upto previous year (arising out of contract modifications) amounts to ₹ 256.03 crore (March 31, 2022: ₹ 701.42 crore)

### e) Reconciliation of contracted price with revenue during the year

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Opening contracted price of orders</b>	6,060.33	5,146.18
Add: Increase due to additional consideration recognised as per contractual terms	390.05	914.15
<b>Closing contracted price of orders</b>	<b>6,450.38</b>	<b>6,060.33</b>
Total Revenue recognised during the year	1,082.68	1,162.78
Revenue recognised upto previous year (from orders pending completion at the end of the year)	5,240.55	4,077.77
<b>Balance revenue to be recognised in future</b>	<b>127.15</b>	<b>819.78</b>

f) The Group has a process whereby periodically long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under the law/accounting standards for the material foreseeable losses on such long term contracts has been made in the books of accounts. The group does not have any derivative contracts at the end of the year.

### g) Reconciliation of revenue recognised in the consolidated statement of profit and loss with contracted price

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
In India	2,562.67	2,716.56
Outside India	2,962.02	1,385.25

## Notes to the consolidated financial statements for the year ended March 31, 2023

- h)** The Holding company and SEW Infrastructure Limited had incorporated a Joint venture, GIL- SIL JV (the "JV") and entered into a contract with Dedicated Freight Corridor Corporation of India Limited ("DFCCIL") in 2015 for execution of design and construction of civil, structures and track Works for double line railway involving formation in embankments/ cuttings, ballast on formation, track works, bridges, structures, buildings, yards, integration with existing railway system and testing and commissioning on design-build lump sum basis for Mughalsarai-New Karchana Station (including) of Eastern Dedicated Freight Corridor Project (Contract Package – 201) and New Karchana (excluding) – New Bhaupur Station (excluding) of Eastern Dedicated Freight Corridor Project (Contract Package – 202) (hereinafter together referred as 'DFCC project') to the JV.

Subsequently the JV had sub-contracted significant portion of such contract to the Holding company. During the execution of the project, DFCCIL failed to fulfil its obligations in a timely manner and as a consequence of such non-fulfilment, the execution of DFCC project got significantly delayed. In view of the aforementioned delay, the JV sought extension as per Clause 8.4 of the General Conditions to the Contract and DFCCIL had granted such extensions from time to time.

During the current year, the JV has submitted its claim against DFCCIL for the period of delay i.e. January 2019 to December 31, 2021, DFCCIL has rejected such claim citing the amendments made in the contract, while granting against the extension of time granted. JV has invoked the dispute resolution process and accordingly Dispute Adjudicating Board (DAB) is constituted. JV is in the process of submission of its claim before DAB.

Based on internal assessment and review of the technical and legal aspects by independent experts, the managements of the JV and the Holding Company are confident on the favourable outcome of such claims and the JV has accordingly recognized such claim in its books of account and basis back to back agreement with the JV, the Holding company has also included an incremental budgeted contract revenue of ₹ 406.00 crore (out of total claim amount of ₹ 734.00 crore) for determination of the revenue to be recognized in accordance with Ind AS 115.

### 25 Other income

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Interest income on bank deposits and others	163.94	123.08
Provisions no longer required, written back	28.38	6.48
Net gain on sale or fair valuation of investments	0.56	-
Profit on sale of investment	53.54	34.60
Lease rentals	1.07	0.08
Miscellaneous income	120.13	15.65
	<b>367.62</b>	<b>179.89</b>

### 26 Cost of materials consumed

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Inventory at the beginning of the year	35.62	78.68
Add: Purchases	576.87	608.73
	<b>612.49</b>	<b>687.41</b>
Less: Inventory at the end of the year (refer note 13)	(23.33)	(35.62)
	<b>589.16</b>	<b>651.79</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 27 Purchase of traded goods

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Purchase of electrical energy	584.88	756.98
Purchase of coal for trading	2,816.11	1,300.30
	<b>3,400.99</b>	<b>2,057.28</b>

### 28 Employee benefits expense

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Salaries, wages and bonus	83.96	58.36
Contribution to provident and other funds (refer note 37(a))	3.51	3.00
Gratuity expenses (refer note 37(b))	0.73	0.52
Staff welfare expenses	8.20	9.68
	<b>96.40</b>	<b>71.56</b>

### 29 Other expenses

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Consumption of stores and spares	6.09	4.94
Electricity and water charges	11.65	9.89
Airport service charges / operator fees	28.96	15.69
Repairs and maintenance	19.50	15.56
Manpower hire charges	5.32	1.96
Legal and professional fees	165.13	75.98
Directors' sitting fees	0.57	0.37
Writeoff /provision towards carrying amount of investments	-	15.29
Provision / write off of doubtful advances and trade receivables	5.70	24.28
Exchange differences (net)	29.43	23.10
Fair value on financial instrument through profit and loss	-	28.81
Donation (include corporate social responsibility expenditure)	0.75	1.29
Logo fees	1.48	0.53
Rent	49.77	53.48
Rates and taxes	41.09	32.37
Travelling and conveyance	12.71	3.87
Miscellaneous expenses	38.07	30.25
	<b>416.22</b>	<b>337.66</b>

### 30 Depreciation and amortisation expense

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment	32.62	33.80
Depreciation on investment property	0.45	0.45
Amortisation of right of use asset	5.13	3.24
Amortisation of other intangible assets	113.19	90.67
	<b>151.39</b>	<b>128.16</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 31 Finance cost

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Interest on debts, borrowings and lease liabilities <sup>1,2</sup>	1,217.27	1,323.93
Bank and other charges	132.98	30.56
	<b>1,350.25</b>	<b>1,354.49</b>

<sup>1</sup>Interest capitalised to investment property under construction during the year is ₹ 31.86 crore (March 31, 2022: ₹ 35.58 crore)

<sup>2</sup>Includes interest on lease liability amounting to ₹ 0.50 crore ( March 31, 2022: ₹ 0.91 crore)

### 32 Earnings per share ('EPS')

Basic EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity shareholders of the parent by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders (after adjusting for interest on the convertible securities) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
<b>Profit / (loss) attributable to equity holders of the parent:</b>		
Continuing operations (₹ in crore)	1,183.00	(647.51)
Discontinued operations (₹ in crore)	(0.21)	(0.03)
<b>Profit / (loss) attributable to equity holders of the parent for basic/ diluted earning per share (₹ in crore)</b>	<b>1,182.79</b>	<b>(647.54)</b>
Weighted Average number of equity shares for basic EPS	603,594,528	603,594,528
Effect of dilution	-	-
Weighted Average number of equity shares adjusted for the effect of dilution	603,594,528	603,594,528
Earning per share for continuing operations - Basic and Diluted (₹)	19.60	(10.73)
Earning per share for discontinued operations - Basic and Diluted (₹)	(0.00)	(0.00)
Earning per share for continuing and discontinued operations - Basic and Diluted (₹)	19.60	(10.73)

#### Notes:

- Considering that the Group has incurred losses during the year ended March 31, 2023 and March 31, 2022, the allotment of conversion option in case of convertible instrument would decrease the loss per share for the respective years and accordingly has been ignored for the purpose of calculation of diluted earnings per share.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 33. Non-current assets held for sale and discontinued operations.

- a) In GMR Male International Airport Private Limited ('GMIAL'), during the year ended March 31, 2018, Maldives Inland Revenue Authority ('MIRA') has issued tax audit reports and notice of tax assessments demanding business profit tax amounting to USD 1.44 crore, USD 0.29 crore as the additional withholding tax excluding fines and penalties. During the year ended March 31 2019, MIRA has issued additional demands of USD 0.21 crore and USD 0.13 crore on account of fines on business profit tax and withholding taxes respectively. However, the management of the Group is of the view that the notice issued by MIRA is not tenable.

On May 23, 2019, the Attorney General's office has issued statement on this matter to MIRA stating that in the event of the Maldives parties deducting any sum from this award in respect of taxes, the amount payable under the award shall be increased to enable GMIAL to receive the sum it would have received if the payment had not been liable to tax.

Further, as per the letter dated January 22, 2020 received from Ministry of Finance Male', Republic of Maldives (the "Ministry"), the amount of tax assessed by MIRA relating to the final arbitration award is USD 0.59 crore and in the event of any tax payable by GMIAL on the same shall be borne by whom the payment was settled to GMIAL, without giving any workings/ break-up for the same. As such the Ministry has confirmed that GMIAL is not liable to pay for the tax assessed by MIRA on the final arbitration award. GMIAL has obtained the statement of dues from MIRA on December 31, 2020, according to which GMIAL is required to settle business profit tax amounting to USD 0.72 crore and fines on business profit tax amounting to USD 0.82 crore and GMIAL is required to settle withholding tax amounting USD 0.29 crore and fines on withholding tax amounted to USD 0.44 crore (withdrawing the interim tax liability claim of USD 0.72 crore).

In addition to that, GMIAL has obtained the statements of dues from MIRA on October 28, 2021 and as per the statement, GMIAL requires to settle business profit tax amounting to USD 0.72 crore fines on business profit tax amounting to USD 0.81 crore, withholding tax amounting to USD 0.29 crore and fines on withholding tax amounting to USD 0.44 crore. As per business profit tax assessments issued by MIRA GMIAL should pay tax on net income of the final arbitration award.

Considering the entire tax liability pertaining to the business profit taxes is relating to the Arbitration Award Sum, the management of Group is of view that GMIAL will be able to successfully defend and object to the notice of tax assessments and accordingly, no additional provision is required to be recognized in these consolidated financial statements. Further, in respect of the matters pertaining to the withholding taxes and the fines thereon, Group, believes that since these pertain to the aforementioned matter itself, the tax demand on these items is not valid and based on an independent legal opinion, no adjustments to the books of account are considered necessary.

- b) During the year ended March 31, 2023, GMR Krishnagiri SIR Limited ("GKSIR") has sold 2.48 acres of land (March 31, 2022: 291.92 acres) to TATA Electronic Private Limited ('TEPL'). The balance land of 5.98 acres, not required by the buyer, has been transferred to investment property under Construction. However, considering the value appreciation of land in the vicinity subsequent to sale of land to TEPL and based on the independent valuer report, the management is of view that the recoverable value of balance land will be more than the book value.
- c) During the year ended March 31, 2023, State Industries Promotion Corporation of Tamil Nadu (SIPCOT) has acquired 210.61 acres (March 31, 2022: 215 acres) of land. Further, the Group have entered MOU with various parties to sell 45.39 acres (March 31, 2022: 190 acres) of land in the year ended March 31, 2023. Accordingly, the investment property is classified as assets held for sale and recorded at realizable value.
- d) The Group had an investment in Globe merchants, Inc of USD 1.78 crore. The Group had entered into an agreement to sell the same at a price of USD 2.17 crore and received an advance during the year ended March 31, 2022. Accordingly, the investment was classified as assets held for sale and recorded at realizable value. Further the advance received towards agreement to sell was classified as liabilities directly associated with assets classified as held for sale. During the year ended March 31, 2023 the Group has sold the investment in Globe merchants Inc and accordingly, the liabilities directly associated with assets classified as held for sale has been extinguished.

## Notes to the consolidated financial statements for the year ended March 31, 2023

**e) Financial performance**

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Income</b>		
Other income	-	-
<b>Total income</b>	-	-
<b>Expenses</b>		
Other expenses	0.21	0.03
<b>Total expenses</b>	<b>0.21</b>	<b>0.03</b>
<b>Loss before exceptional items and tax from discontinued operations</b>	<b>(0.21)</b>	<b>(0.03)</b>
Exceptional items	-	-
<b>Loss from discontinued operations before tax expenses</b>	<b>(0.21)</b>	<b>(0.03)</b>
Tax expenses of discontinued operations	-	-
<b>Loss after tax from discontinued operations</b>	<b>(0.21)</b>	<b>(0.03)</b>

**f) Statement of cash flow**

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>A. Cash flows from operating activities</b>		
Loss before tax	(0.21)	(0.03)
<b>Adjustments for movement in working capital:</b>		
Trade and Other Payables	0.09	0.03
<b>Cash used in operations</b>	<b>(0.12)</b>	-
Income taxes paid	-	-
<b>Net cash used in operating activities (A)</b>	<b>(0.12)</b>	-
<b>B. Cash flows from investing activities</b>		
Loans given (net)	0.08	0.04
<b>Net cash from investing activities (B)</b>	<b>0.08</b>	<b>0.04</b>
<b>C. Cash flows from financing activities</b>		
<b>Net cash from financing activities (C)</b>	-	-
Net (decrease)/ increase in cash and cash equivalent (A + B + C)	(0.04)	0.04
Cash and cash equivalents at the beginning of year	0.48	0.44
<b>Cash and cash equivalents at the end of the year</b>	<b>0.44</b>	<b>0.48</b>

**g) Assets classified as held for sale**

The Group has following non-current assets/disposal groups recognized as held for sale as at March 31, 2023:

Asset / Disposal Group	Reportable segment
GMIAL	Other segment

The Group has following non-current assets/disposal groups recognized as held for sale as at March 31, 2022:

Asset / Disposal Group	Reportable segment
GMIAL	Other segment



## Notes to the consolidated financial statements for the year ended March 31, 2023

The details of disposal group classified as held for sale and liabilities associated thereto are as under:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Assets classified as held for sale</b>		
Amount transferred from investment property (refer note 5)	43.62	72.20
Current Investment	-	132.38
Cash and cash equivalents	0.44	0.48
Other assets including claims recoverable	162.16	145.72
<b>Total assets of disposal group held for sale</b>	<b>206.22</b>	<b>350.78</b>
<b>Liabilities directly associated with assets classified as held for sale</b>		
Trade payables	4.81	4.28
Other liabilities	18.27	179.45
<b>Total liabilities of disposal group held for sale</b>	<b>23.08</b>	<b>183.73</b>
<b>Other comprehensive income</b>		
Exchange difference on translation of foreign operations	54.16	8.40

### 34 (a) Deferred tax

Deferred tax assets / (liabilities) comprises mainly of the following:

For the year ended March 31, 2023

(₹ in crore)

Particulars	Opening deferred tax asset/ (liabilities)	Deferred tax (expense)/ income recognised in consolidated statement of profit and loss	Deferred tax (expense)/income recognised in other comprehensive income	Closing deferred tax assets/ (liabilities)
<b>Deferred tax assets :</b>				
Carry forward losses / unabsorbed depreciation (including capital loss)	406.72	102.46	-	509.18
MAT credit entitlement	0.01	-	-	0.01
Expenses on which tax is not deducted	39.71	1.12	(0.03)	40.80
Others	12.84	3.23	-	16.07
<b>Total</b>	<b>459.28</b>	<b>106.81</b>	<b>(0.03)</b>	<b>566.06</b>
<b>Offsetting deferred tax liabilities :</b>				
Property, plant and equipment and other intangible asset	(416.22)	(31.14)	-	(447.36)
Financial liabilities recognised at amortised cost	(38.66)	(75.92)	-	(114.58)
<b>Total</b>	<b>(454.88)</b>	<b>(107.06)</b>	<b>-</b>	<b>(561.94)</b>
<b>Net deferred tax assets</b>	<b>4.40</b>	<b>(0.25)</b>	<b>(0.03)</b>	<b>4.12</b>
<b>Deferred tax liabilities :</b>				
Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Offsetting deferred tax assets :</b>				
Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax</b>	<b>4.40</b>	<b>(0.25)</b>	<b>(0.03)</b>	<b>4.12</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

For the year ended March 31, 2022

(₹ in crore)

Particulars	Opening deferred tax asset/ (liabilities)	Deferred tax (expense)/ income recognised in consolidated statement of profit and loss	Deferred tax (expense)/income recognised in other comprehensive income	Closing deferred tax assets/ (liabilities)
<b>Deferred tax assets :</b>				
Carry forward losses / unabsorbed depreciation (including capital loss)	401.29	5.43	-	406.72
MAT credit entitlement	0.02	(0.01)	-	0.01
Expenses on which tax is not deducted	8.30	31.41	-	39.71
Others	40.77	(27.93)	-	12.84
<b>Total</b>	<b>450.38</b>	<b>8.90</b>	<b>-</b>	<b>459.28</b>
<b>Offsetting deferred tax liabilities :</b>				
Property, plant and equipment and other intangible asset	(387.45)	(28.77)	-	(416.22)
Financial liabilities recognised at amortised cost	(58.52)	19.86	-	(38.66)
Others	(0.07)	0.07	-	-
<b>Total</b>	<b>(446.04)</b>	<b>(8.84)</b>	<b>-</b>	<b>(454.88)</b>
<b>Net deferred tax assets</b>	<b>4.34</b>	<b>0.06</b>	<b>-</b>	<b>4.40</b>
<b>Deferred tax liabilities :</b>				
Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Offsetting deferred tax assets :</b>				
Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax</b>	<b>4.34</b>	<b>0.06</b>	<b>-</b>	<b>4.40</b>

**Notes:**

- i. In case of certain entities, deferred tax asset has not been recognised on unabsorbed losses on the grounds of prudence in view of the management's assessment of future profitability.
- ii. In case of certain entities, as the timing differences are originating and reversing within the tax holiday period under the provisions of section 80-IA of the Income Tax Act, 1961, deferred tax has not been recognised by these companies.
- iii. As at March 31, 2023 aggregate amount of temporary difference associated with undistributed earnings of subsidiaries for which deferred tax liability has not been recognised is ₹ 172.63 crore (March 31, 2022 : ₹ 335.92 crore). No liability has been recognised in respect of such difference as the Group is in a position to control the timing of reversal of the temporary difference and it is probable that such difference will not reverse in the foreseeable future.
- iv. The Holding Company has not recognised deferred tax asset on unused tax losses and unabsorbed depreciation of ₹ 1,384.90 crore (March 31, 2022 : ₹ 1,630.45 crore) and other deductible temporary differences of ₹ 1009.41 crore (March 31, 2022 : ₹ 808.57 crore). The unused tax losses will be adjustable till assessment year 2031-32.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 34 (b) Income tax

The domestic subsidiaries of the Group are subject to income tax in India on the basis of their standalone financial statements. As per the Income Tax Act, 1961, these entities are liable to pay income tax which is the higher of regular income tax payable or the amount payable based on the provisions applicable for MAT.

MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be offset against future tax liabilities.

**Income tax expenses in the consolidated statement of profit and loss consist of the following:**

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
<b>Tax expenses of continuing operations</b>		
(a) Current tax	92.49	105.59
(b) Deferred tax expense / (credit)	0.25	(0.06)
<b>Tax expenses of discontinued operations</b>		
(a) Current tax	-	-
(b) Deferred tax	-	-
<b>Total tax expense</b>	<b>92.74</b>	<b>105.53</b>
<b>Other comprehensive income section</b>		
<b>Deferred tax related to items recognized in OCI during the year</b>		
Remeasurement loss on defined benefit plans	0.03	-
<b>Income tax charged to OCI</b>	<b>0.03</b>	-

**Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:**

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Profit/(loss) before taxes from continuing operations	1,232.19	(546.01)
Loss before taxes from discontinued operations	(0.21)	(0.03)
	<b>1,231.98</b>	<b>(546.04)</b>
Less: Share of profit of investments accounted for using equity method	741.47	246.17
<b>Profit/(loss) before taxes</b>	<b>490.51</b>	<b>(792.21)</b>
Applicable tax rates in India	25.17%	34.94%
<b>Computed tax charge based on applicable tax rates of respective countries</b>	<b>123.46</b>	<b>(276.83)</b>
<b>Adjustments to taxable profits for companies with taxable profits</b>		
(a) Income exempt from tax	(291.60)	(172.15)
(b) Items not deductible	169.66	167.19
(c) Adjustments on which deferred tax is not created/reversal of earlier years	52.84	163.12
(d) Adjustments to current tax in respect of prior periods	(2.24)	(3.97)
(e) Adjustment for different tax rates between the group components	(37.38)	32.39
(f) Others	78.00	195.78
<b>Tax expense as reported</b>	<b>92.74</b>	<b>105.53</b>

**Notes:**

1. Certain entities of the Group have incurred losses during the relevant period, which has resulted in reduction of profit/increase of

## Notes to the consolidated financial statements for the year ended March 31, 2023

losses in the consolidated financial statements. However, the tax liability has been discharged by the respective entities on a standalone basis. Further, in view of absence of reasonable certainty, the Group has not recognised deferred tax asset in such companies.

2. On September 30, 2019, the Taxation Laws (Amendment) Ordinance 2019 ('the Ordinance') was passed introducing section 115BAA of the IT Act which allowed domestic companies to opt for an alternative tax regime from financial year 2019-20 onwards. As per the regime, companies can opt to pay reduced income tax @22% (plus surcharge and cess) subject to foregoing of certain exemptions. Central Board of Direct taxes vide circular number 29/2019 clarified that companies opting for lower rates of taxes will not be allowed to carry forward minimum alternate tax (MAT) credit and also will not be allowed to offset brought forward losses on account of additional depreciation.

At the time of filing income tax return for financial year 2021-22, the Holding company has decided to opt for the aforementioned regime.

### **35. Significant accounting judgements, estimates and assumptions**

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include impairment of investments, other non-current assets including Goodwill, determination of useful life of assets, estimating provisions, recoverability of deferred tax assets, commitments and contingencies, fair value measurement of financial assets and liabilities, fair value measurement of put options given by the Group, applicability of service concession arrangements, recognition of revenue on long term contracts, treatment of certain investments as joint

ventures/associates and estimation of payables to Government / statutory bodies.

#### **a) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### **i. Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Estimates include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 46 for further disclosures.

##### **ii. Revenue recognition from Engineering, procurement and construction (EPC)**

Revenue from EPC contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. Due to the nature of the contracts, the Group uses the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Group to estimate the costs incurred till date as a proportion of the total cost to be incurred along with identification of contractual obligations and the Group's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition

## Notes to the consolidated financial statements for the year ended March 31, 2023

of the liability for loss making contracts/onerous obligations. Costs incurred have been used to measure progress towards completion as there is a direct relationship. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

### iii. **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 37.

### iv. **Impairment of non-current assets including property, plant and equipment, right of use assets, other intangible assets and investments accounted for using equity method**

Determining whether property, plant and equipment, right of use assets, other intangible assets and investments accounted for using equity method are impaired requires an estimation of the value in use of the individual investment or the relevant cash generating units. The value in use calculation is based on Discounted Cash Flow Model ('DCF') model over the estimated useful life of the power plants, concession on roads etc. Further, the cash flow

projections are based on estimates and assumptions relating to operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc in case of entities in the energy business and favorable outcomes of litigations etc. in the expressway business, assumptions relating to realization per acre of land from monetization for SEZ business which are considered as reasonable by the management (refer note 3,4,6 and 7).

### v. **Recognition of revenue for change in law and other claims**

The recognition of revenue is based on the tariff rates/methodology prescribed under PPA/LOI with customers. Significant management judgement is required to determine the revenue to be recognized in cases where regulatory order in favour of the Group is yet to be received or which is further challenged in higher judicial forums. The estimate of such revenue is based on similar existing other favorable orders/contractual terms of the PPA with the customers.

### vi. **Provision for periodic major maintenance**

The entities in the road sector of the Group are engaged in development of highways on build, operate and transfer model on annuity or toll basis. These are SPVs which have entered into concessionaire agreements with National Highways Authority of India ('NHAI') or the respective state governments for carrying out these projects.

The Group is contractually committed to carry out major maintenance whenever the roughness index exceeds the limit as indicated in the respective concession agreement.

The management estimates provision w.r.t periodic major maintenance by using a model that incorporates a number of assumptions, including the life of the concession agreement, annual traffic growth and the expected cost of the periodic major maintenance which are considered as reasonable by the management. (Refer note 40)

### vii. **Valuation of investment property**

Investment property is stated at cost. However, as per Ind AS 40 'Investment Property', there is a requirement

## Notes to the consolidated financial statements for the year ended March 31, 2023

to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. (Refer note 5)

### **b) Significant judgements**

In the process of applying the Group's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognized in these consolidated financial statements.

#### **i. Determination of control and accounting thereof**

As detailed in the accounting policy, consolidation principles under Ind AS necessitate assessment of control of the subsidiaries independent of the majority shareholding. Accordingly, as detailed in Note 7(b)(12)(i), consequent to investment made by Tenaga in GEL with certain participative rights in the operations of GEL, GEL and its underlying subsidiaries have also been accounted as joint ventures w.e.f. November 04, 2016 under Ind AS.

Under Ind AS, joint ventures are accounted for under the equity method as per the Ind AS-28 against the proportionate line by line consolidation under previous GAAP.

Refer note 7a and 7b for further disclosure.

#### **ii. Classification of leases**

The Group enters leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Group reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

#### **iii. Recoverability of advances/receivables**

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

#### **iv. Taxes**

Deferred tax assets including unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 34 for further disclosures.

#### **v. Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take a number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the consolidated financial statements.

In respect of financial guarantees provided by the Group to third parties, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided. Refer note 38 for further disclosure.

#### **vi. Other significant judgements**

a) Refer note 41(i) and 41(ii) as regards the recovery of claims in GACEPL and GHVEPL.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 36. Interest in material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below :

#### 1. Details of material partly-owned subsidiaries :

Name of the Entity	Place of Business	Proportion of equity interest held by non-controlling interests (Effective)		Proportion of equity interest held by non-controlling interests (Direct)	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
GGAL	India	17.84%	17.84%	17.84%	17.84%
GMIAL	Republic of Maldives	23.13%	23.13%	23.13%	23.13%

#### 2. Accumulated balances of non-controlling interest :

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
GGAL	(106.24)	(72.79)
GMIAL	167.70	150.74
Aggregate amount of individually immaterial non-controlling interest	(181.58)	(146.04)
<b>Total</b>	<b>(120.12)</b>	<b>(68.09)</b>

#### 3. Profit / (loss) allocated to non-controlling interest:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
GGAL	(33.44)	13.35
GMIAL	11.13	2.56
Aggregate amount of individually immaterial non-controlling interest	(10.06)	(18.27)
<b>Total</b>	<b>(32.37)</b>	<b>(2.36)</b>



Notes to the consolidated financial statements for the year ended March 31, 2023

**4. Summarised financial position :**

The summarised financial position of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations:

(₹ in crore)

Particulars	GGAL		GMIAL*	
	March 31, 2023	March 31, 2022	December 31, 2022	December 31, 2021
<b>Non-current assets</b>				
Property, plant and equipment	0.18	0.18	-	-
Right of use assets	0.06	0.08	-	-
Intangible assets	4.87	5.46	-	-
Financial assets	772.61	845.60	-	-
Other non-current assets	0.07	0.07	-	-
Income tax assets	3.18	3.82	-	-
<b>Total</b>	<b>780.97</b>	<b>855.21</b>	<b>-</b>	<b>-</b>
<b>Current assets</b>				
Financial assets	421.69	288.01	727.80	654.15
Other current assets	7.09	6.65	3.32	2.98
Assets classified as held for sale	57.31	57.31	-	-
<b>Total</b>	<b>486.09</b>	<b>351.97</b>	<b>731.12</b>	<b>657.13</b>
<b>Non-current liabilities</b>				
Financial liabilities	1,389.40	1,225.76	-	-
Provisions	0.06	0.11	-	-
<b>Total</b>	<b>1,389.46</b>	<b>1,225.87</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Financial liabilities	289.22	202.36	4.88	4.34
Provisions	0.11	0.04	-	-
Other current liabilities	415.30	418.48	1.19	1.07
<b>Total</b>	<b>704.63</b>	<b>620.88</b>	<b>6.07</b>	<b>5.41</b>
<b>Total equity (A)</b>	<b>(827.03)</b>	<b>(639.57)</b>	<b>725.05</b>	<b>651.72</b>
Equity share capital attributable to non-controlling shareholders (B)	351.17	351.17	57.50	51.67
Equity share capital attributable to equity holders of parents (C)	1,617.26	1,617.26	191.09	171.71
<b>Net other equity for distribution (D=A-B-C)</b>	<b>(2,795.46)</b>	<b>(2,608.00)</b>	<b>476.46</b>	<b>428.34</b>
Other equity attributable to:				
Equity holders of parents	(2,296.74)	(2,142.72)	366.26	329.26
Non-controlling interests	(498.72)	(465.28)	110.21	99.07

\* Being a foreign subsidiary, financial statements of GMIAL is consolidated for the year ended December 31 every year.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 5. Summarised statement of profit and loss :

The summarised financial statement of profit and loss of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

(₹ in crore)

Particulars	GGAL		GMIAL	
	March 31, 2023	March 31, 2022	December 31, 2022	December 31, 2021
Revenue from operations	1.06	1.61	-	-
Other income	138.07	60.91	-	-
Employee benefits expense	0.87	0.87	-	-
Finance cost	194.67	218.11	-	-
Depreciation and amortisation	0.62	2.93	-	-
Other expenses	16.87	5.11	0.21	-
Exceptional items	113.54	(243.35)	-	0.03
<b>(Loss) / profit before tax</b>	<b>(187.44)</b>	<b>78.85</b>	<b>(0.21)</b>	<b>(0.03)</b>
Adjustment of tax relating to earlier periods	-	4.00	-	-
<b>(Loss) / profit for the year</b>	<b>(187.44)</b>	<b>74.85</b>	<b>(0.21)</b>	<b>(0.03)</b>
Other comprehensive income	(0.01)	-	48.33	11.09
<b>Total comprehensive income</b>	<b>(187.45)</b>	<b>74.85</b>	<b>48.12</b>	<b>11.06</b>
% of NCI	17.84%	17.84%	23.13%	23.13%
<b>Attributable to the non-controlling interests</b>	<b>(33.44)</b>	<b>13.35</b>	<b>11.13</b>	<b>2.56</b>
Dividend paid to non-controlling interests	-	-	-	-

### 6. Summarised cash flow information :

The summarised cash flow information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

(₹ in crore)

Particulars	GGAL		GMIAL	
	March 31, 2023	March 31, 2022	December 31, 2022	December 31, 2021
Cash used in operating activities	(111.17)	(283.36)	(0.12)	-
Cash from investing activities	186.89	651.49	0.08	0.04
Cash from/ (used in) financing activities	37.76	(351.33)	-	-
<b>Net increase/ (decrease) in cash &amp; cash equivalents</b>	<b>113.48</b>	<b>16.80</b>	<b>(0.04)</b>	<b>0.04</b>

### 37 Gratuity and other post employment benefits plans

#### a) Defined contribution plan

Contributions to provident and other funds included in investment property (note 5) and employee benefits expense (note 28) are as under:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Contribution to provident fund	2.61	2.39
Contribution to superannuation fund	0.90	0.61
	<b>3.51</b>	<b>3.00</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

### b) Defined benefit plan

#### Gratuity plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic) for each completed year of service.

The fund provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. Although we know that the fund manager invests the funds as per products approved by Insurance Regulatory and Development Authority of India and investment guidelines as stipulated under section 101 of Income Tax Act, the exact asset mix is unknown and not publicly available. The Trust assets managed by the fund manager are highly liquid in nature and we do not expect any significant liquidity risks. The Trustees are responsible for the investment of the assets of the Trust as well as the day to day administration of the scheme.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss / OCI and amounts recognised in the balance sheet for defined benefit plans/ obligations.

#### Statement of profit and loss

Gratuity expense included in investment property (note 5) and employee benefits expenses (note 28) are as under:

##### (i) Net employee benefit expenses:

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Current service cost	0.64	0.46
Net interest cost on defined benefit obligation	0.12	0.06
<b>Net benefit expenses</b>	<b>0.76</b>	<b>0.52</b>

##### (ii) Remeasurement loss recognised in other comprehensive income:

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Actuarial (gain)/loss due to defined benefit obligations ('DBO') and assumptions changes	(0.14)	0.02
Return on plan assets less than discount rate	0.81	(0.01)
<b>Actuarial loss recognised in OCI</b>	<b>0.67</b>	<b>0.01</b>

#### Balance sheet

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Present value of defined benefit obligation	(5.35)	(6.48)
Fair value of plan assets	2.64	4.84
<b>Plan liability</b>	<b>(2.71)</b>	<b>(1.64)</b>

#### Changes in the present value of the defined benefit obligation are as follows:

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Opening defined benefit obligation	6.48	4.37
Acquisition cost	(0.27)	1.83
Interest cost	0.34	0.29
Current service cost	0.64	0.46
Benefits paid	(1.70)	(0.49)
Actuarial (gain)/loss on obligation - assumptions	(0.14)	0.02
<b>Closing defined benefit obligation</b>	<b>5.35</b>	<b>6.48</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

### Changes in the fair value of plan assets are as follows:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Opening fair value of plan assets	4.84	3.41
Acquisition cost	(0.10)	1.66
Interest income on plan assets	0.22	0.23
Contributions by employer	0.68	0.03
Benefits paid	(2.19)	(0.50)
Return on plan assets lesser than discount rate	(0.81)	0.01
<b>Closing fair value of plan assets</b>	<b>2.64</b>	<b>4.84</b>

The Group expects to contribute ₹ 0.80 crore (March 31, 2022 : ₹ 0.03 crore) towards gratuity fund in next year.

The major category of plan assets as a percentage of the fair value of total plan assets is as follows:

Particulars	March 31, 2023	March 31, 2022
Investments with insurer managed funds	100.00%	100.00%

### Expected benefit payments for the year ending:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
March 31, 2023	NA	1.78
March 31, 2024	2.05	0.31
March 31, 2025	0.51	0.44
March 31, 2026	0.64	0.63
March 31, 2027	0.58	0.49
March 31, 2028	0.93	4.19
March 31, 2029 to March 31, 2033*	4.53	NA

\* for previous year read as March 31, 2028 to March 31, 2032

### The principal assumptions used in determining gratuity obligations:

Particulars	March 31, 2023	March 31, 2022
Discount rate (in %)	7.30%	7.10%
Salary escalation (in %)	6.00%	6.00%
Attrition rate (in %)	5.00%	5.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) (modified)Ult	Indian Assured Lives Mortality (2006-08) (modified)Ult

### Notes :

- The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

### 2. Plan characteristics and associated risks:

The Gratuity scheme is a final salary defined benefit plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

## Notes to the consolidated financial statements for the year ended March 31, 2023

- a. Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
- b. Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
- c. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

A quantitative sensitivity analysis for significant assumption is as shown below

Assumptions	Discount rate		Future salary increases		Attrition Rate	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Sensitivity level (%)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Impact on defined benefit obligation due to increase	(0.36)	(0.33)	0.36	0.33	0.04	0.04
Impact on defined benefit obligation due to decrease	0.41	0.38	(0.34)	(0.27)	(0.04)	(0.04)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

### 38. Commitments and contingent liabilities

#### a) Capital commitments

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	41.53	21.36

#### b) Other commitments

- i. Entities in roads sectors have entered into various Concession agreements with concessionaires for periods ranging from 17.5 years to 25 years from achievement of date of COD / appointed date as defined in the respective Concession agreements, whereby these entities have committed to comply with certain key terms and conditions pertaining to construction of roads / highways in accordance with the timelines and milestones as defined in the respective Concession agreements, COD as per the respective Concession agreements, construction, management, payment of fees (including revenue share), operation and maintenance of roads / highways in accordance with the respective Concession agreements, performance of the obligations under the respective financing agreements, non-transfer or change in ownership without the prior approval of the concessionaire and transfer of the roads / highways projects on termination of relevant agreements or in case of defaults as defined in the respective Concession agreements and utilisation of grants received as per the requirements of the respective concession agreements.
- ii. The Group has entered into agreements with the lenders wherein the promoters of the Holding Company and the Holding Company have committed to hold at all times at least 51% of the equity share capital of the subsidiaries and not to sell, transfer, assign, dispose, pledge or create any security interest except pledge of shares to the respective lenders as covered in the respective agreements with the lenders.
- iii. The Group has provided commitment to fund the cost overruns over and above the estimated project cost or cash deficiency, if any, to the lenders of its project stage subsidiaries, to the extent as defined in the agreements executed with the respective

## Notes to the consolidated financial statements for the year ended March 31, 2023

lenders.

- iv. Refer note 39 for commitments relating to lease arrangements.
- v. Refer note 7(a) and 7(b) with regards to other commitments of joint ventures and associates.
- vi. The Group has committed to provide financial assistance as tabulated below:

Nature of relationship	Outstanding commitment for financial assistance	
	March 31, 2023	March 31, 2022
Subsidiaries	107.98	490.17
Joint Ventures / Associates	208.73	124.06
<b>Total</b>	<b>316.71</b>	<b>614.23</b>

(₹ in crore)

- vii. The Group has extended comfort letters to provide continued financial support to certain subsidiaries/ joint ventures/ associates to ensure that these subsidiaries are able to meet their debts, commitments (including commitments towards investee entities) and liabilities as they fall due, and they continue as going concerns.
- viii. The Group has certain long-term unquoted investments which have been pledged as security towards loan facilities sanctioned to the Company and the investee Companies.

### c) Contingent liabilities

Particulars	March 31, 2023		March 31, 2022	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Corporate guarantees	1,931.83	3,254.55		
Bank guarantees outstanding / Letter of credit outstanding	269.52	373.68		
Bonds issued to custom authorities	112.00	112.00		
Letter of comfort provided on behalf of joint ventures	2,121.88	1,974.41		
Claims against the Group not acknowledged as debts	222.47	221.06		
Matters relating to income tax under dispute	1.33	0.03		
Matters relating to indirect taxes duty under dispute	78.07	73.25		

(₹ in crore)

### Other contingent liabilities

1. Interest accrued, if any, and unpaid is not included above.
2. A search under section 132 of the IT Act was carried out at the premises of the Holding Company and certain entities of the Group by the income tax authorities on October 11, 2012, followed by search closure visits on various dates during the year ended March 31, 2013 to check the compliance with the provisions of the IT Act. The income tax department has subsequently sought certain information / clarifications. Block assessments have been completed for some of the companies of the Group and they have received orders/demand from the Income Tax Authorities for earlier years. The management of the Group has filed the appeals with the income tax department against the disallowances made in the assessment orders and believes that these demands are not tenable as it has complied with all the applicable provisions of the IT Act with respect to its operations.
3. There are numerous interpretative issues till now relating to the Hon'ble Supreme Court (SC) judgement on PF dated February 28, 2019. The Group, its joint ventures and associates have paid the liability on a prospective basis from the date of SC order. The Group, its joint ventures and associates have not made any provision related to the period before the order due to lack of clarity on the subject.
4. MSEDCL has raised a legal dispute on GETL at the Central Electricity Regulatory Commission seeking revocation of its trading license on account of failure to supply power. The Group is confident that litigation filed at the CERC by MSEDCL will not hold good as the same is not in accordance with the terms of the LOI and there is no financial implication expected of this matter.

## Notes to the consolidated financial statements for the year ended March 31, 2023

5. Refer note 33(a) with regard to contingent liability of the Group in case of tax demands in GMIAL.
6. Refer note 7(a) and 7(b) with regards to contingent liabilities of the Group on behalf of joint ventures and associates.
7. This includes, certain corporate guarantees extended by GIL amounting to ₹ 2,353.20 crore and outstanding balance ₹ 1,910.08 crore (discounted value ₹ 1,427.53 crore) [March 31, 2022 : ₹ 4,784.71 crore and outstanding balance ₹ 3,153.01 crore (discounted value ₹ 2,618.40 crore)] pertaining to the demerged undertaking which has been transferred to the Company pursuant to the Scheme. However, GIL has passed board resolutions/ executed undertakings with the Company pursuant to which it is in the process of executing guarantees wherein both, the Company and GIL shall jointly continue to remain liable for the aforementioned guarantees. This guarantee is not yet executed and the same is in further discussion with the lenders.
8. Interest accrued, if any, and unpaid is not included above.
9. The Holding company has provided Guarantee to Dedicated Freight Corridor Corporation of India Limited ('DFCCIL') on behalf of GIL SIL JV. The Holding company agrees to settle the claims upto ₹ 252.41 crore (March, 31 2022; ₹ 184.00 crore) of DFCCIL immediately on demand, irrespective of any dispute between GIL SIL JV and DFCCIL and to pay the claim amount to DFCCIL under the guarantee. The Company agrees to be the principal obligor in respect of all payment due to DFCCIL.

### 39. Leases

#### Operating leases - Group as lessor

The Group has sub-leased certain assets to various parties under operating leases having a term of 1 year to 49 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are renegotiable.

The lease rentals received during the year (included in Note 24 and Note 25) and the future minimum rentals receivable under non-cancellable operating leases are as follows:

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
<b>Receivables on non- cancellable leases</b>		
Not later than one year	3.02	1.06
Later than one year but not later than five year	0.73	1.18
Later than five year	0.54	0.56

#### Operating leases - Group as lessee

The Group has entered into certain cancellable operating lease agreements mainly for office premises and hiring equipment's and certain non-cancellable operating lease agreements towards land space and office premises and hiring office equipment's and IT equipment's. The lease rentals paid during the year (included in Note 29) and the maximum obligation on the long term non - cancellable operating lease payable are as follows:

#### Lease liability

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Opening balance	11.33	18.68
Additions/(disposals)	10.89	(4.64)
Interest for the year	0.50	0.91
Repayments during the year	(6.34)	(3.62)
Other adjustments	(1.62)	-
<b>Closing balance</b>	<b>14.76</b>	<b>11.33</b>
<b>Disclosed as:</b>		
Non - current	5.37	2.93
Current	9.39	8.40



## Notes to the consolidated financial statements for the year ended March 31, 2023

Following amount has been recognised in consolidated statement of profit and loss

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Amortisation on right to use asset	5.13	3.24
Interest on lease liability	0.50	0.91
Expenses related to short term lease (included under other expenses)	49.05	53.40
Expenses related to low value lease (included under other expenses)	-	0.08
<b>Total amount recognised in consolidated statement of profit and loss</b>	<b>54.68</b>	<b>57.63</b>

### Other notes

- i. For right of use assets refer note 4.
- ii. For maturity profile of lease liability refer note 46.

### 40. Other provisions

(₹ in crore)

Particulars	Provisions for operations and maintenance	Provisions against standard assets	Provision for power banking arrangement	Others	Total
<b>As at April 01, 2021</b>	<b>290.58</b>	<b>0.15</b>	<b>-</b>	<b>5.19</b>	<b>295.92</b>
Provision made during the year	38.62	0.20	25.25	8.73	72.80
Notional interest on account of unwinding of financial liabilities	10.52	-	-	-	10.52
Amount used during the year	(63.73)	-	-	-	(63.73)
Amount reversed during the year	(3.76)	-	-	-	(3.76)
<b>As at March 31, 2022</b>	<b>272.23</b>	<b>0.35</b>	<b>25.25</b>	<b>13.92</b>	<b>311.75</b>
Provision made during the year	42.80	-	-	31.82	74.62
Notional interest on account of unwinding of financial liabilities	3.54	-	-	-	3.54
Amount used during the year	(69.42)	-	(25.25)	-	(94.67)
Amount reversed during the year	(87.14)	(0.12)	-	(0.05)	(87.31)
<b>As at March 31, 2023</b>	<b>162.01</b>	<b>0.23</b>	<b>-</b>	<b>45.69</b>	<b>207.93</b>
<b>Balances as at March 31, 2022</b>					
Current	227.01	-	25.25	13.92	266.18
Non-current	45.22	0.35	-	-	45.57
<b>Balances as at March 31, 2023</b>					
Current	96.40	-	-	45.69	142.09
Non-current	65.61	0.23	-	-	65.84

### Notes:

#### Provisions for operations and maintenance

During the current year, based on report by independent agency on road roughness index, the management has revised its assumption about the timing and quantum of the estimated overlay expenditure which has resulted in the reversal of excess provision of ₹ 87.14 crores (March 31, 2022: ₹ 3.76 crores). Also refer note 35a(vi).

#### Contingent provisions against standard assets

As per regulation 10 of the prudential norms issued by Reserve Bank of India ("RBI"), every Non-Banking Financial Institution i.e. Systematically Important Core Investment Company (CIC-ND-SI) is required to make provision @ 0.40% (March 31, 2022: 0.40%) on all standard assets and as per regulation 9 at other defined percentages for all "sub-standard assets, doubtful assets and loss assets".

## Notes to the consolidated financial statements for the year ended March 31, 2023

In order to comply with the prudential norms, DSL, based on the legal opinion, has identified only interest-bearing assets to be considered for provisioning. Accordingly, DSL have created provision on standard assets @ 0.40% (March 31, 2022: 0.40%) on inter corporate deposits only.

### **Provision for power banking arrangement**

GETL has entered into banking transactions for supply of power. As per the terms of the contract, GETL obtains power for sale to third party from the power generator ("supplier") which is required to be returned by GETL to the supplier at a future date. GETL recognised revenue towards the said power sold to the third party at the time of supply of power by the supplier. GETL being a trader is required to enter into contract with another power generator for supplying the power to be returned at a future date to the original supplier. GETL has estimated a provision towards purchase of power to be made at a future date to close the open positions in banking arrangements based on the rates available with it in the Letter of Intent for supply of power at a future date.

### **41. Matters related to certain road sector entities:**

- i. GMR Ambala Chandigarh Expressways Private Limited ('GACEPL'), a subsidiary of the Holding Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 667.74 crore as at March 31, 2023. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads.

GACEPL had invoked arbitration proceedings against National Highways Authority of India (NHAI), State of Haryana (SoH) and State of Punjab (SoPb) as per the terms of the Concession Agreement entered into with NHAI dated November 16, 2005 ('Concession agreement') and State Support Agreement dated February 21, 2006 and March 8, 2006 respectively due to continued losses suffered by GACEPL on account of diversion of traffic to parallel roads developed by SoH and SoPb. GACEPL has raised its contention that NHAI, SoH & SoPb has breached the provisions of Concession Agreement and State Support Agreements by building parallel highways resulting in loss of traffic to the GACEPL's toll road. GACEPL had filed a net claim of ₹ 1,003.35 crore including interest, calculated up to March 31, 2019 before the Tribunal. The three member Hon'ble Tribunal vide its order dated August 26, 2020, has

pronounced the award wherein majority of the Tribunal has disagreed with the contention of the GACEPL and has rejected all the claims of GACEPL Majority Award has also vacated the stay granted on recovery of negative grant vide Tribunal's interim order dated August 13, 2013. Minority Arbitrator by way of minority award has agreed with most of the contentions of GACEPL and had upheld the claims of the GACEPL and awarded the entire amount claimed by GACEPL and has directed State of Haryana and State of Punjab to jointly pay the claim covered under his award along with interest from 2008 till March 31, 2019.

Further, in accordance with the terms of the Concession Agreement entered into with National Highways Authority of India (NHAI), dated November 16, 2005, GACEPL has an obligation to pay an amount of ₹ 174.75 crore by way of Negative Grant over the concession period. The total value of Negative Grant has been recognized in the financials by way of capitalization in the cost of carriageway and a corresponding obligation has been created towards Deferred Payment. During earlier years GACEPL has paid negative grant to NHAI in various instalments and balance negative grant of ₹ 66.41 crore was due in instalments (i.e. ₹ 17.47 crore, ₹ 17.48 crore, ₹ 26.21 crore and ₹ 5.24 crore were due in August 2013, August 2014, August 2015 and August 2016, respectively) but have not been remitted to NHAI as there was a stay on account of arbitration. The Arbitral Tribunal on August 26, 2020 while rejecting the GACEPL's prayer for compensation for breach of State Support Agreement & Concession Agreement by State Government of Haryana, State Government of Punjab and NHAI, vacated the stay granted on payment of Negative Grant and NHAI consequently demanded the payment of negative grant including interest from GACEPL and the Escrow Banker. The claim by NHAI for interest communicated to GACEPL and the Escrow Banker was ₹ 101.34 crore calculated up to October 31, 2020, though the interest as computed by GACEPL upto August 25, 2020 is ₹ 60.33 crore (@SBI PLR plus 2%). Escrow Banker based on the demand from NHAI, has remitted ₹ 6.08 crore as per the waterfall mechanism. During the financial year 2021-22, NHAI has again demanded the Negative grant along with interest calculated at the rate SBI plus 2% from GACEPL through various communications. GACEPL has further paid an amount of ₹ 35.70 crore during the year ended March 31, 2023 and has appropriated it towards the Negative Grant payable pending finality of the litigation.

## Notes to the consolidated financial statements for the year ended March 31, 2023

The dissenting opinion of the other arbitrator also rejected GACEPL's contention on the non-payment of Negative Grant and has concluded that GACEPL shall be bound by the Concession Agreement in relation to payment of Negative Grant. GACEPL in terms of its communication to NHAI has provided for delay in payment of interest on negative grant w.e.f August 26, 2020 onwards amounting to ₹ 21.01 crore (March 31, 2022: ₹ 13.77 crore) under prudence, pursuant to the vacation of stay on payment of negative grant vide Arbitral Award dated August 26, 2020. Further, the management is of the opinion that there is no charge of interest in pursuance of stay given by the Arbitral Tribunal for the period prior to August 26, 2020 and effect, if any will be given on the matters attaining finality as the management is of the opinion that the GACEPL's claim on NHAI for diversion of traffic and interest there on are higher than the counter claim of interest payable on negative grant as the total claim has to be looked at net effect.

GACEPL aggrieved by rejection of all claims by majority members had preferred an appeal, in both Punjab and Haryana matters, under Section 34 and Section 9 of the Arbitration Act before Hon'ble Delhi High Court requesting to stay the Majority Award and grant stay on payment of Negative Grant. The Hon'ble Delhi High Court had admitted the application under Section 34 whereas the application under Section 9 has been dismissed on the ground that the losing party in an Arbitration proceeding cannot seek relief under Section 9 of Arbitration Act. The same had been further dismissed by the Division Bench of Hon'ble Delhi High Court. Aggrieved by the dismissal of application by Division Bench as well has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India under Section 9 seeking interim relief on recovery of Negative Grant till the time Section 34 petition is decided by Hon'ble Delhi Court. Subsequently, the Hon'ble High Court vide its order dated September 26, 2022 has set aside the Arbitral Award dated August 26, 2020 appealed under section 34 and has directed that the entire dispute is required to be referred to arbitration once again, for which the parties are at liberty to re-initiate Arbitration proceedings as per the Contractual covenants.

GACEPL has withdrawn all the SLP's filed before the Hon'ble Supreme Court for the stay of Payment of Negative Grant and interest thereon in view of the Arbitral Award being set aside by the Hon'ble High Court of Delhi vide its order dated September 26, 2022.

In the meanwhile, NHAI and SoH has filed appeal under section 37 of the Arbitration and Conciliation Act, 1996 with the High Court against setting aside of Arbitral award dated August 26, 2020. The argument from all the parties have concluded and is reserved for order. Further, GACEPL has also filed an appeal under section 37 of the Arbitration and Conciliation Act, 1996 with the High Court with a request to consider minority award as final award as the majority award is set aside by the High Court and the matter is listed for hearing on August 28, 2023.

The management of the Company based on the legal opinion is of the view that the application filed by NHAI along with SoH is liable to be rejected and quashed since NHAI's grounds is essentially seeking re-appreciation of merits and facts, which is impermissible in an appeal u/s 37. Accordingly, the Management is of the opinion that the matter has not attained finality and GACEPL has good and tenable case chances on re-initiation of the arbitration.

Based on the conclusion and findings arrived by the Hon'ble High Court in its Order setting aside the Arbitral Award and legal opinion and as per the internal assessment of the management, the management is of the view that GACEPL has a good and tenable case on re-initiation of the arbitration proceeding and is reasonable certain that the arbitral claims will flow in to GACEPL on matter attaining finality and has considered that there would be no cash outflow related to negative grants or interest thereon and that there will be net cash inflows even if the Negative Grant outflows are considered and expects realisability of GACEPL's claims in the near future.

Further, the valuation expert based on the assumptions that it would be receiving the compensation in the future, had determined value in use of GACEPL assets as at March 31, 2023 (i.e. valuation date) which is higher than the carrying value of assets. The management is confident of receipt of claims for loss due to diversion of traffic/compensation in the arbitral proceedings and accordingly is of the opinion that carrying value of Carriageway in GACEPL of ₹ 280.77 crore as at March 31, 2023 is appropriate.

GACEPL has been discharging interest on debt at the rate ranging from 11.40% to 11.70% during the period of protest whereas NHAI had considered interest rate of 8.50% while approving the claim resulting in difference of ₹ 4.28 crore.

## Notes to the consolidated financial statements for the year ended March 31, 2023

GACEPL has filed a communication objecting to the method of calculating the interest. The independent engineer has agreed with the claim of GACEPL and recommended the same to NHAI for release of ₹ 4.28 crore, which is pending approval of NHAI. GACEPL is confident of receiving the amount of ₹ 4.28 crore as has been recommended by independent engineer from NHAI in ensuing year.

Furthermore, GACEPL's right to receive the user fee for usage of the toll roads have been affected due to the farmers protests from October 12, 2020 to December 14, 2021 where the farmers did not allow for collection of toll fees. GACEPL has approached NHAI for loss of revenue due to farmer's protest. GACEPL has submitted its claim for compensation of ₹ 15.18 crore towards Operation and Maintenance expenses and interest on RTL incurred from October 12, 2020 to December 14, 2021. Pursuant to the claim filed by the GACEPL, NHAI vide its communication dated October 19, 2022 has approved the claim of ₹ 8.70 crore which has been recognized during the year. Further, NHAI has also conveyed its approval for extension of concession period by 429 days equal to the period effected by Farmers agitation from the scheduled completion of the Concession agreement.

- ii. GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Holding Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 1,653.86 crore as at March 31, 2023. The management believes that these losses are primarily due to loss of revenue arising as a result of drop in commercial traffic on account of bifurcation of State of Andhra Pradesh and ban imposed on sand mining in the region. The management of the Group based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to a claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim for the loss of revenue till the year ended March 31, 2017 with National Highways Authority of India ('NHAI'). The claim of GHVEPL was rejected by NHAI and accordingly during the year ended March 31, 2018, GHVEPL had decided to proceed with arbitration and accordingly during the year ended March 31, 2018, GHVEPL has decided to proceed with arbitration and accordingly Arbitral Tribunal was constituted, and claims were filed.

On October 09, 2009 GHVEPL and National Highways Authority of India (NHAI) entered into the concession agreement for the project highway. The project was initially developed from existing 2 lanes to 4 lanes to be further developed to 6 laning subsequently (before 14th anniversary of the appointed date). If 6 laning is not carried out (if so required by NHAI/desired by GHVEPL), concession period would be restricted to 15 years as against 25 years. GHVEPL has been amortising intangible assets over the concession period of 25 years.

The Arbitral Tribunal vide its order dated March 31, 2020, had pronounced the award unanimously, upholding GHVEPL's contention that bifurcation of state of Andhra Pradesh and ban on sand mining in the region constitutes Change in Law event and GHVEPL is entitled for compensation for the loss of revenue arising as a result of drop in commercial vehicles. The majority of the Tribunal members have directed NHAI to constitute a committee for determining the claim amount based on data/ records available with GHVEPL and NHAI. The minority member in the Tribunal however was of the opinion that Tribunal should have constituted the Committee instead of directing NHAI, which is against the principle of natural justice. GHVEPL, aggrieved by the findings, had filed applications under Section 9 and 34 of the Arbitration Act, 1996, before Delhi High Court challenging the award on the limited ground of (i) constitution of the committee by NHAI for quantification of compensation and (ii) for interim measures by restraining NHAI from demanding premium and taking coercive / precipitate measures under the Concession Agreement. NHAI had also appealed against the order of Arbitral tribunal. The Hon'ble Delhi High Court upheld the decision of the Arbitral Tribunal that there was a change in law due to ban on sand mining and State bifurcation.

The Hon'ble Delhi High Court has also held that GHVEPL is entitled for compensation due to Change in Law and the application of the NHAI was dismissed. For quantification of claim of GHVEPL, the committee to be appointed by the NHAI has been struck down and in its place the Court has appointed a retired judge of Supreme Court as sole arbitrator to quantify the claims.

On February 28, 2022, the Sole Arbitrator had submitted his report to Hon'ble Delhi High Court by determining the claim amount at ₹ 1,672.20 crore, as against claimed amount of ₹ 1,676.34 crore, up to March 31, 2020 with

## Notes to the consolidated financial statements for the year ended March 31, 2023

direction to follow the same methodology and formula for claims for the financial year ended March 31, 2021 and onwards. Further, the Sole Arbitrator has also granted interest on claim amount in terms of Clause 47.5 of the Concession Agreement. The report submitted by the Sole Arbitrator has been taken on record by the Hon'ble Delhi High Court and the Court has fixed the next hearing on July 07, 2023. On March 29, 2022, NHAI has made an application before the Sole arbitrator seeking correction of computational error in his report submitted to the Hon'ble High Court. On October 20, 2022, the sole arbitrator has passed an order dismissing the application made by NHAI. NHAI, in the interim has also filed an application u/s 34 of Arbitration Act before Hon'ble Delhi High Court against the report of Sole Arbitrator.

NHAI has challenged the aforesaid Order dated August 4, 2020 before divisional bench of Hon'ble Delhi High Court, wherein the Hon'ble Delhi High Court has clarified that the sole arbitrator shall continue to discharge his duties subject to final outcome of the appeal however in the interim order dated September 14, 2021 the Hon'ble Court has formed a prima facie view that it would only be fair that NHAI should secure the Premium payable by GHVEPL till the issues are resolved. Aggrieved the said order of Divisional Bench, GHVEPL filed a Special leave petition before Hon'ble Supreme Court, wherein the Supreme Court vide its Order dated March 10, 2022 has quashed the impugned interim order with the request directing the Hon'ble Delhi High Court to decide the matter as expeditiously as possible. The matter is now listed before Hon'ble Delhi High Court on July 04, 2023.

On May 08, 2020 GHVEPL has received a notice from NHAI stating that it is satisfied that six-laning is not required for the project highway and four laning is sufficient for operating the project highway restricting the concession period to 15 years pursuant to Clause 3.2.2 of the Concession Agreement dated October 9, 2009. GHVEPL has filed a response with NHAI on May 26, 2020, June 16, 2020, August 31, 2020 and October 19, 2020 seeking the material on record on the basis of which the NHAI has decided that six-laning is not required, since in terms of GHVEPL's assessment, six-laning shall be required considering the current traffic flow on the project highway. NHAI, however vide its letter dated June 24, 2020 and October 15, 2020 has stated that the contention of GHVEPL is unmerited and

due reasons have been conveyed, even though no substantial information is provided on the basis of which such decision is taken. In this regard, GHVEPL has obtained a legal opinion from its Counsel handling NHAI matter in Honorable Delhi High Court which has opined that with the majority findings of the Arbitral Award in favour of GHVEPL, issuance of Notice dated May 08, 2020 and letter dated June 24, 2020 / October 15, 2020 by NHAI / Regulator is in bad light and arbitrary.

Legal Counsel opined that NHAI being aware of the financial implications of the Notice dated May 8, 2020 trying to somehow avoid quantifying and making any payment of the claim to GHVEPL under Change in Law. The Counsel further opined that, NHAI after having failed in its series of coercive steps including the notices for recovery of alleged Premium, suspension notice and notices in relation to non-compliance of O & M requirements has, on May 8, 2020, issued the Notice under Article 3.2.2 of the Concession Agreement and that too in the middle of extensive arguments in the aforesaid petitions before the Hon'ble Delhi High Court, only to make GHVEPL to somehow give up its claims and avoid determination of claims. GHVEPL on October 30, 2020 has issued Notice of Dispute under Article 44.2 read with Clause 44.1.2 of the Concession Agreement to NHAI for amicable settlement as a first step in dispute resolution, which has been declined by NHAI on December 04, 2020. Pursuant to the notice dated April 06, 2021, the Arbitrators have been appointed and the Arbitral Tribunal has held its first hearing setting procedural timelines for hearing the litigation. The Hon'ble Tribunal vide interim order dated September 29, 2021 has stayed the letter and the matter is in process. NHAI subsequently has suggested resolving all the disputes through the process of conciliation and the matter has been referred to Committee of Conciliation of Independent Experts (CCIE-III) constituted by NHAI on approval from GHVEPL. The Committee has held two hearings and in the hearing held on April 25, 2022, GHVEPL had given a proposal for amicable settlement to which the Committee granted one month's time to NHAI to discuss internally and inform the Committee of its decision, which has not reached any effective conclusion and hence discontinued. In view of the same, the Arbitral Tribunal recommenced the proceedings and the hearing has been fixed for July 20, 2023, for cross examination of the witnesses.

## Notes to the consolidated financial statements for the year ended March 31, 2023

The legal counsel has also opined that GHVEPL is in good position to assert for concession period of 25 years. Accordingly, considering the matter is sub-judice, concession life of 25 years with six laning has been considered for the purposes of the amortization of Intangibles considering the initiation of Arbitration Proceedings challenging the communication/notice by NHAI Regulator restricting the period to 15 years with four-laning.

GHVEPL has been recognizing a provision of additional concession fees (premium) of ₹ 1,291.57 crore including interest payable thereon till March 31, 2023 (March 31, 2022: ₹ 1,007.83 crore), which is unpaid pending finality of litigation proceedings as detailed below.

Further, the valuation expert based on the assumptions that it would be receiving the compensation in the future and expected future traffic flow over a concession period of 25 years had determined value in use of GHVEPL assets as at December 31, 2022 (i.e. valuation date) which is higher than the carrying value of assets.

The management of the Group is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons. Accordingly, based on the aforesaid legal opinion, and valuation assessment by an external expert based on expected compensation claim inflows, the management of the Group believes that the carrying value of carriage ways of ₹ 1,778.37 crore of GHVEPL as at March 31, 2023, is appropriate.

- iii. GMR Pochanpalli Expressways Limited ('GPEL') a subsidiary of the Company had invoked Arbitration proceedings against NHAI in respect of the dispute on applicability of carrying out periodic maintenance (overlay work) of the road project once in every five years in the Concession Agreement. On January 14, 2020, the Hon'ble Tribunal had pronounced the award wherein it had directed GPEL has to carry out overlay irrespective of the condition of the road and commence second overlay work with effect from April 01, 2020 and complete by December 31, 2020 and also complete the third overlay work by April 01, 2025. The NHAI has challenged the award before the Hon'ble High Court of Delhi with regard to extending the timeline to commence and complete the second overlay work and third

overlay work stating that such concession is not in accordance with Concession Agreement.

The Arbitral Tribunal had further directed NHAI to refund the amount of ₹ 10.79 crore which was wrongly deducted from the annuity along with interest @12% p.a. from the date of deduction. The Arbitral Tribunal has also directed NHAI to pay ₹ 0.30 crore towards costs of litigation and the entire amount of fee paid to the Arbitrators by GPEL on behalf of NHAI. NHAI had challenged the award with regard to directions for refund of amount before the Hon'ble High Court of Delhi.

Aggrieved by the findings of the Tribunal, to the limited issue of requirement of overlay upon every 5 years, GPEL has filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 before Hon'ble High Court of Delhi.

The Hon'ble Delhi High Court vide its order dated April 06, 2022 had upheld GPEL's contentions and held that the overlay is to be carried out as and when the roughness index exceeds 2000 mm/km and rejected the arbitration order which had held that GPEL has to carry out overlay irrespective of the condition of the road every five years. It has further upheld the GPEL's claim in respect of the cost incurred on the first major maintenance and directed that the quantification of the claim to be done by the arbitrator appointed by it. The awards of tribunal on other matters favorable to GPEL was further upheld by the Hon'ble High Court.

NHAI has filed an appeal under Section 37 of the Arbitration and Conciliation Act, 1996 against the order of Single Judge of Hon'ble Delhi High Court before the Division bench of Hon'ble Delhi High Court and the Court has directed on July 11, 2022 to maintain status quo of arbitration proceeding and the matter has not yet attained finality. The implication of the favorable order to GPEL would have affected the carrying value of Service Concession Receivables by reduction of the outflows on overlay cost which would have resulted in significant modification gain to GPEL on reversal of those provisions. Pending finality and clarity in the matters the Group under prudence has not affected the financial impact of the order. The impact of modification gains and reversal of provision for overlay cost, if any, would be given on the finality of legal proceedings.



## Notes to the consolidated financial statements for the year ended March 31, 2023

- iv. Government of Tamil Nadu (GoTN) had awarded an annuity-based highway project to GMR Chennai Outer Ring Road Private Limited ('GCORR'). GCORR had awarded EPC contract to Boyance Infrastructure Private Limited (BIPL) for the construction of highway project. Subsequently BIPL had sub-contracted a significant portion of such contract to the Company. On May 30, 2015, BIPL and the Company entered into a novation agreement whereby all the right and obligation related to the execution of EPC contract lies with the Company. Due to various reasons the project got delayed. Since the delay in completion of EPC Contract is due to factors which were attributable to GoTN and were beyond control, time to time, the Company has raised claim to GCORR and in turn GCORR, has raised the claim on GoTN for an amount of ₹ 675.00 crore plus interest. GoTN has disputed the amount claimed, hence GCORR has invoked Arbitration. The Hon'ble Tribunal vide its order dated January 30, 2020, against a claim of ₹ 675.00 crore have directed GoTN to pay ₹ 340.97 crore within 3 months from the date of award failing which the same shall be payable with interest at 18% p.a. from the date of Award till date of realization. Time for payment by GoTN expires on April 30, 2020. GCORR had filed an application under section 34 of Arbitration Act, 1996, before the Hon'ble Madras High Court restricting the challenge to non-grant of pendente lite interest as per contract.

GoTN has also challenged the award by filing an application under section 34 of Arbitration Act, 1996. The Ld. Single judge of Hon'ble Madras High Court, vide order dated November 17, 2021, has dismissed the challenge of Government of Tamil Nadu thereby upholding the Award in its entirety. The Ld. Single Judge has also partly upheld the challenge of GCORR by awarding pendent-lite interest at the rate of 9% p.a. from the date of filing Statement of Claim till the date of Award and thereafter @ 18% p.a. as ordered by the Tribunal. The total amount (including interest) estimated to be received by virtue of the above order is ₹ 597.00 crore approx.

GCORR has filed execution petition u/s 36 of the Arbitration and Conciliation Act, 1996 on January 05, 2022 before the Madras High Court for enforcement of Arbitral Award.

Against the dismissal of its appeal u/s 34, GoTN has filed an application u/s 37 of Arbitration and Conciliation Act, 1996 before Division Bench of the Hon'ble Madras High Court, which was ultimately dismissed by the Division Bench.

Against the dismissal of appeal u/s 37 of Arbitration and Conciliation Act 1996 by Hon'ble Division Bench of Madras High Court vide order dated August 11, 2022, GoTN had filed Special Leave Petition. The Hon'ble Supreme Court confirmed the Arbitral Award for an amount of ₹ 340.97 crore plus interest @ 18% p.a., aggregating to ₹ 510.47 crore (interest calculated upto November 02, 2022) and issued notice confining to the issue of Pendente Lite interest awarded by the Single Judge.

GCORR in the execution petition filed u/s 36 of the Arbitration and Conciliation Act, 1996 on January 05, 2022, requested the Hon'ble Madras High Court for enforcement of the Award. GCORR also filed an application for directions to GoTN to deposit 100% of the amount confirmed by Hon'ble Supreme Court i.e., ₹ 510.47 crore. Vide order dated November 08, 2022, the Hon'ble Madras High Court directed GoTN to deposit a sum of ₹ 510.47 crore with Registrar by February 20, 2023.

GCORR, based on the judgement of the Hon'ble Supreme Court dated November 03, 2022 confirming the claim amount of ₹ 510.47 crore have recognized the amount pertaining to its portion of claim in the award along with Interest up to the date of order and consequential provision for amount payable to the Company amounting to ₹ 418.55 crore (including Interest calculated up to November 02, 2022) in the books of accounts of GCORR. Accordingly, pursuant to the aforesaid novation agreement, the Holding company has recognized an exceptional gain of ₹ 418.55 crore (including Interest calculated up to November 02, 2022) in its standalone financial statements and ₹ 463.92 crore in the consolidated financial statements.

#### 42. Matters related to certain power sector entities:

- i) The Central Electricity Regulatory Commission ('CERC') has issued CERC (Procedures, terms and conditions for grant of trading license and other related matters) Regulation 2020, (the 'Regulations') on January 31, 2020 repealing its earlier subsisting regulations in this regard. The said regulations have wide ranging impact on the operations of the trading licensee regarding the requirement of net worth, operating ratios, trading margins and various other matters including banking transactions undertaken by GMR Energy Trading Limited (GETL) a subsidiary of the Company. GETL is implementing processes to ensure necessary compliances with its current/liquidity ratio as per the Regulations are met in the ensuing quarter. The



## Notes to the consolidated financial statements for the year ended March 31, 2023

Management has sought legal opinion on the impact of the said regulation due to non-achievement of current ratio criteria on its operations and financial results and the remedial actions to be taken in the due course. The management is of the opinion that there is no material implication of the same on the operation of GETL.

- ii) GMR Generation Assets Limited ("GGAL"), a subsidiary of the Company, approached Tamil Nadu Electricity Regulatory Commission ('TNERC') to resolve the claims / counterclaims arising out of the PPA and Land Lease Agreement ('LLA') in respect of the dues recoverable from Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO') on account of sale of energy including reimbursement towards interest on working capital, Minimum Alternate Tax ('MAT'), rebate, start / stop charges and payment of land lease rentals to TAGENDCO. GPCL received a favorable order from TNERC and in pursuance of the Order, filed its claim on April 30, 2010 amounting to ₹ 481.68 crore.

TAGENDCO filed a petition against TNERC Order in Appellate Tribunal for Electricity ('APTEL'). In terms of an interim Order from APTEL, dated November 11, 2010. TAGENDCO deposited ₹ 537.00 crore including interest on delayed payment of the claim amount. Subsequently APTEL vide its Order dated February 28, 2012, dismissed the appeal and upheld TNERC order. TAGENDCO then filed a petition in the Hon'ble Supreme Court challenging APTEL order in 2012, which appeal is still pending before the Hon'ble Supreme Court.

During the year ended March 31, 2022, based on recent legal pronouncements which have provided clarity on the tenability of such appeals as filed by TAGENDCO in the current matter together with advice from independent legal experts, GPCL has recognised the aforementioned claims as exceptional item.

APTEL as a part of its order of February 28, 2012 has further directed erstwhile GPCL to verify and pay counter claims of TAGENDCO in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL challenged the said direction by way of an appeal in the Hon'ble Supreme Court. The Hon'ble Supreme Court vide its Order dated April 24, 2014, has referred the dispute to TNERC for examining the claim of the contesting parties. In November 2018, TNERC issued an order whereby GPCL

liability to TAGENDCO was upheld at a value of Rs 121.37 crore. This order has been challenged by GPCL before APTEL which appeal is pending adjudication. Pending final outcome of the litigation, GPCL has recognised the claims as contingent liability.

GPCL's counter claim of ₹ 191.00 crore under old PPA towards interest on delayed payments, start and stop charges and invoice for nil dispatches and invoice for differential rates for the period from July 2011 to February 2014 has not yet been adjudicated by TNERC.

Hence, pending acceptance of claims by TAGENDCO and pending adjudication of petition before the TNERC, the Group has not recognised the aforesaid claim in the books of account.

- iii) During the year, GMR Coal Resources Pte Ltd ("GCRPL"), a stepdown subsidiary of GMR Power and Urban Infra Limited (GPUIL), entered into a Share Purchase Agreement ('agreement') with PT Radhika Jananta Raya ("buyer") a subsidiary of PT ABM Investama Tbk ("ABM") and PTABM to divest its 30% equity stake in PT Golden Energy Mines Tbk ("PT GEMS"), an Associate, following a competitive bidding process. GCRPL has received a gross consideration of USD 42.00 crore along with deferred consideration based on mutually agreed milestones. Accordingly, the Group has given the effect of above transactions which results into a net gain of ₹ 913.68 crore reported as exceptional item. This includes (a) unrealised exchange gain of ₹ 1,433.68 crore which was recorded in earlier periods in Other Comprehensive Income, now pursuant to above transaction the same has been realized and reclassified to consolidated statement of profit & loss in the year ended March 31, 2023, b) the loss on sale of investment in PTGEMS amounting to ₹ 520.00 crore.

### 43. Matters related to certain other sector entities:

- i. The Group had signed definitive Share sale and purchase agreement ('SSPA') on September 24, 2020 which had been subsequently amended on March 31, 2021 for the sale of entire 51% equity stake owned by its wholly owned subsidiary GMR SEZ & Port Holdings Limited ("GSPHL") in Kakinada SEZ Limited ("KSEZ") to Aurobindo Realty and Infrastructure Private Limited ("ARIPL"). As part of the transfer of stake of KSEZ ("transaction"), the 74% equity stake of Kakinada Gateway Port Limited ("KGPL") held by KSEZ would also be transferred to ARIPL.

## Notes to the consolidated financial statements for the year ended March 31, 2023

The consideration for the aforementioned transaction comprised of ₹ 1,692.03 crore upfront payment has been received before the closing date and ₹ 1,027.18 crore to be received in next 2 to 3 years from the transaction date which is contingent upon achievement of certain agreed milestones primarily related to the sale of 2,500 acres of the land parcels by KSEZ at specified prices during the financial years ended March 31, 2023 and March 31, 2024, basis the expectation of significant development in Kakinada SEZ.

Based on assessment of the achievement of the

aforementioned milestones by an independent property consultancy agency as at March 31, 2022, management had estimated the expected recoverable amount from such contingent consideration. Considering as at March 31, 2023, the aforementioned milestones have not been achieved, the management has reassessed the current situation and has provided for the balance consideration receivable amounting to ₹ 442.58 crore during the year ended March 31, 2023, which has been charged to consolidated statement of profit and loss and disclosed under exceptional items.

### 44. Related party transactions

#### (a) Names of the related parties and description of relationship:

Description of relationship	Name of the related parties
Ultimate Holding Company	GMR Enterprises Private Limited (GEPL)
Fellow Subsidiary Companies (Where transactions have taken place )	GMR Airports Infrastructure Limited (GIL) (formerly GMR Infrastructure Limited )
	Delhi International Airport Limited (DIAL)
	GMR Hyderabad International Airport Limited (GHIAL)
	GMR Hospitality and Retail Limited (GHRL)
	GMR Airports Limited (GAL)
	GMR Corporate Affairs Limited (GCAL)
	GMR Business Process and Services Private Limited (GBPSPL)
	GMR Airports International BV (GAIBV)
	GMR Airport Developers Limited (GADL)
	GMR Air Cargo and Aerospace Engineering Limited (GACAEL)
	Delhi Airport Parking Services Private Limited (DAPSL)
	Raxa Security Services Limited (RSSL)
	GMR Holdings (Mauritius) Limited (GHML)
	GMR Bhannerghatta Properties Private Limited (GBPPL)
	Kothavalasa Infraventures Private Limited (KIPL)
	GMR League Games Private Limited (GLGPL)
	GMR Holdings (Overseas) Limited (GHOL)
	GMR Goa International Airport Limited (GIAL)
	GMR Infra Developers Limited (GIDL)
Associates / Joint Venture Companies / Jointly Controlled Operations / Joint Venture of Fellow Subsidiary Companies	Limak GMR Joint Venture (CJV)
	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)
	PT Unsoco (Unsoco) <sup>1</sup>
	PT Dwikarya Sejati Utma (PTDSU) <sup>1</sup>
	PT Duta Sarana Internusa (PTDSI) <sup>1</sup>
	PT Barasentosa Lestari (PTBSL) <sup>1</sup>

Notes to the consolidated financial statements for the year ended March 31, 2023

Description of relationship	Name of the related parties
Associates / Joint Venture Companies / Jointly Controlled Operations / Joint Venture of Fellow Subsidiary Companies	GMR Tenaga Operations and Maintenance Private Limited (GTOMPL)
	GIL SIL JV
	PT Golden Energy Mines Tbk (PTGEMS) <sup>1</sup>
	PT Tanjung Belit Bara Utama (TBBU) <sup>1</sup>
	PT Roundhill Capital Indonesia (RCI) <sup>1</sup>
	PT Kuansing Inti Makmur (KIM) <sup>1</sup>
	PT Trisula Kencana Sakti (TKS) <sup>1</sup>
	PT Borneo Indobara (BORNEO) <sup>1</sup>
	PT Karya Cemerlang Persada (KCP) <sup>1</sup>
	PT Bungo Bara Utama (BBU) <sup>1</sup>
	PT Bara Harmonis Batang Asam (BHBA) <sup>1</sup>
	PT Berkat Nusantara Permai (BNP) <sup>1</sup>
	PT Karya Mining Solution (KMS) <sup>1</sup>
	PT Era Mitra Selaras (EMS) <sup>1</sup>
	PT Wahana Rimba Lestari (WRL) <sup>1</sup>
	PT Berkat Satria Abadi (BSA) <sup>1</sup>
	PT Kuansing Inti Sejahtera (KIS) <sup>1</sup>
	PT Bungo Bara Makmur (BBM) <sup>1</sup>
	PT Gems Energy Indonesia (GEMS Energy) <sup>1</sup>
	GEMS Trading Resources Pte Limited (GEMSTR) <sup>1</sup>
	Megawide GISPL Construction JV (MGCJV)
	GMR Kamalanga Energy Limited (GKEL)
	GMR Energy Limited (GEL)
	GMR Vemagiri Power Generation Limited (GVPGL)
	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)
	GMR Consulting Services Limited (GCSL)
	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)
	GMR Warora Energy Limited (GWEL)
	GMR Gujarat Solar Power Limited (GGSP)
	GMR Upper Karnali Hydro Power Limited (GUKPL)
	GMR Energy (Mauritius) Limited (GEML)
	GMR Lion Energy Limited (GLEL)
	GMR Maharashtra Energy Limited (GMAEL)
	GMR Bundelkhand Energy Private Limited (GBEPL)
	GMR Rajam Solar Power Private Limited (GRSPPL)
	Karnali Transmission Company Private Limited (KTCPL)
	GMR Indo-Nepal Power Corridors Limited (GINPCL)
	GMR Rajahmundry Energy Limited (GREL)
	GMR Megawide Cebu Airport Corporation (GMCAC)

## Notes to the consolidated financial statements for the year ended March 31, 2023

Description of relationship	Name of the related parties
Enterprises where key managerial personnel or their relatives exercise significant influence (Where transactions have taken place)	Welfare Trust of GMR Infra Employees (GWT)
	Welfare Trust for Group Employees
	GMR Varalaxmi Foundation (GVF)
	GMR Family Fund Trust (GFFT)
	GEOKNO India Private Limited (GEOKNO)
Shareholders having substantial interest/enterprises exercising significant influence over the subsidiaries or joint ventures or associates (Where transactions have taken place)	Megawide Construction Corporation (MCC)
	Welfare Trust for GMR Group Employees (WTGGE)
Key managerial personnel and their relatives (Where transactions have taken place)	Mr. G.M. Rao (Non-executive Chairman) <sup>2</sup>
	Mr. Srinivas Bommidala (Managing Director) <sup>2</sup>
	Mr. Grandhi Kiran Kumar (Non-executive Director) <sup>2</sup>
	Mr. B.V.N Rao (Non-executive Director) <sup>2</sup>
	Mr. Madhva B Terdal (Non-executive Director) <sup>2</sup>
	Mr. G Subba Rao (Executive Director) <sup>2</sup>
	Ms. Vissa Siva Kameswari (Independent director) <sup>2</sup>
	Mr. Suresh Narang (Independent director) <sup>3</sup>
	Dr. Satyanarayana Beela (Independent director) <sup>3</sup>
	Mr. S.K. Goel (Independent director) <sup>3</sup>
	Dr. Emandi Sankara Rao (Independent director) <sup>3</sup>
	Mr. I.V. Srinivasa Rao (Independent director) <sup>3</sup>
	Mr. Suresh Bagrodia (Chief Financial Officer) <sup>3</sup>
Mr. Vimal Prakash (Company Secretary) <sup>3</sup>	

### Notes

1. Till August 2022
2. Appointed with effect from January 6, 2022
3. Appointed with effect from January 31, 2022

Notes to the consolidated financial statements for the year ended March 31, 2023

44 (b) Transactions during the year:

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel or its relatives
Revenue from operations	March 31, 2023	-	1,067.10	-	-	-	-	-
	March 31, 2022	-	1,270.16	-	-	-	0.80	-
Other Income	March 31, 2023	-	30.91	-	0.89	-	-	-
	March 31, 2022	-	0.79	-	1.45	-	-	-
Finance income	March 31, 2023	0.35	323.01	2.29	32.18	-	-	-
	March 31, 2022	5.73	210.13	19.56	51.66	-	-	-
Dividend income received from	March 31, 2023	-	-	806.01	-	-	-	-
	March 31, 2022	-	-	842.53	-	-	-	-
Cost of materials consumed	March 31, 2023	-	106.00	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
Purchase of traded goods (gross) including open access charges paid/ recovered net.	March 31, 2023	-	1,038.97	-	-	-	-	-
	March 31, 2022	-	559.76	-	-	-	-	-
Lease expenses	March 31, 2023	-	-	-	3.13	-	-	0.05
	March 31, 2022	-	-	-	2.45	-	-	0.54
Managerial remuneration	March 31, 2023	-	-	-	-	-	-	3.20
	March 31, 2022	-	-	-	-	-	-	2.74
Directors' sitting fees	March 31, 2023	-	-	-	-	-	-	0.25
	March 31, 2022	-	-	-	-	-	-	0.04
Logo fees	March 31, 2023	1.48	-	-	-	-	-	-
	March 31, 2022	0.53	-	-	-	-	-	-
Sub-Contracting expenses	March 31, 2023	-	-	-	-	-	35.78	-
	March 31, 2022	-	-	-	-	-	-	-
Legal and professional fees	March 31, 2023	-	-	-	30.92	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
Other expenses	March 31, 2023	0.00	26.15	-	16.55	0.13	-	-
	March 31, 2022	0.00	18.23	-	20.97	-	-	-

## Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel or its relatives
Reimbursement of expenses incurred on behalf of the Group	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	9.19	-	-	-
Expenses incurred by the Group on behalf of/expenses recovered by the Group	March 31, 2023	-	-	-	0.01	-	-	-
	March 31, 2022	-	9.19	-	-	-	-	-
Provision for doubtful loans credit impaired	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	(12.95)	-	-	-	-	-
Exceptional items gain/(loss)	March 31, 2023	-	144.63	-	-	-	(7.68)	-
	March 31, 2022	-	204.36	-	-	-	-	-
Donation/ CSR expenditure	March 31, 2023	-	-	-	-	0.41	-	-
	March 31, 2022	-	-	-	-	0.62	-	-
Finance cost	March 31, 2023	-	41.65	0.78	264.05	-	-	-
	March 31, 2022	-	2.26	0.19	189.86	-	-	-
Amortisation of ROU	March 31, 2023	-	-	-	1.16	-	-	-
	March 31, 2022	-	-	-	1.16	-	-	-
Finance cost lease liability	March 31, 2023	-	-	-	0.52	-	-	-
	March 31, 2022	-	-	-	0.91	-	-	-
Corporate guarantees/ comfort letters extinguished on behalf of	March 31, 2023	-	2,421.01	-	-	-	-	-
	March 31, 2022	-	271.26	-	-	-	-	-
Corporate guarantees/ comfort letters taken by the Group on behalf of its bank against loan taken	March 31, 2023	-	349.83	-	-	-	-	-
	March 31, 2022	-	1,697.31	-	-	-	-	-
Corporate guarantees/ comfort letters/ Bank guarantee taken from	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	3,274.31	-	-	-
Corporate guarantees/ comfort letters/ Bank guarantee taken extinguished (sanctioned amount)	March 31, 2023	-	-	-	1,190.00	-	-	-
	March 31, 2022	-	-	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel or its relatives
Investment in share/debenture of								
	March 31, 2023	-	164.79	-	-	-	-	-
	March 31, 2022	-	500.00	-	-	-	-	-
Redemption of debentures								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	105.60	-	-	-	-	-
Sale of investment in equity share of								
	March 31, 2023	-	90.58	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
Loans / advances repaid by								
	March 31, 2023	99.34	250.43	-	443.15	-	-	-
	March 31, 2022	2.40	1,867.02	194.01	411.40	-	-	-
Loans / advances given to								
	March 31, 2023	23.50	745.78	10.24	594.56	-	-	-
	March 31, 2022	54.85	1,479.81	0.04	300.88	-	-	-
Novation of Loans								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	(409.82)	-	-	-	-	-
Borrowings taken during the year								
	March 31, 2023	-	-	-	733.43	-	-	-
	March 31, 2022	-	48.14	15.00	1,325.06	-	-	-
Borrowings repaid during the year								
	March 31, 2023	-	38.14	15.00	496.75	-	-	-
	March 31, 2022	-	10.00	-	555.74	-	-	-
Extinguishment of Equity component on related party loan								
	March 31, 2023	-	-	-	229.22	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
Security deposits received from concessionaires / customers								
	March 31, 2023	-	-	-	-	1.12	-	-
	March 31, 2022	-	-	-	-	-	-	-
Capital advances given/(received back)								
	March 31, 2023	-	40.00	-	-	-	-	-
	March 31, 2022	-	(82.01)	-	-	-	-	-
Customer advances given/ (received back)								
	March 31, 2023	-	47.03	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-



## Notes to the consolidated financial statements for the year ended March 31, 2023

### 44 (c) Balances outstanding as at:

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel or its relatives
Right of Use								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	1.16	-	-	-
Investment in Debentures/ Preference Shares								
	March 31, 2023	-	1,199.09	-	-	-	17.00	-
	March 31, 2022	-	500.00	-	-	-	38.00	-
Capital advances								
	March 31, 2023	-	40.00	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
Security deposits receivable								
	March 31, 2023	-	-	-	0.40	1.50	-	-
	March 31, 2022	-	-	-	-	2.95	-	-
Trade receivable								
	March 31, 2023	-	166.88	0.09	1.69	0.28	-	-
	March 31, 2022	-	109.72	0.09	1.26	0.30	0.41	-
Provision for doubtful loans credit impaired								
	March 31, 2023	-	220.05	-	-	-	208.25	-
	March 31, 2022	-	220.05	-	-	-	200.57	-
Non trade receivable								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	9.20	-	-	-	-	-
Unbilled revenue								
	March 31, 2023	-	958.55	-	-	-	-	-
	March 31, 2022	-	902.15	-	-	-	-	-
Other receivables								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	0.05	-	-	-
Loans								
	March 31, 2023	-	1,843.85	-	517.02	-	208.25	-
	March 31, 2022	75.84	1,338.01	0.04	338.83	-	208.25	-
Interest accrued on loans given								
	March 31, 2023	-	427.09	-	28.42	-	-	-
	March 31, 2022	5.73	213.06	-	12.88	-	-	-
Trade payables								
	March 31, 2023	1.00	650.41	-	51.30	0.15	39.22	-
	March 31, 2022	1.73	399.39	-	25.23	2.36	13.79	-
Security deposits from concessionaires/ customers at amortised cost								
	March 31, 2023	-	-	-	145.00	-	-	-
	March 31, 2022	-	-	-	145.47	-	-	-
Non trade payables / other liabilities								
	March 31, 2023	-	21.47	-	-	0.36	-	-
	March 31, 2022	-	21.47	-	11.01	0.48	-	-

Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel or its relatives
Provision for loss in an associate								
	March 31, 2023	-	-	490.64	-	-	-	-
	March 31, 2022	-	-	477.14	-	-	-	-
Advance from customers								
	March 31, 2023	-	118.81	-	-	-	-	-
	March 31, 2022	-	71.78	-	-	-	-	-
Accrued interest on borrowings								
	March 31, 2023	-	10.60	-	137.80	-	-	-
	March 31, 2022	-	9.17	-	98.06	-	-	-
Borrowings								
	March 31, 2023	-	24.05	-	1,790.80	-	-	-
	March 31, 2022	-	54.34	15.00	1,316.18	-	-	-
Equity component on loan received								
	March 31, 2023	-	-	-	14.73	-	-	-
	March 31, 2022	-	-	-	242.71	-	-	-
Lease Liability - Current								
	March 31, 2023	-	-	-	5.36	-	-	-
	March 31, 2022	-	-	-	4.38	-	-	-
Provision for dimunition in value of investments at amortised cost								
	March 31, 2023	-	118.98	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
Corporate guarantees/ comfort letters/ Bank guarantee taken from								
	March 31, 2023	-	-	-	2,259.68	-	-	-
	March 31, 2022	-	-	-	3,274.31	-	-	-
Corporate guarantees/ comfort letters/ Bank guarantee sanctioned on behalf of								
	March 31, 2023	-	3,843.85	2,353.20	-	-	-	-
	March 31, 2022	-	5,913.83	2,353.20	-	-	-	-

**Notes :**

1. The Group has provided securities by way of pledge of investments for loans taken by certain companies.
2. Certain Key management personnel have extended personal guarantees as security towards borrowings of the Group and other body corporates. Similarly, GEPL and certain fellow subsidiaries have pledged certain shares held in the Company as security towards the borrowings of the Group.
3. Remuneration to key managerial personal does not include provision for gratuity, superannuation and premium for personal accidental policy, as the same are determined for the Group as a whole.
4. The Group has entered into sub-contract agreements with unincorporated joint ventures formed by the Group and other joint venturer under joint operation arrangements. Such joint ventures are rendering services ultimately to an unrelated party. Accordingly, the transactions entered on account of such sub-contract arrangement with the unincorporated joint ventures have not been disclosed above.
5. Refer note 7a and 7b for investment in joint venture and associates.
6. In the opinion of the management, the transactions reported herein are on arm's length basis.
7. The amount of outstanding balances as shown above are unsecured and will be settled in due course.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 44 (d) Details of significant transaction with related parties during the year:

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
<b>Revenue from operations</b>								
GIL SIL JV								
	March 31, 2023	-	979.75	-	-	-	-	-
	March 31, 2022	-	1,161.93	-	-	-	-	-
<b>Other Income</b>								
RSSL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	1.00	-	-	-
GBHHPL								
	March 31, 2023	-	5.26	-	-	-	-	-
	March 31, 2022	-	0.75	-	-	-	-	-
DIAL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	0.45	-	-	-
GKEL								
	March 31, 2023	-	9.66	-	-	-	-	-
	March 31, 2022	-	0.03	-	-	-	-	-
GWEL								
	March 31, 2023	-	5.77	-	-	-	-	-
	March 31, 2022	-	0.01	-	-	-	-	-
GIL SIL JV								
	March 31, 2023	-	8.94	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Finance income</b>								
GEL								
	March 31, 2023	-	177.59	-	-	-	-	-
	March 31, 2022	-	110.44	-	-	-	-	-
GRSPPL								
	March 31, 2023	-	137.26	-	-	-	-	-
	March 31, 2022	-	14.20	-	-	-	-	-
GBHHPL								
	March 31, 2023	-	0.64	-	-	-	-	-
	March 31, 2022	-	79.10	-	-	-	-	-
KIPL								
	March 31, 2023	-	-	-	1.58	-	-	-
	March 31, 2022	-	-	-	33.23	-	-	-
PTDSI								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	18.62	-	-	-	-
GEPL								
	March 31, 2023	0.35	-	-	-	-	-	-
	March 31, 2022	5.73	-	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
<b>Dividend income received from</b>								
PTGEMS								
	March 31, 2023	-	-	806.01	-	-	-	-
	March 31, 2022	-	-	842.53	-	-	-	-
<b>Cost of materials consumed</b>								
GIL SIL JV								
	March 31, 2023	-	106.00	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Purchase of traded goods (Gross) including open access charges paid/ recovered net.</b>								
GKEL								
	March 31, 2023	-	335.98	-	-	-	-	-
	March 31, 2022	-	441.55	-	-	-	-	-
GWEL								
	March 31, 2023	-	615.37	-	-	-	-	-
	March 31, 2022	-	118.21	-	-	-	-	-
<b>Lease expenses</b>								
DIAL								
	March 31, 2023	-	-	-	3.13	-	-	-
	March 31, 2022	-	-	-	2.33	-	-	-
Mr G.B.S Raju								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	0.49
<b>Managerial remuneration</b>								
Mr. Srinivas Bommidala								
	March 31, 2023	-	-	-	-	-	-	2.25
	March 31, 2022	-	-	-	-	-	-	2.40
Mr. Madhva B Terdal								
	March 31, 2023	-	-	-	-	-	-	1.63
	March 31, 2022	-	-	-	-	-	-	-
Mr. Suresh Bagrodia								
	March 31, 2023	-	-	-	-	-	-	0.75
	March 31, 2022	-	-	-	-	-	-	0.14
<b>Directors' sitting fees</b>								
Ms. Vissa Siva Kameswari								
	March 31, 2023	-	-	-	-	-	-	0.05
	March 31, 2022	-	-	-	-	-	-	0.01
Dr. Satyanarayana Beela								
	March 31, 2023	-	-	-	-	-	-	0.06
	March 31, 2022	-	-	-	-	-	-	0.01
Mr. S.K. Goel								
	March 31, 2023	-	-	-	-	-	-	0.05
	March 31, 2022	-	-	-	-	-	-	0.01

## Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
Mr. I.V. Srinivasa Rao								
	March 31, 2023	-	-	-	-	-	-	0.06
	March 31, 2022	-	-	-	-	-	-	0.01
Mr. Suresh Narang								
	March 31, 2023	-	-	-	-	-	-	0.02
	March 31, 2022	-	-	-	-	-	-	0.00
Dr. Emandi Sankara Rao								
	March 31, 2023	-	-	-	-	-	-	0.02
	March 31, 2022	-	-	-	-	-	-	0.00
<b>Logo fees</b>								
GEPL								
	March 31, 2023	1.48	-	-	-	-	-	-
	March 31, 2022	0.53	-	-	-	-	-	-
<b>Sub-Contracting expenses</b>								
MCC								
	March 31, 2023	-	-	-	-	-	35.78	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Legal and professional fees</b>								
GIL								
	March 31, 2023	-	-	-	30.92	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Other expenses</b>								
GIL SIL JV								
	March 31, 2023	-	26.15	-	-	-	-	-
	March 31, 2022	-	18.23	-	-	-	-	-
RSSL								
	March 31, 2023	-	-	-	15.58	-	-	-
	March 31, 2022	-	-	-	13.86	-	-	-
GIL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	6.68	-	-	-
<b>Reimbursement of expenses incurred on behalf of the Group</b>								
GIL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	9.19	-	-	-
<b>Expenses incurred by the Group on behalf of / expenses recovered by the Group</b>								
GKEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	4.35	-	-	-	-	-
GWEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	2.53	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	1.99	-	-	-	-	-
<b>Provision for doubtful loans credit impaired</b>								
GKEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	(12.95)	-	-	-	-	-
<b>Exceptional items gain/(loss)</b>								
GEL								
	March 31, 2023	-	366.57	-	-	-	-	-
	March 31, 2022	-	(204.36)	-	-	-	-	-
GRSPPL								
	March 31, 2023	-	(118.98)	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
GMCAC								
	March 31, 2023	-	(38.27)	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
GEML								
	March 31, 2023	-	(64.69)	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Donation/ CSR expenditure</b>								
GVF								
	March 31, 2023	-	-	-	-	0.41	-	-
	March 31, 2022	-	-	-	-	0.62	-	-
<b>Finance cost</b>								
GAL								
	March 31, 2023	-	-	-	80.32	-	-	-
	March 31, 2022	-	-	-	75.22	-	-	-
GIDL								
	March 31, 2023	-	-	-	84.94	-	-	-
	March 31, 2022	-	-	-	54.90	-	-	-
GCAL								
	March 31, 2023	-	-	-	29.75	-	-	-
	March 31, 2022	-	-	-	29.75	-	-	-
GBHHPL								
	March 31, 2023	-	37.10	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Amortisation of ROU</b>								
DIAL								
	March 31, 2023	-	-	-	1.16	-	-	-
	March 31, 2022	-	-	-	1.16	-	-	-
<b>Finance cost lease liability</b>								
DIAL								
	March 31, 2023	-	-	-	0.52	-	-	-
	March 31, 2022	-	-	-	0.91	-	-	-

## Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
<b>Corporate Guarantees/ Comfort Letters extinguished on behalf of</b>								
GBHHPL	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	225.60	-	-	-	-	-
GIL SIL JV	March 31, 2023	-	208.70	-	-	-	-	-
	March 31, 2022	-	45.66	-	-	-	-	-
GEL	March 31, 2023	-	1,612.31	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
GRSPPL	March 31, 2023	-	500.00	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Corporate guarantees/ comfort letters taken by the Group on behalf of its bank against loan taken</b>								
GEL	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	844.31	-	-	-	-	-
GRSPPL	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	500.00	-	-	-	-	-
GIL SIL JV	March 31, 2023	-	68.41	-	-	-	-	-
	March 31, 2022	-	184.00	-	-	-	-	-
GBHHPL	March 31, 2023	-	121.42	-	-	-	-	-
	March 31, 2022	-	169.00	-	-	-	-	-
GWEL	March 31, 2023	-	160.00	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Corporate guarantees/ comfort letters/ Bank guarantee taken from</b>								
GIL	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	3,274.31	-	-	-
<b>Corporate guarantees/ comfort letters/Bank guarantee taken extinguished (sanctioned amount)</b>								
GIL	March 31, 2023	-	-	-	1,190.00	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Investment in share/debenture of</b>								
GEML	March 31, 2023	-	-	164.79	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
GRSPPL	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	500.00	-	-	-	-	-



Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
<b>Redemption of debentures</b>								
GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	105.60	-	-	-	-	-
<b>Sale of investment in equity share of</b>								
GMCAC								
	March 31, 2023	-	90.58	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Loans / advances repaid by</b>								
GRSPPL								
	March 31, 2023	-	2.59	-	-	-	-	-
	March 31, 2022	-	887.08	-	-	-	-	-
GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	877.91	-	-	-	-	-
KIPL								
	March 31, 2023	-	-	-	140.46	-	-	-
	March 31, 2022	-	-	-	342.76	-	-	-
GEPL								
	March 31, 2023	99.34	-	-	-	-	-	-
	March 31, 2022	2.40	-	-	-	-	-	-
GEL								
	March 31, 2023	-	224.98	-	-	-	-	-
	March 31, 2022	-	69.06	-	-	-	-	-
CISL								
	March 31, 2023	-	-	-	87.10	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
GIABV								
	March 31, 2023	-	-	-	174.33	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Loans / advances given to</b>								
GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	670.64	-	-	-	-	-
GEL								
	March 31, 2023	-	685.54	-	-	-	-	-
	March 31, 2022	-	645.39	-	-	-	-	-
GEPL								
	March 31, 2023	23.50	-	-	-	-	-	-
	March 31, 2022	54.85	-	-	-	-	-	-
CISL								
	March 31, 2023	-	-	-	315.50	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Novation of Loans</b>								
GEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	179.84	-	-	-	-	-

## Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	141.85	-	-	-	-	-
GRSPPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	(731.51)	-	-	-	-	-
<b>Borrowings taken during the year</b>								
GIDL								
	March 31, 2023	-	-	-	54.90	-	-	-
	March 31, 2022	-	-	-	460.31	-	-	-
GIL								
	March 31, 2023	-	-	-	495.81	-	-	-
	March 31, 2022	-	-	-	401.55	-	-	-
GAL								
	March 31, 2023	-	-	-	80.00	-	-	-
	March 31, 2022	-	-	-	396.20	-	-	-
GBPPL								
	March 31, 2023	-	-	-	98.00	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Borrowings repaid during the year</b>								
GAL								
	March 31, 2023	-	-	-	17.50	-	-	-
	March 31, 2022	-	-	-	400.00	-	-	-
GIDL								
	March 31, 2023	-	-	-	260.77	-	-	-
	March 31, 2022	-	-	-	85.24	-	-	-
GIL								
	March 31, 2023	-	-	-	115.75	-	-	-
	March 31, 2022	-	-	-	70.50	-	-	-
GBPPL								
	March 31, 2023	-	-	-	98.00	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Extinguishment of Equity component on related party loan</b>								
GIL								
	March 31, 2023	-	-	-	229.22	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Security deposits received from concessionaires / customers</b>								
GFFT								
	March 31, 2023	-	-	-	-	1.12	-	-
	March 31, 2022	-	-	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
<b>Capital advances given/ (received back)</b>								
GEL								
	March 31, 2023	-	40.00	-	-	-	-	-
	March 31, 2022	-	(25.50)	-	-	-	-	-
GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	(56.51)	-	-	-	-	-
GIL SIL JV								
	March 31, 2023	-	46.88	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-

**Notes:**

- The Group has considered a threshold of 10% as significant transaction or balances for the purpose of this disclosure.
- The Group has disclosed significant transaction values for the year ended March 31, 2023 and March 31, 2022 separately.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 44 (e) Details of significant balance with related parties.

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
<b>Right of Use</b>								
DIAL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	1.16	-	-	-
<b>Investment in Debentures/ Preference Shares</b>								
KIHPL								
	March 31, 2023	-	-	-	-	-	17.00	-
	March 31, 2022	-	-	-	-	-	38.00	-
GRSPPL								
	March 31, 2023	-	1,099.00	-	-	-	-	-
	March 31, 2022	-	500.00	-	-	-	-	-
<b>Capital advances</b>								
GEL								
	March 31, 2023	-	40.00	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Security deposits receivable</b>								
GFFT								
	March 31, 2023	-	-	-	-	1.50	-	-
	March 31, 2022	-	-	-	-	2.95	-	-
RSSL								
	March 31, 2023	-	-	-	0.25	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Trade receivable</b>								
GMCAC								
	March 31, 2023	-	91.38	-	-	-	-	-
	March 31, 2022	-	52.84	-	-	-	-	-
GBHHPL								
	March 31, 2023	-	66.90	-	-	-	-	-
	March 31, 2022	-	55.49	-	-	-	-	-
<b>Provision for doubtful loans credit impaired</b>								
WTGGE								
	March 31, 2023	-	-	-	-	-	208.25	-
	March 31, 2022	-	-	-	-	-	200.57	-
GKEL								
	March 31, 2023	-	199.05	-	-	-	-	-
	March 31, 2022	-	199.05	-	-	-	-	-
<b>Non trade receivable</b>								
GWEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	2.53	-	-	-	-	-
GKEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	4.35	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	1.99	-	-	-	-	-
<b>Unbilled revenue</b>								
GIL SIL JV								
	March 31, 2023	-	956.80	-	-	-	-	-
	March 31, 2022	-	891.46	-	-	-	-	-
<b>Other receivables</b>								
GAL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	0.05	-	-	-
<b>Loans</b>								
WTGGE								
	March 31, 2023	-	-	-	-	-	208.25	-
	March 31, 2022	-	-	-	-	-	208.25	-
GEL								
	March 31, 2023	-	1,555.28	-	-	-	-	-
	March 31, 2022	-	1,094.90	-	-	-	-	-
KIPL								
	March 31, 2023	-	-	-	0.04	-	-	-
	March 31, 2022	-	-	-	75.34	-	-	-
GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	0.14	-	-	-	-	-
<b>Interest accrued on loans given</b>								
GEPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	5.73	-	-	-	-	-	-
GRSPPL								
	March 31, 2023	-	73.53	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
GKEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	41.52	-	-	-	-	-
GEL								
	March 31, 2023	-	319.32	-	-	-	-	-
	March 31, 2022	-	152.12	-	-	-	-	-
GCAL								
	March 31, 2023	-	-	-	10.99	-	-	-
	March 31, 2022	-	-	-	12.88	-	-	-
<b>Trade payables</b>								
GWEL								
	March 31, 2023	-	435.72	-	-	-	-	-
	March 31, 2022	-	260.39	-	-	-	-	-
GKEL								
	March 31, 2023	-	214.69	-	-	-	-	-
	March 31, 2022	-	139.00	-	-	-	-	-

## Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
<b>Security deposits from concessionaires / customers at amortised cost</b>								
RSSL								
	March 31, 2023	-	-	-	145.00	-	-	-
	March 31, 2022	-	-	-	145.37	-	-	-
<b>Non trade payables/other liabilities</b>								
GKEL								
	March 31, 2023	-	21.47	-	-	-	-	-
	March 31, 2022	-	21.47	-	-	-	-	-
GIL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	10.96	-	-	-
<b>Provision for loss in an associate</b>								
GREL								
	March 31, 2023	-	-	490.64	-	-	-	-
	March 31, 2022	-	-	477.14	-	-	-	-
<b>Advance from customers</b>								
GKEL								
	March 31, 2023	-	9.36	-	-	-	-	-
	March 31, 2022	-	9.21	-	-	-	-	-
GIL SIL JV								
	March 31, 2023	-	109.45	-	-	-	-	-
	March 31, 2022	-	62.56	-	-	-	-	-
<b>Accrued interest on borrowings</b>								
RSSL								
	March 31, 2023	-	-	-	26.35	-	-	-
	March 31, 2022	-	-	-	36.40	-	-	-
GAL								
	March 31, 2023	-	-	-	54.53	-	-	-
	March 31, 2022	-	-	-	31.23	-	-	-
GIL								
	March 31, 2023	-	-	-	17.22	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
GIDL								
	March 31, 2023	-	-	-	28.56	-	-	-
	March 31, 2022	-	-	-	20.28	-	-	-
<b>Borrowings</b>								
GCAL								
	March 31, 2023	-	-	-	175.00	-	-	-
	March 31, 2022	-	-	-	175.00	-	-	-
GIDL								
	March 31, 2023	-	-	-	203.77	-	-	-
	March 31, 2022	-	-	-	409.64	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transactions	Year ended	Holding company	Joint Venture/ Joint Venture of Fellow Subsidiary Companies	Associates/ Associate of Fellow Subsidiary Companies	Fellow Subsidiaries	Enterprises owned or significantly influenced by key managerial personnel or their relatives	Shareholders having substantial interest/enterprises having significant influences over the subsidiaries/ joint ventures/ associates	Key managerial personnel and their relatives
GIL								
	March 31, 2023	-	-	-	711.10	-	-	-
	March 31, 2022	-	-	-	94.81	-	-	-
GAL								
	March 31, 2023	-	-	-	494.70	-	-	-
	March 31, 2022	-	-	-	432.20	-	-	-
<b>Equity component on loan received</b>								
GIL								
	March 31, 2023	-	-	-	14.73	-	-	-
	March 31, 2022	-	-	-	242.71	-	-	-
<b>Lease Liability - Current</b>								
DIAL								
	March 31, 2023	-	-	-	5.36	-	-	-
	March 31, 2022	-	-	-	4.38	-	-	-
<b>Provision for diminution in value of investments at amortised cost</b>								
GRSPPL								
	March 31, 2023	-	118.98	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
<b>Corporate guarantees/ comfort letters/ Bank guarantee taken from</b>								
GIL								
	March 31, 2023	-	-	-	2,259.68	-	-	-
	March 31, 2022	-	-	-	3,274.31	-	-	-
<b>Corporate guarantees/ comfort letters/ Bank guarantee sanctioned on behalf of</b>								
GEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	1,612.31	-	-	-	-	-
GBHHPL								
	March 31, 2023	-	2,261.87	-	-	-	-	-
	March 31, 2022	-	2,140.35	-	-	-	-	-
GIL SIL JV								
	March 31, 2023	-	699.78	-	-	-	-	-
	March 31, 2022	-	838.97	-	-	-	-	-
GREL								
	March 31, 2023	-	-	2,353.20	-	-	-	-
	March 31, 2022	-	-	2,353.20	-	-	-	-

**Notes:**

- The Group has considered a threshold of 10% as significant transaction or balances for the purpose of this disclosure.
- The Group has disclosed significant transaction values for the year ended March 31, 2023 and March 31, 2022 separately.



## Notes to the consolidated financial statements for the year ended March 31, 2023

### 45. Segment information

- a) Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment, resource allocation and for which information is available discretely. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.
- b) The segment reporting of the Group has been prepared in accordance with Ind AS 108 'Operating Segments'.
- c) For the purpose of reporting, business segments are primary segments and the geographical segments are secondary segments.
- d) The reportable segments of the Group comprise of the following:

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

- e) Geographical segments are categorised as 'India' and 'Outside India' and are based on the domicile of the customers.

Notes to the consolidated financial statements for the year ended March 31, 2023  
Segment Reporting

Particulars	(₹ in crore)													
	Power		Roads		EPC		Others		Inter Segment and Inter operations		Unallocated		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Revenue</b>														
Revenue from operations	3,473.16	2,175.06	655.04	531.94	1,082.68	1,162.78	313.81	232.03	-	-	-	-	5,524.69	4,101.81
Inter Segment Revenue	-	-	-	-	16.27	-	119.90	106.51	(119.90)	(122.78)	-	-	-	-
<b>Total Revenue</b>	<b>3,473.16</b>	<b>2,175.06</b>	<b>655.04</b>	<b>531.94</b>	<b>1,082.68</b>	<b>1,179.05</b>	<b>433.71</b>	<b>338.54</b>	<b>(119.90)</b>	<b>(122.78)</b>	-	-	<b>5,524.69</b>	<b>4,101.81</b>
<b>Segment result before share of profit of investment accounted for using equity method, exceptional items &amp; tax</b>	<b>(29.90)</b>	<b>0.96</b>	<b>297.15</b>	<b>201.26</b>	<b>2.24</b>	<b>62.92</b>	<b>175.60</b>	<b>159.01</b>	-	-	-	-	<b>445.09</b>	<b>424.15</b>
Share of profit of investment accounted for using equity method	740.45	245.93	-	-	1.02	0.24	-	-	-	-	-	-	741.47	246.17
Exceptional item	774.02	323.70	24.38	-	460.30	-	(26.76)	(308.61)	-	-	-	-	1,231.94	15.09
<b>Segment result after share of profit of investment accounted for using equity method, exceptional items &amp; tax</b>	<b>1,484.57</b>	<b>570.59</b>	<b>321.53</b>	<b>201.26</b>	<b>463.56</b>	<b>63.16</b>	<b>148.84</b>	<b>(149.60)</b>	-	-	-	-	<b>2,418.50</b>	<b>685.41</b>
<b>Unallocated Income/ Expense</b>														
Finance cost	-	-	-	-	-	-	-	-	-	-	(1,350.25)	(1,354.50)	(1,350.25)	(1,354.50)
Finance income	-	-	-	-	-	-	-	-	-	-	163.94	123.08	163.94	123.08
<b>(Loss) /profit before tax</b>											<b>(1,186.31)</b>	<b>(1,231.42)</b>	<b>1,232.19</b>	<b>(546.01)</b>
Tax expense on continuing operations	-	-	-	-	-	-	-	-	-	-	(92.74)	(105.53)	(92.74)	(105.53)
Loss from discontinuing operations	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.03)
<b>(Loss) /profit after tax</b>											<b>(1,279.05)</b>	<b>(1,336.95)</b>	<b>1,139.24</b>	<b>(651.57)</b>
<b>Segment Assets</b>	<b>1,878.77</b>	<b>5,432.83</b>	<b>3,436.83</b>	<b>3,426.90</b>	<b>1,395.28</b>	<b>1,393.58</b>	<b>2,230.45</b>	<b>1,671.00</b>	-	-	-	-	<b>8,941.33</b>	<b>11,924.30</b>
Loans - current	-	-	-	-	-	-	-	-	-	-	1,234.01	387.08	1,234.01	387.08
Loans - non current	-	-	-	-	-	-	-	-	-	-	792.36	1,052.42	792.36	1,052.42
Interest accrued on fixed deposits	-	-	-	-	-	-	-	-	-	-	3.68	2.61	3.68	2.61
Interest accrued on long term investments	-	-	-	-	-	-	-	-	-	-	451.68	231.67	451.68	231.67
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	150.26	92.93	150.26	92.93
Deferred tax assets (net)	-	-	-	-	-	-	-	-	-	-	4.12	4.40	4.12	4.40
Non - current tax assets (net)	-	-	-	-	-	-	-	-	-	-	18.87	26.44	18.87	26.44
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	206.22	350.78	206.22	350.78
<b>Total Assets</b>	<b>1,878.77</b>	<b>5,432.83</b>	<b>3,436.83</b>	<b>3,426.90</b>	<b>1,395.28</b>	<b>1,393.58</b>	<b>2,230.45</b>	<b>1,671.00</b>	-	-	<b>2,861.20</b>	<b>2,148.32</b>	<b>11,802.53</b>	<b>14,072.62</b>

# Notes to the consolidated financial statements for the year ended March 31, 2023

## Segment Reporting (Contd.)

Particulars	(₹ in crore)													
	Power		Roads		EPC		Others		Inter Segment and Inter operations		Unallocated		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	
<b>Segment Liabilities</b>	2,816.90	2,687.60	1,638.58	1,439.12	706.25	615.13	95.98	150.92	-	-	-	5,257.71	4,892.79	
Borrowings - Non current	-	-	-	-	-	-	-	-	-	-	-	6,480.84	7,421.49	
Borrowings - Current	-	-	-	-	-	-	-	-	-	-	-	1,720.14	2,980.29	
Interest payable	-	-	-	-	-	-	-	-	-	-	-	1,014.00	765.17	
Current tax liabilities	-	-	-	-	-	-	-	-	-	-	-	12.44	21.79	
Financial guarantee contracts	-	-	-	-	-	-	-	-	-	-	-	35.80	39.93	
Liabilities directly associated with assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	23.08	183.73	
<b>Total Liabilities</b>	<b>2,816.90</b>	<b>2,687.60</b>	<b>1,638.58</b>	<b>1,439.12</b>	<b>706.25</b>	<b>615.13</b>	<b>95.98</b>	<b>150.92</b>	<b>-</b>	<b>-</b>	<b>9,286.30</b>	<b>11,412.40</b>	<b>16,305.18</b>	
<b>Other Disclosures:</b>														
Investments accounted for using equity method	898.79	4,318.75	-	-	4.68	3.66	-	-	-	-	-	-	4,322.41	
Depreciation and amortisation expense from continued operations	3.65	5.20	114.47	91.85	15.71	18.58	17.56	12.53	-	-	-	151.39	128.16	
Material non cash item including impairment, other depreciation and amortisation	677.84	(278.09)	21.87	-	3.62	-	50.37	354.48	-	-	-	753.70	76.39	

### Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

(₹ in crore)

Particulars	Revenue from External Customer		Non-current operating assets*	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
India	2,562.67	2,716.56	2,896.85	3,012.23
Outside India	2,962.02	1,385.25	15.22	0.99
<b>Total</b>	<b>5,524.69</b>	<b>4,101.81</b>	<b>2,912.07</b>	<b>3,013.22</b>

\*Non-current assets for this purpose consist of property, plant and equipment, right of use assets, investment properties and other intangible assets.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 46. Disclosures on financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the consolidated financial statements.

#### (a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2023 and March 31, 2022 (excluding those pertaining to discontinued operations. Refer note 33)

##### As at March 31, 2023

(₹ in crore)

Particulars	Fair value through consolidated statement of profit and loss	Amortised cost	Total carrying value	Total fair value
<b>Financial assets</b>				
(i) Investments (other than investments accounted for using equity method)	209.68	997.93	1,207.61	1,207.61
(ii) Loans	-	2,026.37	2,026.37	2,026.37
(iii) Trade receivables	-	697.99	697.99	697.99
(iv) Cash and cash equivalents	-	965.53	965.53	965.53
(v) Bank balances other than cash and cash equivalents	-	150.26	150.26	150.26
(vi) Other financial assets	-	2,458.08	2,458.08	2,458.08
<b>Total</b>	<b>209.68</b>	<b>7,296.16</b>	<b>7,505.84</b>	<b>7,505.84</b>
<b>Financial liabilities</b>				
(i) Borrowings	-	8,200.98	8,200.98	8,200.98
(ii) Trade payables	-	2,755.30	2,755.30	2,755.30
(iii) Other financial liabilities	-	2,526.46	2,526.46	2,526.46
(iv) Lease liabilities	-	14.76	14.76	14.76
(v) Financial guarantee contracts	-	35.80	35.80	35.80
<b>Total</b>	<b>-</b>	<b>13,533.30</b>	<b>13,533.30</b>	<b>13,533.30</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

As at March 31, 2022

(₹ in crore)

Particulars	Fair value through consolidated statement of profit and loss	Amortised cost	Total carrying value	Total fair value
<b>Financial assets</b>				
(i) Investments (other than investments accounted for using equity method)	110.91	544.43	655.34	655.34
(ii) Loans	-	1,439.50	1,439.50	1,439.50
(iii) Trade receivables	-	623.82	623.82	623.82
(iv) Cash and cash equivalents	-	455.17	455.17	455.17
(v) Bank balances other than cash and cash equivalents	-	92.93	92.93	92.93
(vi) Other financial assets	-	2,756.83	2,756.83	2,756.83
<b>Total</b>	<b>110.91</b>	<b>5,912.68</b>	<b>6,023.59</b>	<b>6,023.59</b>
<b>Financial liabilities</b>				
(i) Borrowings	-	10,401.78	10,401.78	10,401.78
(ii) Trade payables	-	2,449.02	2,449.02	2,449.02
(iii) Other financial liabilities	-	2,178.08	2,178.08	2,178.08
(iv) Lease liabilities	-	11.33	11.33	11.33
(v) Financial guarantee contracts	-	39.92	39.92	39.92
<b>Total</b>	<b>-</b>	<b>15,080.13</b>	<b>15,080.13</b>	<b>15,080.13</b>

(i) Investments in mutual fund, overseas fund by foreign subsidiaries, other fund and derivative instruments are mandatorily classified as fair value through consolidated statement of profit and loss and investment in commercial papers are classified at amortised cost.

(ii) As regards the carrying value and fair value of investments accounted for using equity method refer note 7(a) and 7(b).

### (b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual and overseas fund investments.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### Assets and liabilities measured at fair value

(₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
<b>March 31, 2023</b>				
<b>Financial assets</b>				
Investments (other than investments accounted for using equity method)	209.68	-	-	209.68
<b>March 31, 2022</b>				
<b>Financial assets</b>				
Investments (other than investments accounted for using equity method)	110.91	-	-	110.91

### Assets for which fair values are disclosed

(₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
<b>March 31, 2023</b>				
Investment property	604.18	-	-	604.18
<b>March 31, 2022</b>				
Investment property	587.63	-	-	587.63

- (i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
- (ii) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.
- (iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- (iv) The fair values of investment property have been determined based on available data for similar investment property or observable market prices less incremental cost for disposing of the investment property on the basis of valuation done by independent valuer.
- (v) There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2023 and year ended March 31, 2022.
- (vi) Fair value of mutual funds and overseas funds is determined based on the net asset value of the funds.

### (c) Financial risk management objectives and policies

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such

## Notes to the consolidated financial statements for the year ended March 31, 2023

as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- (i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Group's business plan.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the consolidated financial statements.

### Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### (a) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in crore)		
Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings	3,582.03	6,505.93
Fixed rate borrowings	4,618.95	3,895.85
<b>Total borrowings</b>	<b>8,200.98</b>	<b>10,401.78</b>

(₹ in crore)		
Particulars	Increase / (decrease) in basis points	Effect on profit before tax
<b>March 31, 2023</b>		
Increase	+50	(17.91)
Decrease	-50	17.91
<b>March 31, 2022</b>		
Increase	+50	(32.53)
Decrease	-50	32.53

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.



## Notes to the consolidated financial statements for the year ended March 31, 2023

**(b) Market risk- Foreign currency risk**

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

**i. Foreign currency exposure**

The following table demonstrate the unhedged exposure in USD exchange rate as at March 31, 2023 and March 31, 2022. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Year ended	USD in crore	₹ in crore
Cash and bank balances	March 31, 2023	3.35	276.83
	March 31, 2022	2.98	221.52
Trade receivables	March 31, 2023	2.72	225.35
	March 31, 2022	1.48	110.02
Investments	March 31, 2023	1.86	153.91
	March 31, 2022	51.13	3,800.75
Loans	March 31, 2023	3.48	288.24
	March 31, 2022	3.24	240.85
Trade payables	March 31, 2023	3.05	252.19
	March 31, 2022	3.33	247.54
Borrowings	March 31, 2023	30.00	2,481.75
	March 31, 2022	48.00	3,568.08
Other financial liabilities	March 31, 2023	14.31	1,183.55
	March 31, 2022	9.25	687.60
<b>Net assets/(liabilities)</b>	March 31, 2023	<b>(35.95)</b>	<b>(2,973.16)</b>
	March 31, 2022	<b>(1.75)</b>	<b>(130.08)</b>

**ii. Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

(₹ in crore)		
Particulars	Change in USD rate	Effect on profit before tax
<b>March 31, 2023</b>		
Increase	5.00%	(148.66)
Decrease	-5.00%	148.66
<b>March 31, 2022</b>		
Increase	5.00%	(6.50)
Decrease	-5.00%	6.50

The sensitivity analysis has been based on the composition of the Group's net financial assets and liabilities as at March 31, 2023 and March 31, 2022. The period end balances are not necessarily representative of the average debt outstanding during the period.

## Notes to the consolidated financial statements for the year ended March 31, 2023

### Credit risk

Credit risk is the risk of financial loss arising from counterpart's failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. The Group has a policy of dealing only with credit worthy counter-parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables/unbilled revenue, loans receivables, investments in debt securities, balances with bank, bank deposits, derivatives and financial guarantees provided by the Group. None of the financial instruments of the Group result in material concentration of credit risk except investment in preference shares made by the Group in its group companies and loans provided to its group companies. The credit risk in respect of such investments in preference shares/ debentures and loans are assessed on the basis of the fair value of the respective group companies determined based on their business plans. Also refer note 44 for the details of such instruments.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 7,505.84 crore and ₹ 6,023.59 crore as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments (other than investments accounted for using equity method) and other financial assets.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Group does not hold collateral as security.

The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2023 and March 31, 2022.

Credit risk from balances with bank and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

### Reconciliation of loss allowance provision - Loans and other financial assets

(₹ in crore)

Particulars	Investments	Trade Receivables	Loans	Non trade receivables
<b>As at April 01, 2021</b>	-	34.70	433.57	5.81
Movement during the year	-	30.12	(12.95)	0.26
<b>As at March 31, 2022</b>	-	<b>64.82</b>	<b>420.62</b>	<b>6.07</b>
Movement during the year	118.98	(5.60)	7.68	(0.26)
<b>As at March 31, 2023</b>	<b>118.98</b>	<b>59.22</b>	<b>428.30</b>	<b>5.81</b>

### Liquidity risk

Liquidity risk refers to the risk that the Group can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through convertible debentures, non-convertible debentures, bonds and other debt instruments. The Group invests its surplus funds in bank fixed deposit and in mutual funds, which carries no or low market risk.

## Notes to the consolidated financial statements for the year ended March 31, 2023

The Group monitors its risk of a shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, sale of assets and strategic partnership with investors etc.

The following table shows a maturity analysis of the anticipated cash flows excluding interest and other finance charges obligations for the Group's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period.

(₹ in crore)

Particulars	0 to 1 year	1 to 5 year	>5 year	Total
<b>March 31, 2023</b>				
Borrowings including current maturities (other than convertible preference shares)	987.16	3,804.84	2,786.51	7,578.51
Other financial liabilities	2,304.61	199.66	7.15	2,511.42
Lease liabilities	6.68	5.30	4.90	16.88
Trade payables	2,603.51	151.79	-	2,755.30
<b>Total</b>	<b>5,901.96</b>	<b>4,161.59</b>	<b>2,798.56</b>	<b>12,862.11</b>
<b>March 31, 2022</b>				
Borrowings including current maturities (other than convertible preference shares)	2,476.55	5,038.29	2,756.08	10,270.92
Other financial liabilities	1,984.47	193.61	-	2,178.08
Lease liabilities	8.56	2.79	-	11.35
Trade payables	2,449.02	-	-	2,449.02
<b>Total</b>	<b>6,918.60</b>	<b>5,234.69</b>	<b>2,756.08</b>	<b>14,909.37</b>

- (i) The above excludes any financial liabilities arising out of financial guarantee contract as detailed in note 38.
- (ii) For range of interest of borrowings, repayment schedule and security details refer note 18 and 23.

### Price risk

The Group's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

(₹ in crore)

Particulars	Change in price	Effect on profit before tax
<b>March 31, 2023</b>		
Increase	5%	10.48
Decrease	-5%	(10.48)
<b>March 31, 2022</b>		
Increase	5%	5.55
Decrease	-5%	(5.55)

## Notes to the consolidated financial statements for the year ended March 31, 2023

### 47. Capital management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group.

The Group determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and sale of certain assets, long-term and short-term bank borrowings and issue of non-convertible / convertible debt securities and strategic partnership with investors.

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference share, share premium and all other equity reserves.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Group's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with. Refer note 1.1

(₹ in crore)		
Particulars	March 31, 2023	March 31, 2022
Borrowings including current maturities of non - current borrowings (refer note 18 and 23)	8,200.98	10,401.78
Less: Cash and cash equivalents	(965.53)	(455.17)
<b>Net debt</b> (i)	<b>7,235.45</b>	<b>9,946.61</b>
<b>Capital components</b>		
Equity share capital	301.80	301.80
Other equity	(2,923.16)	(2,466.24)
Non-controlling interests	(120.12)	(68.09)
<b>Total Capital</b> (ii)	<b>(2,741.48)</b>	<b>(2,232.53)</b>
<b>Capital and borrowings</b> (iii=i+ii)	<b>4,493.97</b>	<b>7,714.08</b>
<b>Gearing ratio(%)</b> (i/iii)	<b>161.00%</b>	<b>128.94%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

- 48** The Code of Social Security, 2020 ("Code") relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently the Ministry of Labour and Employment had released the draft rules on the aforementioned code. However, the same is yet to be notified. The Group will evaluate the impact and make necessary adjustments to the consolidated financial statements in the period when the code will come into effect.
- 49** The composite scheme of amalgamation and arrangement for amalgamation of GMR Power Infra Limited (GPIL) ("Transferor Company") with GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited) ("Demerged Company") and demerger of Engineering Procurement and Construction (EPC) business and Urban Infrastructure Business of the Demerged Company (including Energy business) into the Company ("Scheme") was approved by the Hon'ble National Company Law Tribunal, Mumbai bench ("the Tribunal") vide its order dated December 22, 2021 (formal order received on December 24, 2021). The said Tribunal order was filed with the Registrar of Companies by GIL, GPIL and the Company on December 31, 2021 thereby the Scheme becoming effective on that date. Accordingly, the Standalone Financial Statements have been prepared by giving effect to the Composite scheme of amalgamation and arrangement in accordance with Appendix C of Ind AS 103 "Business Combination" from the earliest period presented consequent upon receipt of approval to the Scheme from National Company Law Tribunal (NCLT).

## Notes to the consolidated financial statements for the year ended March 31, 2023

Pursuant to the composite scheme of arrangement becoming effective on December 31, 2021, the existing paid up share capital of ₹ 0.10 crore held by Demerged Company stands cancelled. Further, the Company had allotted one share of ₹ 5/- each to the shareholders of GIL for every 10 shares held by them in GIL. Accordingly, on January 12, 2022, 603,594,528 equity shares of ₹ 5/- each aggregating ₹ 301.80 crore have been allotted and the shares held by GIL stand cancelled.

### 50 Additional disclosure pursuant to schedule III of Companies Act ,2013:

- i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The trade payable ageing schedule is given below:

#### Non-Current Trade payable ageing schedule - March 31, 2023

(₹ in crore)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 year	More than 3 year	
Total outstanding dues for micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues for creditors other than micro enterprises and small enterprises	-	-	122.03	29.44	0.01	0.31	151.79
Disputed dues for micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues for creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>122.03</b>	<b>29.44</b>	<b>0.01</b>	<b>0.31</b>	<b>151.79</b>

#### Current Trade payable ageing schedule - March 31, 2023

(₹ in crore)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 year	More than 3 year	
Total outstanding dues for micro enterprises and small enterprises	-	24.68	61.56	6.44	5.26	5.29	103.23
Total outstanding dues for creditors other than micro enterprises and small enterprises	90.49	204.43	593.54	237.59	48.27	33.53	1,207.85
Disputed dues for micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues for creditors other than micro enterprises and small enterprises	-	-	304.07	212.29	176.17	599.90	1,292.43
<b>Total</b>	<b>90.49</b>	<b>229.11</b>	<b>959.17</b>	<b>456.32</b>	<b>229.70</b>	<b>638.72</b>	<b>2,603.51</b>

## Notes to the consolidated financial statements for the year ended March 31, 2023

### Non-current trade payable ageing schedule - March 31, 2022

(₹ in crore)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 year	More than 3 year	
Total outstanding dues for micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues for creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues for micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues for creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-

### Current trade payable ageing schedule - March 31, 2022

(₹ in crore)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 year	More than 3 year	
Total outstanding dues for micro enterprises and small enterprises	-	10.36	55.07	7.86	10.82	1.01	85.12
Total outstanding dues for creditors other than micro enterprises and small enterprises	365.13	95.36	746.02	68.40	25.70	54.37	1,354.98
Disputed dues for micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues for creditors other than micro enterprises and small enterprises	-	-	215.25	172.84	169.06	451.77	1,008.92
<b>Total</b>	<b>365.13</b>	<b>105.72</b>	<b>1,016.34</b>	<b>249.10</b>	<b>205.58</b>	<b>507.15</b>	<b>2,449.02</b>

iii) The trade receivable ageing schedule is given below:

### Non current trade receivable ageing schedule - March 31, 2023

(₹ in crore)

Particulars	Unbilled Receivable	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
i) Undisputed Trade Receivables - Considered good	-	122.03	-	29.43	0.01	1.82	153.29
ii) Undisputed Trade Receivables - Have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	28.79	28.79
iv) Disputed - Considered good	-	-	-	-	-	-	-
v) Disputed - Have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<b>122.03</b>	-	<b>29.43</b>	<b>0.01</b>	<b>30.61</b>	<b>182.08</b>
Impairment allowance	-	-	-	-	-	28.79	28.79
<b>Grand total</b>	-	<b>122.03</b>	-	<b>29.43</b>	<b>0.01</b>	<b>1.82</b>	<b>153.29</b>

Notes to the consolidated financial statements for the year ended March 31, 2023

**Current trade receivable ageing schedule - March 31, 2023**

(₹ in crore)

Particulars	Unbilled Receivable	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
i) Undisputed Trade Receivables - Considered good	167.92	81.82	153.15	6.16	15.96	5.37	430.38
ii) Undisputed Trade Receivables - Have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	15.10	7.11	22.21
iv) Disputed - Considered good	-	0.03	-	-	-	114.29	114.32
v) Disputed - Have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - Credit impaired	-	-	-	-	8.21	-	8.21
<b>Total</b>	<b>167.92</b>	<b>81.85</b>	<b>153.15</b>	<b>6.16</b>	<b>39.27</b>	<b>126.77</b>	<b>575.12</b>
Impairment allowance	-	-	-	-	23.31	7.12	30.43
<b>Total</b>	<b>167.92</b>	<b>81.85</b>	<b>153.15</b>	<b>6.16</b>	<b>15.96</b>	<b>119.65</b>	<b>544.69</b>

**Non current trade receivable ageing schedule - March 31, 2022**

(₹ in crore)

Particulars	Unbilled Receivable	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
i) Undisputed Trade Receivables - Considered good	-	0.88	-	-	-	-	0.88
ii) Undisputed Trade Receivables - Have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	28.79	28.79
iv) Disputed - Considered good	-	-	-	-	-	-	-
v) Disputed - Have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>0.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.79</b>	<b>29.67</b>
Impairment allowance	-	-	-	-	-	28.79	28.79
<b>Total</b>	<b>-</b>	<b>0.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.88</b>



## Notes to the consolidated financial statements for the year ended March 31, 2023

### Current trade receivable ageing schedule - March 31, 2022

(₹ in crore)

Particulars	Unbilled Receivable	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
i) Undisputed Trade Receivables - Considered good	36.26	400.33	11.68	21.52	3.20	7.31	480.30
ii) Undisputed Trade Receivables - Have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	0.74	-	6.49	7.23
iv) Disputed - Considered good	-	-	-	-	10.91	131.73	142.64
v) Disputed - Have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>36.26</b>	<b>400.33</b>	<b>11.68</b>	<b>22.26</b>	<b>14.11</b>	<b>145.53</b>	<b>630.17</b>
Impairment allowance	-	-	-	0.74	-	6.49	7.23
<b>Total</b>	<b>36.26</b>	<b>400.33</b>	<b>11.68</b>	<b>21.52</b>	<b>14.11</b>	<b>139.04</b>	<b>622.94</b>

- iv) The Group does not have any transactions/ balances with companies struck off under section 248 of Companies Act, 2013 to the best of knowledge of Group's management.
- v) The Group has not traded or invested funds in Crypto currency of Virtual currency.
- vi) The Group has used borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- vii) The Group has not been declared willful defaulter by any bank or financial institution or other lender.
- viii) The quarterly return/ statement of current assets filed by the Group with bank and financial institutions in relation to secured borrowings wherever applicable are in agreement with books of accounts except followings:

### For the year ended March 31, 2023

(₹ in crore)

Quarter and Nature of reporting	Name of bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Difference	Reason for material discrepancies
March 31, 2022 - Current Assets	Bank of Baroda	1. Current assets of the Company (DFCC Project Package 202); 2. The Escrow Account (in the name of GIL-SIL JV) maintained for the purpose of Project Package 202 along with other working capital as well as term loan lenders and equipment financed by Lakshmi Vilas Bank ('LVB')	713.30	516.02	197.28	The Holding company files quarterly returns for current assets and current liabilities pertains to Project Package 202 which includes current assets and current liabilities of the Holding company and GIL SIL JV. The figures included in the table as per books is for the Holding company. The quarterly statement is further splited between the Holding company and GIL SIL JV and the Company figures are reconciled with the books of accounts.
June 30, 2022 - Current Assets			742.79	826.35	(83.56)	
September 30, 2022 - Current Assets			676.71	790.03	(113.32)	
December 31, 2022- Current Assets			699.75	753.63	(53.88)	
March 31, 2022 - Current Liabilities			882.36	680.45	201.91	
June 30, 2022 - Current Liabilities			899.07	976.50	(77.43)	
September 30, 2022 - Current Liabilities			840.45	943.78	(103.33)	
December 31, 2022 - Current Liabilities			841.24	887.15	(45.91)	

Notes to the consolidated financial statements for the year ended March 31, 2023

For the year ended March 31, 2022

(₹ in crore)

Quarter and Nature of reporting	Name of bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Difference	Reason for material discrepancies
June 30, 2021 - Current Assets	ICICI Bank	Current assets of GETL	220.57	270.47	(49.90)	GETL has included unbilled revenue of ₹ 5,004 lakhs in the Trade receivable balance. As informed by the Banker, Unbilled revenue has been excluded in the subsequent filing.
September 30, 2021 - Current Assets	ICICI Bank		252.93	256.79	(3.87)	
June 30, 2021 - Current Assets	Bank of Baroda	1. Current assets of the Holding company (DFCC Project Package 202); 2. The Escrow Account (in the name of GIL-SIL JV) maintained for the purpose of Project Package 202 along with other working capital as well as term loan lenders and equipment financed by Laksmi Vilas Bank ('LVB')	648.79	598.88	49.91	The Holding company files quarterly returns for current assets and current liabilities pertains to Project Package 202 which includes current assets and current liabilities of the Holding company and GIL SIL JV. The figures included in the table as per books is for the Holding company. The quarterly statement is further splitted between the Holding company and GIL SIL JV and the Company figures are reconciled with the books of accounts.
September 30, 2021 - Current Assets			653.68	530.85	122.83	
December 31, 2021 - Current Assets			676.01	664.78	11.23	
June 30, 2021 - Current Liabilities			856.85	715.49	141.36	
September 30, 2021 - Current Liabilities			863.66	645.13	218.53	
December 31, 2021 - Current Liabilities			889.04	772.81	116.23	

- ix) The Group does not have any such transaction which is not recorded in books of account that has been surrendered or disclosed as income during the year in the tax assessments (such as, search or survey or any other relevant provisions) under Income Tax Act, 1961.
- x) The Group is in compliance with the requirement of Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017
- xi) Except for the information given in the table below, the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

## Notes to the consolidated financial statements for the year ended March 31, 2023

Date and amount of fund advanced/loaned/ invested in intermediary				Date and amount of fund further advanced or loaned or invested by intermediary to ultimate beneficiary				Date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
Name of intermediary	Loan/ convertible instrument	Date	Amount (₹ in crore)	Name of ultimate beneficiary	Loan/ convertible instrument	Date	Amount (₹ in crore)	
GMR Energy Limited	Loan/ convertible instrument	September 22, 2022	60.00	GMR Warora Energy Limited	Loan/ convertible instrument	September 22, 2022	60.00	NA

The Management committee of the Board of directors of the company in its meeting held on July 2, 2022 has approved promoter contribution/ support upto Rs.160 crore over the period of 4 years in the form of inter corporate loan/ convertible instrument as per resolution plan of GMR Warora Energy Limited in favour of the consortium banks led by State Bank of India (lenders).

- xii) The Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India have not received any fund from any person(s) or entity(ies), including foreign entities(Funding Party) with the understating (whether recorded in writing or otherwise) that the Group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

### 51 Reconciliation of liabilities arising from financing activities pursuant to Ind AS – 7 ‘Cash Flows’.

(₹ in crore)

Particulars	As at April 01, 2022	Cash Flows	Non Cash Changes				As at March 31, 2023
			Interest Expense	Foreign exchange fluctuations	Fair value changes	Others	
Borrowings	10,401.78	(2,749.08)	-	290.01	28.45	229.82	8,200.98
Lease Liabilities	11.33	(6.34)	0.53	-	-	9.24	14.76
Interest accrued	765.22	(1,084.91)	1,349.72	-	(28.45)	12.97	1,014.55
<b>Total</b>	<b>11,178.33</b>	<b>(3,840.33)</b>	<b>1,350.25</b>	<b>290.01</b>	<b>-</b>	<b>252.03</b>	<b>9,230.29</b>

(₹ in crore)

Particulars	As at April 01, 2021	Cash Flows	Non Cash Changes				As at March 31, 2022
			Interest Expense	Foreign exchange fluctuations	Fair value changes	Others	
Borrowings	11,634.43	(990.00)	-	48.58	15.68	(306.91)	10,401.78
Lease Liabilities	18.68	(3.62)	0.91	-	-	(4.64)	11.33
Interest accrued	611.20	(1,219.44)	1,353.58	-	(15.68)	35.56	765.22
<b>Total</b>	<b>12,264.31</b>	<b>(2,213.06)</b>	<b>1,354.49</b>	<b>48.58</b>	<b>-</b>	<b>(275.99)</b>	<b>11,178.33</b>

52 Exceptional items comprise of the impairment of investment in joint venture and associates, reversal of impairment of investments, gain/(loss) on disposal of investment in associate, write back of liability and write off/provision against receivables/other assets.

53 Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the consolidated financial statements have been rounded off or truncated as deemed appropriate by the management of the Group.

## Notes to the consolidated financial statements for the year ended March 31, 2023

- 54** Previous year's figures have been regrouped/ reclassified, to conform to the classification adopted in the current year classification. The impact of the same is not material to the users of the financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm registration number: 001076N/ N500013

**Danish Ahmed**

Partner

Membership number: 522144

Place: New Delhi

Date: May 23, 2023

**For and on behalf of the Board of Directors**

**Srinivas Bommidala**

Managing Director

DIN: 00061464

Place : New Delhi

**Suresh Bagrodia**

Chief Financial Officer

Place: New Delhi

Date: May 23, 2023

**Grandhi Kiran Kumar**

Non-Executive Director

DIN: 00061669

Place : Dubai

**Vimal Prakash**

Company Secretary

Membership Number: A20876

Place: New Delhi

# Independent Auditor's Report

## To the Members of GMR Power and Urban Infra Limited

### Report on the Audit of the Standalone Financial Statements

#### Qualified Opinion

1. We have audited the accompanying standalone financial statements of GMR Power and Urban Infra Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.
2. 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 matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Qualified Opinion

3. As stated in note 5(2) to the accompanying standalone financial statements, the Company has invested in GMR Generation Assets Limited ('GGAL') and GMR Energy Projects Mauritius Limited ('GEPML'), subsidiaries of the Company, which have further invested in step down subsidiaries and joint ventures. Also, the Company together with GGAL and GEPML has investments in GMR Energy Limited ('GEL'), a joint venture of the Company, amounting to ₹ 895.74 crore and has outstanding loan (including accrued interest) amounting to ₹ 1,768.36 crore recoverable from GEL as at 31 March 2023. GEL has further invested in GMR Kamalanga Energy Limited ('GKEL'), subsidiary of GEL. The aforementioned investments are carried at their respective fair value in the accompanying standalone financial statements as per Ind AS 109 – 'Financial Instruments'.

As further mentioned in note 5(5), the fair value of investment in GKEL considered for the purpose of determining the carrying values of aforesaid investments is based on the valuation performed by an external expert using the discounted future cash flows method which is significantly dependent on the

achievement of certain key assumptions considered in aforementioned valuation such as settlement of disputes with customers and timely realization of receivables, expansion and optimal utilization of existing capacity, and favourable outcome of the litigations with respect to claims of capital creditors filed against GKEL.

Owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the aforesaid loans (including accrued interest) and investments as at 31 March 2023 and the consequential impact on the accompanying standalone financial statements.

The opinion expressed by us on the standalone financial statements of the Company for the year ended 31 March 2022 vide our audit report dated 18 May 2022 was also qualified in respect of the above matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

5. We draw attention to note 43 to the accompanying standalone financial statements which describes that the milestones linked to the contingent sale consideration receivable on account of sale of equity stake and inter-corporate deposits recoverable from Kakinada SEZ Limited ('KSEZ') have not been achieved, and as a result, the Company has reversed the balance consideration receivable amounting to ₹ 313.21 crores during the current year, which has been charged to Statement of Profit and Loss and disclosed under exceptional items. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the

financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

7. In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>1. Assessment of going concern basis</b> (refer note 2.1 to the accompanying standalone financial statements)</p> <p>The Company has incurred loss before tax amounting to ₹ 282.86 crores for the year ended 31 March 2023 and its current liabilities exceeds its current assets by ₹ 756.34 crores as at 31 March 2023. While the above factors indicated a need to assess the Company's ability to continue as a going concern, as mentioned in note 2.1 to the accompanying standalone financial statements, the Company has taken into consideration various initiatives including monetization of assets, recovery of outstanding claims in various infra business (highway/ EPC), raising finances from financial institutions/group companies, strategic investors and from strategic initiatives and refinancing of existing debts considered as mitigating factors in its assessment for use of going concern basis of accounting for preparation of the accompanying standalone financial statements.</p> <p>For the aforesaid purpose, the Management has prepared future cash flow forecasts based on the management business plans as approved by the Board of the Directors and performed sensitivity analysis of the key assumptions and inputs used in such projections to assess whether the Company would be able to operate as a going concern for a period of at least 12 months from the date of financial statements and concluded that the going concern basis of accounting used for preparation of the accompanying financial statements is appropriate and there is no material uncertainty in such assessment.</p> <p>We have considered the assessment of management's evaluation of going concern basis of accounting as a key audit matter due to the pervasive impact thereof on the standalone financial statements and the significant judgements and assumptions that are inherently subjective and dependent on future events, involved in preparation of cash flow projections and determination of the overall conclusion by the management.</p>	<p>Our audit procedures included but were not limited to, the following in relation to assessment of appropriateness of going concern basis of accounting:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management's process for identifying all the events or conditions that could impact the Company's ability to continue as a going concern and the process followed to assess the mitigating factors for such events or conditions. Also, obtained an understanding around the methodology adopted and the associated controls implemented by the Company to assess their future business performance to prepare a robust cash flow forecast;</li> <li>• Reconciled the cash flow forecast to the future business plans of the Company as approved by the Board of Directors and considered the same for our assessment of the Company's capability to meet its financial obligation falling due within next twelve months;</li> <li>• In order to corroborate management's future business plans and to identify potential contradictory information, we read the minutes of the Board of Directors and discussed the same with the management;</li> <li>• Tested the appropriateness of key assumptions used by the management, that had most material impact in preparation of the cash flow forecast and evaluated the completeness and accuracy of the expected outflow on account of debt repayments and other commitments made by the Company;</li> <li>• Performed independent sensitivity analysis to test the impact of estimation uncertainty on the cash flows due to change in key assumptions;</li> <li>• Reviewed the historical accuracy of the cash flow projections prepared by the management in prior periods;</li> </ul> <p>Inspected the relevant documents and other supporting evidence for management's plan for raising finance through strategic investors and of refinancing of existing borrowings and recoverability of claims; and</p> <ul style="list-style-type: none"> <li>• Assessed the appropriateness and adequacy of the disclosures made in the standalone financial statements in respect of going concern.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p><b>2. Revenue recognition and measurement of upfront losses on Long-term construction contracts</b> (refer note 2.2 for the accounting policy and note 33 for disclosures of the accompanying standalone financial statements)</p> <p>For the year ended 31 March 2023, the Company has recognized revenue from Engineering, procurement and construction (EPC) contracts of ₹ 1,000.47 crores and has accumulated provisions for upfront losses amounting to ₹ 4.64 crore as at 31 March 2023.</p> <p>The Company's revenue primarily arises from construction contracts, which is recognised over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contract with Customers, as further explained in note 2.2 to the accompanying standalone financial statements, and which, by its nature, is complex given the significant judgements involved in the assessment of current and future contractual performance obligations.</p> <p>The Company recognises revenue based on the stage of completion which is determined on the basis of the proportion of value of goods or services transferred as at the Balance Sheet date, relative to the value of goods or services promised under the contract.</p> <p>The recognition of contract revenue, contract costs and the resultant profit/loss therefore rely on the estimates in relation to forecast contract revenue and the total cost. These contract estimates are reviewed by the management on a periodic basis. In doing so, the management is required to exercise judgement in its assessment of the valuation of contract variations and claims and liquidated damages as well as the completeness and accuracy of forecast costs to complete and the ability to deliver contracts within contractually determined timelines. The final contract values can potentially be impacted on account of various factors and are expected to result in varied outcomes. Changes in these judgements, and the related estimates as contracts progress can result in material adjustments to revenue and margins/ onerous obligations.</p> <p>Owing to these factors, we have determined revenue recognition and provision for upfront losses from EPC contracts as a key audit matter for the current year audit.</p> <p>In addition to the above, following disclosures made in the accompanying standalone financial statements has been considered as fundamental to the users' understanding of such financial statements:</p>	<p>Our audit procedures for recognition of contract revenue, margin and contract costs, and related receivables and liabilities included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the appropriateness of the Company's accounting policy for revenue recognition from construction contracts in accordance with Ind AS 115, 'Revenue from Contracts with Customers';</li> <li>• Assessed the design and implementation of key controls, over the recognition of contract revenue and tested the operating effectiveness of these controls;</li> <li>• For a sample of contracts, we have tested the appropriateness of amount recognized as revenue by evaluating key management judgements inherent in the determining forecasted contract revenue and costs to complete that drive the accounting under the percentage of completion method by performing following procedures: <ul style="list-style-type: none"> <li>- reviewed the contract terms and conditions;</li> <li>- evaluated the identification of performance obligation of the contract;</li> <li>- evaluated the appropriateness of management's assessment that performance obligation was satisfied over time and consequent recognition of revenue using percentage of completion method;</li> <li>- obtained an understanding of the assumptions applied in determining the forecasted revenue and cost to complete;</li> <li>- assessed management's estimates of the impact to revenue and budgeted costs arising from scope changes made to the original contracts, claims, disputes and liquidation damages (including prolongation claims) with reference to supporting documents including variation orders and correspondence between the Company and the customers; and</li> </ul> </li> <li>• Assessed the appropriateness and adequacy of disclosures made by the management with respect to revenue recognised during the year in accordance with applicable accounting standards.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p>Note 33 to the accompanying standalone financial statements which describes that the Company has recognized certain claims in the current year pertaining to Dedicated Freight Corridor Corporation ('DFCC') project basis evaluation by the joint venture ('JV') incorporated between the Company and SEW Infrastructure Limited, of JV's entitlement under the contract towards recovery of prolonged cost, as further detailed in the aforesaid note.</p>	
<p><b>3. Fair value measurement of investments in subsidiaries, associates and joint ventures</b> (refer Note 2.2 for the accounting policy and Note 5 for disclosures of the accompanying standalone financial statements)</p>	
<p>The Company has determined the fair value of its investments in unquoted equity shares including instruments in the nature of equity of its subsidiaries, joint ventures and associates as at the year end. Determining the fair value of such unquoted investments requires use of valuation techniques which has been performed by independent valuation experts, applying applicable valuation methodologies. The Company has total investment of ₹ 2,508.90 crores as at 31 March 2023 which constitutes 36.70 % of total assets of the Company.</p> <p>The determination of carrying value of the Company's investments in subsidiaries, joint ventures and associates is dependent on management's estimates of future cash flows and their judgment with respect to final determination of tariff rates, operational performance of the plants, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans, outcome of litigations, etc. in case of investments in entities in the energy business and estimation of vehicle traffic and rates and favourable outcomes of litigations etc. in case of investments in expressway business.</p> <p>Owing to the uncertainties involved in forecasting and discounting future cash flows, significant management's judgement and subjectivity involved in estimates and underlying key assumptions used in the valuation models and the significance of the Company's investments as at 31 March 2023 in context of standalone financial statements, we have determined this as a key audit matter for current year audit.</p> <p>In addition to the above, following disclosures made in the accompanying standalone financial statements have been considered as fundamental to the users' understanding of such financial statements:</p> <p>a. Note 5(3) and Note 5(4) to the accompanying standalone financial statements, in relation to the investment made by the Company in GEL amounting to ₹ 895.74 crores as at</p>	<p>Our audit procedures to assess the reasonableness of fair valuation of investments included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtained a detailed understanding of the management's process and controls for determining the fair valuation of unquoted equity and preference instruments;</li> <li>• Evaluated the design and tested the operating effectiveness of key controls implemented for fair valuation of the investments;</li> <li>• Obtained the valuation reports of the management's valuation expert and assessed the expert's professional competence, objectivity and capabilities in performing the valuation of the investments;</li> <li>• Assessed the appropriateness of the valuation methodology used for the fair valuation computation;</li> <li>• Carried out an assessment of forecasts of future cash flows prepared by the management across various sectors and business of the investee companies which involved, evaluating the key assumptions including the discount rate and comparing the estimates to externally available industry, economic and financial data with the support of our auditor's expert and assessed the appropriateness of the aforesaid key assumptions;</li> <li>• Engaged in discussions with the management on the performance of the Company's investments as compared to previous year in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable;</li> <li>• Discussed the significant ongoing litigations in the investee companies which had a material impact to ascertain the appropriateness of the outcome considered in the respective valuation models;</li> <li>• Tested the arithmetical accuracy of the computations done in accordance with the valuation models; and</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>31 March 2023 which is in addition to the matters described in Basis for Qualified Opinion. The recoverability of such investment is further dependent upon various claims and other receivables from customers of GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, which are pending settlement / realization as on 31 March 2023, capacity utilization of plant in future years and certain other key assumptions as considered in the valuation performed by an external expert as explained in the said note.</p> <p>The above claims also include disputed claims pertaining to recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') by GWEL. GWEL has disputed the contention of MSEDCL that the cost of transmission charges is to be paid by GWEL. However, based on the Order of the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated 8 May 2015, currently contested by MSEDCL in the Supreme Court and pending conclusion, GWEL has accounted for reimbursement of such transmission charges in the Statement of Profit and Loss amounting to ₹ 616.33 crore for the period from 17 March 2014 to 31 March 2023 and transmission charges invoiced directly to MSEDCL by Power Grid Corporation Limited for the period December 2020 to March 2023 as contingent liability, as further described in aforesaid note.</p> <p>The management of the Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment in GEL, taking into account the matters described above in relation to the investment made by GEL in GWEL, is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying standalone financial statements for the year ended 31 March 2023.</p> <p>b. Note 5(6) to the accompanying standalone financial statements, in relation to the investment made in GEL amounting to ₹ 895.74 crore as at 31 March 2023. The recoverability of such investment is further dependent upon achievement of business plans of GMR Bajoli Holi Hydropower Private Limited ('GBHHPL'), a subsidiary of GEL, and recoverability of capital advances in the near future given to contractor of GBHPPL's project, along with other claims which are pending before the Arbitral Tribunal as described in the said note.</p>	<ul style="list-style-type: none"> <li>Ensured the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the accounting standards.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>The management of the Company, based on its internal assessment, legal opinion and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment of the Company in GEL, taking into account the matter described above in relation to the investment made by GEL in GBHHPL, is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying standalone financial statements for the year ended 31 March 2023.</p> <p>c. Note 5(7) of the accompanying standalone financial statements, in relation to the investment made by the Company together with GMR Highways Limited (GMRHL), a subsidiary of the Company, in GMR Hyderabad Vijayawada Expressway Private Limited (GHVEPL) amounting to ₹ 1,087.80 crore. The aforesaid investment is carried at fair value in the accompanying standalone financial statements as per Ind AS 109 – ‘Financial Instruments’.</p> <p>The fair value of investment in GHVEPL considered for the purpose of determining the carrying values of aforesaid investments is based on the valuation performed by an external expert using the discounted future cash flows method which is significantly dependent upon claims receivables from National Highway Authority of India (NHAI) as detailed in aforesaid note 5(7), that are pending before Hon’ble High Court as on 31 March 2023.</p> <p>The management of the Company, based on its internal assessment, legal opinion, certain interim favourable orders and valuation assessment made by the external expert as mentioned above, is of the view that the carrying value of the aforesaid investment of the Company along with GMRHL in GHVEPL, taking into account the aforesaid matter is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying standalone financial statements for the year ended 31 March 2023.</p>	

**Information other than the Standalone Financial Statements and Auditor’s Report thereon**

- The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor’s report thereon.

These reports are expected to be made available to us after the date of this auditor’s report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial

statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

9. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

12. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
19. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent

applicable, that:

- a) We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
- b) Except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) Except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) The matters described in paragraph 5 under the Emphasis of Matter section, Emphasis of Matter reported in S. No. 2, 3(a), 3(b) and 3(c) of the key audit matters section in paragraph 7 above, and paragraph 3 of Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;
- f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed a modified opinion; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. Except for the possible effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section, the Company, as detailed in note 34(II) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023.
- ii. Except for the possible effects of the matters described in the Basis for Qualified Opinion section, the Company, as detailed in note 33(g) to the standalone financial statements, has made provision as at 31 March 2023, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
- iv. a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 49(iv) to the accompanying standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief as disclosed in 49(v) to the accompanying standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Danish Ahmed**

Partner

Membership No.: 522144

UDIN: 23522144BGZHMU6009

**Place:** New Delhi  
**Date:** 23 May 2023

**Annexure I referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of GMR Power and Urban Infra Limited on the standalone financial statements for the year ended 31 March 2023**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the standalone financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) As disclosed in note 16 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods which were subject to audit, except for the following:

Name of the Bank	Working capital limit sanction (₹ in crore)	Nature of current assets offered as security	Quarter and Nature of reporting	Amount as reported in the quarterly return (₹ in crore)	Amount as per books of accounts (₹ in crore)	Difference (₹ in crore)	Reason/ Remarks
Bank of Baroda	304.50	1. Current assets of the Company (DFCC Project Package 202); 2. The Escrow Account (in the name of GIL-SIL JV) maintained for the purpose of Project Package 202 along with other working capital as well as term loan lenders and equipment financed by Lakshmi Vilas Bank ('LVB')	March 31, 2022 - Current assets	516.02	713.30	(197.28)	The Company files quarterly returns for current assets and current liabilities pertains to Project Package 202 which includes current assets and current liabilities of the Company and GIL SIL JV.  The figures included in the table as per books is for the Company. The quarterly statement is further split between the Company and GIL SIL JV and the Company figures are reconciled with the books of accounts.
			June 30, 2022 - Current assets	826.35	742.79	83.56	
			September 30, 2022 - Current assets	790.03	676.71	113.32	
			December 31, 2022 - Current assets	753.63	699.75	53.88	
			March 31, 2022 - Current liabilities	680.45	882.36	(201.91)	



Name of the Bank	Working capital limit sanction (₹ in crore)	Nature of current assets offered as security	Quarter and Nature of reporting	Amount as reported in the quarterly return (₹ in crore)	Amount as per books of accounts (₹ in crore)	Difference (₹ in crore)	Reason/ Remarks
			June 30, 2022 - Current liabilities	976.50	899.07	77.43	
			September 30, 2022 - Current liabilities	943.78	840.45	103.33	
			December 31, 2022 - Current liabilities	887.15	841.24	45.91	

(iii) (a) The Company has not provided advances in the nature of loans and security to Subsidiaries/Joint Ventures/ Associates/Others during the year. Further, the Company

has provided loans and guarantee to Subsidiaries/Joint Ventures/Associates/Others during the year as per details given below: ( also refer note 34(ii) of the accompanying standalone financial statements);

Particulars	Guarantees* (₹ in crore)	Letter of comfort* (₹ In crore)	Loans (₹ in crore)
<b>Aggregate amount provided/granted during the year:</b>			
- Subsidiaries	205.43	-	919.84
- Joint Ventures	160.00	121.42	614.56
- Associates	-	-	-
- Fellow Subsidiaries	-	-	52.50
- Others	-	-	-
<b>Balance outstanding as at balance sheet date:</b>			
- Subsidiaries	4,753.64 (2,071.92)	24.00 (24.00)	1,343.28
- Joint Ventures	1,022.20 (478.36)	2,121.77 (2,121.37)	1,508.73
- Associates	2,353.20 (1,427.53)	-	-
- Others	-	-	208.25

\* Amount in bracket represent the total outstanding liabilities of the respective loan against such guarantees/letter of comfort.

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular.



- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- (e) The Company has granted loans which had fallen due during the year and such loans were renewed/extended during the year / fresh loans have been granted to settle the dues of the existing loans given to the same parties. The details of the same has been given below:
- (g) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has not entered into any transaction covered under section 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 in respect of investments, as applicable.

Name of the party	Nature of loan	Total loan amount granted during the year (₹ in crore)	Nature of extension (i.e. renewed/extended/fresh loan provided)	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans (₹ in crore)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
GMR Generation Assets Limited	General Purpose loan	277.87	Extended	83.93	30.20%
GMR Energy Limited	General Purpose loan	572.67	Extended	262.66	45.87%
Welfare Trust of GMR Group Employees	Corporate and various project expenses	-	Extended	208.25	100.00%

- (v) In our opinion, according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in crore)	Amount paid under Protest (₹ in crore)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Finance Act, 1994	Service Tax	9.00	-	July 2013 to March 2014	Central Excise and Service Tax Appellate Tribunal	Finance Act, 1994
Telangana Value Added Tax Act, 2005	Value Added Tax	0.17	-	April 2013 to March 2014	Deputy Commissioner Saroonagar- Hyderabad, Telangana	Telangana Value Added Tax Act, 2005
The Central Goods and Service Tax Act, 2017	Goods and Service tax	0.79	-	April 2018 to March 2019	Joint Commissioner Appeal – 1	The Central Goods and Service Tax Act, 2017

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon, except for the below:

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date (₹ in crore)	Whether principal or interest	No. of days delay or unpaid till the date of audit report	Remarks, if any
<b>(a) Delayed but paid/repaid on or before reporting date</b>					
Term loan facility from financial Institution	Life Insurance Corporation of India	14.53	Interest	1-36	
Term loan Facility from bank	Yes Bank Limited	70.26	Principal	13-84	
Term loan facility from bank	Yes Bank Limited	35.39	Interest	26-88	
Long term loan from fellow Subsidiary	GMR Airports Limited	31.69	Interest	22-90	
<b>(b) Delayed and not yet paid</b>					
Foreign Currency Convertible Bonds (FCCBs)	Kuwait Investment Authority	795.93	Interest	166-531	

- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has 2 CICs as part of the Group.
- (xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to ₹ 113.60 crores and 148.78 crores respectively. For the purpose of reporting under this clause, the amount of cash losses have been arrived at after considering the effects/possible effects of the qualification as described in 'Basis for Qualified Opinion' sections of the audit reports on the financial statements for the current year and immediately preceding financial year respectively, except for the possible effects of the matters described in paragraph 3 of the audit report for the current year and paragraph 3 of the audit report for the immediately preceding financial year issued by us, in respect of which we are unable to determine the effect thereof on the cash losses reported under this clause due to lack of necessary information.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board

of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) According to the information and explanations given to us, although the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xx) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Danish Ahmed**

Partner

Membership No.: 522144

UDIN: 23522144BGZHMU6009

**Place:** New Delhi

**Date:** 23 May 2023

## **Annexure II**

### **Independent Auditor's Report on the internal financial controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the standalone financial statements of GMR Power and Urban Infra Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating

effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to standalone financial statements.

### **Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to standalone financial statements as at 31 March 2023:

The Company's internal control system towards estimating the fair value of its investment and loans (including accrued interest) in a joint venture, as more fully explained in note 5(2) to the standalone financial statements, were not operating effectively due to uncertainties in the judgments and key assumptions made by the company in such estimations, which could result in the Company not providing for adjustments, if any that may be required to the carrying values of investments, loans and its consequential impact on the accompanying standalone financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim

financial statements will not be prevented or detected on a timely basis.

10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2023.
11. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2023, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a modified opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Danish Ahmed**

Partner

Membership No.: 522144

UDIN: 23522144BGZHMU6009

**Place:** New Delhi

**Date:** 23 May 2023

Standalone balance sheet as at March 31, 2023

	Notes	March 31, 2023	March 31, 2022
(₹ in crore)			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	88.49	105.35
Intangible assets	4	2.72	3.03
Financial assets			
Investments	5	3,035.09	4,589.91
Trade receivables	6	0.83	0.88
Loans	7	1,082.00	1,506.47
Other financial assets	8	11.88	272.31
Non-current tax assets (net)	9	5.20	4.67
Deferred tax assets (net)	10	-	-
Other non-current assets	11	2.60	4.84
		<b>4,228.81</b>	<b>6,487.46</b>
<b>Current assets</b>			
Inventories	12	47.58	84.39
Financial assets			
Investments	5	-	0.20
Trade receivables	6	33.02	9.64
Cash and cash equivalents	13 (a)	14.91	5.66
Bank balances other than cash and cash equivalents	13 (b)	41.17	8.98
Loans	7	1,011.33	522.52
Other financial assets	8	1,378.64	1,275.86
Other current assets	11	79.94	169.49
		<b>2,606.59</b>	<b>2,076.74</b>
<b>Total assets</b>		<b>6,835.40</b>	<b>8,564.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	301.80	301.80
Other equity	15	101.47	1,121.55
<b>Total equity</b>		<b>403.27</b>	<b>1,423.35</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	16	3,021.72	3,636.17
Other financial liabilities	17	44.21	51.69
Provisions	18	3.27	3.08
		<b>3,069.20</b>	<b>3,690.94</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	16	643.23	892.44
Trade payables	19		
(a) Total outstanding dues of micro enterprises and small enterprises		71.11	54.30
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		424.59	463.54
Other financial liabilities	17	2,086.94	1,927.30
Other current liabilities	20	136.74	112.01
Provisions	18	0.32	0.32
		<b>3,362.93</b>	<b>3,449.91</b>
<b>Total equity and liabilities</b>		<b>6,835.40</b>	<b>8,564.20</b>

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the standalone financial statements.

This is the standalone balance sheet referred to in our report of even date

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm registration number: 001076N/ N500013

For and on behalf of the Board of Directors

**Danish Ahmed**  
Partner  
Membership number: 522144

**Srinivas Bommidala**  
Managing Director  
DIN: 00061464  
Place: New Delhi

**Grandhi Kiran Kumar**  
Non-Executive Director  
DIN: 00061669  
Place: Dubai

**Suresh Bagrodia**  
Chief Financial Officer  
Place : New Delhi

**Vimal Prakash**  
Company Secretary  
Membership Number: A20876  
Place : New Delhi

Place : New Delhi  
Date : May 23, 2023

Date : May 23, 2023



## Standalone statement of profit and loss for the year ended March 31, 2023

	Notes	March 31, 2023	March 31, 2022
(₹ in crore)			
<b>Income</b>			
Revenue from operations	21	1,408.78	1,567.90
Other income	22	31.97	3.74
<b>Total income</b>		<b>1,440.75</b>	<b>1,571.64</b>
<b>Expenses</b>			
Cost of material consumed	23	589.15	651.79
Sub-contracting expense		308.73	307.82
Employee benefits expense	24	34.71	26.76
Finance costs	25	551.22	623.41
Depreciation and amortisation expense	26	16.03	18.87
Other expenses	27	157.01	107.40
<b>Total expenses</b>		<b>1,656.85</b>	<b>1,736.05</b>
<b>Loss before exceptional items and tax</b>		<b>(216.10)</b>	<b>(164.41)</b>
Exceptional items	28	(66.76)	115.73
<b>Loss before tax</b>		<b>(282.86)</b>	<b>(48.68)</b>
<b>Tax expense:</b>	29		
Current tax		-	-
Deferred tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Loss for the year</b>		<b>(282.86)</b>	<b>(48.68)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
- Re-measurement loss on defined benefit plans		(0.79)	(0.13)
- Changes in fair value of equity investments at fair value through other comprehensive income ('FVTOCI')		(357.66)	1,420.69
- Income tax effect of these items		-	(829.83)
<b>Total other comprehensive income for the year</b>		<b>(358.45)</b>	<b>590.73</b>
<b>Total comprehensive income for the year</b>		<b>(641.31)</b>	<b>542.05</b>
Earnings per equity share	30		
Basic and Diluted		(4.69)	(0.81)
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

This is the standalone statement of profit and loss referred to in our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm registration number: 001076N/ N500013

**Danish Ahmed**

Partner

Membership number: 522144

Place : New Delhi

Date : May 23, 2023

For and on behalf of the Board of Directors

**Srinivas Bommidala**

Managing Director

DIN: 00061464

Place: New Delhi

**Suresh Bagrodia**

Chief Financial Officer

Place : New Delhi

Date : May 23, 2023

**Grandhi Kiran Kumar**

Non-Executive Director

DIN: 00061669

Place: Dubai

**Vimal Prakash**

Company Secretary

Membership Number: A20876

Place : New Delhi

## Standalone statement of changes in equity for the year ended March 31, 2023

		(₹ in crore)					
Particulars	Balance as at April 01, 2022	Changes due to prior period errors	Restated balance as at April 01, 2022	Addition during the year	Balance as at March 31, 2023		
						Balance as at April 01, 2021	Restated balance as at April 01, 2021
<b>a. Equity share capital:</b>							
<b>Particulars</b>	<b>Balance as at April 01, 2022</b>	<b>Changes due to prior period errors</b>	<b>Restated balance as at April 01, 2022</b>	<b>Addition during the year</b>	<b>Balance as at March 31, 2023</b>		
Equity shares of ₹ 5 each issued, subscribed and fully paid up	301.80	-	301.80	-	301.80		
<b>Particulars</b>	<b>Balance as at April 01, 2021</b>	<b>Changes due to prior period errors</b>	<b>Restated balance as at April 01, 2021</b>	<b>Addition during the year*</b>	<b>Balance as at March 31, 2022</b>		
Equity shares of ₹ 5 each issued, subscribed and fully paid up	-	-	-	301.80	301.80		
<b>b. Equity share capital pending issuance</b>							
<b>Particulars</b>	<b>Balance as at April 01, 2022</b>	<b>Changes due to prior period errors</b>	<b>Restated balance as at April 01, 2022</b>	<b>Change during the year</b>	<b>Balance as at March 31, 2023</b>		
Equity shares of ₹ 5 each issued, subscribed and fully paid up	-	-	-	-	-		
<b>Particulars</b>	<b>Balance as at April 01, 2021</b>	<b>Changes due to prior period errors</b>	<b>Restated balance as at April 01, 2021</b>	<b>Change during the year*</b>	<b>Balance as at March 31, 2022</b>		
Equity shares of ₹ 5 each issued, subscribed and fully paid up	301.80	-	301.80	(301.80)	-		
*Shares issued pursuant to the scheme of arrangement [Refer note 14(i)]							
<b>c. Other equity</b>							
<b>Particulars</b>	<b>Equity component of related party loan (refer note 15)</b>	<b>Fair valuation through other comprehensive income ('FVTOCI') (refer note 15)</b>	<b>Capital reserve (refer note 15)</b>	<b>Securities premium (refer note 15)</b>	<b>Retained earnings (refer note 15)</b>	<b>Foreign currency monetary translation reserve ('FCMTR') (refer note 15)</b>	<b>Total other equity</b>
<b>For the year ended March 31, 2023</b>							
<b>As at April 01, 2022</b>	243.95	(8,769.48)	(301.80)	10,010.98	160.21	(222.31)	1,121.55
Changes due to prior period errors	-	-	-	-	-	-	-
<b>Restated balance as at April 01, 2022</b>	243.95	(8,769.48)	(301.80)	10,010.98	160.21	(222.31)	1,121.55
Loss for the year	-	-	-	-	(282.86)	-	(282.86)
Other comprehensive income	-	(357.66)	-	-	(0.79)	-	(358.45)
<b>Total comprehensive income</b>	-	(357.66)	-	-	(283.65)	-	(641.31)
FCMTR amortisation during the year	-	-	-	-	-	25.83	25.83
Exchange difference on foreign currency convertible bond ('FCCB') recognised during the year	-	-	-	-	-	(175.38)	(175.38)
Extinguishment of equity component of related party loan	(229.22)	-	-	-	-	-	(229.22)
Transfer from fair valuation through other comprehensive income ('FVTOCI') reserve (refer note 5(8))	-	(1,067.20)	-	-	1,067.20	-	-
<b>As at March 31, 2023</b>	14.73	(10,194.34)	(301.80)	10,010.98	943.76	(371.86)	101.47

## Standalone statement of changes in equity for the year ended March 31, 2023

c. Other equity (Contd...)

Particulars	Equity component of related party loan (refer note 15)	Fair valuation through other comprehensive income ('FVTOCI') (refer note 15)	Capital reserve (refer note 15)	Retained Earnings			Total other equity
				Securities premium (refer note 15)	Retained earnings (refer note 15)	Foreign currency monetary translation reserve ('FCMTR') (refer note 15)	
<b>For the year ended March 31, 2022</b>							
<b>As at April 01, 2021</b>	1.24	(9,360.34)	(301.80)	10,010.98	209.02	(159.35)	399.75
Changes due to prior period errors	-	-	-	-	-	-	-
<b>Restated balance as at April 01, 2021</b>	1.24	(9,360.34)	(301.80)	10,010.98	209.02	(159.35)	399.75
Loss for the year	-	-	-	-	(48.68)	-	(48.68)
Other comprehensive income	-	590.86	-	-	(0.13)	-	590.73
<b>Total comprehensive income</b>	-	<b>590.86</b>	-	-	<b>(48.81)</b>	-	<b>542.05</b>
FCMTR amortisation during the year	-	-	-	-	-	10.81	10.81
Exchange difference on foreign currency convertible bond ('FCCB') recognised during the year	-	-	-	-	-	(73.77)	(73.77)
Equity component from related party loan	242.71	-	-	-	-	-	242.71
<b>As at March 31, 2022</b>	<b>243.95</b>	<b>(8,769.48)</b>	<b>(301.80)</b>	<b>10,010.98</b>	<b>160.21</b>	<b>(222.31)</b>	<b>1,121.55</b>

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the standalone financial statements.

This is the standalone statement of changes in equity referred to in our report of even date

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm registration number: 001076N/ N500013

**Danish Ahmed**

Partner

Membership number: 522144

For and on behalf of the Board of Directors

**Srinivas Bommidala**

Managing Director

DIN: 00061464

Place: New Delhi

**Grandhi Kiran Kumar**

Non-Executive Director

DIN: 00061669

Place: Dubai

**Suresh Bagrodia**

Chief Financial Officer

Place : New Delhi

Date : May 23, 2023

**Vimal Prakash**

Company Secretary

Membership Number: A20876

Place : New Delhi

Place : New Delhi

Date : May 23, 2023

## Standalone statement of cash flows for the year ended March 31, 2023

	(₹ in crore)	
	March 31, 2023	March 31, 2022
<b>Cash flow from operating activities</b>		
<b>Loss before tax expense</b>	<b>(282.86)</b>	<b>(48.68)</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	16.03	18.87
Exceptional items	66.76	(115.73)
Net foreign exchange differences (unrealised)	73.07	22.10
Gain on disposal of assets (net)	(1.13)	(0.06)
Provision/ liabilities no longer required, written back	(7.65)	(0.28)
Reversal of upfront loss on long term construction cost	(16.14)	(10.25)
Profit on sale of current investments (net)	(2.73)	(0.96)
Finance income (including finance income on finance asset measured at amortised cost)	(372.17)	(379.28)
Finance costs	551.22	623.41
<b>Operating profit before working capital changes</b>	<b>24.40</b>	<b>109.14</b>
<b>Working capital adjustments:</b>		
Change in inventories	36.81	(5.71)
Change in trade receivables	(23.33)	470.07
Change in other financial assets	452.05	(490.59)
Change in other assets	91.79	(54.26)
Change in trade payables	1.65	21.95
Change in other financial liabilities	(16.69)	(57.29)
Change in provisions	(0.59)	(1.14)
Change in other liabilities	24.73	20.29
<b>Cash generated from operations</b>	<b>590.82</b>	<b>12.46</b>
Direct taxes paid (net)	(0.53)	(4.67)
<b>Net cash generated from operating activities (A)</b>	<b>590.29</b>	<b>7.79</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(0.10)	(0.32)
Proceeds from disposal of property, plant and equipment	2.37	0.16
Purchase of non-current investments	(577.18)	(261.10)
Proceeds from sale and redemption of non-current investments	1,755.77	170.60
Sale of current investments (net)	2.93	-
Movement in bank deposit (having original maturity of more than three months) (net)	16.86	15.44
Loans given to group companies	(1,586.90)	(2,781.18)
Loans repaid by group companies	1,316.85	3,205.39
Interest received	160.86	147.33
<b>Net cash from investing activities (B)</b>	<b>1,091.46</b>	<b>496.32</b>

## Standalone statement of cash flows for the year ended March 31, 2023

(₹ in crore)		
	March 31, 2023	March 31, 2022
<b>Cash flow from financing activities</b>		
Proceeds from non-current borrowings	157.45	1,186.19
Repayment of non-current borrowings (including current maturities)	(1,450.02)	(1,135.30)
Repayment of current borrowings (net) (excluding current maturities)	(58.17)	(110.33)
Finance costs paid	(321.76)	(463.17)
<b>Net cash used in financing activities</b>	<b>(1,672.50)</b>	<b>(522.61)</b>
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	9.25	(18.50)
Cash and cash equivalents at the beginning of the year	5.66	24.16
<b>Cash and cash equivalents at the end of the year</b>	<b>14.91</b>	<b>5.66</b>

(₹ in crore)		
	March 31, 2023	March 31, 2022
<b>Component of cash and cash equivalents</b>		
Balances with banks:		
– On current accounts	14.55	5.21
Deposits with original maturity of less than three months	0.35	0.43
Cash on hand	0.01	0.02
<b>Total cash and cash equivalents at the end of the year</b>	<b>14.91</b>	<b>5.66</b>

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the standalone financial statements.

This is the standalone statement of cash flows referred to in our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm registration number: 001076N/ N500013

**Danish Ahmed**

Partner

Membership number: 522144

Place : New Delhi

Date : May 23, 2023

For and on behalf of the Board of Directors

**Srinivas Bommidala**

Managing Director

DIN: 00061464

Place: New Delhi

**Suresh Bagrodia**

Chief Financial Officer

Place : New Delhi

Date : May 23, 2023

**Grandhi Kiran Kumar**

Non-Executive Director

DIN: 00061669

Place: Dubai

**Vimal Prakash**

Company Secretary

Membership Number: A20876

Place : New Delhi

## Notes to the standalone financial statements for the year ended March 31, 2023

### 1. Corporate information

GMR Power and Urban Infra Limited ('GPUIL' or 'the Company') is a public limited Company incorporated under the provisions of the Companies Act, 2013 on May 17, 2019. The Company is domiciled in India and has its registered office located at Plot No.C-31 G Block, 701, 7th Floor, Naman Center Bandra Kurla Complex, Mumbai, Maharashtra- 400051. Its equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company carries its business in the following business segments:

#### a. Engineering Procurement Construction (EPC)

The Company is engaged in handling EPC solutions in the infrastructure sector.

#### b. Others

The Company's business also comprises of investment activity and corporate support to various infrastructure Special Purpose Vehicles (SPV).

Other explanatory information to the standalone financial statements comprises of notes to the standalone financial statements for the year ended March 31, 2023.

The standalone financial statements were approved by the Board of Directors and authorised for issue in accordance with a resolution of the directors on May 23, 2023.

### 2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its standalone financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these standalone financial statements, unless otherwise indicated below:

#### Recent accounting pronouncement issued but not made effective:

##### Ind AS 1 - Presentation of Financial Statements

The Ministry of Corporate Affairs ("MCA") vide notification dated March 31, 2023, has issued an amendment to Ind AS 1 which specifies that an entity to disclose their material accounting policies rather than their significant accounting policies and include corresponding amendments to Ind AS 107 and Ind AS 34 with effect from April 01, 2023.

##### Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The Ministry of Corporate Affairs ("MCA") vide notification dated March 31, 2023, has issued an amendment to Ind AS 8 which specifies that the definition of 'accounting estimates' and

included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates with effect from April 01, 2023.

##### Ind AS 12 - Income Taxes

The Ministry of Corporate Affairs ("MCA") vide notification dated March 31, 2023 has issued an amendment to Ind AS 12 which narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Also there is corresponding amendment to Ind AS 101. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2023.

The Company is in the process of evaluating the impact on financial statements.

### 2.1. Basis of Preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), including the rules notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013 as amended from time to time.

The standalone financial statements have been prepared on a historical cost basis except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates, and all values are rounded to nearest crore except when otherwise indicated.

The standalone financial statements for the year ended March 31, 2023 reflected an excess of current liabilities over current assets of ₹ 756.34 crore and losses from operations before tax amounting to ₹ 282.86 crore. However, net worth of the Company is positive of ₹ 403.27 crore. Further, Management is taking various initiatives including monetization of assets, recovery of outstanding claims in various infra business (highway sector/ EPC), raising finances from financial institutions/ group companies, strategic investors and from other strategic initiatives and refinancing of existing debts. Such initiatives will enable the Company to have sufficient funds to meet its financial obligations in an orderly manner. Accordingly, the standalone financial statements continue to be prepared on a going concern basis.

## Notes to the standalone financial statements for the year ended March 31, 2023

### 2.2. Summary of significant accounting policies

#### a. Current versus non-current classification

The Company presents assets and liabilities in the standalone financial statements based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle,
- ii. It is held primarily for the purpose of trading,
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### b. Fair value measurement of financial instruments

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### c. Revenue from contracts with customer

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The

## Notes to the standalone financial statements for the year ended March 31, 2023

revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in the statement of profit and loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

### **Significant judgments are used in:**

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

### **Revenue from operations**

Revenue from operation is exclusive of goods and service tax (GST). Revenue includes adjustments made towards

liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

Revenue from construction/project related activity is recognised as follows:

1. **Cost plus contracts:** Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
2. **Fixed price contracts:** Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses in the standalone financial statements) is recognized in the statement of profit and loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfil such remaining performance obligations). In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the standalone financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

### **Contract balances**

#### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.



## Notes to the standalone financial statements for the year ended March 31, 2023

### **Trade receivables**

The trade receivables are measured at transaction price and do not contain significant financing component. Trade receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

### **Income from management/ technical services**

Income from management/ technical services is recognised as per the terms of the agreement on the basis of services rendered.

### **Sale of electrical energy/ Renewable Energy Certificate ('REC')**

- a. Revenue from energy units sold is recognised on accrual basis as per the terms of the Power Purchase Agreement (PPA) and Letter of Intent (LOI) [collectively hereinafter referred to as 'the PPAs'] and tariff rates determined by Central Electricity Regulatory Commission ('CERC'). Revenue includes unbilled revenue accrued up to the end of the year.

Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to the customers based on the units of energy delivered and rates agreed with customers.

- b. Revenue from sale of infirm power are recognised as per the guidelines of CERC. Revenue prior to date of commercial operation are reduced from Project cost.
- c. Revenue/charges from Unscheduled Interchange for the deviation in generation with respect to scheduled units are recognized/ charged at rate notified by CERC from time to time, are adjusted to revenue from sale of energy.

- d. Revenue from sale of power is net of prompt payment rebate eligible to the customers.
- e. Claims for delayed payment charges and any other claims, which the Company is entitled to under the PPAs, are accounted for in the year of acceptance by the customers. Similarly commission, liquidated damages and any other charges are accounted for in the year of acceptance.

### **Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable except the interest income received from customers for delayed payments which are accounted on the basis of reasonable certainty / realisation.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss. Interest income is included in other operating income in the statement of profit and loss.

### **Dividends**

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### **d. Taxes on income**

#### **Current income tax**

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company's liability for current tax is calculated using the tax rates and tax laws

## Notes to the standalone financial statements for the year ended March 31, 2023

that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **Deferred tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **e. Property, plant and equipment**

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

<b>Category of asset*</b>	<b>Estimated useful life</b>
Plant and equipment	4 – 15 years*
Office equipments	5 years
Furniture and fixtures	10 years
Vehicles	8 – 10 years
Computers	3 years

\* The Company, based on technical assessment made by the technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

Further, the management has estimated the useful lives of asset individually costing ₹ 5,000 or less to be less than one year, whichever is lower than those indicated in

## Notes to the standalone financial statements for the year ended March 31, 2023

Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the standalone statement of profit and loss when the asset is derecognised.

### f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

A summary of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Other concession and operator rights	Definite (25 years)	Straight-line basis	Acquired

### g. Borrowing cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

### h. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the effect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the standalone statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the standalone statement of profit and loss when the asset is derecognised.

arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

#### The Company as a lessee

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several

## Notes to the standalone financial statements for the year ended March 31, 2023

factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset. The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

### **The Company as a lessor**

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

### **i. Inventories**

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred that relate to future activities on the contract are recognised as "Contract work in progress".

Contract work in progress comprising construction costs and other directly attributable overheads is valued at lower of cost and net realisable value.

### **j. Impairment of non-financial assets**

As at the end of each accounting year, the Company reviews the carrying amounts of its Property, plant and equipment, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and
- (ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net fair value less costs of disposal and the value in use.

## Notes to the standalone financial statements for the year ended March 31, 2023

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the statement of profit and loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

### **k. Government Grant**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the

proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### **l. Provisions and contingent liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Provisions and contingent liability are reviewed at each balance sheet date.

### **m. Retirement and other employee benefits**

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution

## Notes to the standalone financial statements for the year ended March 31, 2023

schemes. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund, pension fund and superannuation fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

The Company presents the leave as a current liability in the standalone balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the standalone balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in

subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of:

- a. The date of the plan amendment or curtailment, and
- b. The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b. Net interest expense or income.

### **n. Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. In case of interest free or concession loans/debentures/preference shares given to subsidiaries, associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment. On de-recognition of such financial instruments in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is adjusted with equity component of the investments.

The Company has made an irrevocable election to measure investments in equity instruments issued by subsidiaries, associates and joint ventures at Fair Value Through Other Comprehensive Income (FVTOCI). Amounts recognised in Other Comprehensive Income are not subsequently



## Notes to the standalone financial statements for the year ended March 31, 2023

reclassified to the statement of profit and loss.

Investment in preference shares/ debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares/ debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### (a) Financial assets

- **Measurement and valuation**

1. **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. **Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and

loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

- **Impairment of financial assets**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Impairment loss on investments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

- **De-recognition of financial assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying

## Notes to the standalone financial statements for the year ended March 31, 2023

amounts measured at the date of de-recognition and the consideration received is recognised in standalone statement of profit and loss.

For trade and other receivables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **(b) Financial liabilities and equity instruments**

#### **Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **• Measurement and valuation**

##### **1. Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

##### **2. Financial liabilities**

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **• Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### **• Put option liability**

The potential cash payments related to put options issued by the Company over the equity of subsidiary companies to non-controlling interests are accounted for as financial liabilities when such options may only be settled other than by exchange of a fixed amount of cash or another financial asset for a fixed number of shares in the subsidiary. The financial liability for such put option is accounted for under Ind AS 109.

The amount that may become payable under the option on exercise is initially recognised at fair value under other financial liabilities with a corresponding debit to investments.

If the put option is exercised, the entity derecognises the financial liability by discharging the put obligation. In the event that the option expires unexercised, the liability is derecognised with a corresponding adjustment to investment

#### **• De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The



## Notes to the standalone financial statements for the year ended March 31, 2023

difference in the respective carrying amounts is recognised in the statement of profit and loss.

### (c) Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### o. Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### p. Convertible preference shares/ debentures

Convertible preference shares/debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares/ debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for conversion right. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares/ debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

### q. Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term

deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### r. Foreign currencies

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on translation of long term foreign currency monetary items recognised in the standalone financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Company has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101-“First time adoption of Indian Accounting Standard” are recognised directly in equity or added/ deducted to/ from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the year.

### s. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares

## Notes to the standalone financial statements for the year ended March 31, 2023

outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

**t. Exceptional items**

An item of income or expense which due to its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the financial statements.

**u. Corporate social responsibility ('CSR') expenditure**

The Company charges its CSR expenditure during the year if any, to the statement of profit and loss.

## Notes to the standalone financial statements for the year ended March 31, 2023

### 3. Property, plant and equipment

(₹ in crore)

Particulars	Freehold land	Plant and equipments	Furniture and fixtures	Office equipments	Vehicles	Computers	Total
<b>Gross carrying amount</b>							
<b>As at April 01, 2021</b>	<b>0.25</b>	<b>243.99</b>	<b>4.09</b>	<b>5.37</b>	<b>4.53</b>	<b>8.56</b>	<b>266.79</b>
Additions	-	0.26	0.04	0.02	-	-	0.32
Disposals	-	1.39	0.09	0.05	0.26	0.07	1.86
<b>As at March 31, 2022</b>	<b>0.25</b>	<b>242.86</b>	<b>4.04</b>	<b>5.34</b>	<b>4.27</b>	<b>8.49</b>	<b>265.25</b>
Additions	-	0.06	0.00	0.01	-	0.03	0.10
Disposals	-	11.59	0.15	0.08	-	0.00	11.82
<b>As at March 31, 2023</b>	<b>0.25</b>	<b>231.33</b>	<b>3.89</b>	<b>5.27</b>	<b>4.27</b>	<b>8.52</b>	<b>253.53</b>
<b>Accumulated depreciation</b>							
<b>As at April 01, 2021</b>	-	<b>122.25</b>	<b>3.16</b>	<b>4.98</b>	<b>4.25</b>	<b>8.46</b>	<b>143.10</b>
Charge for the year	-	17.95	0.21	0.24	0.08	0.08	18.56
Disposals	-	1.29	0.09	0.05	0.26	0.07	1.76
<b>As at March 31, 2022</b>	-	<b>138.91</b>	<b>3.28</b>	<b>5.17</b>	<b>4.07</b>	<b>8.47</b>	<b>159.90</b>
Charge for the year	-	15.36	0.17	0.09	0.08	0.02	15.72
Disposals	-	10.35	0.15	0.08	-	-	10.58
<b>As at March 31, 2023</b>	-	<b>143.92</b>	<b>3.30</b>	<b>5.18</b>	<b>4.15</b>	<b>8.49</b>	<b>165.04</b>
<b>Net carrying amount</b>							
<b>As at March 31, 2023</b>	<b>0.25</b>	<b>87.41</b>	<b>0.59</b>	<b>0.09</b>	<b>0.12</b>	<b>0.03</b>	<b>88.49</b>
<b>As at March 31, 2022</b>	<b>0.25</b>	<b>103.95</b>	<b>0.76</b>	<b>0.17</b>	<b>0.20</b>	<b>0.02</b>	<b>105.35</b>

**Note:**

- (i) Refer note 16 for information on property, plant and equipment pledged as security by the Company.
- (ii) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (iii) The Company has not carried out any revaluation of Property, plant and equipment during the current and the previous year.

Notes to the standalone financial statements for the year ended March 31, 2023

**4. Intangible assets**

(₹ in crore)

Particulars	Other concession and operator rights	Total
<b>Gross carrying amount</b>		
<b>As at April 01, 2021</b>	5.21	5.21
Additions	-	-
Disposals	-	-
<b>As at March 31, 2022</b>	5.21	5.21
Additions	-	-
Disposals	-	-
<b>As at March 31, 2023</b>	5.21	5.21
<b>Accumulated amortisation</b>		
<b>As at April 1, 2021</b>	1.87	1.87
Charge for the year	0.31	0.31
Disposals	-	-
<b>As at March 31, 2022</b>	2.18	2.18
Charge for the year	0.31	0.31
Disposals	-	-
<b>As at March 31, 2023</b>	2.49	2.49
<b>Net carrying amount</b>		
<b>As at March 31, 2023</b>	2.72	2.72
<b>As at March 31, 2022</b>	3.03	3.03

**5. Financial assets - Investments**

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>A. Investments measured at Fair Value through Other Comprehensive Income (FVTOCI) (Fully paid up)</b>				
<b>Unquoted equity shares</b>				
<b>i. Subsidiary companies</b>				
<b>- Domestic Companies</b>				
GMR Pochanpalli Expressways Limited ('GPEL') <sup>11</sup> [2,070,000 (March 31, 2022: 2,070,000) equity shares of ₹ 10 each]	5.27	4.74	-	-
GMR Aviation Private Limited ('GAPL') [244,080,868 (March 31, 2022: 244,080,868) equity shares of ₹ 10 each]	179.81	124.28	-	-
GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') <sup>11,11</sup> [47,495,280 (March 31, 2022: 47,495,280) equity shares of ₹ 10 each]	-	-	-	-
Gateways for India Airports Private Limited ('GFIAL') [8,649 (March 31, 2022: 8,649) equity shares of ₹ 10 each]	2.26	2.23	-	-
GMR Highways Limited ('GMRHL') <sup>1,7,8</sup> [767,789,941 (March 31, 2022: 699,895,741) equity shares of ₹ 10 each]	884.24	822.63	-	-
GMR Chennai Outer Ring Road Private Limited ('GCCRPL') <sup>1,11</sup> [12,300,000 (March 31, 2022: 12,300,000) equity shares of ₹ 10 each]	5.85	12.09	-	-
GMR Energy Trading Limited ('GETL') [59,939,897 (March 31, 2022: 59,939,897) equity shares of ₹ 10 each]	86.49	119.88	-	-

## Notes to the standalone financial statements for the year ended March 31, 2023

### 5. Financial assets - Investments (Contd...)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Dhruvi Securities Limited ('DSL') (formerly Dhruvi Securities Private Limited ('DSPL')) <sup>8</sup> [190,762,497 (March 31, 2022: 168,059,694) equity shares of ₹ 10 each]	355.30	76.65	-	-
GMR SEZ & Port Holdings Limited ('GSPHL') [47,989,999 (March 31, 2022: 47,989,999) equity shares of ₹ 10 each]	7.28	112.06	-	-
GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') <sup>7</sup> [2,050,000 (March 31, 2022 : 2,050,000) equity shares of ₹ 10 each]	343.90	386.81	-	-
GMR Aerostructure Services Limited ('GASL') [50,000 (March 31, 2022: 50,000) equity shares of ₹ 10 each]	43.52	23.41	-	-
GMR Generation Assets Limited ('GGAL') <sup>1,2,3,4,5,6</sup> [1,617,295,559 (March 31, 2022: 1,617,295,559) equity shares of ₹ 10 each]	-	-	-	-
GMR Krishnagiri SIR Limited ('GKSIR') [117,500,000 (March 31, 2022 : 117,500,000) equity shares of ₹ 10 each]	36.97	50.42	-	-
GMR Green Energy Limited ('GGEL') <sup>8</sup> (formerly GMR Green Energy Private Limited) ('GGEPL') [50,000 (March 31, 2022 : Nil) equity shares of ₹ 10 each]	0.05	-	-	-
	<b>1,950.94</b>	<b>1,735.20</b>	-	-
<b>- Overseas companies</b>				
GMR Power & Urban Infra (Mauritius) Limited ('GPUIML') (formerly GMR Infra Mauritius Limited ('GIML')) <sup>8**</sup> [33,580,596 (March 31, 2022: 181,236,001) equity shares of USD 1 each]	59.54	2,142.26	-	-
GMR Coal Resources Pte Limited ('GCRPL') <sup>8</sup> [30,000 (March 31, 2022: 30,000) equity shares of SGD 1 each]	0.21	1.35	-	-
GMR Male International Airport Private Limited ('GMIAL') [154 (March 31, 2022: 154) equity shares of MRF 10 each]	-	-	-	-
GMR Infrastructure (Overseas) Limited ('GI(O)L') [100 (March 31, 2022: 100) equity shares of USD 1 each]	-	-	-	-
	<b>59.75</b>	<b>2,143.61</b>	-	-
<b>ii. Joint ventures/ associates</b>				
GMR Energy Limited ('GEL') <sup>1,2,3,4,5,6,8,9</sup> [1,057,369,038 (March 31, 2022: 1,057,369,038) equity shares of ₹ 10 each]	377.45	272.51	-	-
GMR Energy (Mauritius) Limited ('GEML') [5 (March 31, 2022: 5) equity share of USD 1 each]	-	5.29	-	-
GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL') <sup>8</sup> [Nil (March 31, 2022: 4,900) equity shares of ₹ 10 each]	-	-	-	-
	<b>377.45</b>	<b>277.80</b>	-	-
<b>Total investment in equity shares</b>	<b>2,388.14</b>	<b>4,156.61</b>	-	-
<b>B. Investment in preference shares (Fully paid up)</b>				
<b>i. Investment in preference shares (in the nature of equity) of subsidiary companies measured at FVTOCI</b>				
GPEL [4,450,000 (March 31, 2022: 4,450,000) 0.01% compulsorily convertible non-cumulative preference shares of ₹ 100 each]	20.76	20.76	-	-
GCORRPL <sup>11</sup> [2,192,500 (March 31, 2022: 2,192,500) 0.01% compulsorily convertible non-cumulative preference shares of ₹ 100 each]	-	-	-	-
DSL <sup>8,10</sup>	-	132.46	-	-
	<b>20.76</b>	<b>153.22</b>	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

**5. Financial assets - Investments (Contd...)**

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>ii. Investment in preference shares of subsidiary companies at amortised cost</b>				
GACEPL [66,000 (March 31, 2022: 66,000) 8% non-cumulative redeemable preference shares of ₹ 100 each]	0.66	0.66	-	-
GCORRPL [1,200,000 (March 31, 2022 : 1,200,000) 6% non-cumulative redeemable convertible preference shares of ₹ 100 each]	20.90	20.06	-	-
DSL <sup>8,10</sup> [Nil (March 31, 2022: 42,000,000) 8% compulsorily convertible preference shares of ₹ 10 each]	-	96.81	-	-
GHVEPL <sup>7</sup> [8,152,740 (March 31, 2022: 8,152,740) 6% non-cumulative redeemable/ convertible preference shares of ₹ 100 each]	68.24	63.21	-	-
	<b>89.80</b>	<b>180.74</b>	-	-
Less: Provision for diminution in value of investments in preference shares at amortised cost	(7.36)	(0.66)		
<b>Total investment in preference shares</b>	<b>103.20</b>	<b>333.30</b>	-	-
<b>C. Investment in debentures (Fully paid up)</b>				
<b>i. Investment in debentures (in the nature of equity) measured at FVTOCI</b>				
<b>a. Subsidiary companies</b>				
GMR Aerostructure Services Limited ("GASL") <sup>8</sup> [10,000,000 (March 31, 2022: 10,000,000) compulsory convertible debentures of ₹ 100 each]	100.00	100.00	-	-
	<b>100.00</b>	<b>100.00</b>	-	-
<b>ii. Investment in debentures of subsidiary companies at amortised cost</b>				
GMR Rajam Solar Power Private Limited (GRSPPL) <sup>8</sup> [5,000 (March 31, 2022: Nil) 12% unsecured non-convertible debentures of ₹ 1,000,000 each]	562.73	-	-	-
	<b>562.73</b>	-	-	-
Less: Provision for diminution in value of investments in debentures at amortised cost	(118.98)	-		
<b>Total investment in debentures</b>	<b>543.75</b>	<b>100.00</b>	-	-
<b>D. Investments at fair value through profit and loss account</b>				
<b>Investment in mutual funds</b>				
Union Medium Duration Fund- Regular Plan -Growth Nil (March 31, 2022: 199,990) units of ₹ 10.2045 each	-	-	-	0.20
<b>Total investment in mutual funds</b>	-	-	-	<b>0.20</b>
<b>Total investments (A+B+C+D)</b>	<b>3,035.09</b>	<b>4,589.91</b>	-	<b>0.20</b>
Aggregate book value of quoted investments	-	-	-	0.20
Aggregate market value of quoted investments	-	-	-	0.20
Aggregate amount of unquoted investments	3,161.43	4,590.57	-	-
Aggregate amount of impairment in the value of investments	(126.34)	(0.66)	-	-

1 Details of investments pledged at face value as security in respect of the loans availed by the Company and the investee Companies. Also refer note 16

## Notes to the standalone financial statements for the year ended March 31, 2023

The following unquoted investments included above have been pledged as security in respect of the borrowings of the Company or the investee Companies:

Description	(₹ in crore)	
	March 31, 2023	March 31, 2022
GMRHL [209,968,722 (March 31, 2022 : 209,968,722 equity share of ₹ 10 each)]	209.97	209.97
GACEPL [23,272,687 (March 31, 2022 :23,272,687 equity shares of ₹ 10 each)]	23.27	23.27
GCORRPL [3,487,500 (March 31, 2022 : 3,487,500 equity shares of ₹ 10 each)]	3.49	3.49
GEL [72,138,054 (March 31, 2022 : 85,399,641 equity share of ₹ 10 each)]	72.14	85.40
GGAL [1,555,061,813 (March 31, 2022 : 1,555,061,813 equity shares of ₹ 10 each)]	1,555.06	1,555.06

2 The Company has invested in GGAL which has further invested in step down subsidiaries and joint ventures. Further, the Company has outstanding loan (including accrued interest) amounting to Nil (March 31 2022: Nil) recoverable from GGAL as at March 31, 2023. Also, the Company together with GGAL and GMR Energy Projects Mauritius Limited ('GEPML') has investments in GEL amounting to ₹ 895.74 crore and has outstanding loan (including accrued interest) amounting to ₹ 1,768.36 crore in GEL as at March 31, 2023. GEL has certain underlying subsidiaries/ associates/ joint ventures which are engaged in energy sector as further detailed in note 5(3), 5(4), 5(5) and 5(6) below which have been incurring losses resulting in substantial erosion in their net worth. Based on its internal assessment with regard to future operations and valuation assessment by an external expert during the year ended March 31, 2023, the management of the Company has fair valued its investments and for reasons as detailed in 5(3), 5(4), 5(5) and 5(6) below, the management is of the view that the fair values of the Company's investment in GEL is appropriate.

3 GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, is engaged in the business of generation and sale of electrical energy from its coal-based power plant of 600 MW situated at Warora. GWEL had accumulated losses of ₹ 753.07 crore as at March 31, 2022 and the same has been reduced to ₹ 585.44 crore as at March 31, 2023, which has resulted in substantial erosion of GWEL's net worth. There have been delays in receipt of the receivables from customers which has resulted in delays in meeting its financial liabilities.

Further, GWEL received notices from one of its customer disputing payment of capacity charges of ₹ 132.01 crore for the period March 23, 2020 to June 30, 2020 as the customer had not availed power during the said period sighting force majeure on account of COVID 19 pandemic. GWEL responded and

clarified that the said situation is not covered under the force majeure clause in view of the clarification by the Ministry of Power stating that Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. The customer is of the view that the aforesaid clarification by the Ministry of Power cannot override the terms of the PPA and continue to dispute the payment thereof.

Accordingly, during the year ended March 31, 2021, GWEL filed petition with Central Electricity Regulatory Commission ('CERC') for settlement of the dispute. During the quarter ended March 31, 2022, the said petition was decided in favour of GWEL vide CERC order dated January 20, 2022 wherein CERC directed the customer to pay the aforesaid outstanding capacity charges along with delayed payment surcharge within 60 days from the date of the aforesaid order. The customer has filed an appeal against the said CERC order before Appellate Tribunal for Electricity ('APTEL') during the quarter ended June 30, 2022, APTEL issued an interim order and directed the customer to pay 25% of the principal amount within a period of one week from the date of its interim order to GWEL and deposit the balance outstanding amount in an interest-bearing fixed deposit receipt with a nationalized bank. However, GWEL has not received any amount from the customer and the matter is pending conclusion. The management based on its internal assessment and petition filed with CERC, is of the view that the aforesaid capacity charges are fully recoverable.

However, GWEL has certain favorable interim orders towards the aforementioned claims. Also, during the year ended March 31, 2022, GWEL has entered into a new PPA with Gujarat Urja Vikas Nigam Limited ('GUVNL') for the supply of 150 MW of power from October 2021 to July 2023. Further, GWEL on the basis of requisite approval of the lenders, has invoked resolution process as per Resolution Framework for COVID-19 related stress



## Notes to the standalone financial statements for the year ended March 31, 2023

prescribed by RBI on December 30, 2020 in respect of all the facilities (including fund based, non-fund based and investment in non-convertible debentures) availed by GWEL as on the invocation date. Further most of the borrowing facilities of GWEL had become Special Mention Account-2/ Non-Performing Assets, accordingly resolution process under Prudential Framework for Resolution of Stressed Assets, as prescribed by the RBI on June 07, 2019 has been invoked on June 29, 2021 by default. ICA has been executed on July 27, 2021 by majority of lenders. The lead lender issued a sanction letter dated April 05, 2022 for restructuring of loan facilities. As per the RBI circular as stated above, a minimum approval of lenders representing 75% by value of total outstanding loan facilities and 60% of lenders by number are required for approval of the Resolution plan.

During the quarter ended June 30, 2022, GWEL received the approvals from the aforesaid requisite lenders on the Resolution plan and consequently the Resolution plan was adopted in the board of directors meeting dated June 23, 2022 and approved by the shareholders of GWEL in the Extraordinary General Meeting dated June 24, 2022. Accordingly, GWEL has given effect to the Resolution plan and effect of the same has been disclosed as an exceptional item in the financial statement of GWEL. In the consortium meeting held on January 11, 2023 all the lenders have confirmed the implementation of the resolution plan in their respective books of accounts. GWEL had claimed compensation for coal cost pass through and various "change in law" events from its customers under the Power Purchase Agreements ('PPA') and has filed petitions with the regulatory authorities for settlement of such claims in favor of GWEL. GWEL has trade receivables, other receivables and unbilled revenue (including claims) of ₹ 882.22 crore and the payment from the customers against the claims including Interest on such claims which are substantially pending receipt. Based on certain favorable interim regulatory orders, the management is confident of a favorable outcome towards the outstanding receivables.

Accordingly, GWEL has generated profit after tax of ₹ 167.87 crore during the year ended March 31, 2023 and the management of GWEL expects that the plant will generate sufficient profits in the future years and will be able to recover the receivables and based on business plans and valuation assessment by an external expert during the year ended March 31, 2023, considering key assumptions such as capacity utilization of plant in future years based on current levels of utilization including merchant sales and sales through other long term PPA's and management's plan for entering into a new long-term PPA to replace the PPA earlier entered with one of its

customers which has expired in June 2020 and the implementation of the Prudential Framework for resolution of stressed assets with the lenders of GWEL, the management is of the view that the carrying value of the net assets in GWEL by GEL as at March 31, 2023 is appropriate.

- 4 GWEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 08, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, GWEL has raised claim of ₹ 616.33 crore towards reimbursement of transmission charges from March 17, 2014 till March 31, 2023. MSEDCL preferred an appeal with the Hon'ble Supreme Court of India and the matter is pending conclusion. Pursuant to notification No. L-1/250/2019/CERC, the transmission charges (other than the deviation charges) are being directly billed to the respective customers (DISCOMS) by Power Grid Corporation of India Limited and accordingly, GWEL has not received transmission charges (other than the deviation charges) related invoices for the period December 2020 to March 2023. The final obligation towards the transmission charges will be decided based on the order of the Hon'ble Supreme Court of India as stated above.

In view of the favorable Order from APTEL, receipt of substantial amount towards reimbursement of transmission charges and legal expert advice, GWEL has recognized the reimbursement of transmission charges of ₹ 616.33 crore relating to the period from March 17, 2014 to March 31, 2023. Further the cost of transmission charges as stated with effect from December 2020 is directly invoiced by Power Grid Corporation of India Limited to DISCOMS and has been disclosed as contingent liability in the financials of GWEL pending the final outcome of the matter in the Hon'ble Supreme Court of India.

## Notes to the standalone financial statements for the year ended March 31, 2023

- 5 GMR Kamalanga Energy Limited ('GKEL'), a subsidiary of GEL, is engaged in development and operation of 3\*350 MW under Phase I and 1\*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has accumulated losses of ₹ 1,386.84 crore as at March 31, 2023 (₹ 1,672.49 crore in March 31, 2022), which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. Further, GKEL has trade receivables, other receivables and unbilled revenue (including claims) of ₹ 1,662.04 crore as at March 31, 2023, for coal cost pass through and various "change in law" events from its customers under the PPAs and have filed petitions with the regulatory authorities for settlement of such claims in favour of GKEL. The payment from the customers against the claims is substantially pending receipt as at March 31, 2023. Based on certain favorable interim regulatory orders with regard to its petition for 'Tariff Determination' and 'Tariff Revision' with its customers, the management is confident of a favorable outcome towards the outstanding receivables of GKEL.

GKEL in view of the Supreme Court Order in Energy Watchdog vs CERC and others and CERC order in its own case for Haryana Discoms had sought legal opinion from the legal counsel on certainty of the claims with Bihar Discom. Considering opinion received from legal counsels that GKEL has good tenable case with virtual certainty with respect to coal cost pass through and favourable Order from APTEL dated December 21, 2018 and CERC judgment in GKEL's own case for Haryana Discom where the computation methodology of coal cost pass through was decided, the management was virtually certain on receipt of the GKEL's claim of revenue on coal cost pass through and was of the opinion that no contingency was involved in this regard. GKEL has received a favourable order on September 16, 2019 whereby the CERC has allowed the coal cost pass through to be charged to the Bihar Discom, based on a certain methodology. The Hon'ble Appellate Tribunal passed an Order in Appeal no - 423 on August 06, 2021 allowing GKEL to recover expenditure incurred in procurement of alternate coal due to short fall in domestic coal supply corresponding to schedule generation pertaining to Bihar PPA and further allowed GKEL to recover the carrying cost from the date of Change in Law events till the dues are paid.

Further, as detailed below there are continuing litigations with SEPCO Electric Power Construction Corporation (SEPCO) ('Capital Creditors') which are pending settlement. Further during the previous year, GKEL has won the bid for supply of balance 150 MW to Haryana Discom. GKEL has signed fuel supply agreement

with Coal India Limited for supply of coal from its Mahanadi Coal Field Mines for 0.36 crore ton which is within a distance of 15 KM from the plant site. In addition to above, GKEL has won the bid (Shakti-III) for supply of 0.04 crore ton of coal for balance 150 MW. GKEL is actively pursuing its customers for realization of claims and selling its untied capacity in exchange market to support the GKEL's ability to continue the business without impact on its operation.

Further, GKEL had entered agreement with SEPCO in 2008 for the construction and operation of coal fired thermal power plant. There were certain disputes between the parties in relation to the delays in construction and various technical issues relating to the construction and operation of the plant. SEPCO served a notice of dispute to GKEL in March 2015 and initiated arbitration proceedings. The Arbitral Tribunal has issued an opinion (the Award) on September 07, 2020 against GKEL. Since there were computation/ clerical/ typographical errors in the Award, both parties (GKEL and SEPCO) immediately applied for correction of the award under Section 33 of the Arbitration & Conciliation Act 1996 (as amended). The Arbitral Tribunal considered the applications of both the parties and has pronounced the corrected award on November 17, 2020. GKEL already accounted for the aforementioned liability as per the award pertaining to the retention money, unpaid invoices and the Bank Guarantee revoked. GKEL has challenged the award under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'ble High Court of Orissa on February 15, 2021 and December 31, 2021 respectively.

The High Court vide its judgement and order dated June 17, 2022 has dismissed the petition filed by GKEL on February 15, 2021 to put aside the Final Award on the basis that impugned award does not fall under the category which warrants interference under Section 34 of the Arbitration Act. GKEL has challenged judgement by filing special leave petition before the Supreme Court of India on grounds; a) Violation of Principles of Natural Justice, b) Judgement is in violation of the guidelines laid by Supreme Court for timely pronouncing of judgements c) Violation of due process of law and others. Based on legal advice obtained, GKEL seems to have a good arguable case to challenge section 34 judgement and have it set side. Therefore, GKEL is not expecting any cash outflow in this matter in the foreseeable future. GKEL has in its books made provisions in view of the disputes between SEPCO and GKEL and taken into consideration the Award and the Final Award passed by the Arbitral Tribunal based on generally accepted accounting practices. Irrespective of the heads under which they appear or their nomenclature/ heading/title/narration, etc., such provisions do not make GKEL liable for payment since liability is disputed.

## Notes to the standalone financial statements for the year ended March 31, 2023

In view of these matters, business plans (including expansion and optimal utilization of existing capacity), valuation assessment by an external expert during the year ended March 31, 2023, the management is of the view that the carrying value of the investments in GKEL held by GEL as at March 31, 2023 is appropriate.

6. GMR Bajoli Holi Hydropower Private Limited ('GBHHPL'), a subsidiary of GEL has set up 180 MW hydro based power plant in Chamba, District of Himachal Pradesh. It had experienced delays in the completion of construction and incurred costs overruns. During the current year, GBHHPL has commenced commercial operations. Further, during the current year i.e. with effect from July 13, 2022, GBHHPL has terminated its agreement with Gammon Engineers and Contractors Private Limited ('the contractor') in respect of the hydropower project as GBHHPL noticed repeated slippages by the contractor in achieving the targets and multifarious breaches under the work orders.

The construction had to be completed by June 2018, however the project was delayed and as a part of one time settlement with the contractor, extension was granted till May 31, 2020. Even after such time extension and payment of huge unadjusted advances, the contractor could not finish the critical components of civil works within the extended date and further delayed the completion of the project. As a consequence of such delay, GBHHPL had recovered its dues including due to liquidated damages and unadjusted advances from the contractor by way of invoking available bank guarantees (BGs) provided by the contractor, amounting to ₹ 128.89 crore and accordingly GBHHPL has adjusted it against such advances.

Further, during the current year on June 10, 2022, GBHHPL invoked arbitration against the contractor to recover their further dues, however counter claims was also filed by the contractor before the arbitration tribunal towards costs and damages on account of prolongation of the Contract. GBHHPL filed its reply to the Statement of Defence and counter claims on March 01, 2023. Currently, the matter is pending adjudication before the Arbitral Tribunal.

Based on the assessment of such claims and upon consideration of advice from the independent legal consultant, the management believes that GBHHPL has reasonable chances of recovery of its dues from the contractor in the future and accordingly, based on the valuation assessment carried out by an external expert during the year ended March 31, 2023, is of the view that the carrying value of its investments in GBHHPL held by GEL as at March 31, 2023 is appropriate.

7. The Company together with GMR Highway Limited ("GMRHL") a subsidiary of the Company, has invested in GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') amounting to ₹ 1,087.80 crore. Based on its internal assessment with regard to future operations and valuation assessment by an external expert during the year ended March 31, 2023, the management of the Company has fair valued its investments and for reasons as detailed below, the management is of the view that the fair values of the Company's investments in GHVEPL is appropriate.

GHVEPL a step down subsidiary of the Company, has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 1,653.86 crore as at March 31, 2023. The management believes that these losses are primarily due to loss of revenue arising as a result of drop in commercial traffic on account of bifurcation of State of Andhra Pradesh and ban imposed on sand mining in the region. The management of the Group based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to a claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim for the loss of revenue till the year ended March 31, 2017 with National Highways Authority of India ('NHAI').

The claim of GHVEPL was rejected by NHAI and accordingly during the year ended March 31, 2018, GHVEPL had decided to proceed with arbitration and accordingly Arbitral Tribunal was constituted and claims were filed.

On October 09, 2009 GHVEPL and National Highways Authority of India (NHAI) entered into the concession agreement for the project highway. The project was initially developed from existing 2 lanes to 4 lanes to be further developed to 6 laning subsequently (before 14th anniversary of the appointed date). If 6 laning is not carried out (if so required by NHAI/desired by GHVEPL), concession period would be restricted to 15 years as against 25 years. GHVEPL has been amortising intangible assets over the concession period of 25 years.

The Arbitral Tribunal vide its order dated March 31, 2020, had pronounced the award unanimously, upholding GHVEPL's contention that bifurcation of state of Andhra Pradesh and ban on sand mining in the region constitutes Change in Law event and GHVEPL is entitled for compensation for the loss of revenue arising as a result of drop in commercial vehicles. Majority of the Tribunal members have directed NHAI to constitute a committee for determining the claim amount based on data/ records available with GHVEPL and NHAI. The minority member in the Tribunal however was of the opinion that Tribunal should have constituted the Committee instead of directing NHAI, which

## Notes to the standalone financial statements for the year ended March 31, 2023

is against the principle of natural justice. GHVEPL, aggrieved by the findings, had filed applications under Section 9 and 34 of the Arbitration Act, 1996, before the Hon'ble Delhi High Court challenging the award on the limited ground of (i) constitution of the committee by NHAI for quantification of compensation and (ii) for interim measures by restraining NHAI, demanding premium and taking coercive / precipitate measures under the Concession Agreement. Vide order dated August 04, 2020, the Hon'ble Delhi High Court upheld the decision of the Arbitral Tribunal that there was a change in law due to ban on sand mining and State bifurcation.

The Hon'ble Delhi High Court on August 04, 2020 had passed an Order wherein it upheld the decision of the Arbitral Tribunal that there was a change in law due to ban on sand mining and State bifurcation. The Hon'ble Delhi High Court has also held that GHVEPL is entitled for compensation due to Change in Law and the application of NHAI was dismissed. For quantification of claim of GHVEPL, the committee to be appointed by NHAI has been struck down and in its place the Court has appointed a retired judge of Supreme Court as sole arbitrator to quantify the claims.

On February 28, 2022, the Sole Arbitrator had submitted his report to the Hon'ble Delhi High Court by determining the claim amount at ₹ 1,672.20 crore, as against claimed amount of ₹ 1,676.34 crore, up to March 31, 2020 with direction to follow the same methodology and formula for claims for the financial year ended March 31, 2021 and onwards. Further, the Sole arbitrator has also granted interest on claim amount in terms of Clause 47.5 of the Concession Agreement. The report submitted by the Sole arbitrator has been taken on record by the Hon'ble Delhi High Court and the Court has fixed the next hearing on July 07, 2023. On March 29, 2022, NHAI has made an application before the Sole arbitrator seeking correction of computational error in his report submitted to the Hon'ble High Court. On October 20, 2022 the sole arbitrator has passed an order dismissing the application made by NHAI. NHAI, in the interim has also filed an application u/s 34 of Arbitration Act before Hon'ble Delhi High Court against the report of Sole Arbitrator.

NHAI has challenged the aforesaid Order dated August 04, 2020 before divisional bench of Hon'ble Delhi High Court, wherein the Hon'ble Delhi High Court has clarified that the sole arbitrator shall continue to discharge his duties subject to final outcome of the appeal however in the interim order dated September 14, 2021 the Hon'ble Court has formed a prima facie view that it would only be fair that NHAI should secure the Premium payable by the GHVEPL till the issues are resolved. Aggrieved the said order of Divisional Bench, the GHVEPL filed a Special leave

petition before the Hon'ble Supreme Court, wherein the Supreme Court vide its Order dated March 10, 2022 has quashed the impugned interim order with the request directing the Hon'ble Delhi High Court to decide the matter as expeditiously as possible. The matter is now listed before the Hon'ble Delhi High Court on July 04, 2023.

On May 08, 2020, GHVEPL has received a notice from NHAI stating that it is satisfied that six-laning is not required for the project highway and four laning is sufficient for operating the project highway thereby restricting the concession period to 15 years pursuant to Clause 3.2.2 of the Concession Agreement dated October 09, 2009. GHVEPL has filed a response with NHAI on May 26, 2020, June 16, 2020, August 31, 2020 and October 19, 2020 seeking material on record on the basis of which NHAI has decided that six-laning is not required, since in terms of GHVEPL's assessment, six-laning shall be required considering the current traffic flow on the project highway. NHAI, however vide its letter dated June 24, 2020 and October 15, 2020 has stated that the contention of GHVEPL is unmerited and due reasons have been conveyed, even though no substantial information is provided on the basis of which such decision is taken. In this regard, GHVEPL has obtained a legal opinion from its Counsel handling NHAI matter in the Honorable Delhi High Court which has opined that with the majority findings of the Arbitral Award in favour of GHVEPL, issuance of Notice dated May 8, 2020 and letter dated June 24, 2020 / October 15, 2020 by NHAI is in bad light and arbitrary.

Legal Counsel opined that NHAI being aware of the financial implications of the Notice dated May 08, 2020 trying to somehow avoid quantifying and making any payment of the claim to GHVEPL under Change in Law. The Counsel further opined that, NHAI after having failed in its series of coercive steps including the notices for recovery of alleged Premium, suspension notice and notices in relation to non-compliance of O & M requirements has, on May 08, 2020, issued the Notice under Article 3.2.2 of the Concession Agreement and that too in the middle of extensive arguments in the aforesaid petitions before the Hon'ble Delhi High Court, only to make GHVEPL to somehow give up its claims and avoid determination of claims. GHVEPL on October 30, 2020 has issued Notice of Dispute under Article 44.2 read with Clause 44.1.2 of the Concession Agreement to NHAI for amicable settlement as a first step in dispute resolution, which has been declined by NHAI on December 04, 2020. Pursuant to the notice dated April 06, 2021, the Arbitrators have been appointed and the Arbitral Tribunal has held its first hearing setting procedural timelines for hearing the litigation.

The Hon'ble Tribunal vide interim order dated September 29,

## Notes to the standalone financial statements for the year ended March 31, 2023

2021 has stayed the letter and the matter is in process. NHAI subsequently has suggested resolving all the disputes through the process of conciliation and the matter was referred to Committee of Conciliation of Independent Experts (CCIE-III) constituted by NHAI on approval from GHVEPL. The Committee has held two hearings and in the hearing held on April 25, 2022, GHVEPL had given a proposal for amicable settlement to which the Committee granted one month's time to NHAI to discuss internally and inform the Committee of its decision, which has not reached any effective conclusion and hence discontinued. In view of the same, the Arbitral Tribunal recommended the proceedings and the hearing has been fixed for July 20, 2023 for cross examination of the witnesses. The legal counsel has also opined that GHVEPL is in good position to assert for concession period of 25 years. Accordingly, considering the matter is sub-judice, concession life of 25 years with six laning has been considered for the purposes of the amortization of Intangibles considering the initiation of Arbitration Proceedings challenging the communication/notice by NHAI / Regulator restricting the period to 15 years with four-laning. GHVEPL has been recognizing a provision of additional concession fees (premium) of ₹ 1,291.57 crore including interest payable thereon till March 31, 2023 (March 31, 2022: ₹ 1,007.83 crore), which is unpaid pending finality of litigation proceedings as detailed below.

Further, the valuation expert based on the assumptions that it would be receiving the compensation in the future and expected future traffic flow over a concession period of 25 years had determined value in use of GHVEPL assets as at December 31, 2022 (i.e. valuation date) which is higher than the carrying value of assets.

The management, based on its internal assessment, legal opinion, certain interim favourable orders and valuation assessment made by an external expert, is of the view that the carrying value of the aforesaid investment of the Company together with GMRHL in GHVEPL, taking into account the matters described above is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the standalone financial statements for the year ended March 31, 2023.

- 8 i) During the year ended March 31, 2023 ;
- a) The Company has invested in the 67,894,200 shares of ₹ 10/- each in GMR Highways Limited during the year purchased from GMR Generations Assets Limited. Pursuant to the sanctioned Composite Scheme of Arrangement for Amalgamation amongst GMR Tuni-Anakapalli Expressways Limited, GMR Tambaram Tindivanam Expressways Limited (Transferor

Companies), GMR Highways Limited ("Transferee Company") and their respective Shareholders and Creditors sanctioned vide Order dated August 03, 2022 by Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT), allotment of 67,894,200 equity shares of ₹ 10/- each was made to GMR Generations Assets Limited on September 06, 2022.

- b) Investment in 50,000 shares of ₹ 10/- each in GGEL during the year.
- c) GPUIML has bought back 147,655,405 equity shares at USD 1.48 per share during the year.
- d) The Company has sold the 4,900 equity shares of ₹ 10/- each in GMR (Badrinath) Hydro Power Generation Private Limited.
- e) DSL has issued 22,702,703 equity shares to the Company for early conversion of existing 8% compulsorily convertible preference shares of ₹ 10 each at ₹ 18.50 per equity share.
- f) The Company has purchased Non Convertible Debentures from Synergy Metals & Mining Investment Holdings Limited ('Synergy') worth ₹ 500 crore issued by GRSPPL .
- g) The Company has investment in subsidiary GPUIML and GPUIML has further invested in step down subsidiary GCRPL including other overseas entities. During the year ended March 31, 2023, GCRPL, has entered into a Share Purchase Agreement ('SPA') with PT Radhika Jananta Raya ("Buyer") a subsidiary of PT ABM Investama Tbk ("PTABM") and PTABM to divest its 30% equity stake in PT Golden Energy Mines Tbk ("PT GEMS"), an associate of GCRPL, following a competitive bidding process. On closing, GCRPL has received a gross consideration of USD 42.00 crore. Further, GCRPL is also entitled to receive a deferred consideration based on mutually agreed milestones. The transaction was subject to certain conditions precedent, which have been completed.

The Company has recorded a decline of ₹ 59.83 crore in the fair value of equity (including the impact of the aforesaid SPA) in GPUIML (the holding company of GCRPL which held investments in PT GEMS as mentioned above) in "Other Comprehensive Income" during the year ended March 31, 2023 respectively.

Above downside has been recorded primarily due to investment in PTGEMS was carried at Fair Value



## Notes to the standalone financial statements for the year ended March 31, 2023

through Other Comprehensive income (FVTOCI) in accordance with Ind AS 109 (Financial Instruments).

- ii) During the year ended March 31, 2022 ;
- a) Investment in 142, 12% unsecured Optionally Convertible Cumulative Debentures of ₹ 1,000,000/- each in GMR Krishnagiri SIR Limited redeemed during the year.
  - b) Investment in 0.01% optionally convertible debentures of ₹ 10,000,000/- each and 0.01% optionally convertible debentures (OCDs) of ₹ 1,00,000 each in GMR SEZ Port Holding Limited redeemed during the year.
  - c) During the year, the Company has transferred the Compulsorily Convertible Debentures in GMR Bajoli Holi Hydropower Private Limited (a joint venture of GEL) to GMR Rajam Solar Power Private Limited (a joint venture of GEL) under the novation agreement.
  - d) The Company has invested in 100,000,000, 0.001% compulsory convertible debentures ('CCDs') at a face value of ₹ 10 each in GASL. The CCDs are compulsorily convertible into equity shares at the face value after 5 years from the date of the allotment. The CCDs are compulsorily convertible at the option of the holder.
- 9 The Company does not hold any shares in these entities. The value of investment represents investments in additional equity on account of financial guarantees.
  - 10 This amount pertains to equity component of 8% compulsorily convertible preference shares issued by DSL, the same has been converted into equity. Refer note 5(8).
  - 11 This includes share held by others on behalf of the Company.

### 6. Trade receivables

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Unsecured, considered good</b>				
Receivable from related parties (refer note 32)	0.83	0.83	21.58	0.96
Other trade receivables	-	0.05	11.44	8.68
<b>(A)</b>	<b>0.83</b>	<b>0.88</b>	<b>33.02</b>	<b>9.64</b>
<b>Trade receivables- credit impaired</b>				
Receivable from related parties (refer note 32)	-	-	1.40	1.40
Other trade receivables	28.79	28.79	1.78	1.78
<b>(B)</b>	<b>28.79</b>	<b>28.79</b>	<b>3.18</b>	<b>3.18</b>
<b>Loss allowance</b>				
Less: Trade receivables - loss allowances (refer note 36(c))	(28.79)	(28.79)	(3.18)	(3.18)
<b>Total trade receivables (A+B+C)</b>	<b>0.83</b>	<b>0.88</b>	<b>33.02</b>	<b>9.64</b>

Notes to the standalone financial statements for the year ended March 31, 2023

(i) Current trade receivables ageing schedule is as follows:

(₹ in crore)

Particulars	As at March 31, 2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
i) Undisputed Trade Receivables - Considered good	25.18	0.31	6.17	0.12	1.24	33.02
ii) Undisputed Trade Receivables - Have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	3.18	3.18
iv) Disputed - Considered good	-	-	-	-	-	-
v) Disputed - Have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>25.18</b>	<b>0.31</b>	<b>6.17</b>	<b>0.12</b>	<b>4.42</b>	<b>36.20</b>
Impairment allowance	-	-	-	-	3.18	3.18
<b>Total</b>	<b>25.18</b>	<b>0.31</b>	<b>6.17</b>	<b>0.12</b>	<b>1.24</b>	<b>33.02</b>

Particulars	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
i) Undisputed Trade Receivables - Considered good	2.13	4.54	0.75	1.68	0.54	9.64
ii) Undisputed Trade Receivables - Have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	3.18	3.18
iv) Disputed - Considered good	-	-	-	-	-	-
v) Disputed - Have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>2.13</b>	<b>4.54</b>	<b>0.75</b>	<b>1.68</b>	<b>3.72</b>	<b>12.82</b>
Impairment allowance	-	-	-	-	3.18	3.18
<b>Total</b>	<b>2.13</b>	<b>4.54</b>	<b>0.75</b>	<b>1.68</b>	<b>0.54</b>	<b>9.64</b>

(ii) Non current trade receivables ageing schedule is as follows:

(₹ in crore)

Particulars	As at March 31, 2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
i) Undisputed Trade Receivables - Considered good	-	-	-	-	0.83	0.83
ii) Undisputed Trade Receivables - Have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	28.79	28.79
iv) Disputed - Considered good	-	-	-	-	-	-
v) Disputed - Have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29.62</b>	<b>29.62</b>
Impairment allowance	-	-	-	-	28.79	28.79
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.83</b>	<b>0.83</b>

## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Particulars	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
<b>Undisputed Trade Receivables</b>						
i) Undisputed Trade Receivables - Considered good	-	-	-	-	0.88	0.88
ii) Undisputed Trade Receivables - Have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	28.79	28.79
<b>Disputed Trade Receivables</b>						
iv) Disputed - Considered good	-	-	-	-	-	-
v) Disputed - Have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed - Credit impaired	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>29.67</b>	<b>29.67</b>
Impairment allowance	-	-	-	-	28.79	28.79
<b>Grand Total</b>	-	-	-	-	<b>0.88</b>	<b>0.88</b>

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
  - Trade receivables are non-interest bearing.
1. Includes retention money (net of impairment allowances) of ₹ 0.83 crore (March 31, 2022: ₹ 0.88 crore). These payments are deducted by customer to ensure performance of the Company's obligations and hence are receivable on the completion of contract or after the completion of defect liability period as defined in the respective contract and accordingly no discounting has been done for the same.
  2. Refer note 16 for information on trade receivables pledged as security against borrowings.
  3. Payment is generally received from customers (excluding retention money) in due course as per agreed terms of contract with customers which usually ranges from 0 - 30 days.

### 7. Loans

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Unsecured, considered good</b>				
Loan to related parties (refer note no 32)	1,082.00	1,506.47	1,011.33	522.51
Loan to others	-	-	-	0.01
	<b>1,082.00</b>	<b>1,506.47</b>	<b>1,011.33</b>	<b>522.52</b>
Loans receivables - credit impaired- related parties (refer note 32 and 49(xi))	399.51	474.02	577.93	302.58
	<b>399.51</b>	<b>474.02</b>	<b>577.93</b>	<b>302.58</b>
<b>Loss allowance</b>				
Less: Loans receivables - credit impaired - related parties (refer note 32 and 36(c))	(399.51)	(474.02)	(577.93)	(302.58)
<b>Total loans</b>	<b>1,082.00</b>	<b>1,506.47</b>	<b>1,011.33</b>	<b>522.52</b>

- (i) Loans are non-derivative financial instruments which generate a fixed or variable interest income for the Company. The carrying value may be affected by the changes in the credit risk of the counter parties.



## Notes to the standalone financial statements for the year ended March 31, 2023

- (ii) The Company has made a provision for diminution in the value of loan of ₹ 977.44 crore as at March 31, 2023 (March 31, 2022: ₹ 776.60 crore). Further, provision for diminution in the value of loan during the year has been disclosed as an 'exceptional item' in the standalone financial statements of the Company for the year ended March 31, 2023.
- (iii) No loans are due from directors or other officers of the Company either severally or jointly with any other person. Nor any loans are due from firms or private companies respectively in which any director is a partner, a director or a member.
- (iv) The above loans have been given for business purpose.
- (v) The loans that fall under the category of "Loans - Non current" are repayable after one year.

### 8. Other financial assets

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Unsecured, considered good unless stated otherwise</b>				
Security deposit with others	-	-	0.45	1.97
Non-current bank balances (refer note 13 (b))	11.88	60.93	-	-
Unbilled revenue - others (refer note 33)	-	-	5.77	5.52
Unbilled revenue - related parties (refer note 32 and 33)	-	-	957.29	891.93
Interest accrued on fixed deposits	-	-	1.05	1.27
Interest accrued on loans and debentures to related parties (refer note 32)	-	-	411.34	213.90
Non trade receivable considered good	-	-	0.90	10.87
Other receivable (refer note 32)*	-	211.38	1.84	150.40
<b>Total other financial assets</b>	<b>11.88</b>	<b>272.31</b>	<b>1,378.64</b>	<b>1,275.86</b>

\* Includes receivable against sale of 84,22,31,444 Compulsory Convertible Debentures (CCDs) of ₹ 10 each amounting to ₹ 313.21 crore (net of amount received) as at March 31, 2022 issued by Kakinada SEZ Limited ('KSL'). Further, during the year ended March 31, 2023 the management has reassessed the situation with respect to the aforementioned receivable and provided for the balance consideration receivable of ₹ 313.21 crore. (refer note 43)

### 9. Non-current tax assets (net)

(₹ in crore)

Particulars	Non-current	
	March 31, 2023	March 31, 2022
Advance income tax	5.20	4.67
<b>Total non-current tax assets (net)</b>	<b>5.20</b>	<b>4.67</b>

### 10. Deferred tax asset (net)

(₹ in crore)

Particulars	Non-current	
	March 31, 2023	March 31, 2022
<b>Deferred tax assets arising on account of</b>		
Brought forward losses	94.52	0.17
Expenses deductible on payment	0.90	0.30
<b>Total deferred tax assets</b>	<b>(A) 95.42</b>	<b>0.47</b>
<b>Deferred tax liabilities arising on account of</b>		
Financial liabilities recognised at amortised cost	93.60	-
Property, plant and equipment and Intangible assets	1.82	0.47
<b>Total deferred tax liabilities</b>	<b>(B) 95.42</b>	<b>0.47</b>
<b>Total deferred tax assets (net)</b>	<b>(A-B) -</b>	<b>-</b>

## Notes to the standalone financial statements for the year ended March 31, 2023

### 11. Other assets

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Advances other than capital advances</b>				
<b>Unsecured, considered good</b>				
Advance to suppliers	-	-	58.52	121.30
Advance to employees	-	-	0.15	-
<b>(A)</b>	<b>-</b>	<b>-</b>	<b>58.67</b>	<b>121.30</b>
<b>Other advances</b>				
Prepaid expenses	-	-	0.38	1.08
Balances with statutory/ government authorities	2.60	4.84	20.79	47.01
Generation based incentive receivable*	-	-	0.10	0.10
<b>(B)</b>	<b>2.60</b>	<b>4.84</b>	<b>21.27</b>	<b>48.19</b>
<b>Total other assets</b>	<b>(A+B)</b>	<b>2.60</b>	<b>4.84</b>	<b>79.94</b>
				<b>169.49</b>

\* Generation based incentive is receivable for generation of renewable energy. There are no unfulfilled conditions or contingencies attached to these grants.

### 12. Inventories

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Raw materials (valued at lower of cost and net realizable value)*	47.58	84.39
<b>Total inventories</b>	<b>47.58</b>	<b>84.39</b>

\* Refer note 16 for information on inventories pledged as security against borrowings

### 13. (a) Cash and cash equivalents

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Cash and cash equivalents</b>				
Balances with banks:				
- in current accounts	-	-	14.55	5.21
- deposits with original maturity of less than or equal to three months <sup>1</sup>	-	-	0.35	0.43
Cash on hand	-	-	0.01	0.02
<b>(A)</b>	<b>-</b>	<b>-</b>	<b>14.91</b>	<b>5.66</b>
<b>13 (b) Other bank balances</b>				
- deposits with remaining maturity for more than three months but less than or equal to twelve months <sup>1,2</sup>	-	-	41.17	8.98
- deposits with remaining maturity for more than twelve months <sup>1</sup>	11.88	60.93	-	-
<b>(B)</b>	<b>11.88</b>	<b>60.93</b>	<b>41.17</b>	<b>8.98</b>
Amount disclosed under non-current financial assets (refer note 8)	(11.88)	(60.93)	-	-
<b>(C)</b>	<b>(11.88)</b>	<b>(60.93)</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>(A+B+C)</b>	<b>-</b>	<b>56.08</b>	<b>14.64</b>

1. A charge has been created over the deposits of ₹ 53.40 crore (March 31, 2022: ₹ 70.34 crore) towards various loans, guarantees, letter of credit facilities, working capital facilities, bank performance guarantee and Debt Service Reserve Account ('DSRA') maintained by the Company for loans availed by the Company from banks and financial institutions (refer note 16).

## Notes to the standalone financial statements for the year ended March 31, 2023

2. Includes deposits with original maturity of more than 3 months but less than 12 months of ₹ 41.17 crore (March 2022: ₹ 8.98 crore)

### 14. Equity Share Capital

Particulars	Equity Shares	
	Number of shares	(₹ in crore)
<b>Authorised share capital:</b>		
<b>At April 01, 2021</b>	50,000,000	50.00
Increase during the year*	1,050,000,000	500.00
<b>At March 31, 2022</b>	<b>1,100,000,000</b>	<b>550.00</b>
Increase/(decrease) during the year	-	-
<b>At March 31, 2023</b>	<b>1,100,000,000</b>	<b>550.00</b>

\* Pursuant to Composite Scheme of Amalgamation and Arrangement as sanctioned by the Hon'ble National Company Law Tribunal, Bench at Mumbai vide its order dated December 22, 2021, the authorised share capital was altered from ₹ 500,000,000 divided into 50,000,000 Equity Shares of face value of ₹ 10/- each to ₹ 5,500,000,000 divided into 1,100,000,000 Equity Shares of face value of ₹ 5/- each on the scheme become effective.

#### a. Issued equity capital

Particulars	Number of shares	(₹ in crore)
<b>At April 01, 2021</b>	-	-
Equity shares issued pursuant to scheme of arrangement [refer note 14(b)(i)]	603,594,528	301.80
<b>At March 31, 2022</b>	<b>603,594,528</b>	<b>301.80</b>
Increase/(decrease) during the year	-	-
<b>At March 31, 2023</b>	<b>603,594,528</b>	<b>301.80</b>

#### b. Equity share pending issuance

Particulars	Number of shares	(₹ in crore)
<b>At April 01, 2021</b>	603,594,528	301.80
Equity shares issued pursuant to scheme of arrangement [refer note 14(b)(i)]	(603,594,528)	(301.80)
<b>At March 31, 2022</b>	-	-
<b>At March 31, 2023</b>	-	-

(i) The National Company Law Tribunal ("NCLT"), Mumbai vide its order pronounced on December 22, 2021 had sanctioned the Composite Scheme of Arrangement. The Scheme has been made effective from December 31, 2021 and as per the Scheme the existing paid up share capital of ₹ 0.10 crore held by GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited) ('GIL') stands cancelled. In terms of the Scheme the Company had allotted 1 shares of ₹ 5/- each to shareholders of GIL for every 10 shares held in GIL. Accordingly on January 31, 2022 603,594,528 equity shares of ₹ 5/- each aggregating ₹ 301.80 crore have been allotted and the shares held by GIL stands cancelled. (refer note 45)

#### c. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share. Every member holding equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

## Notes to the standalone financial statements for the year ended March 31, 2023

### d. Shares held by holding /ultimate holding company and/ or their subsidiaries/ associates.

Out of the equity share issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Name of Shareholder	March 31, 2023 <sup>#</sup>		March 31, 2022 <sup>#</sup>	
	Number of shares held	(₹ in crore)	Number of shares held	(₹ in crore)
GMR Enterprises Private Limited ('GEPL'), holding company	274,084,313	137.04	274,084,313	137.04
GMR Infra Ventures LLP ('GIVLLP'), a subsidiary of the holding company	3,132,181	1.57	3,132,181	1.57
GMR Business and Consulting LLP ('GBC'), a subsidiary of the holding company	76,513,516	38.26	76,513,516	38.26
Hyderabad Jabilli Properties Private Limited, a subsidiary of the holding company	5,750,000	2.88	5,750,000	2.88

<sup>#</sup> Face value of ₹ 5/- each

### e. Details of Shareholding more than 5% shares in the Company

Name of Shareholder	March 31, 2023		March 31, 2022	
	Number of shares held	% in Holding	Number of shares held	% in Holding
GEPL, holding company	274,084,313	45.41%	274,084,313	45.41%
GBC, a subsidiary of holding company	76,513,516	12.68%	76,513,516	12.68%
DVI Fund (Mauritius) Limited*	-	-	51,250,711	8.49%
ASN Investments Limited	43,906,992	7.27%	43,906,992	7.27%

\*No shareholding as on March 31, 2023

As per records of the Company including its register of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares.

### f. Shares held by promoters

Name of Shareholder <sup>#</sup>	March 31, 2023		March 31, 2022		% of change during the year
	Number of shares held	% in Holding	Number of shares held	% in Holding	
GEPL	274,084,313	45.41%	274,084,313	45.41%	0.00%
Mallikarjuna Rao Grandhi*	173,233	0.03%	173,233	0.03%	0.00%

\*Includes shares held as karta of HUF and trustee of trust

<sup>#</sup> The total promoters and promoters group shareholding as on March 31, 2023 is 361,116,914 shares constituting 59.83% (March 31, 2022: 361,116,914 shares constituting 59.83%) of the paid up equity share capital of the Company.

### g. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has not made any buy-back of shares, nor has there been an issue of shares by way of bonus share without payment being received in cash since the incorporation of the Company.

Pursuant to the composite scheme of arrangement (refer note 45), the Company on January 31, 2022 allotted 603,594,528 equity shares of ₹ 5/- each to the shareholders of GIL. These shares were issued for consideration other than cash.

### h. Shares reserved for issue under options

For details of shares reserved for issue on conversion of foreign currency convertible bonds ('FCCB'), refer note 16(1) related to terms of conversion/ redemption of FCCB.

## Notes to the standalone financial statements for the year ended March 31, 2023

15. Other Equity	(₹ in crore)
<b>A) Equity component of related party loan<sup>1</sup></b>	
<b>Balance as at April 01, 2021</b>	<b>1.24</b>
Add: Equity component from related party loan	242.71
<b>Balance as at March 31, 2022</b>	<b>243.95</b>
Less: Extinguishment of equity component from related party loan	(229.22)
<b>Balance as at March 31, 2023</b>	<b>(A) 14.73</b>
<b>B) Fair valuation through other comprehensive income ('FVTOCI')<sup>2</sup></b>	
<b>Balance as at April 01, 2021</b>	<b>(9,360.34)</b>
Add: Gain on equity instruments classified as FVTOCI	590.86
<b>Balance as at March 31, 2022</b>	<b>(8,769.48)</b>
Add: Loss on equity instruments classified as FVTOCI	(357.66)
Less: Amount transferred to retained earning [Refer note 5(8)]	(1,067.20)
<b>Balance as at March 31, 2023</b>	<b>(B) (10,194.34)</b>
<b>C) Capital reserve<sup>3</sup></b>	
<b>Balance as at April 01, 2021</b>	<b>(301.80)</b>
<b>Balance as at March 31, 2022</b>	<b>(301.80)</b>
<b>Balance as at March 31, 2023</b>	<b>(C) (301.80)</b>
<b>D) Securities premium<sup>4</sup></b>	
<b>Balance as at April 01, 2021</b>	<b>10,010.98</b>
<b>Balance as at March 31, 2022</b>	<b>10,010.98</b>
<b>Balance as at March 31, 2023</b>	<b>(D) 10,010.98</b>
<b>E) Retained earnings<sup>5</sup></b>	
<b>Balance as at April 01, 2021</b>	<b>209.02</b>
Less: Loss for the year	(48.68)
Less: Re-measurement loss on defined benefit plans	(0.13)
<b>Balance as at March 31, 2022</b>	<b>160.21</b>
Less: Loss for the year	(282.86)
Less: Re-measurement loss on defined benefit plans	(0.79)
Add: Transfer from fair valuation through other comprehensive income ('FVTOCI') reserve [Refer note 5(8)]	1,067.20
<b>Balance as at March 31, 2023</b>	<b>(E) 943.76</b>
<b>F) Foreign currency monetary translation difference reserve ('FCMTR')<sup>6</sup></b>	
<b>Balance as at April 01, 2021</b>	<b>(159.35)</b>
Add: Exchange difference loss on FCCB recognised during the year	(73.77)
Less: FCMTR amortisation during the year	10.81
<b>Balance as at March 31, 2022</b>	<b>(222.31)</b>
Add: Exchange difference loss on FCCB recognised during the year	(175.38)
Less: FCMTR amortisation during the year	25.83
<b>Balance as at March 31, 2023</b>	<b>(F) (371.86)</b>
<b>Total other equity (A+B+C+D+E+F)</b>	
<b>Balance as at March 31, 2022</b>	<b>1,121.55</b>
<b>Balance as at March 31, 2023</b>	<b>101.47</b>

1. Equity component of related party loan has been created on interest free loan provided by related parties. The same has been converted into interest bearing loans during the current year resulting in extinguishment of equity component of related party loan.

## Notes to the standalone financial statements for the year ended March 31, 2023

- The Company recognises changes in the fair value of investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI reserves within equity.
- Capital reserve created pursuant to composite scheme of amalgamation and arrangement. [refer note 14(b)(i)]
- Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- Retained Earnings are the profits of the Company earned till date net of appropriations.
- FCMTR represents unamortised foreign exchange differences arising on translation of long-term foreign currency monetary items.

### 16. Financial liabilities - Borrowings

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Bonds</b>				
275 (March 31, 2022 : 275) 7.5% Foreign Currency Convertible Bonds ('FCCBs') of USD 1,000,000 each (unsecured) <sup>1</sup>	2,214.34	2,042.41	-	-
<b>Term Loans</b>				
<b>From banks</b>				
Indian rupee term loans (secured) <sup>2,3,4,5,17</sup>	-	623.52	14.42	140.44
<b>From financial institutions</b>				
Indian rupee term loans (unsecured) <sup>6</sup>	43.81	87.55	43.81	43.49
<b>Others</b>				
Loans from related parties (unsecured) <sup>7,8,9,10,11,15</sup>	763.57	882.69	175.00	198.94
Bank overdraft (secured) <sup>16</sup>	-	-	114.50	176.70
Working capital loan (secured) <sup>16</sup>	-	-	93.00	93.13
Loans from related parties (unsecured) <sup>11,12,13,14</sup>	-	-	202.50	239.74
	<b>3,021.72</b>	<b>3,636.17</b>	<b>643.23</b>	<b>892.44</b>
<b>The above amount includes</b>				
Secured borrowings	-	623.52	221.92	410.27
Unsecured borrowings	3,021.72	3,012.65	421.31	482.17
	<b>3,021.72</b>	<b>3,636.17</b>	<b>643.23</b>	<b>892.44</b>

1. GMR Airports Infrastructure Limited ('GIL') (formerly GMR Infrastructure Limited) had issued 6 (six) Foreign Currency Convertible Bonds (FCCBs) of USD 50,000,000 each, aggregating to USD 300 million due in 2075 to the Kuwait Investment Authority ("KIA") on December 10, 2015. The National Company Law Tribunal (NCLT), Mumbai vide its order dated on December 22, 2021 had approved the Composite Scheme of Amalgamation and Arrangement amongst GMR Power Infra Limited, GIL and the Company ("Scheme"). The Scheme inter-alia provides for Demerger of EPC and Urban Infra business of GIL into the Company. In accordance with the requirements of Section 2(19AA) of the Income Tax Act, 1961, part of the liability pertaining to the outstanding FCCBs of GIL attributable to the Demerged Undertaking stands vested to the Company pursuant

to the Demerger. Thus, upon effectiveness of the Scheme, subject to necessary regulatory approval, FCCBs of USD 275 million stands vested to the Company. To give effect to the split of FCCBs between GIL and the Company, GIL, KIA and the Company had entered into an agreement on January 12, 2022 inter-alia for redenomination of the FCCBs into a total of 300 FCCBs, each having a face value of USD 1,000,000, from 6 FCCBs of USD 50,000,000 each and split of FCCBs between GIL and the Company such that GIL will retain FCCBs of USD 25 million and remaining FCCBs of USD 275 million which stands vested to the Company. The tenure of FCCBs is 60 years from the date of allotment by GIL and the USD 275 million FCCBs outstanding in the Company if converted shall account for 111,241,666 equity shares of the Company. The right of conversion of any or all of

## Notes to the standalone financial statements for the year ended March 31, 2023

the FCCBs to equity shares of GIL and / or GPUIL, will need to be simultaneously exercised in the equivalent ratio.

The outstanding amount as at March 31, 2023 is ₹ 2,214.34 crore (March 2022: ₹ 2,042.41 crore). Interest is payable on annual basis. As at March 31, 2023, FCCB holders have not exercised the conversion option. The Company needs to take necessary steps in case the bondholders direct the Company to list the FCCBs on the Singapore Exchange Trading Limited. Also refer note 16(18) below.

2. Indian rupee term loan from a bank of ₹ Nil (March 31, 2022: ₹ 19.05 crore) carries interest @ base rate of lender plus spread of 1.25% p.a. (March 31, 2022: base rate of lender plus spread of 1.25% p.a.) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) an exclusive charge on assets created out of underlying facility by GMR Infrastructure (Singapore) Pte Limited ('GISPL') in favour of lender approved correspondent bank iii) second charge on cash flows of GISPL from coal trading under Coal Sales and Purchase Agreement with GCRPL iv) exclusive charge on loans given to GEL v) DSRA covering interest payment for the next three months and vi) securities as set out in note 16(17). The loan is repayable in fourteen unequal semi-annual instalments commencing after twelve months from the date of first disbursement. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof. Further during the current year the Company has repaid the entire loan.
3. Indian rupee term loan from a bank of ₹ Nil (March 31, 2022: ₹ 509.95 crore) carries interest @ lender's marginal cost of funds based lending rate ('MCLR') plus spread of 3.10% p.a. (March 31, 2022: MCLR plus spread of 3.10% p.a.) and interest is payable on a monthly basis. The loan is secured by (i) first charge on the assets taken on loan by the Company to provide minimum cover of 1.00 times of the facility outstanding (ii) extension of pledge over 20% shares of GEL along with all beneficial/economic voting rights (already cross collateralized for existing term loan facilities at the Company, RSSL, GGAL (Term Loan-I) GMRHL (Term Loan-I)) (iii) additional pledge over 8% shares of GEL along with all beneficial/economic voting rights and non disposal undertaking over 2% shares of GEL (prior to disbursement) (iv) pledge over 26% shares of GMR Airports Limited along with all beneficial/economic voting rights (v) margin of 19.14% of outstanding amount (in form of FD/cash or any other instrument to the satisfaction of the lender). The loan is repayable in fourteen half yearly structured instalments commencing after a moratorium period of one year from the date of first disbursement. Further the lender has certain mandatory prepayment rights as per the terms of the agreements. Further during the current year the Company has repaid the entire loan.
4. Indian rupee term loan from a bank of ₹ Nil (March 31, 2022: ₹ 208.10 crore) carries interest @ MCLR plus spread of 1.45% p.a. (March 31, 2022: MCLR plus spread of 1.45% p.a.) and interest is payable on a monthly basis. The loan is secured by i) first charge on assets created out of this facility ii) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender and iii) securities as set out in note 16(17). The loan is repayable in twenty eight structured quarterly instalments commencing from October 2017. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof. Further during the current year the Company has repaid the entire loan.
5. Indian rupee term loan from a bank of ₹ 14.42 crore (March 31, 2022: ₹ 26.86 crore) carries interest @ base rate of lender plus spread of 4.75% p.a. (March 31, 2022: base rate of lender plus spread of 4.75% p.a.) payable on a monthly basis. The loan is secured by (i) first pari passu charge on 121.07 acres of land held by GKSIR and (ii) . The loan is repayable in twelve structured quarterly instalments commencing from April 25, 2021 and ending on January 25, 2024 as per the revised agreement dated May 27, 2016. (ii) first ranking pledge/NDU over 49% of equity shares of GGAL iii) DSRA covering interest payment for the next three months Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
6. Indian rupee term loan from a financial institution of ₹ 87.62 crore (March 31, 2022: ₹ 131.04 crore) carries interest @ 12.15% p.a. (March 31, 2022: 12.15% p.a.) payable on a quarterly basis. The loan is repayable in six equal annual instalments commencing at the end of five years from the date of first disbursement. The loan is secured by an exclusive first charge on certain immovable properties located in the State of Telangana owned by Namitha Real Estate Private Limited (NREPL), a subsidiary of the Company, Corporate Infrastructure Services Private Limited ('CISPL'), a fellow subsidiary, Varalaxmi Jute & Twine Mills Private Limited, Vijay Niwas Real Estates Private Limited and Smt. G. Varalakshmi.
7. Loan of ₹ 44.70 crore (March 31, 2022: ₹ 44.68 crore) from a fellow subsidiary, GMR Airport Developers Limited ('GADL') carries interest @ 12.95% p.a. (March 31, 2022: 12.95% p.a.) and is payable on a monthly basis. The loan is to be repaid on June 30, 2024.
8. Loan of ₹ 203.45 crore (March 31, 2022: ₹ 409.64 crore) from a



## Notes to the standalone financial statements for the year ended March 31, 2023

- fellow subsidiary, GMR Infra Developers Limited ('GIDL') carries interest 17.25% p.a, 18.25% and 19.46% p.a (March 31, 2022: 19.46% and 17.25%) and is payable along with the principal. The loan is repayable after 3 years from the date of disbursement of the loan.
9. Loan of ₹ 175.00 crore (March 31, 2022 ₹ 175.00 crore), from a fellow subsidiary, GMR Corporate Affairs Limited ('GCAL') which carried interest @ 17% p.a. (March 31, 2022: 17%) payable on monthly basis. The principal is repayable on July 07, 2023.
  10. Loan of ₹ 216.00 crore (March 31, 2022 ₹ 216.00 crore) from a fellow subsidiary, GMR Airports Limited ('GAL') which carried interest @ 16% p.a. (March 31, 2022: 16%) payable on monthly basis. The principal is repayable on June 30, 2024.
  11. Loan of ₹ 327.01 crore (March 31, 2022 ₹ 153.61 crore) from a fellow subsidiaries, which carried interest ranging between @ 11% p.a and 12.25% p.a. (March 31, 2022: 0% to 11%) and is payable along with repayment of principal or on such intervals as may otherwise be agreed upon by the parties.
  12. Loan of ₹ Nil (March 31, 2022 ₹ 113.55 crore) from its subsidiaries, which carried interest ranging between @ 10% p.a to 12% p.a (March 31, 2022: 10% to 12%) and is payable along with repayment of principal or on such intervals as may otherwise be agreed upon by the parties.
  13. Loan of ₹ 48.84 crore (March 31, 2022 ₹ 48.84 crore) from its subsidiary, GMR Pochanpalli Expressways Limited which carried interest @ 10% p.a. (March 31, 2022: 10%) payable at the end of the term. The principal is repayable on March 30, 2024.
  14. Loan of ₹ 94.87 crore (March 31, 2022 ₹ 90.72 crore) from its subsidiaries, which carried interest @ 10% p.a. (March 31, 2022: 10%) payable at the end of the term. The principal is repayable on March 30, 2024.
  15. Loan of ₹ 31.20 crore (March 31, 2022 ₹ 31.20 crore) from its subsidiaries, which carried interest @ 17% p.a. (March 31, 2022: 17%) payable at the end of the term. The principal is repayable on June 07, 2025.
  16. Out of Bank overdrafts of ₹ 114.50 crore, overdrafts amounting to ₹ 108.96 crore (DFCC Project Package 201 ₹ 59.82 crore, DFCC Project Package 202 ₹ 49.14 crore) {(March 31, 2022: ₹ 176.70 crore (DFCC Project Package 201 ₹ 63.21 crore, DFCC Project Package 202 ₹ 109.10 crore and Other ₹ 4.39 crore)} and working capital loan amounting to ₹ 93.00 crore (DFCC Project Package 201) (March 31, 2022: ₹ 93.13 crore (DFCC Project Package 201)) is secured by
    - A) First pari passu charge on current assets of GIL SIL-JV and the Company (DFCC Project Package 202) with IDBI Bank,
    - B) First charge ranking Pari-Passu on the Escrow Account (in the name of GIL-SIL JV) maintained for the purpose of Project Package 202 along with other working capital as well as term loan lenders and first pari-passu charge on equipment financed by Lakshmi Vilas Bank ('LVB') (Note : Loan with LVB has fully repaid by the Company hence the charge may be treated as first charge against earlier 2nd pari passu charge).
    - C) First mortgage on the Company's and GIL-SIL JV entire fixed assets pertaining to DFCC Package 201 (if any) and first charge by way of hypothecation on all movable assets (excluding all equipments funded by central bank) including but not limited to all current / non-current assets in respect of project (Package 201) both present and future ranking pari-passu with other working capital and NFB / BG Lenders.
    - D) First charge on all company's and GIL-SIL JV's bank accounts including, without limitation, the TRA/ Escrow/ Designated account and each of the other accounts as required to be created by company for this project under any project document or contract.
    - E) A first charge / assignment/ security interest on the Company's rights under the Engineering, Procurement & Construction (EPC) agreement, major project documents and contracts and all licenses, permits, approvals, consents and insurance policies in respect of the present project.
    - F) Assignment of contractor guarantees, liquidated damages, letter of credit, guarantee or performance bond that may be provided by any counter party under any project agreement or contract in favor of the Company and insurance policies etc. pertaining to this project.

The aforesaid security would rank pari-passu with all the security created/ to be created in favour of the lenders and working capital lenders, if any for securing the fund based and non-fund based working capital limits for the project (DFCC Package 201).

**Collateral Security:**

    - (1) Exclusive charge by way of mortgage of around 208.835 acres vacant land situated at Ayyarnpalli and Nagamangalam, villages near Hosur, Tamil Nadu. The land stands in the name of GMR Krishnagiri SIR Limited ('GKSIR').
    - (2) Exclusive charge by way of mortgage of residential property at Jaynagar 4th block, Bengaluru standing in the name of B V Nageswara Rao measuring 2,494 Sq.ft.
    - (3) Pari Passu charge on fixed assets of DFCC Project Package 201 present and future.

## Notes to the standalone financial statements for the year ended March 31, 2023

(4) Exclusive charge on 70 acres of land owned by GMR Krishnagiri SIR Limited.

(5) The cash credit facility is further secured by personal/corporate guarantee

Mr . B V Nageswara Rao, Group Director, (to the extent of the value of the property offered as collateral security i.e ₹ 5.80 crore); GKSIR, Lilliam Properties (P) Limited and Suzone Properties (P) Limited and GMR Krishnagiri Special Investment Region Ltd, being the owner of the collateral security offered.

### 17. Securities for the facilities mentioned in note 3,4,5

a) First charge over 30% pledge of shares of RSSL and 70% shares under Non Disclosure Undertaking ('NDU') arrangement to be kept in lender's demat account.

b) Charge over 30% pledge of shares of GGAL.

c) Pledge over 30% shares of GMRHL held by the Company along with DSL.

d) Undertaking from the Company to hold majority stake in GMRHL.

e) Pledge/charge on the advances/CCPS invested by GISPL in GCRPL in favour of lender/ lender approved correspondent bank.

f) Mortgage on office space at Bandra Kurla Complex, Mumbai.

g) Pledge over 26% shares of GMR Airport Limited (GAL) along with all beneficial/economic voting rights.

### 18. Detail of period and amount of delays;

#### March 31, 2023

The Company had dues to bonds holders as on March 31, 2023 amounting to ₹ 795.37 crore which were overdue for more than 90 days.

#### March 31, 2022

The Company had dues to bonds holders as on March 31, 2022 amounting to ₹ 528.03 crore which were overdue for more than 90 days.

19. The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Company's financial liabilities with respect to borrowings on an undiscounted basis, which therefore differ from both carrying value and fair value.

(₹ in crore)				
Particulars	0-1 year	1 to 5 year	> 5 year	Total
Maturity profile as on March 31, 2023	646.10	538.81	2,527.90	3,712.81
<b>Total</b>	<b>646.10</b>	<b>538.81</b>	<b>2,527.90</b>	<b>3,712.81</b>

(₹ in crore)				
Particulars	0-1 year	1 to 5 year	> 5 year	Total
Maturity profile as on March 31, 2022	893.19	1,507.20	2,415.34	4,815.73
<b>Total</b>	<b>893.19</b>	<b>1,507.20</b>	<b>2,415.34</b>	<b>4,815.73</b>

#### Note:

#### 1) Reconciliation with carrying amount March 31, 2023

(₹ in crore)	
Total amount repayable as per repayment terms	3,712.81
Less: Impact of recognition of borrowing at amortised cost using effective interest method	47.86
	<b>3,664.95</b>

#### 2) Reconciliation with carrying amount March 31, 2022

(₹ in crore)	
Total amount repayable as per repayment terms	4,815.73
Less: Impact of recognition of borrowing at amortised cost using effective interest method	287.12
	<b>4,528.61</b>

## Notes to the standalone financial statements for the year ended March 31, 2023

### 17. Other financial liabilities

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Other financial liabilities at amortised cost</b>				
Financial guarantee	44.21	51.69	7.89	9.27
Non-trade payable	-	-	126.63	137.80
Non trade payable- Related parties (refer note 32)	-	-	-	11.01
Interest accrued on debt and borrowings (refer note no 32)	-	-	955.49	682.29
Liabilities towards put options given to non controlling interest <sup>1</sup>	-	-	996.93	1,086.93
<b>Total other financial liabilities</b>	<b>44.21</b>	<b>51.69</b>	<b>2,086.94</b>	<b>1,927.30</b>

- In July 2010, IDFC and Temasek ('PE investors') had made certain investments through preference shares in GMR Energy Limited (GEL). There were certain amendments to the original arrangement between the Company, GEL and the PE investors. Per the latest amended Subscription and Shareholder Agreement executed in May 2016, preference shares held by the PE investors were converted into equity shares of GEL. Post conversion, the PE investors held 17.85% of equity shares in GEL with an exit option within the timelines as defined in the aforesaid amended agreement. As the said timelines have expired, the PE investors have sought for an exit without any further extensions and consequently, the Company has recognized the financial liability of ₹ 996.93 crore (March 31, 2022: ₹ 1,086.93 crore) in the standalone financial statements.

Out of the 17.85% additional stake 2.13% holding has been transferred to GPUIL as at March 31, 2023. (0.84% holding transferred to GPUIL as at March 31, 2022).

### 18. Provisions

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Provision for employee benefits</b>				
Provision for gratuity (refer note 37(b))	1.89	1.17	0.14	-
Provision for superannuation	-	-	0.02	0.02
Provision for compensated absences	1.38	1.91	0.16	0.30
<b>Total provisions</b>	<b>3.27</b>	<b>3.08</b>	<b>0.32</b>	<b>0.32</b>

### 19. Trade payables

(₹ in crore)

Particulars	Current	
	March 31, 2023	March 31, 2022
Total outstanding dues of micro enterprises and small enterprises <sup>1,2,3,4</sup>	71.11	54.30
Total outstanding dues of creditors other than micro enterprises and small enterprises <sup>1,3,4</sup>		
- Trade payables	388.00	458.15
- Trade payables to related parties (refer note 32)	36.59	5.39
<b>Total trade payables</b>	<b>495.70</b>	<b>517.84</b>

- Includes retention money of ₹ 134.32 crore (March 31, 2022: ₹ 104.02 crore). Retention money is payable on the completion of the contracts or after the completion of the defect liability period as defined in the respective contracts. These payments are kept as retention to ensure performance of the vendor obligation and hence are not discounted for present value of money
- Terms and conditions of the above financial liabilities:
  - Trade payables are non-interest bearing
  - For explanations on the Company's credit risk management processes, refer note 36(c)
  - The dues to related parties are unsecured.

## Notes to the standalone financial statements for the year ended March 31, 2023

### 3. Disclosure as per Section 22 of “The Micro, Small and Medium Enterprises Development Act, 2006”.

(₹ in crore)

Particulars	Current	
	March 31, 2023	March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier:		
- Principal Amount	67.12	52.45
- Interest thereon	3.99	1.85
	<b>71.11</b>	<b>54.30</b>
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
The amount of interest accrued and remaining unpaid. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor.	3.99	1.85

### 4. Trade payables ageing schedule is as follows:

(₹ in crore)

Particulars	Unbilled dues	As at March 31, 2023					
		Outstanding for following periods from due date of payment					
		Not due	0-1 year	1-2 year	2-3 year	More than 3 year	Total
(i) MSME	-	22.40	41.68	3.33	0.43	3.27	71.11
(ii) Others	38.13	195.20	174.97	8.20	2.45	5.64	424.59
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-

(₹ in crore)

Particulars	Unbilled dues	As at March 31, 2022					
		Outstanding for following periods from due date of payment					
		Not due	0-1 year	1-2 year	2-3 year	More than 3 year	Total
(i) MSME	-	4.57	45.42	1.10	2.94	0.27	54.30
(ii) Others	191.96	56.93	177.17	11.18	11.33	14.97	463.54
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-

### 20. Other liabilities

(₹ in crore)

Particulars	Current	
	March 31, 2023	March 31, 2022
Advances from customers (refer note 32)	133.42	108.18
Other liabilities (including statutory dues)	3.32	3.83
<b>Total other liabilities</b>	<b>136.74</b>	<b>112.01</b>

## Notes to the standalone financial statements for the year ended March 31, 2023

### 21. Revenue from operations

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>a) Sale of services:</b>		
Engineering, Procurement and Construction ('EPC'): Construction revenue (refer note 32 and 33)	1,000.47	1,179.05
Sale of electrical energy	0.39	0.34
Sale of Renewable Energy Certificate ('REC')	-	0.25
Income from generation based incentive	-	0.02
	<b>1,000.86</b>	<b>1,179.66</b>
<b>b) Other operating income</b>		
Interest income on:		
Bank deposits	2.24	3.92
Inter corporate deposits and others (refer note 32)	369.93	375.36
Profit on sale of current investments (others)	2.73	0.96
Income from management and other services	33.02	8.00
	<b>407.92</b>	<b>388.24</b>
	<b>1,408.78</b>	<b>1,567.90</b>

### 22. Other income

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Liabilities/ provisions no longer required, written back	7.65	0.28
Interest income - Others	8.99	-
Gain on financial instruments at fair value through profit or loss	0.03	-
Gain on disposal of Property, plant and equipment (net)	1.13	0.06
Scrap sales	7.50	1.90
Miscellaneous income	6.67	1.50
	<b>31.97</b>	<b>3.74</b>

### 23. Cost of materials consumed

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Inventory at the beginning of the year	84.39	78.68
Add: Purchases	552.34	657.50
	<b>636.73</b>	<b>736.18</b>
Less: Inventory at the end of the year	47.58	84.39
	<b>589.15</b>	<b>651.79</b>

### 24. Employee benefits expense

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Salaries, wages and bonus	27.67	21.49
Contribution to provident and other funds (refer note 37(a))	1.51	1.16
Gratuity expenses (refer note 37(b))	0.44	0.38
Staff welfare expenses	5.09	3.73
	<b>34.71</b>	<b>26.76</b>

## Notes to the standalone financial statements for the year ended March 31, 2023

### 25. Finance costs

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Interest on debts and borrowings (refer note 32)	520.95	585.24
Bank and other charges	30.27	38.17
	<b>551.22</b>	<b>623.41</b>

### 26. Depreciation and amortisation expense

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment (refer note 3)	15.72	18.56
Amortisation on intangible assets (refer note 4)	0.31	0.31
	<b>16.03</b>	<b>18.87</b>

### 27. Other expenses

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Lease rental and equipment hire charges	32.16	50.95
Rates and taxes	37.82	24.86
Repairs and maintenance	6.57	5.39
Legal and professional fees	41.83	10.86
Security expenses	8.01	5.11
Payment to auditors (refer details below) #	0.53	0.61
Director's sitting fees	0.25	0.04
Loss on account of foreign exchange fluctuations (net)	22.93	3.55
Miscellaneous expenses	6.91	6.03
	<b>157.01</b>	<b>107.40</b>

### Corporate social responsibility ('CSR')

- (a) Gross amount required to be spent by the Company during the year ended March 31, 2023 ₹ Nil (March 31, 2022: ₹ Nil)  
 (b) The Company has incurred on CSR activities during the year ended March 31, 2023 ₹ Nil (March 31, 2022: ₹ Nil).

### # Payment to auditors (exclusive of goods and service tax)

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>As auditor:</b>		
Audit fee	0.47	0.47
<b>In other capacity</b>		
Other services (including certification fees)	0.06	0.14
	<b>0.53</b>	<b>0.61</b>

### 28. Exceptional items

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
(Creation) /Reversal of provision for impairment in carrying value of investments and loans/ advances/other receivables carried at amortised cost (also refer note no 5,7,8 and 32)	(66.76)	115.73
	<b>(66.76)</b>	<b>115.73</b>

## Notes to the standalone financial statements for the year ended March 31, 2023

### 29. Income tax

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

On September 30, 2019 the Taxation Laws (Amendment) Ordinance 2019 ('the Ordinance') was passed introducing section 115BAA of the IT Act which allowed domestic companies to opt for an alternative tax regime from financial year 2019-20 onwards. As per the regime, companies can opt to pay reduced income tax @22% (plus surcharge and cess) subject to foregoing of certain exemptions. Central Board of Direct taxes vide circular number 29/2019 clarified that companies opting for lower rates of taxes will not be allowed to carry forward minimum alternate tax (MAT) credit and also will not be allowed to offset brought forward losses on account of additional depreciation.

At the time of filing income tax return for financial year ended March 31, 2022, the Company has decided to opt for the aforementioned regime. Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

**Income tax expenses in the statement of profit and loss consist of the following:**

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
(a) Current tax	-	-
(b) Deferred tax	-	-
<b>Total tax expense</b>	<b>-</b>	<b>-</b>

**Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:**

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Loss before taxes	(282.86)	(48.68)
Applicable tax rates in India	25.17%	34.94%
<b>Computed tax charge on applicable tax rates in India</b>	<b>(71.20)</b>	<b>(17.01)</b>
Tax impact on change in tax rate	4.76	-
Tax effect on losses on which deferred taxes has not been recognised	66.44	17.01
<b>Total tax expense</b>	<b>-</b>	<b>-</b>

**Movement in deferred tax assets and liabilities for the year ended March 31, 2023**

(₹ in crore)

Particulars	Opening deferred tax (asset)/ liabilities	Income tax expense/ (credit) recognized in profit or loss	Income tax expense/(credit) recognized in other comprehensive income	Closing deferred tax (asset)/ liabilities
Property, plant and equipment and Intangible assets	0.47	1.35	-	1.82
Financial liabilities recognised at amortised cost	-	93.60	-	93.60
Expenses deductible on payment	(0.30)	(0.60)	-	(0.90)
Brought forward losses	(0.17)	(94.35)	-	(94.52)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Notes to the standalone financial statements for the year ended March 31, 2023

### Movement in deferred tax assets and liabilities for the year ended March 31, 2022

(₹ in crore)

Particulars	Opening deferred tax (asset)/ liabilities	Income tax expense/ (credit) recognized in profit or loss	Income tax expense/(credit) recognized in other comprehensive income	Closing deferred tax (asset)/ liabilities
Property, plant and equipment and Intangible assets	0.30	0.17	-	0.47
Fair valuation loss (net) on equity instruments	(829.83)	-	829.83	-
Expenses deductible on payment	(0.30)	-	-	(0.30)
Brought forward losses	-	(0.17)	-	(0.17)
<b>Total</b>	<b>(829.83)</b>	<b>-</b>	<b>829.83</b>	<b>-</b>

The Company has not recognised deferred tax asset on unused tax losses and unabsorbed depreciation of ₹ 1,384.90 crore (March 31, 2022 : ₹ 1,630.45 crore) and other deductible temporary differences of ₹ 1,009.41 crore (March 31, 2022 : ₹ 808.57 crore). The unused tax losses will be adjustable till assessment year 2031-32.

Pursuant to Composite Scheme of Amalgamation and Arrangement as sanctioned by the Hon'ble National Company Law Tribunal, Bench at Mumbai vide its order dated December 22, 2021, GIL has allocated the business losses and unabsorbed depreciation between GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited) ("the Demerged Company") and GMR Power and Urban Infra Limited ("the Resulting Company").

### 30. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit/ loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS is calculated by dividing the profit attributable to equity shareholders (after adjusting for interest on the convertible securities) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Face value of equity share (₹ per share)	5	5
Loss attributable to equity shareholders	(282.86)	(48.68)
Loss attributable to equity shareholders for diluted earnings per share	(282.86)	(48.68)
Weighted average number of equity shares used for computing earnings per share (basic and diluted)	603,594,528	603,594,528
<b>Earnings per share</b>		
Basic (in ₹)	(4.69)	(0.81)
Diluted (in ₹)	(4.69)	(0.81)

#### Notes:

- (i) During the year ended March 31, 2016, the Company had issued FCCB's, however, the same have not been included in the calculation of diluted earnings per share for period ended March 31, 2023 and March 31, 2022 respectively since those are anti-dilutive.

## Notes to the standalone financial statements for the year ended March 31, 2023

### 31 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include fair value measurement of investments in subsidiaries, joint ventures and associates, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies and recognition of revenue on long term contracts.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the Standalone Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### a. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 10 and 29 for further disclosures.

#### b. Fair value measurement of financial instruments

When the fair values of financial assets and financial

liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The cash flow projections used in these models are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc in case of investments in entities in the energy business, estimation of vehicle traffic and rates and favourable outcomes of litigations etc. in the expressway business which are considered as reasonable by the management. Fair value of investment in SEZ sector is determined based on available data for similar immovable property/ investment or observable market prices less incremental cost for disposing of the immovable property/ investments. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility, as applicable. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 5 and 36 for further disclosures.

#### c. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

In respect of financial guarantees provided by the Company to third parties, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided. Refer note 34 for further disclosure.

#### d. Revenue recognition

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer.

The Company uses the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Company

## Notes to the standalone financial statements for the year ended March 31, 2023

to estimate the costs incurred till date as a proportion of the total cost to be incurred. Costs incurred have been used to measure progress towards completion as there is a direct relationship. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

**e. Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in

the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 37.

### 32. Related parties

**a) Names of related parties and description of relationship:**

Description of relationship	Name of the related parties
Holding Company	GMR Enterprises Private Limited (GEPL)
	GMR Generation Assets Limited (GGAL)
	GMR Energy Trading Limited (GETL)
	GMR Londa Hydropower Private Limited (GLHPPL)
	GMR Aerostructure Services Limited (GASL)
	Gateways for India Airports Private Limited (GFIAL)
	GMR Highways Limited (GMRHL)
	GMR Tuni Anakapalli Expressways Limited (GTAEL) <sup>1</sup>
	GMR Tambaram Tindivanam Expressways Limited (GTTEL) <sup>1</sup>
	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)
	GMR Pochanpalli Expressways Limited (GPEL)
Subsidiary companies	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)
	GMR Chennai Outer Ring Road Private Limited (GCCRPL)
	GMR Krishnagiri SIR Limited (GKSIR)
	Advika Properties Private Limited (APPL)
	Aklima Properties Private Limited (AKPPL)
	Amartya Properties Private Limited (AMPPL)
	Baruni Properties Private Limited (BPPL)
	Camelia Properties Private Limited (CPPL)
	Eila Properties Private Limited (EPPL)
	Gerbera Properties Private Limited (GPPL)
	Lakshmi Priya Properties Private Limited (LPPPL)
	Honeysuckle Properties Private Limited (HPPL)
	Idika Properties Private Limited (IPPL)

## Notes to the standalone financial statements for the year ended March 31, 2023

Description of relationship	Name of the related parties
	Krishnapriya Properties Private Limited (KPPL)
	Nadira Properties Private Limited (NPPL)
	Prakalpa Properties Private Limited (PPPL)
	Purnachandra Properties Private Limited (PUPPL)
	Shreyadita Properties Private Limited (SPPL)
	Sreepa Properties Private Limited (SRPPL)
	Bougainvillea Properties Private Limited (BOPPL)
	Honeyflower Estates Private Limited (HFEPL)
	Namitha Real Estate Private Limited (NREPL)
	GMR SEZ & Port Holdings Limited (GSPHL)
	Deepesh Properties Private Limited (DPPL)
	Larkspur Properties Private Limited (LAPPL)
	Padmapriya Properties Private Limited (PAPPL)
	Radha Priya Properties Private Limited (RPPL)
	Pranesh Properties Private Limited (PRPPL)
	GMR Male International Airport Private Limited (GMIAL)
	GMR Coal Resources Pte Limited (GCRPL)
	Lantana Properties Private Limited (LPPL)
Subsidiary companies	Asteria Real Estate Private Limited (AREPL)
	GMR Infrastructure (Overseas) Limited (GI(O)L)
	Suzone Properties Private Limited (SUPPL)
	Lilliam Properties Private Limited (LPPL)
	GMR Aviation Private Limited (GAPL)
	Dhruvi Securities Limited (DSL) (formerly Dhruvi Securities Private Limited (DSPL))
	GMR Energy (Cyprus) Limited (GECL) <sup>3</sup>
	GMR Energy (Netherlands) BV (GENBV) <sup>6</sup>
	GMR Power & Urban Infra (Mauritius) Limited (GPUIML) (formerly GMR Infrastructure Mauritius Limited (GIML))
	GMR Infrastructure (Cyprus) Limited (GICL) <sup>7</sup>
	GMR Infrastructure Overseas (Malta) Limited (GIOL)
	GMR Infrastructure (UK) Limited (GIUL)
	GMR Infrastructure (Global) Limited (GIGL) <sup>7</sup>
	GMR Infrastructure (Singapore) Pte Limited (GISPL)
	GMR Energy (Global) Limited (G EGL) <sup>3</sup>
	GMR Energy Projects (Mauritius) Limited (GEPML)
	GMR Green Energy Limited (GGEL) <sup>8</sup> (formerly GMR Green Energy Private Limited (GGEPL))
	GADL International Limited (GADLIL) <sup>5</sup>
	Indo Tausch Trading DMCC (Indo Tausch)
	GMR Smart Electricity Distribution Private Limited (GSEDPL) (formerly GMR Mining and Energy Private Limited (GMEL))
	PT GMR Infrastructure Indonesia (PTGII)

Notes to the standalone financial statements for the year ended March 31, 2023

Description of relationship	Name of the related parties
Fellow subsidiary companies (Where transactions have taken place)	GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited) (GIL)
	Delhi International Airport Limited (DIAL)
	GMR Hyderabad International Airport Limited (GHIAL)
	GMR Hospitality and Retail Limited (GHRL)
	GMR Airports Limited (GAL)
	GMR Corporate Affairs Limited (GCAL)
	GMR Business Process and Services Private Limited (GBPSPL)
	GMR International Airport BV (GIABV)
	GMR Airport Developers Limited (GADL)
	GMR Air Cargo and Aerospace Engineering Limited (GACAEL)
	Delhi Airport Parking Services Private Limited (DAPSL)
	Raxa Security Services Limited (RSSL)
	GMR Goa International Airport Limited (GIAL)
	GMR Infra Developers Limited (GIDL)
	Corporate Infrastructure Services Private Limited (CISPL)
Associates / Joint venture companies / Joint operation	Limak GMR Construction JV (CJV)
	GMR Tenaga Operations and Maintenance Private Limited (GTOMPL)
	GIL SIL JV
	PT Golden Energy Mines Tbk (PTGEMS) <sup>2</sup>
	PT Tanjung Belit Bara Utama (TBBU) <sup>2</sup>
	PT Roundhill Capital Indonesia (RCI) <sup>2</sup>
	PT Kuansing Inti Makmur (KIM) <sup>2</sup>
	PT Trisula Kencana Sakti (TKS) <sup>2</sup>
	PT Borneo Indobara (BORNEO) <sup>2</sup>
	PT Karya Cemerlang Persada (KCP) <sup>2</sup>
	PT Bungo Bara Utama (BBU) <sup>2</sup>
	PT Bara Harmonis Batang Asam (BHBA) <sup>2</sup>
	PT Berkat Nusantara Permai (BNP) <sup>2</sup>
	PT Karya Mining Solution (KMS) (formerly PT Bumi Anugerah Semesta (BAS)) <sup>2</sup>
	PT Era Mitra Selaras (EMS) <sup>2</sup>
	PT Wahana Rimba Lestari (WRL) <sup>2</sup>
	PT Berkat Satria Abadi (BSA) <sup>2</sup>
	PT Kuansing Inti Sejahtera (KIS) <sup>2</sup>
	PT Bungo Bara Makmur (BBM) <sup>2</sup>
	PT Gems Energy Indonesia (GEMS Energy) <sup>2</sup>
	GEMS Trading Resources Pte Limited (GEMSTR) <sup>2</sup>
	PT Unsoco (Unsoco) <sup>2</sup>
	PT Dwikarya Sejati Utama (PTDSU) <sup>2</sup>
	PT Duta Sarana Internusa (PTDSI) <sup>2</sup>
	PT Barasentosa Lestari (PTBSL) <sup>2</sup>
	Megawide GISPL Construction JV (MG CJV)
	GMR Kamalanga Energy Limited (GKEL)
	GMR Energy Limited (GEL)
	GMR Vemagiri Power Generation Limited (GVPGL)

## Notes to the standalone financial statements for the year ended March 31, 2023

Description of relationship	Name of the related parties
Associates / Joint venture companies / Joint operation	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)
	GMR Consulting Services Limited (GCSL)
	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)
	GMR Warora Energy Limited (GWEL)
	GMR Gujarat Solar Power Limited (GGSPL)
	GMR Upper Karnali Hydro Power Limited (GUKPL)
	GMR Energy (Mauritius) Limited (GEML)
	GMR Lion Energy Limited (GLEL)
	GMR Maharashtra Energy Limited (GMAEL)
	GMR Bundelkhand Energy Private Limited (GBEPL)
	GMR Rajam Solar Power Private Limited (GRSPPL)
	Karnali Transmission Company Private Limited (KTCPL)
	GMR Indo-Nepal Energy Links Limited (GINELL) <sup>4</sup>
	GMR Indo-Nepal Power Corridors Limited (GINPCL)
GMR Rajahmundry Energy Limited (GREL)	
Enterprises where key managerial personnel or their relatives exercise significant influence (Where transactions have taken place)	Welfare Trust of GMR Infra Employees (GWT)
	Welfare Trust for Group Employees
	GMR Varalaxmi Foundation (GVF)
	GMR Family Fund Trust (GFFT)
	GEOKNO India Private Limited (GEOKNO)
Key managerial personnel and their relatives (Where transactions have taken place)	Mr. G.M. Rao (Non-executive Chairman) <sup>9</sup>
	Mr. Srinivas Bommidala (Managing Director) <sup>9</sup>
	Mr. Grandhi Kiran Kumar (Non-executive Director) <sup>9</sup>
	Mr. B.V.N Rao (Non-executive Director) <sup>9</sup>
	Mr. Madhva B Terdal (Non-executive Director) <sup>9</sup>
	Mr. G Subba Rao (Executive Director) <sup>9</sup>
	Ms. Vissa Siva Kameswari (Independent director) <sup>10</sup>
	Mr. Suresh Narang (Independent director) <sup>10</sup>
	Dr. Satyanarayana Beela (Independent director) <sup>10</sup>
	Mr. S.K. Goel (Independent director) <sup>10</sup>
	Dr. Emandi Sankara Rao (Independent director) <sup>10</sup>
	Mr. I.V. Srinivasa Rao (Independent director) <sup>10</sup>
	Mr. Suresh Bagrodia (Chief Financial Officer) <sup>10</sup>
Mr. Vimal Prakash (Company Secretary) <sup>10</sup>	

### Notes:

1. Merged with GMR Highways Limited w.e.f. August 11, 2022
2. Till August 31, 2022
3. Dissolved w.e.f. May 20, 2022
4. Ceased to be a joint venture during the year ended March 31, 2022
5. Dissolved w.e.f. June 21, 2022
6. Dissolved w.e.f. January 31, 2023
7. Filed for liquidation during the year
8. Acquired during the year.
9. Appointed with effect from January 06, 2022
10. Appointed with effect from January 31, 2022

Notes to the standalone financial statements for the year ended March 31, 2023

**b) Summary of transactions and outstanding balances with above related parties are as follows:**

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
<b>(A) Transaction during the year</b>								
i) Interest income - gross								
	March 31, 2023	-	160.52	206.62	2.29	0.16	-	-
	March 31, 2022	-	214.58	159.84	0.94	-	-	-
ii) Construction revenue								
	March 31, 2023	-	-	979.75	-	-	-	-
	March 31, 2022	-	16.29	1,161.93	-	-	-	-
iii) Other income								
	March 31, 2023	-	5.23	30.85	-	-	-	-
	March 31, 2022	-	0.13	-	-	-	-	-
iv) Cost of materials consumed								
	March 31, 2023	-	-	106.00	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
v) Subcontracting expenses								
	March 31, 2023	-	14.01	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
vi) Finance cost								
	March 31, 2023	-	19.43	2.21	-	188.26	-	-
	March 31, 2022	-	25.29	-	-	157.88	-	-
vii) Legal and professional fees								
	March 31, 2023	-	-	-	-	30.92	0.03	-
	March 31, 2022	-	-	-	-	-	-	-
viii) Lease rental and equipment hire charges								
	March 31, 2023	-	0.28	-	-	3.10	-	-
	March 31, 2022	-	-	-	-	2.42	-	-
ix) Rates and taxes								
	March 31, 2023	-	-	26.15	-	-	-	-
	March 31, 2022	-	-	18.23	-	-	-	-
x) Miscellaneous expenses								
	March 31, 2023	-	0.03	-	-	5.47	0.10	-
	March 31, 2022	-	0.18	-	-	5.35	-	-
xi) Reimbursement of expenses incurred on behalf of the Company								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	9.19	-	-



## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
xii) Expenses incurred by the Company on behalf of others- Cross charges during the year								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	9.19	-	-	-	-
xiii) Exceptional items								
	March 31, 2023	-	316.45	(125.24)	-	-	(7.68)	-
	March 31, 2022	-	325.34	-	-	(8.54)	-	-
xiv) Investment in debentures								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	100.00	-	-	-	-	-
xv) Redemption of debentures								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	73.96	105.60	-	-	-	-
xvi) Loans given to								
	March 31, 2023	-	998.82	614.55	-	52.50	-	-
	March 31, 2022	-	1,451.79	1,357.33	-	-	-	-
xvii) Loans repaid by								
	March 31, 2023	-	1,199.39	159.29	-	42.00	-	-
	March 31, 2022	-	1,728.67	1,427.53	-	-	-	-
xviii) Novation of loans								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	409.82	(409.82)	-	-	-	-
xix) Loans received from								
	March 31, 2023	-	109.12	-	-	52.93	-	-
	March 31, 2022	-	578.95	48.14	-	1,093.06	-	-
xx) Loans repaid to								
	March 31, 2023	-	218.53	38.14	-	321.94	-	-
	March 31, 2022	-	428.35	10.00	-	355.74	-	-
xxi) Advances received from customers								
	March 31, 2023	-	1.62	47.03	-	-	-	-
	March 31, 2022	-	3.92	62.56	-	-	-	-
xxii) Advances repaid/ adjusted to customers								
	March 31, 2023	-	18.47	-	-	-	-	-
	March 31, 2022	-	17.88	29.84	-	-	-	-
xxiii) Investment in equity shares								
	March 31, 2023	-	117.10	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
xxiv) Sale/ Transfer of equity shares							
March 31, 2023	-	1,757.17	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-
xxv) Corporate guarantees/ comfort letters given on behalf of (sanctioned amount)							
March 31, 2023	-	205.43	349.83	-	-	-	-
March 31, 2022	-	-	1,697.31	-	-	-	-
xxvi) Corporate guarantees/comfort letters/bank guarantee taken from (sanctioned amount)							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	3,274.31	-	-
xxvii) Corporate guarantees/comfort letters extinguished (sanctioned amount)							
March 31, 2023	-	2,896.68	2,421.01	-	-	-	-
March 31, 2022	-	-	271.26	-	-	-	-
xxviii) Net (loss)/gain on FVTOCI of equity securities							
March 31, 2023	-	(457.31)	99.65	-	-	-	-
March 31, 2022	-	1,644.06	(223.37)	-	-	-	-
xxix) 'Extinguishment of Equity component on related party loan							
March 31, 2023	-	-	-	-	229.22	-	-
March 31, 2022	-	-	-	-	-	-	-
xxx) Equity component on related party loan							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	242.71	-	-
xxxi) Corporate guarantees/comfort letters/Bank guarantee taken extinguished (sanctioned amount)							
March 31, 2023	-	-	-	-	1,190.00	-	-
March 31, 2022	-	-	-	-	-	-	-
xxxii) Expenses include the following remuneration to the Key Managerial Person							
a) Short-term employee benefits							
March 31, 2023	-	-	-	-	-	-	4.84
March 31, 2022	-	-	-	-	-	-	-

## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
b) Sitting fees paid to independent directors							
March 31, 2023	-	-	-	-	-	-	0.25
March 31, 2022	-	-	-	-	-	-	-
<b>(B) Outstanding balances as at the year ended</b>							
a) Loans receivable – Non-current (Gross)							
March 31, 2023	-	973.61	507.90	-	-	-	-
March 31, 2022	-	1,189.68	790.81	-	-	-	-
b) Loans receivables - credit impaired							
March 31, 2023	-	399.51	-	-	-	-	-
March 31, 2022	-	474.02	-	-	-	-	-
c) Loans receivable – current (Gross)							
March 31, 2023	-	369.68	1,000.83	-	10.50	208.25	-
March 31, 2022	-	354.18	262.66	-	-	208.25	-
d) Loans receivables - credit impaired							
March 31, 2023	-	369.68	-	-	-	208.25	-
March 31, 2022	-	102.01	-	-	-	200.57	-
e) Trade receivables- Non current							
March 31, 2023	-	0.83	-	-	-	-	-
March 31, 2022	-	0.83	-	-	-	-	-
f) Trade receivables- Current							
March 31, 2023	-	14.44	7.76	-	0.50	0.28	-
March 31, 2022	-	0.40	1.40	-	0.26	0.30	-
g) Provision for doubtful receivables:							
March 31, 2023	-	-	1.40	-	-	-	-
March 31, 2022	-	-	1.40	-	-	-	-
h) Other financial asset receivable							
March 31, 2023	-	-	-	-	0.04	0.00	-
March 31, 2022	-	2.20	9.20	-	-	-	-
i) Interest accrued on loans and debentures							
March 31, 2023	-	62.31	348.90	-	0.14	-	-
March 31, 2022	-	65.13	148.77	-	-	-	-
j) Loans payables – Non current							
March 31, 2023	-	-	-	-	763.58	-	-
March 31, 2022	-	86.37	-	-	796.32	-	-
k) Loans payables – Current							
March 31, 2023	-	136.70	-	-	240.80	-	-
March 31, 2022	-	159.33	38.55	-	240.80	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
l) Unbilled revenue - Current							
March 31, 2023	-	0.48	956.80	-	-	-	-
March 31, 2022	-	0.47	891.46	-	-	-	-
m) Equity component on loan received							
March 31, 2023	-	-	-	-	14.73	-	-
March 31, 2022	-	-	-	-	242.71	-	-
n) Trade payables - Current							
March 31, 2023	-	18.24	-	-	18.19	0.15	-
March 31, 2022	-	0.12	-	-	5.27	-	-
o) Accrued interest but not due on borrowings							
March 31, 2023	-	45.08	-	-	61.18	-	-
March 31, 2022	-	41.11	-	-	55.62	-	-
p) Non Trade payables - Current							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	10.89	0.12	-
q) Advance from customers - Current							
March 31, 2023	-	1.62	118.81	-	-	-	-
March 31, 2022	-	18.47	71.78	-	-	-	-
r) Corporate guarantees/ comfort letters/ Bank guarantee sanctioned on behalf of							
March 31, 2023	-	4,777.64	3,843.85	2,353.20	-	-	-
March 31, 2022	-	7,468.89	5,913.83	2,353.20	-	-	-
s) Corporate guarantees/comfort letters/ Bank guarantee taken from							
March 31, 2023	-	-	-	-	2,259.68	-	-
March 31, 2022	-	-	-	-	3,274.31	-	-

**Notes:**

- The Company has provided securities by way of pledge of investments for loans taken by certain companies.
- The Holding Company has pledged certain shares held in the Company as security towards the borrowings of the Company and related parties. (refer note 5)
- Also refer note 5 on non-current investments and current investments.
- Also refer note 16 for long term borrowings and short term borrowings as regards security given by related parties for loans availed by the Company.
- As the liability for gratuity and leave encashment is provided on actuarial basis for the Company as a whole, the amount pertaining to the directors are not included.
- In the opinion of the management, the transactions reported herein are on arm's length basis.
- the amount of the outstanding balances as shown above are unsecured and will be settled in due course.

## Notes to the standalone financial statements for the year ended March 31, 2023

### Details of significant transaction or balance with related parties.

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
<b>(A) Transaction during the year</b>							
i) Interest income - gross							
- GEL							
March 31, 2023	-	-	164.70	-	-	-	-
March 31, 2022	-	-	105.29	-	-	-	-
- GGAL							
March 31, 2023	-	78.48	-	-	-	-	-
March 31, 2022	-	103.57	-	-	-	-	-
- GI(O)L							
March 31, 2023	-	18.45	-	-	-	-	-
March 31, 2022	-	46.21	-	-	-	-	-
- GBHHPL							
March 31, 2023	-	-	0.64	-	-	-	-
March 31, 2022	-	-	43.56	-	-	-	-
- GASL							
March 31, 2023	-	16.54	-	-	-	-	-
March 31, 2022	-	10.73	-	-	-	-	-
- GRSPPL							
March 31, 2023	-	-	39.62	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-
- GREL							
March 31, 2023	-	-	-	2.29	-	-	-
March 31, 2022	-	-	-	0.94	-	-	-
ii) Construction revenue							
- GIL SIL JV							
March 31, 2023	-	-	979.75	-	-	-	-
March 31, 2022	-	-	1,161.93	-	-	-	-
iii) Other income							
- GMRHL							
March 31, 2023	-	0.54	-	-	-	-	-
March 31, 2022	-	0.08	-	-	-	-	-
- GPEL							
March 31, 2023	-	0.19	-	-	-	-	-
March 31, 2022	-	0.05	-	-	-	-	-
- 'GKEL							
March 31, 2023	-	-	9.62	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
- GBHHPL								
	March 31, 2023	-	-	5.25	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
- GWEL								
	March 31, 2023	-	-	5.76	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
- GIL SIL JV								
	March 31, 2023	-	-	8.94	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
iv) Cost of materials consumed								
- GIL SIL JV								
	March 31, 2023	-	-	106.00	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
v) Subcontracting expenses								
- GMRHL								
	March 31, 2023	-	14.01	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
vi) Finance cost								
- GIDL								
	March 31, 2023	-	-	-	-	81.49	-	-
	March 31, 2022	-	-	-	-	54.90	-	-
- GAL								
	March 31, 2023	-	-	-	-	39.86	-	-
	March 31, 2022	-	-	-	-	53.62	-	-
- GCAPL								
	March 31, 2023	-	-	-	-	29.75	-	-
	March 31, 2022	-	-	-	-	29.75	-	-
- GIL								
	March 31, 2023	-	-	-	-	23.96	-	-
	March 31, 2022	-	-	-	-	-	-	-
vii) Legal and professional fees								
- GIL								
	March 31, 2023	-	-	-	-	30.92	-	-
	March 31, 2022	-	-	-	-	-	-	-
viii) Lease rental and equipment hire charges								
- DIAL								
	March 31, 2023	-	-	-	-	3.10	-	-
	March 31, 2022	-	-	-	-	2.33	-	-

## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
ix) Rates and taxes							
- GIL SIL JV							
March 31, 2023	-	-	26.15	-	-	-	-
March 31, 2022	-	-	18.23	-	-	-	-
x) Miscellaneous expenses							
- RSSL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	5.28	-	-
- GKSIR							
March 31, 2023	-	0.03	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-
- GVF							
March 31, 2023	-	-	-	-	-	0.10	-
March 31, 2022	-	-	-	-	-	-	-
xi) Reimbursement of expenses incurred on behalf of the Company							
- GIL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	9.19	-	-
xii) Expenses incurred by the Company on behalf of others- Cross charges during the year							
- GKEL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	4.35	-	-	-	-
- GWEL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	2.53	-	-	-	-
- GBHHPL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	1.99	-	-	-	-
xiii) Exceptional items							
- GASL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	204.75	-	-	-	-	-
- GHVEPL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	57.11	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
- GKSEZ								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	32.68	-	-	-	-	-
- GGAL								
	March 31, 2023	-	82.91	-	-	-	-	-
	March 31, 2022	-	23.83	-	-	-	-	-
- GCORRPL								
	March 31, 2023	-	457.00	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
xiv) Investment in debentures								
- GASL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	100.00	-	-	-	-	-
xv) Redemption of debentures								
- GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	105.60	-	-	-	-
- GSPHL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	59.76	-	-	-	-	-
xvi) Loans given to								
- GASL								
	March 31, 2023	-	369.46	-	-	-	-	-
	March 31, 2022	-	745.32	-	-	-	-	-
- GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	619.30	-	-	-	-
- GEL								
	March 31, 2023	-	-	572.67	-	-	-	-
	March 31, 2022	-	-	576.54	-	-	-	-
- GI(O)L								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	79.52	-	-	-	-	-
- GGAL								
	March 31, 2023	-	277.87	-	-	-	-	-
	March 31, 2022	-	199.72	-	-	-	-	-



## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
xvii) Loans repaid by								
- GR SPL								
	March 31, 2023	-	-	2.59	-	-	-	-
	March 31, 2022	-	-	887.08	-	-	-	-
- GASL								
	March 31, 2023	-	251.33	-	-	-	-	-
	March 31, 2022	-	740.33	-	-	-	-	-
- GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	527.04	-	-	-	-
- GI(O)L								
	March 31, 2023	-	634.93	-	-	-	-	-
	March 31, 2022	-	426.62	-	-	-	-	-
xviii) Novation of Loans								
- GGAL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	406.26	-	-	-	-	-
- GR SPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	(731.51)	-	-	-	-
- GEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	179.84	-	-	-	-
- GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	141.85	-	-	-	-
xix) Loans received from								
- GIDL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	460.31	-	-
- GIL								
	March 31, 2023	-	-	-	-	52.93	-	-
	March 31, 2022	-	-	-	-	401.55	-	-
- GMRHL								
	March 31, 2023	-	22.87	-	-	-	-	-
	March 31, 2022	-	293.14	-	-	-	-	-
- GASL								
	March 31, 2023	-	86.26	-	-	-	-	-
	March 31, 2022	-	239.72	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
- GAL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	231.20	-	-
xx) Loans repaid to								
- GASL								
	March 31, 2023	-	86.26	-	-	-	-	-
	March 31, 2022	-	239.72	-	-	-	-	-
- GAL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	200.00	-	-
- GMRHL								
	March 31, 2023	-	129.02	-	-	-	-	-
	March 31, 2022	-	182.84	-	-	-	-	-
- GIDL								
	March 31, 2023	-	-	-	-	206.19	-	-
	March 31, 2022	-	-	-	-	85.24	-	-
- GIL								
	March 31, 2023	-	-	-	-	115.75	-	-
	March 31, 2022	-	-	-	-	85.24	-	-
xxi) Advances received from customers								
- GIL SIL JV								
	March 31, 2023	-	-	46.88	-	-	-	-
	March 31, 2022	-	-	62.56	-	-	-	-
xxii) Advances repaid/ adjusted to customers								
- GCORRPL								
	March 31, 2023	-	18.47	-	-	-	-	-
	March 31, 2022	-	17.88	-	-	-	-	-
- GIL SIL JV								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	29.84	-	-	-	-
xxiii) Investment in Equity shares								
- GMRHL								
	March 31, 2023	-	117.05	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
xxiv) Sale/ Transfer of Equity shares								
- GPUIML								
	March 31, 2023	-	1,757.17	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-

## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
xxv) Corporate guarantees/ comfort letters given on behalf of (sanctioned amount)								
- GISPL								
	March 31, 2023	-	205.43	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
- GWEL								
	March 31, 2023	-	-	160.00	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
- GEL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	844.31	-	-	-	-
- GRSPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	500.00	-	-	-	-
- GIL SIL JV								
	March 31, 2023	-	-	68.41	-	-	-	-
	March 31, 2022	-	-	184.00	-	-	-	-
- GBHHPL								
	March 31, 2023	-	-	121.42	-	-	-	-
	March 31, 2022	-	-	169.00	-	-	-	-
xxvi) Corporate guarantees/comfort letters/Bank guarantee taken from (sanctioned amount)								
- GIL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	3,274.31	-	-
xxvii) Corporate guarantees/ comfort letters extinguished (sanctioned amount)								
- GCRPL								
	March 31, 2023	-	2,431.51	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
- GBHHPL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	225.60	-	-	-	-
- GIL SIL JV								
	March 31, 2023	-	-	208.70	-	-	-	-
	March 31, 2022	-	-	45.66	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
- GEL								
	March 31, 2023	-	-	1,612.31	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
xxviii) Net (loss)/gain on FVTOCI of equity securities								
- GMRHL								
	March 31, 2023	-	(55.43)	-	-	-	-	-
	March 31, 2022	-	775.14	-	-	-	-	-
- GHVEPL								
	March 31, 2023	-	(42.93)	-	-	-	-	-
	March 31, 2022	-	386.81	-	-	-	-	-
- GPUIML								
	March 31, 2023	-	(325.54)	-	-	-	-	-
	March 31, 2022	-	396.38	-	-	-	-	-
- GEL								
	March 31, 2023	-	-	104.94	-	-	-	-
	March 31, 2022	-	-	(263.62)	-	-	-	-
- GSPHL								
	March 31, 2023	-	(104.78)	-	-	-	-	-
	March 31, 2022	-	(29.35)	-	-	-	-	-
- DSL								
	March 31, 2023	-	49.38	-	-	-	-	-
	March 31, 2022	-	69.62	-	-	-	-	-
- GAPL								
	March 31, 2023	-	55.53	-	-	-	-	-
	March 31, 2022	-	(5.56)	-	-	-	-	-
xxix) 'Extinguishment of Equity component on related party loan								
- GIL								
	March 31, 2023	-	-	-	-	229.22	-	-
	March 31, 2022	-	-	-	-	-	-	-
xxx) Equity component on related party loan								
- GIL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	242.71	-	-

## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
xxx) Corporate guarantees/ comfort letters/Bank guarantee taken extinguished (sanctioned amount)							
- GIL							
March 31, 2023	-	-	-	-	1,190.00	-	-
March 31, 2022	-	-	-	-	-	-	-
xxxii) Expenses include the following remuneration to the Key Managerial Person							
a) Short-term employee benefits							
Mr. Srinivas Bommidala							
March 31, 2023	-	-	-	-	-	-	2.51
March 31, 2022	-	-	-	-	-	-	-
Mr. Suresh Bagrodia							
March 31, 2023	-	-	-	-	-	-	0.75
March 31, 2022	-	-	-	-	-	-	-
Mr. Madhva B. Terdal							
March 31, 2023	-	-	-	-	-	-	1.83
March 31, 2022	-	-	-	-	-	-	-
b) Sitting fees paid to independent directors							
Mr. Vissa Kameswari							
March 31, 2023	-	-	-	-	-	-	0.05
March 31, 2022	-	-	-	-	-	-	-
Mr. S.K. Goel							
March 31, 2023	-	-	-	-	-	-	0.05
March 31, 2022	-	-	-	-	-	-	-
Mr. I.V. Srinivasa Rao							
March 31, 2023	-	-	-	-	-	-	0.06
March 31, 2022	-	-	-	-	-	-	-
<b>(B) Balances at the end of the year</b>							
a) Loans receivable – Non-current (Gross)							
- GEL							
March 31, 2023	-	-	462.69	-	-	-	-
March 31, 2022	-	-	784.89	-	-	-	-
- GGAL							
March 31, 2023	-	399.51	-	-	-	-	-
March 31, 2022	-	474.02	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
- GI(O)L								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	382.75	-	-	-	-	-
- GSPHPL								
	March 31, 2023	-	113.32	-	-	-	-	-
	March 31, 2022	-	118.53	-	-	-	-	-
- GASL								
	March 31, 2023	-	304.76	-	-	-	-	-
	March 31, 2022	-	186.63	-	-	-	-	-
b) Loans receivables - credit impaired								
- GGAL								
	March 31, 2023	-	399.51	-	-	-	-	-
	March 31, 2022	-	474.02	-	-	-	-	-
c) Loans receivable – current (Gross)								
- GEL								
	March 31, 2023	-	-	1,000.83	-	-	-	-
	March 31, 2022	-	-	262.66	-	-	-	-
- GIOL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	252.17	-	-	-	-	-
- Welfare Trust								
	March 31, 2023	-	-	-	-	-	208.25	-
	March 31, 2022	-	-	-	-	-	208.25	-
- GGAL								
	March 31, 2023	-	369.68	-	-	-	-	-
	March 31, 2022	-	102.01	-	-	-	-	-
- CISL								
	March 31, 2023	-	-	-	-	10.50	-	-
	March 31, 2022	-	-	-	-	-	-	-
d) Loans receivables - credit impaired								
- Welfare Trust								
	March 31, 2023	-	-	-	-	-	208.25	-
	March 31, 2022	-	-	-	-	-	200.57	-
- GGAL								
	March 31, 2023	-	369.68	-	-	-	-	-
	March 31, 2022	-	102.01	-	-	-	-	-

## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
e) Trade receivables- Non current							
- GMRHL							
March 31, 2023	-	0.15	-	-	-	-	-
March 31, 2022	-	0.15	-	-	-	-	-
- GCORRPL							
March 31, 2023	-	0.68	-	-	-	-	-
March 31, 2022	-	0.67	-	-	-	-	-
f) Trade receivables- Current							
- GWEL							
March 31, 2023	-	-	7.65	-	-	-	-
March 31, 2022	-	-	1.40	-	-	-	-
- GEOKNO							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	0.30	-
- GCAPL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	0.26	-	-
- GHVEPL							
March 31, 2023	-	2.35	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-
- GBHHPL							
March 31, 2023	-	8.11	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-
g) Provision for doubtful receivables:							
- GWEL							
March 31, 2023	-	-	1.40	-	-	-	-
March 31, 2022	-	-	1.40	-	-	-	-
h) Other financial asset receivable							
- GKEL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	4.35	-	-	-	-
- GWEL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	2.53	-	-	-	-
- GBHHPL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	1.99	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
- GETL								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	1.07	-	-	-	-	-
- GHIAL								
	March 31, 2023	-	-	-	-	0.04	-	-
	March 31, 2022	-	-	-	-	-	-	-
i) Interest accrued on loans and debentures								
- GEL								
	March 31, 2023	-	-	304.86	-	-	-	-
	March 31, 2022	-	-	148.77	-	-	-	-
- GI(O)L								
	March 31, 2023	-	-	-	-	-	-	-
	March 31, 2022	-	35.09	-	-	-	-	-
- GASL								
	March 31, 2023	-	14.32	-	-	-	-	-
	March 31, 2022	-	1.18	-	-	-	-	-
j) Loans payables – Non current								
- GIDL								
	March 31, 2023	-	-	-	-	203.45	-	-
	March 31, 2022	-	-	-	-	409.64	-	-
- GAL								
	March 31, 2023	-	-	-	-	247.20	-	-
	March 31, 2022	-	-	-	-	247.20	-	-
- GIL								
	March 31, 2023	-	-	-	-	268.22	-	-
	March 31, 2022	-	-	-	-	94.81	-	-
- GADL								
	March 31, 2023	-	-	-	-	44.70	-	-
	March 31, 2022	-	-	-	-	44.82	-	-
k) Loans payables – Current								
- GCAL								
	March 31, 2023	-	-	-	-	175.00	-	-
	March 31, 2022	-	-	-	-	175.00	-	-
- GPEL								
	March 31, 2023	-	121.51	-	-	-	-	-
	March 31, 2022	-	121.51	-	-	-	-	-



## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction		Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
- GHIAL								
	March 31, 2023	-	-	-	-	58.80	-	-
	March 31, 2022	-	-	-	-	58.80	-	-
l) Unbilled revenue - Current								
- GIL SIL JV								
	March 31, 2023	-	-	956.80	-	-	-	-
	March 31, 2022	-	-	891.46	-	-	-	-
m) Equity component on loan received								
- GIL								
	March 31, 2023	-	-	-	-	14.73	-	-
	March 31, 2022	-	-	-	-	242.71	-	-
n) Trade payables - Current								
- GIL								
	March 31, 2023	-	-	-	-	14.22	-	-
	March 31, 2022	-	-	-	-	-	-	-
- GMRHL								
	March 31, 2023	-	16.25	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-
- RSSL								
	March 31, 2023	-	-	-	-	1.10	-	-
	March 31, 2022	-	-	-	-	2.45	-	-
- DIAL								
	March 31, 2023	-	-	-	-	2.12	-	-
	March 31, 2022	-	-	-	-	1.64	-	-
o) Accrued interest but not due on borrowings								
- GPEL								
	March 31, 2023	-	41.68	-	-	-	-	-
	March 31, 2022	-	30.52	-	-	-	-	-
- GAL								
	March 31, 2023	-	-	-	-	8.37	-	-
	March 31, 2022	-	-	-	-	25.48	-	-
- GIDL								
	March 31, 2023	-	-	-	-	24.80	-	-
	March 31, 2022	-	-	-	-	20.28	-	-
- GIL								
	March 31, 2023	-	-	-	-	16.91	-	-
	March 31, 2022	-	-	-	-	-	-	-

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary companies	Joint Ventures	Associates	Fellow Subsidiary companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Managerial Personnel and their relatives
p) Non Trade payables - Current							
- GIL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	10.84	-	-
q) Advance from customers - Current							
- GIL SIL JV							
March 31, 2023	-	-	109.45	-	-	-	-
March 31, 2022	-	-	62.56	-	-	-	-
- GCORRPL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	18.47	-	-	-	-	-
- GKEL							
March 31, 2023	-	-	9.36	-	-	-	-
March 31, 2022	-	-	9.21	-	-	-	-
r) Corporate guarantees/ comfort letters/ Bank guarantee sanctioned on behalf of							
- GCRPL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	2,431.51	-	-	-	-	-
- GREL							
March 31, 2023	-	-	-	2,353.20	-	-	-
March 31, 2022	-	-	-	2,353.20	-	-	-
- GBHHPPL							
March 31, 2023	-	-	2,261.87	-	-	-	-
March 31, 2022	-	-	2,140.35	-	-	-	-
- GEL							
March 31, 2023	-	-	-	-	-	-	-
March 31, 2022	-	-	1,612.31	-	-	-	-
- GHVEPL							
March 31, 2023	-	1,690.00	-	-	-	-	-
March 31, 2022	-	1,690.00	-	-	-	-	-
s) Corporate guarantees/ comfort letters/ Bank guarantee taken from							
- GIL							
March 31, 2023	-	-	-	-	2,259.68	-	-
March 31, 2022	-	-	-	-	3,274.31	-	-

**Notes:**

- The Company has considered a threshold of 10% as significant transaction or balances for the purpose of this disclosure.
- The Company has disclosed significant transaction values for the year ended March 31, 2023 and March 31, 2022 separately.

## Notes to the standalone financial statements for the year ended March 31, 2023

### 33. Disclosure in terms of Ind AS 115 - Revenue from Contracts with Customers

#### a) Timing of rendering of services in the year ended March 31, 2023

(₹ in crore)

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Construction income	-	1,000.47	1,000.47
Sale of electrical energy	0.39	-	0.39
Interest income on bank deposits and others	-	372.17	372.17
Profit on sale of current investments	-	2.73	2.73
Income from management and other services	-	33.02	33.02
<b>Total</b>	<b>0.39</b>	<b>1,408.39</b>	<b>1,408.78</b>

#### Timing of rendering of services in the year ended March 31, 2022

(₹ in crore)

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Construction income	-	1,179.05	1,179.05
Sale of electrical energy	0.34	-	0.34
Sale of REC	0.25	-	0.25
Income from generation based incentive	0.02	-	0.02
Interest income on bank deposits and others	-	379.28	379.28
Profit on sale of current investments	-	0.96	0.96
Income from management and other services	-	8.00	8.00
<b>Total</b>	<b>0.61</b>	<b>1,567.29</b>	<b>1,567.90</b>

\* The Company recognises revenue from these sources over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company.

#### b) Reconciliation of revenue recognised in the statement of profit and loss with contracted price

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Revenue as per contracted price	1,408.78	1,567.90
Significant financing component	-	-
Adjustment to revenue where the Company is acting as an agent	-	-
<b>Revenue from contract with customer</b>	<b>1,408.78</b>	<b>1,567.90</b>

## Notes to the standalone financial statements for the year ended March 31, 2023

**c) Contract Balances:**

(₹ in crore)		
Particulars	March 31, 2023	March 31, 2022
<b>Receivables:</b>		
- Non current (Gross)	29.62	29.67
- Current (Gross)	36.20	12.82
- Provision for impairment loss (non current)	(28.79)	(28.79)
- Provision for impairment loss (current)	(3.18)	(3.18)
<b>Contract assets:</b>		
Unbilled revenue		
- Non current	-	-
- Current	963.06	897.45
<b>Contract liabilities:</b>		
Advance received from customers		
- Non current	-	-
- Current	133.42	108.18

**d) Increase/ decrease in net contract balances:**

The movement in receivables and in contract assets is on account of invoicing and collection during the year.

**e) Revenue recognised during the year from the performance obligation satisfied upto previous year (arising out of contract modifications) amounts to ₹ 256.03 crore (March 2022: ₹ 701.42 crore).**

**f) Reconciliation of contracted price with revenue during the year -**

(₹ in crore)		
Particulars	March 31, 2023	March 31, 2022
<b>Opening contracted price of orders</b>	<b>6,060.33</b>	<b>5,146.18</b>
Add: Increase due to additional consideration recognised as per contractual terms [refer note 35(vi)]	307.84	914.15
Less: Orders cancelled during the year	-	-
<b>Closing contracted price of orders</b>	<b>6,368.17</b>	<b>6,060.33</b>
Total revenue recognised during the year	1,000.47	1,179.05
Revenue recognised upto previous year (from orders pending completion at the end of the year)	5,174.31	3,995.26
<b>Balance revenue to be recognised in future</b>	<b>193.39</b>	<b>886.02</b>

**g) The Company has a process whereby periodically long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under the law/accounting standards for the material foreseeable losses on such long term contracts has been made in the books of accounts. The Company does not have any derivative contracts at the end of the year.**

**h) The Company and SEW Infrastructure Limited had incorporated a Joint venture, GIL- SIL JV (the "JV") and entered into a contract with Dedicated Freight Corridor Corporation of India Limited ("DFCCIL") in 2015 for execution of design and construction of civil, structures and track Works for double line railway involving formation in embankments/ cuttings, ballast on formation, track works, bridges, structures, buildings, yards, integration with existing railway system and testing and commissioning on design-build lump sum basis for Mughalsarai-New Karchana Station (including) of Eastern Dedicated Freight Corridor Project (Contract Package – 201) and New Karchana (excluding) – New Bhaupur Station (excluding) of Eastern Dedicated Freight Corridor Project (Contract Package – 202) (hereinafter together referred as 'DFCC project') to the JV.**

## Notes to the standalone financial statements for the year ended March 31, 2023

Subsequently the JV had sub-contracted significant portion of such contract to the Company. During the execution of the project, DFCCIL failed to fulfil its obligations in a timely manner and as a consequence of such non-fulfilment, the execution of DFCC project got significantly delayed. In view of the aforementioned delay, the JV sought extension as per Clause 8.4 of the General Conditions to the Contract and DFCCIL had granted such extensions from time to time.

During the current year, the JV has submitted its claim against DFCCIL for the period of delay i.e. January 2019 to December 31, 2021, DFCCIL has rejected such claim citing the amendments made in the contract, while granting against the extension of time granted. JV has invoked the dispute resolution process and accordingly Dispute Adjudicating Board (DAB) is constituted. JV is in the process of submission of its claim before DAB.

Based on internal assessment and review of the technical and legal aspects by independent experts, the managements of the JV and the Company is confident on the favourable outcome of such claims and has accordingly recognized such claim in its books of account and basis back to back agreement with the JV, the Company has also included an incremental budgeted contract revenue of ₹ 406.00 crore (out of total claim amount of ₹ 734.00 crore) for determination of the revenue to be recognized in accordance with Ind AS 115.

i) Also refer note 35(iii).

### 34. Leases, Commitments and Contingent liabilities

#### I Leases

##### Company as lessee

Based on the exception of short term leases or lease of low value underlying assets, none of the lease has been identified for which right-of-use asset and a lease liability is required to be created.

**Following amount has been recognised in statement of profit and loss :**

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Expenses related to short term leases (included under other expenses)	32.16	50.95

Total cash outflow for leases for the year ended March 31, 2023 was ₹ 32.16 crore (March 31, 2022: ₹ 50.95 crore)

#### II Contingent liabilities

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the Standalone Financial Statements but does not record a liability in its accounts unless the loss becomes probable.

##### Litigations

The Company is involved in legal proceedings, both as plaintiff and as defendant. The Company believes the following claims to be material nature.

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Matters relating to indirect taxes under dispute	46.07	41.25
Claims against the company not acknowledged as debts	8.37	8.37

The indirect taxes under dispute against the Company primarily represent ongoing litigation related to the Service Tax matters. These claims are mainly on account of ineligible input tax credit, reverse tax charge liability tax, etc. These matters are pending before various indirect tax authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company's financial position and results of operations.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)		
Particulars	March 31, 2023	March 31, 2022
Corporate guarantees availed by the group companies		
(a) sanctioned <sup>1,2,3</sup>	8,129.04	12,872.60
(b) outstanding <sup>1,2,3,4,5</sup>	3,897.78	6,979.50
Bank guarantees		
(a) sanctioned	447.37	656.07
(b) outstanding	239.01	338.02
Letter of comfort provided on behalf of group companies to banks		
(a) sanctioned	2,145.87	2,024.35
(b) outstanding	2,145.87	1,998.41

Pursuant to Composite Scheme of Amalgamation and Arrangement ('the scheme') as sanctioned by the Hon'ble National Company Law Tribunal, Bench at Mumbai vide its order dated December 22, 2021, the Company is in the process of executing guarantee agreements with the lenders, giving effect to the transfer of guarantees from GIL to the Company as may be applicable.

- During the year ended March 31, 2019, the Company and its subsidiaries had entered into a Framework agreement in favour of IDBI Bank Ltd (as the Lead Bank) wherein the Company had guaranteed the obligations of unsustainable debt of GMR Rajahmundry Energy Limited in form of Cumulative Redeemable Preference Shares (CRPS) amounting to ₹ 940.59 crore. Redemption of CRPS is due on March 31, 2035 for ₹ 235.15 crore, March 31, 2036 for ₹ 235.15 crore, March 31, 2037 for ₹ 235.15 crore and March 31, 2038 for ₹ 235.14 crore. Hence there is no immediate contingent liability on the Company.
- This includes, certain corporate guarantees extended by GIL amounting to ₹ 2,353.20 crore and outstanding balance ₹ 1,910.08 crore (discounted value ₹ 1,427.53 crore) [March 31, 2022 : ₹ 4,784.71 crore and outstanding balance ₹ 3,153.01 crore (discounted value ₹ 2,618.40 crore)] pertaining to the demerged undertaking which has been transferred to the Company pursuant to the Scheme. However, GIL has passed board resolutions/ executed undertakings with the Company pursuant to which it is in the process of executing guarantees wherein both, the Company and GIL shall jointly continue to remain liable for the aforementioned guarantees. This guarantee is not yet executed and the same is in further discussion with the lenders.
- This includes, corporate guarantees jointly extended by GIL and the Company (sanctioned amount of ₹ 2,092.20 crore and outstanding amount of ₹ 1,569.10 crore) [ March 31, 2022 : ₹ 2,502.38 crore (outstanding amount of ₹ 1,971.42 crore)] in favour of lenders of its subsidiaries and fellow subsidiaries.
- Interest accrued, if any, and unpaid is not included above.
- Subsequent to year end, the Company has repaid outstanding loan amounting to ₹ 80.02 crore. Considering the said development, the Company has not considered the outstanding corporate guarantees towards such borrowing as at March 31, 2023.

In addition to above table, following are the additional contingent liabilities:

- There are numerous interpretative issues relating to the Hon'ble Supreme Court (SC) judgement on provident fund dated February 28, 2019. As a matter of caution, the Company has evaluated the same for provision on a prospective basis from the date of the SC order and is of the view that no such provision is required. The Company will update its provision, on receiving further clarity on the subject.
- The Company has provided guarantee to Dedicated Freight Corridor Corporation of India Limited ('DFCCIL') on behalf of GIL SIL JV. The Company has agreed to settle the claims upto ₹ 252.41 crore (March, 31 2022 ; ₹ 184.00 crore) of DFCCIL immediately on demand, irrespective of any dispute between GIL SIL JV and DFCCIL and to pay the claim amount to DFCCIL under the guarantee. The Company has agreed to be the principal obligor in respect of all payments due to DFCCIL.

## Notes to the standalone financial statements for the year ended March 31, 2023

### III Commitments

#### a. Other commitments

The Company has committed to provide financial assistance as tabulated below:

(₹ in crore)

Nature of relationship	Outstanding commitment for financial assistance	
	March 31, 2023	March 31, 2022
Subsidiaries and fellow subsidiaries	155.48	490.17
Joint Ventures/ Associates	161.23	124.06
<b>Total</b>	<b>316.71</b>	<b>614.23</b>

- The Company has extended comfort letters to provide continued financial support to certain subsidiaries/ joint ventures/ associates to ensure that these subsidiaries are able to meet their debts, commitments (including commitments towards investee entities) and liabilities as they fall due and they continue as going concerns.
- The Company has entered into agreements with the lenders of subsidiaries/ joint ventures/ associates wherein it has committed to hold directly or indirectly at all times at least 51% of the equity share capital of the subsidiaries/ joint ventures/ associates and not to sell, transfer, assign, dispose, pledge or create any security interest except pledge of shares to the respective lenders as covered in the respective agreements with the lenders.
- The Company has certain long term unquoted investments which have been pledged as security towards loan facilities sanctioned to the Company and the investee companies.
- For commitment relating to FCCB refer note 16.

#### Other claims

35. Company and its subsidiaries, joint ventures, associates have received certain favorable orders on various ongoing matters in energy, highway and DFCC which involve significant value of claims. Management is optimistic of such favorable orders and believes that such claims will further improve its cash flows and profitability. The details of such claims have been enumerated below: -

- GCORRPL has received award of ₹ 341.00 crore plus interest against Government of Tamil Nadu ('GOTN') which is challenged by GOTN in the Hon'ble Madras High Court. The Hon'ble Judge after hearing the counsels for both the parties has upheld the Arbitration Award. In addition, the Hon'ble Madras High Court has also awarded interest @ 9.00% p.a. from the date of filing of claim till date of award. Further, The Hon'ble Supreme Court confirmed the arbitral award plus interest@18% p.a aggregating to ₹ 510.47 crore (interest calculated upto November 2022) and issued notice confining to the issue of pendent lite interest awarded by the Single Judge (Also refer note 48).
- GHVEPL has received award for arbitration for compensation for Change in Law on account of bifurcation of state of Andhra Pradesh and change in policies as detailed in note 6. While Change in Law is upheld, amount of compensation was to be calculated by a Sole Arbitrator. GHVEPL has raised a claim of ₹ 1,676.00 crore plus interest up to March 31, 2020. After hearing both the parties and based on the report of an independent expert, Sole Arbitrator has completed the quantification and has issued his final report on February 28, 2022 wherein he has quantified the claims of GHVEPL at ₹ 1,672.20 crore. Single Judge of Delhi High Court has taken the final report issued by Sole Arbitrator on record. NHAH has challenged the Award before Divisional Bench of the Hon'ble Delhi High Court, hearing for which is in progress.
- In case of DFCC, the Company has made a claim for increase in labour cost due to changes carried out in Minimum Wages Act, 1948. Company has filed the claim before Dispute Adjudication Board (DAB), which gave the judgment in favor of the Company, upholding that changes carried out in Minimum Wages Act, 1948 by Central Government is Change in Law and the Company is entitled for reimbursement of additional cost incurred. However, DFCCIL did not accept the judgement of DAB and the matter was referred to the Arbitration Tribunal, which has given the award in favor of the Company for an amount of ₹ 62.21 crore (calculated upto June 2021) plus interest @ SBI MCLR from date of DAB Award till the actual date of payment. The Arbitration Tribunal has also specified the principles to determine the amount of claim for future as well, which will be payable by DFCCIL till completion of the Project.

## Notes to the standalone financial statements for the year ended March 31, 2023

- (iv) In case of DFCC, there are various claims under various heads which have been either agreed by DFCCIL or Group has got the award through Dispute Adjudication Board (DAB). Total amount of claim is approximately ₹ 299.71 crore which will be received progressively based on the work to be carried out.
- (v) The Company had also raised a claim on DFCCIL under change in law on account of mining ban in the state of Uttar Pradesh and has invoked arbitration after DFCCIL declined to accept the DAB award which was in favor of the Group. Arbitral Tribunal has given its award on April 22, 2023 wherein it has quantified the claims up to December 2019 for a sum of ₹ 45.20 crore. Based on the principles laid down by the Arbitration Tribunal for quantification, total claim on account of change in law for the entire project period is estimated at ₹ 91.16 crore. Company is yet to receive the claim amount which is expected shortly.
- (vi) In case of DFCC, DFCCIL failed to fulfill its obligations in a timely manner and as a consequence of such non-fulfillment, the execution of DFCC project got significantly delayed. In the view of the aforementioned delay, the Company sought extension as per clause 8.4 of the general conditions to the contract. During the current year, the Company has submitted its claim against DFCCIL for the period of delay i.e January 2019 to December 31, 2021. DFCCIL has rejected such claim citing the amendments made in the contract, while granting against the extension of time granted. The Company has invoked the dispute resolution process and accordingly Dispute Adjudicating Board (DAB) is constituted. The Company is in the process of submission of its claim before DAB. The Company has also included an incremental budgeted contract revenue of ₹ 406.00 crore (out of total claim amount of ₹ 734.00 crore) for determination of the revenue to be recognized in accordance with Ind AS 115.
- (vii) Certain other claims in energy sector as detailed in note 5(2), 5(3), 5(4), 5(5) and 5(6).

### 36. Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.2 (b) and 2.2 (n), to the standalone financial statements.

#### (a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2023 and March 31, 2022.

#### As at March 31, 2023

(₹ in crore)

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value	Total Fair Value
<b>Financial assets</b>					
(i) Investments	2,508.90	-	526.19	3,035.09	3,035.09
(ii) Loans	-	-	2,093.33	2,093.33	2,093.33
(iii) Trade receivables	-	-	33.85	33.85	33.85
(iv) Cash and cash equivalents	-	-	14.91	14.91	14.91
(v) Bank balances other than cash and cash equivalent	-	-	41.17	41.17	41.17
(vi) Other financial assets	-	-	1,390.52	1,390.52	1,390.52
<b>Total</b>	<b>2,508.90</b>	<b>-</b>	<b>4,099.97</b>	<b>6,608.87</b>	<b>6,608.87</b>
<b>Financial liabilities</b>					
(i) Borrowings	-	-	3,664.95	3,664.95	3,664.95
(ii) Trade payables	-	-	495.70	495.70	495.70
(iii) Other financial liabilities	-	-	2,079.05	2,079.05	2,079.05
(iv) Financial guarantee contracts	-	-	52.10	52.10	52.10
<b>Total</b>	<b>-</b>	<b>-</b>	<b>6,291.80</b>	<b>6,291.80</b>	<b>6,291.80</b>



## Notes to the standalone financial statements for the year ended March 31, 2023

As at March 31, 2022

(₹ in crore)

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value	Total Fair Value
<b>Financial assets</b>					
(i) Investments	4,409.83	0.20	180.08	4,590.11	4,590.11
(ii) Loans	-	-	2,028.99	2,028.99	2,028.99
(iii) Trade receivables	-	-	10.52	10.52	10.52
(iv) Cash and cash equivalents	-	-	5.66	5.66	5.66
(v) Bank balances other than cash and cash equivalent	-	-	8.98	8.98	8.98
(vi) Other financial assets	-	-	1,548.17	1,548.17	1,548.17
<b>Total</b>	<b>4,409.83</b>	<b>0.20</b>	<b>3,782.40</b>	<b>8,192.43</b>	<b>8,192.43</b>
<b>Financial liabilities</b>					
(i) Borrowings	-	-	4,528.61	4,528.61	4,528.61
(ii) Trade payables	-	-	517.84	517.84	517.84
(iii) Other financial liabilities	-	-	1,918.03	1,918.03	1,918.03
(iv) Financial guarantee contracts	-	-	60.96	60.96	60.96
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,025.44</b>	<b>7,025.44</b>	<b>7,025.44</b>

(i) Investments in mutual funds and derivative instruments are mandatorily classified as fair value through statement of profit and loss.

### (b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
<b>March 31, 2023</b>				
<b>Financial assets</b>				
Investment in mutual funds	-	-	-	-
Investments in subsidiaries, associates and joint ventures	2,508.90	-	-	2,508.90
<b>March 31, 2022</b>				
<b>Financial assets</b>				
Investment in mutual funds	0.20	0.20	-	-
Investments in subsidiaries, associates and joint ventures	4,409.83	-	-	4,409.83

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

## Notes to the standalone financial statements for the year ended March 31, 2023

- (ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- (iii) The fair values of the unquoted equity shares have been estimated using a discounted cash flow model except in case of fair value of investment in SEZ sector which has determined based on available data for similar immovable property/ investment or observable market prices less incremental cost for disposing of the immovable property/ investments. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments. Based on the inputs provided by the management the independent external valuer performs the valuation of Investments in subsidiaries, associates and joint ventures.
- (iv) There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2023 and March 31, 2022.
- (v) Fair value of mutual funds is determined based on the net asset value of the funds.

**(vi) Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:**

Particulars	(₹ in crore)
<b>As at April 01, 2022</b>	<b>4,409.83</b>
Acquisition/Conversion of equity shares, debentures and preference shares	212.50
Sales / redemption during the year (refer note 5(8))	(1,755.77)
Re-measurement recognised in OCI	(357.66)
<b>As at March 31, 2023</b>	<b>2,508.90</b>
<b>As at April 01, 2021</b>	<b>3,091.44</b>
Acquisition of equity shares, debentures and preference shares	100.00
Sales / redemption during the year	(202.30)
Re-measurement recognised in OCI	1,420.69
<b>As at March 31, 2022</b>	<b>4,409.83</b>

**(vii) The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2023 and March 31, 2022 are as shown below:**

Description of significant unobservable inputs to valuation:

Sector wise unquoted equity Securities	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	Discounted cash flow method	Discounting rate (Cost of Equity)	March 2023: 12.40% to 20.10 % March 2022 : 10.89% to 16.98%	1% increase in the discounting rate will have a significant adverse impact on the fair value of equity investments.
FVTOCI assets in unquoted equity shares	Sales comparison method (Market approach)	Comparable Assets	₹ 3.60 mn per acre to ₹ 7.00 mn per acre.	2% decrease in the per acre rate will have a significant adverse impact on the fair value of equity investments.

**(c) Financial risk management objectives and policies**

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and

## Notes to the standalone financial statements for the year ended March 31, 2023

liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- (i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- (ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

### i) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### (a) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

##### (i) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Variable rate borrowings	419.83	1,033.77
Fixed rate borrowings	3,245.12	3,494.84
<b>Total borrowings</b>	<b>3,664.95</b>	<b>4,528.61</b>

##### (ii) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(₹ in crore)	
	Change in basis points	Effect on profit before tax
<b>March 31, 2023</b>		
Increase	+50	(2.10)
Decrease	(50)	2.10
<b>March 31, 2022</b>		
Increase	+50	(5.17)
Decrease	(50)	5.17

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

#### (b) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's investing and financing activities. The Company's exposure to foreign currency changes from operating activities is not material.

## Notes to the standalone financial statements for the year ended March 31, 2023

The following table shows foreign currency exposure in US Dollar on financial instruments at the end of reporting period. The exposure to all other foreign currencies are not material.

Particulars	Currency	Amount in foreign currency (in crore)	Amount in (₹ in crore)
Borrowings	USD	27.50	2,259.68
		(27.50)	(2,084.29)
Trade Payables	USD	-	-
		(0.02)	(1.73)
Other financial liabilities	USD	10.32	847.93
		(7.75)	(576.01)
Loans	USD	-	-
		(8.38)	(634.93)
Other financial assets	USD	-	-
		(0.46)	(35.09)

Note: Previous year's figures are shown in brackets above.

### Foreign currency sensitivity

Particulars	Change in USD rate	Effect on profit before tax (₹ in crore)
<b>March 31, 2023</b>		
Increase	5.00%	(155.38)
Decrease	(5.00%)	155.38
<b>March 31, 2022</b>		
Increase	5.00%	(99.60)
Decrease	(5.00%)	99.60

\* Exchange rate of ₹ 82.17/- on March 31, 2023 and ₹ 75.79/- on March 31, 2022 USD has been taken from FEDAI website.

### ii) Credit risk

Credit risk is the risk of financial loss arising from counterpart's failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. The Company has a policy of dealing only with credit worthy counter-parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables/unbilled revenue, loans receivables, investments in debt securities of group companies, balances with bank, bank deposits, derivatives and financial guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk except investment in preference shares/debentures made by the Company in its group companies and loans provided to its group companies. The credit risk in respect of such investments in preference shares/ debentures and loans are assessed on the basis of the fair value of the respective group companies determined based on their business plans. Also refer note 32 for the details of such instruments.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 6,608.87 crore as at March 31, 2023 (March 31, 2022: ₹ 8,192.43 crore), being the total carrying value of investments, loans, trade receivables, balances with bank, bank deposits and other financial assets.

## Notes to the standalone financial statements for the year ended March 31, 2023

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company does not hold collateral as security. Further, the top 5 customers of the Company in the EPC segment contributes to more than 90% of the trade receivables during the year ended March 31, 2023 and March 31, 2022.

The following table summarizes the changes in the loss allowance measured using ECL:

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Opening balance*	31.97	31.97
Amount provided/ (reversed) during the year (net)	-	-
<b>Closing provision*</b>	<b>31.97</b>	<b>31.97</b>

\* Pertains to provision for doubtful receivables and unbilled revenue.

### Reconciliation of loss allowance provision- Loans and other financial assets

Particulars	(₹ in crore)	
	March 31, 2023	March 31, 2022
Opening balance	776.60	1,186.29
Amount provided/ (reversed) during the year (net)	200.84	(409.69)
<b>Closing provision</b>	<b>977.44</b>	<b>776.60</b>

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

### iii) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The Company monitors its risk of shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, sale of assets and strategic partnership with investors, etc.

The following table shows a maturity analysis of the anticipated cash flows (excluding interest obligations) for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

Particulars	(₹ in crore)			
	0-1 year	1 to 5 year	> 5 year	Total
<b>March 31, 2023</b>				
Borrowings	646.10	538.81	2,527.90	3,712.81
Other financial liabilities	2,079.05	-	-	2,079.05
Trade payables	495.70	-	-	495.70
	<b>3,220.85</b>	<b>538.81</b>	<b>2,527.90</b>	<b>6,287.56</b>

## Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)				
Particulars	0-1 year	1 to 5 year	> 5 year	Total
<b>March 31, 2022</b>				
Borrowings	893.19	1,507.20	2,415.34	4,815.73
Other financial liabilities	1,918.03	-	-	1,918.03
Trade payables	517.84	-	-	517.84
	<b>3,329.06</b>	<b>1,507.20</b>	<b>2,415.34</b>	<b>7,251.60</b>

(i) The above excludes any financial liabilities arising out of financial guarantee contract as detailed in note 34.

(ii) For range of interest of borrowings, repayment schedule and security details refer note 16.

#### iv) Price risk

The Company's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Particulars	Change in price	Effect on profit before tax (₹ in crore)
<b>March 31, 2023</b>		
Increase	5%	-
Decrease	(5%)	-
<b>March 31, 2022</b>		
Increase	5%	0.01
Decrease	(5%)	(0.01)

### 37. Gratuity and other post-employment benefit plans

#### a) Defined contribution plan

(₹ in crore)		
Particulars	March 31, 2023	March 31, 2022
Provident and pension fund	1.11	0.96
Superannuation fund	0.40	0.20
<b>Total</b>	<b>1.51</b>	<b>1.16</b>

#### b) Defined benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic) for each completed year of service.

The fund provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. Although we know that the fund manager invests the funds as per products approved by Insurance Regulatory and Development Authority of India and investment guidelines as stipulated under section 101 of Income Tax Act, the exact asset mix is unknown and not publicly available. The Trust assets managed by the fund manager are highly liquid in nature and we do not expect any significant liquidity risks. The Trustees are responsible for the investment of the assets of the Trust as well as the day to day administration of the scheme.

The following tables summarise the components of net benefit expense recognised in the standalone statement of profit or loss and the funded status and amounts recognised in the standalone balance sheet for gratuity benefit.

## Notes to the standalone financial statements for the year ended March 31, 2023

### i. Net benefit expenses recognized in the standalone statement of profit and loss

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Current service cost	0.36	0.37
Net interest cost on defined benefit obligations	0.08	0.02
<b>Net benefit expenses</b>	<b>0.44</b>	<b>0.38</b>

### ii. Remeasurement (gains)/ loss recognised in other comprehensive income (OCI):

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Actuarial loss/(gain) on obligations arising from changes in experience adjustments	0.06	(0.18)
Actuarial loss/(gain) on obligations arising from changes in financial assumptions	(0.03)	(0.06)
<b>Actuarial loss/(gain) arising during the year</b>	<b>0.03</b>	<b>(0.25)</b>
Return on plan assets (greater)/less than discount rate	0.76	0.42
<b>Actuarial gain recognised in OCI</b>	<b>0.79</b>	<b>0.17</b>

### iii. Net defined benefit asset/ (liability)

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Defined benefit obligation	(2.15)	(1.95)
Fair value of plan assets	0.12	0.78
<b>Plan liability</b>	<b>(2.03)</b>	<b>(1.17)</b>

### iv. Changes in the present value of the defined benefit obligation are as follows:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Opening defined benefit obligation	1.95	1.92
Current service cost	0.36	0.37
Interest cost on the defined benefit obligation	0.13	0.03
Benefits paid	(0.25)	(0.11)
Acquisition adjustment	(0.07)	-
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	0.06	(0.18)
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	(0.03)	(0.06)
<b>Closing defined benefit obligation</b>	<b>2.15</b>	<b>1.95</b>

### v. Changes in the fair value of plan assets are as follows:

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Fair value of assets at end of prior year	0.78	1.41
Interest income on plan assets	0.05	0.01
Contributions by employer	0.34	0.01
Benefits paid	(0.22)	(0.11)
Return on plan assets (lesser)/ greater than discount rate	(0.76)	(0.42)
Acquisition adjustment	(0.07)	(0.12)
<b>Fair value of asset at the end of year</b>	<b>0.12</b>	<b>0.78</b>

The Company expects to contribute ₹ 0.34 crore towards gratuity fund for year ending March 31 2023 (March 31 2022: ₹ 0.01 crore).

## Notes to the standalone financial statements for the year ended March 31, 2023

**vi. The following pay-outs are expected in future years:**

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
April 01, 2023	NA	0.18
April 01, 2024	0.27	0.13
April 01, 2025	0.21	0.22
April 01, 2026	0.24	0.25
April 01, 2027	0.21	0.23
April 01, 2028*	0.46	2.07
April 01, 2029 to April 01, 2033	1.93	NA

\* for previous year read as April 01, 2028 to April 01, 2032

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years. (March 31, 2022: 10 years)

**vii. The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:**

Particulars	March 31, 2023	March 31, 2022
Investments with insurer	100%	100%

**viii. The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:**

Particulars	March 31, 2023	March 31, 2022
Discount rate (in %)	7.30%	7.10%
Salary escalation (in %)	6.00%	6.00%
Employee turnover	5.00%	5.00%
Mortality rate	Refer Note 4 below	Refer Note 4 below

**Notes:**

1. Plan assets are fully represented by balance with the Life Insurance Corporation of India.
2. The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
3. The estimates of future salary increase in compensation levels, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
4. As per Indian Assured Lives Mortality (2006-08) (modified) Ultimate
5. Plan Characteristics and Associated Risks:

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

- a. Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- b. Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation



## Notes to the standalone financial statements for the year ended March 31, 2023

- c. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

**ix. A quantitative sensitivity analysis for significant assumption as at March 31, 2023 and March 31, 2022 is as shown below:**

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
<b>Discount rate</b>		
Impact on defined benefit obligation due to 1% increase in discount rate	(0.14)	(0.14)
Impact on defined benefit obligation due to 1% decrease in discount rate	0.16	0.16
<b>Salary escalation rate</b>		
Impact on defined benefit obligation due to 1% increase in salary escalation rate	0.16	0.16
Impact on defined benefit obligation due to 1% decrease in salary escalation rate	(0.15)	(0.15)
<b>Attrition Rate</b>		
Impact on defined benefit obligation due to 1% increase in attrition rate	0.01	0.01
Impact on defined benefit obligation due to 1% decrease in attrition rate	(0.01)	(0.01)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

### 38. Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and sale of certain assets, long term and short term bank borrowings and issue of non-convertible debt securities and strategic partnership with investors.

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares and debentures, share premium and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with .

Notes to the standalone financial statements for the year ended March 31, 2023

(₹ in crore)

Particulars	March 31, 2023	March 31, 2022
Borrowings (refer note 16)	3,664.95	4,528.61
Less: Cash and cash equivalents (refer note 13(a))	14.91	5.66
<b>Total debts (A)</b>	<b>3,650.04</b>	<b>4,522.95</b>
<b>Capital components</b>		
Equity share capital	301.80	301.80
Other equity	101.47	1,121.55
<b>Total Capital (B)</b>	<b>403.27</b>	<b>1,423.35</b>
<b>Capital and borrowings C = (A+B)</b>	<b>4,053.31</b>	<b>5,946.30</b>
<b>Gearing ratio (%) D = (A/C)</b>	<b>90.05%</b>	<b>76.06%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

**39. Interest in significant investment in subsidiaries, joint ventures and associates as per Ind AS- 27**

S. No.	Name of the entity	Relationship		Ownership interest		Date of incorporation	Country of incorporation/ place of business
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022		
1	GEL	Joint venture	Joint venture	29.31%	29.31%	October 10, 1996	India
2	GBHPL	Joint venture	Joint venture	0.00%	0.10%	February 17, 2006	India
3	GEML	Joint venture	Joint venture	5.00%	5.00%	February 27, 2008	Mauritius
4	GETL	Subsidiary	Subsidiary	46.65%	81.00%	January 29, 2008	India
5	GGAL	Subsidiary	Subsidiary	82.16%	82.16%	December 03, 2010	India
6	GACEPL	Subsidiary	Subsidiary	48.35%	48.35%	July 14, 2005	India
7	GPEL	Subsidiary	Subsidiary	1.50%	1.50%	October 18, 2005	India
8	GMRHL	Subsidiary	Subsidiary	91.04%	90.26%	February 03, 2006	India
9	GHVEPL	Subsidiary	Subsidiary	41.00%	41.00%	June 11, 2009	India
10	GCORRPL	Subsidiary	Subsidiary	41.00%	41.00%	July 21, 2009	India
11	GFIAL	Subsidiary	Subsidiary	86.49%	86.49%	January 12, 2005	India
12	GASL	Subsidiary	Subsidiary	100.00%	100.00%	July 18, 2007	India
13	GAPL	Subsidiary	Subsidiary	100.00%	100.00%	December 22, 2006	India
14	GKSIR	Subsidiary	Subsidiary	100.00%	100.00%	September 24, 2007	India
15	GSPHL	Subsidiary	Subsidiary	100.00%	100.00%	March 28, 2008	India
16	DSL	Subsidiary	Subsidiary	100.00%	100.00%	July 24, 2007	India
17	GPUIML	Subsidiary	Subsidiary	100.00%	100.00%	December 18, 2007	Mauritius
18	GIOL	Subsidiary	Subsidiary	100.00%	100.00%	June 23, 2010	Mauritius
19	GCRPL	Subsidiary	Subsidiary	0.03%	0.03%	June 04, 2010	Singapore
20	GGEL	Subsidiary	N.A.	100.00%	N.A.	February 26, 2022	India

**Note:-**

1. Disclosure of financial data as per Ind AS – 112 'Disclosure of Interests in Other Entities' has been done based on the audited financial statements for respective years.
2. The above disclosure made do not include step down subsidiaries, joint ventures and associates and are with respect to subsidiaries, joint ventures and associates existing as at March 31, 2023.
3. Out of the 17.85% additional stake 1.29% holding has been transferred to GPUIL during the year ended March 31, 2023.

## Notes to the standalone financial statements for the year ended March 31, 2023

### 40. Ratios to be disclosed as per requirement of Schedule III to the Act

S No.	Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance	Reasons for variance
a.	Current ratio	Current Assets	Current Liabilities	0.78	0.60	28.76%	Change in Current Assets on account of increase in unbilled receivables
b.	Debt- Equity Ratio	Debt	Equity	9.09	3.18	185.64%	Change in FVTOCI reserve on account of change in fair value of investments during the year ended March 31, 2023
c.	Debt service coverage ratio	Earnings available for debt service	Debt service	0.19	0.28	(31.38%)	Change on account of repayments of loan made during the year.
d.	Return on equity ratio	Loss for the year	Average shareholder's equity	(30.97%)	(4.58%)	575.95%	Due to loss incurred during the year ended March 31, 2023
e.	Trade receivables turnover ratio	Net sales	Average trade receivable	63.49	6.39	894.41%	Collections are more in previous year
f.	Trade payable turnover ratio	Net credit purchases	Average trade payables	1.09	1.28	(14.92%)	Not applicable
g.	Net capital turnover ratio	Net sales	Working capital	(1.86)	(1.14)	63.13%	Increase in net working capital during the year ended March 31, 2023
h.	Inventory turnover ratio	Net sales	Average Inventory	21.35	19.23	11.02%	Not applicable
i.	Net profit ratio	Net Loss	Net Sales	(20.08%)	(3.10%)	546.69%	Lowered net profit due to higher exceptional item during the year ended March 31, 2023
j.	Return on investment ratio	Gain/ loss on Investments	Average Investment	(9.31%)	36.54%	(125.48%)	On account of change in fair value of investments during the year ended March 31, 2023
k.	Return on capital employed	Earning before interest and taxes	Capital employed	8.27%	7.72%	7.11%	Not applicable

Notes to the standalone financial statements for the year ended March 31, 2023

41. Disclosure as per Part A of Schedule V of Securities (Listing Obligations and Disclosures Requirements) Regulations, 2015 as regards the loans and inter-corporate deposits granted to subsidiaries, fellow subsidiaries, joint ventures, associates and other companies in which the directors are interested.

(₹ in crore)

Name of the entity	Relationship		Amount outstanding as at		Maximum amount outstanding during the year ended		Investment by loanee in the shares of the parent Company
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>Loans given/debentures subscribed<sup>^</sup></b>							
- GMRHL <sup>1</sup>	Subsidiary	Subsidiary	101.89	-	103.64	135.48	Nil
- GKSIR <sup>1</sup>	Subsidiary	Subsidiary	25.15	7.95	35.35	96.26	Nil
- GSPHL <sup>1</sup>	Subsidiary	Subsidiary	113.32	118.53	118.53	276.40	Nil
- GGAL <sup>1</sup>	Subsidiary	Subsidiary	769.19	576.03	814.19	977.62	Nil
- NREPL <sup>1</sup>	Subsidiary	Subsidiary	12.46	12.46	12.46	12.46	Nil
- SUPPL <sup>1</sup>	Subsidiary	Subsidiary	5.52	5.00	5.52	5.00	Nil
- GETL <sup>1</sup>	Subsidiary	Subsidiary	11.00	2.33	11.00	12.48	Nil
- GIOL <sup>1</sup>	Subsidiary	Subsidiary	-	634.93	634.93	998.41	Nil
- GASL <sup>1</sup>	Subsidiary	Subsidiary	304.76	186.63	304.76	296.37	Nil
- GEL <sup>1</sup>	Joint venture	Joint venture	1,463.52	1,047.55	1,463.52	1,065.61	Nil
- GWEL <sup>1</sup>	Joint venture	Joint venture	11.01	5.92	11.01	5.92	Nil
- GBHHPL <sup>1</sup>	Joint venture	Joint venture	-	-	-	669.30	Nil
- GBHHPL <sup>2</sup>	Joint venture	Joint venture	-	-	-	105.60	Nil
- GRSEPL <sup>1</sup>	Joint venture	Joint venture	34.20	-	34.20	-	Nil
- CISPL <sup>1</sup>	Fellow Subsidiary	NA	10.50	-	52.50	-	Nil
- GSPHL <sup>2</sup>	Subsidiary	Subsidiary	-	-	-	59.76	Nil
- GASL <sup>2</sup>	Subsidiary	Subsidiary	100.00	100.00	100.00	100.00	Nil
- GKSIR <sup>1</sup>	Subsidiary	Subsidiary	-	-	-	14.20	Nil
- GRSEPL <sup>2</sup>	Joint venture	Joint venture	500.00	-	500.00	-	Nil

- Loans given
- Debentures subscribed
- The above loans and inter-corporate deposits have been given for business purpose.
- There are no outstanding debts due from directors or other officers of the Company.
- The balances are disclosed on gross basis i.e. excluding provision for doubtful loans.

<sup>^</sup> The above balances does not include interest accrued thereon and equity component of preference shares/ loans/ debentures given at concessional rates.

## Notes to the standalone financial statements for the year ended March 31, 2023

**42.** The Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the IT Act ('Regulations') to determine whether the transactions entered during the year ended March 31, 2023, with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associated enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

**43.** GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited) (the 'Demerged Company') had signed definitive share sale and purchase agreement ('SSPA') on September 24, 2020 which had been subsequently amended on March 31, 2021 for the sale of equity owned by its wholly owned subsidiary GMR SEZ & Port Holdings Limited ("GSPHL") of its entire 51% stake in Kakinada SEZ Limited ("KSEZ") to Aurobindo Realty and Infrastructure Private Limited ("ARIPL"). As part of the transfer of stake of KSEZ ("transaction"), the 74% equity stake of Kakinada Gateway Port Limited ("KGPL") held by KSEZ would also be transferred to ARIPL. The consideration for the aforementioned transaction comprised of ₹ 1,692.03 crore upfront payment to be received on or before the closing date and ₹ 1,027.18 crore to be received in next 2 to 3 years from the transaction date which is contingent upon achievement of certain agreed milestones primarily related to the sale of 2,500 acres of the land parcels by KSEZ at specified prices during the financial years ended March 31, 2023 and March 31, 2024 basis the expectation of significant development Kakinada SEZ.

Based on assessment of the achievement of the aforementioned milestones by an independent property consultancy agency as at March 31, 2022, management had estimated the expected recoverable amount from such contingent consideration. Considering as at March 31, 2023, the aforementioned milestones have not been achieved, the management has reassessed the current situation and has provided for the balance consideration receivable amounting to ₹ 313.21 crore during the current year, which has been charged to Statement of Profit and Loss and disclosed under exceptional items.

**44.** The Code of Social Security, 2020 ("Code") relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently the Ministry of Labour and Employment had released the draft rules on the aforementioned code. However, the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the code will come into effect.

**45.** The composite scheme of amalgamation and arrangement for amalgamation of GMR Power Infra Limited (GPIL) ("Transferor Company") with GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited) ('GIL') ("Demerged Company") and demerger of Engineering Procurement and Construction (EPC) business and Urban Infrastructure Business of the Demerged Company (including Energy business) into the Company ("Scheme") was approved by the Hon'ble National Company Law Tribunal, Mumbai bench ("the Tribunal") vide its order dated December 22, 2021 (formal order received on December 24, 2021). The said Tribunal order was filed with the Registrar of Companies by GIL, GPIL and the Company on December 31, 2021 thereby the Scheme becoming effective on that date. Accordingly, the Standalone Financial Statements for the year ended March 31, 2022 have been prepared by giving effect to the Composite scheme of amalgamation and arrangement in accordance with Appendix C of Ind AS 103 "Business Combination" from the earliest period presented consequent upon receipt of approval to the Scheme from National Company Law Tribunal (NCLT).

Pursuant to the composite scheme of arrangement becoming effective on December 31, 2021, the existing paid up share capital of ₹ 0.10 crore held by Demerged Company stands cancelled. Further, the Company had allotted one share of ₹ 5/- each to the shareholders of GIL for every 10 shares held by them in GIL. Accordingly, on January 12, 2022, 603,594,528 equity shares of ₹ 5/- each aggregating ₹ 301.80 crore have been allotted and the shares held by GIL stand cancelled.

**46.** Operating segments are reported in such a manner which is consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). As per the evaluation carried out by CODM, the Company has only one reportable business segment, viz., Engineering, Procurement and Construction ('EPC'). Accordingly, the amounts appearing in the standalone financial statements relate to the single business segment.

## Notes to the standalone financial statements for the year ended March 31, 2023

### 47. Reconciliation of liabilities arising from financing activities pursuant to Ind AS – 7 ‘Cash Flows’

(₹ in crore)

Particulars	As at April 01, 2022	Cash Flows	Non cash Changes				As at March 31, 2023
			Interest Expense	Foreign exchange fluctuations	Fair value changes	Others	
Borrowings	4,528.61	(1,350.74)	-	175.38	7.02	304.67	3,664.94
Interest accrued	682.29	(321.76)	551.22	-	(7.02)	50.76	955.49
<b>Total</b>	<b>5,210.90</b>	<b>(1,672.50)</b>	<b>551.22</b>	<b>175.38</b>	<b>-</b>	<b>355.43</b>	<b>4,620.43</b>

(₹ in crore)

Particulars	As at April 01, 2021	Cash Flows	Non cash Changes				As at March 31, 2022
			Interest Expense	Foreign exchange fluctuations	Fair value changes	Others	
Borrowings	4,763.61	(59.44)	-	75.25	9.99	(260.80)	4,528.61
Interest accrued	527.65	(463.17)	623.41	-	(9.99)	4.39	682.29
<b>Total</b>	<b>5,291.26</b>	<b>(522.61)</b>	<b>623.41</b>	<b>75.25</b>	<b>-</b>	<b>(256.41)</b>	<b>5,210.90</b>

48. Government of Tamil Nadu (GoTN) had awarded an annuity based highway project to GMR Chennai Outer Ring Road Private Limited ('GCORR'). GCORR had awarded EPC contract to Boyance Infrastructure Private Limited (BIPL) for the construction of highway project. Subsequently BIPL had sub-contracted significant portion of such contract to the Company. On May 30, 2015, BIPL and the Company entered into a novation agreement whereby all the right and obligation related to the execution of EPC contract lies with the Company. Due to various reason the project got delayed. Since the delay in completion of EPC Contract is due to factors which were attributable to GoTN and were beyond the control, time to time, GPUIL has raised claim to GCORR and in turn GCORR, has raised the claim on GoTN for an amount of ₹ 675.00 crore plus interest. GoTN has disputed the amount claimed, hence GCORR has invoked Arbitration.

The Hon'ble Tribunal vide its order dated January 30, 2020, against a claim of ₹ 675.00 crore have directed GoTN to pay ₹ 340.97 crore within 3 months from the date of award failing which the same shall be payable with interest at 18% p.a. from the date of Award till date of realization. Time for payment by GoTN expires on April 30, 2020. GCORR had filed an application under section 34 of Arbitration Act, 1996, before Madras High Court restricting the challenge to non-grant of pendente lite interest as per contract.

GoTN has also challenged the award by filing an application under section 34 of Arbitration Act, 1996. The Ld. Single judge of Hon'ble Madras High Court, vide order dated November 17, 2021, has dismissed the challenge of Government of Tamil Nadu thereby upholding the Award in its entirety. The Ld. Single Judge has also partly upheld the challenge of GCORR by awarding pendent-lite interest at the rate of 9% p.a from the date of filing Statement of Claim till the date of Award and thereafter @ 18% p.a. as ordered by the Tribunal. Total amount (including interest) estimated to be received by virtue of the above order is ₹ 597.00 crore approx.

GCORR has filed execution petition u/s 36 of the Arbitration and Conciliation Act, 1996 on January 05, 2022 before the Madras High Court for enforcement of Arbitral Award. Against the dismissal of appeal u/s 37 of Arbitration and Conciliation Act 1996 by Hon'ble Division Bench of Madras High Court vide order dated August 11, 2022, GoTN had filed Special Leave Petition. , The Hon'ble Supreme Court confirmed the Arbitral Award for an amount of ₹ 340.97 crore plus interest @ 18% p.a., aggregating to ₹ 510.47 crore (interest calculated upto November 02, 2022) and issued notice confining to the issue of Pendente Lite interest awarded by the Single Judge.

GCORR in the execution petition filed u/s 36 of the Arbitration and Conciliation Act, 1996 on January 05, 2022 , requested the Madras High Court for enforcement of the Award. GCORR also filed an application for directions to GoTN to deposit 100% of the amount confirmed by Hon'ble Supreme Court i.e. ₹ 510.47 crore. Vide order dated November 08, 2022, the Hon'ble Madras High Court directed GoTN to deposit a sum of ₹ 510.47 crore with Registrar by February 20, 2023.

GCORR, based on the judgement of the Hon'ble Supreme Court dated November 03, 2022 confirming the claim amount of ₹ 510.47 crore, have recognized the amount pertaining to its portion of claim in the award along with Interest up to the date of order and consequential provision for amount payable to the Company amounting to ₹ 418.55 crore (including Interest calculated up to November

## Notes to the standalone financial statements for the year ended March 31, 2023

02, 2022) in the books of accounts of GCORR. Accordingly, pursuant to aforesaid novation agreement, the Company has recognized an exceptional gain of ₹ 418.55 crore (including Interest calculated up to November 02, 2022) during the financial year ended March 31, 2023.

### 49. Additional disclosure pursuant to schedule III of Companies Act 2013

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.
- ii) The Company does not have any transactions/ balances with companies struck off under section 248 of Companies Act, 2013 to the best of knowledge of group's management.
- iii) The Company has not traded or invested funds in Crypto currency of Virtual currency.
- iv) Except for the information given in the table below, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

Date and amount of fund advanced/loaned/ invested in intermediary				Date and amount of fund further advanced or loaned or invested by intermediary to ultimate beneficiary				Date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
Name of intermediary	Loan/ convertible instrument	Date	Amount (₹ in crore)	Name of ultimate beneficiary	Loan/ convertible instrument	Date	Amount (₹ in crore)	
GMR Energy Limited	Loan/ convertible instrument	September 22, 2022	60.00	GMR Warora Energy Limited	Loan/ convertible instrument	September 22, 2022	60.00	NA

The Management committee of the Board of directors of the company in its meeting held on July 02, 2022 has approved promoter contribution/ support upto ₹ 160.00 crore over the period of 4 years in the form of inter corporate loan/ convertible instrument as per resolution plan of GMR Warora Energy Limited in favour of the consortium banks led by State Bank of India (lenders).

- v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities(Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) The Company has used borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- vii) The Company has not been declared willful defaulter by any bank of financial institution of other lender.

**Notes to the standalone financial statements for the year ended March 31, 2023**

viii) The quarterly return/ statement of current assets filed by the Company with bank and financial institutions in relation to secured borrowings wherever applicable are in agreement with books of accounts except for the following:

**As at March 31, 2023**

(₹ in crore)

Quarter and Nature of reporting	Name of bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Difference	Reason for material discrepancies
March 31, 2022 - Current Assets	Bank of Baroda	1. Current assets of the Company (DFCC Project Package 202);  2. The Escrow Account (in the name of GIL-SIL JV) maintained for the purpose of Project Package 202 along with other working capital as well as term loan lenders and equipment financed by Laksmi Vilas Bank ('LVB')	713.30	516.02	197.28	The Company files quarterly returns for current assets and current liabilities pertains to Project Package 202 which includes current assets and current liabilities of the Company and GIL SIL JV. The figures included in the table as per books is for the Company. The quarterly statement is further splitted between the Company and GIL SIL JV and the Company figures are reconciled with the books of accounts.
June 30, 2022 - Current Assets			742.79	826.35	(83.56)	
September 30, 2022 - Current Assets			676.71	790.03	(113.32)	
December 31, 2022- Current Assets			699.75	753.63	(53.88)	
March 31, 2022 - Current Liabilities			882.36	680.45	201.91	
June 30, 2022 - Current Liabilities			899.07	976.50	(77.43)	
September 30, 2022 - Current Liabilities			840.45	943.78	(103.33)	
December 31, 2022 - Current Liabilities			841.24	887.15	(45.91)	

**As at March 31, 2022**

(₹ in crore)

Quarter and Nature of reporting	Name of bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Difference	Reason for material discrepancies
June 30, 2021 - Current Assets	Bank of Baroda	1. Current assets of the Company (DFCC Project Package 202);  2. The Escrow Account (in the name of GIL-SIL JV) maintained for the purpose of Project Package 202 along with other working capital as well as term loan lenders and equipment financed by Laksmi Vilas Bank ('LVB')	648.79	598.88	49.91	The Company files quarterly returns for current assets and current liabilities pertains to Project Package 202 which includes current assets and current liabilities of the Company and GIL SIL JV. The figures included in the table as per books is for the Company. The quarterly statement is further splitted between the Company and GIL SIL JV and the Company figures are reconciled with the books of accounts.
September 30, 2021 - Current Assets			653.68	530.85	122.83	
December 31, 2021- Current Assets			676.01	664.78	11.23	
June 30, 2021 - Current Liabilities			856.85	715.49	141.36	
September 30, 2021 - Current Liabilities			863.66	645.13	218.53	
December 31, 2021 - Current Liabilities			889.04	772.81	116.23	



## Notes to the standalone financial statements for the year ended March 31, 2023

- ix) The Company does not have any such transaction which is not recorded in books of account that has been surrendered or disclosed as income during the year in the tax assessments (such as, search or survey or any other relevant provisions) under Income Tax Act, 1961.
  - x) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - xi) The Company has not granted any loans or advances in nature of loan, either repayable on demand or without specifying any terms or period of repayment, to promoters, directors, KMPs and the related parties.
  - xii) The Company is in compliance with the requirement of Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- 50.** Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the standalone financial statements have been rounded off or truncated as deemed appropriate by the management of the Company.
- 51.** Previous year's figures have been regrouped/ reclassified, to conform to the classification adopted in the current year classification. The impact of the same is not material to the users of the financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm registration number: 001076N/ N500013

**Danish Ahmed**  
Partner  
Membership number: 522144

Place : New Delhi  
Date : May 23, 2023

**For and on behalf of the Board of Directors**

**Srinivas Bommidala**  
Managing Director  
DIN: 00061464  
Place: New Delhi

**Suresh Bagrodia**  
Chief Financial Officer  
Place : New Delhi

Date : May 23, 2023

**Grandhi Kiran Kumar**  
Non-Executive Director  
DIN: 00061669  
Place: Dubai

**Vimal Prakash**  
Company Secretary  
Membership Number: A20876  
Place : New Delhi



**GMR Power and Urban Infra Limited**

(CIN: L45400MH2019PLC325541)

Regd. Office: Naman Centre, 701, 7<sup>th</sup> Floor, Plot No. C-31, G Block,

Bandra Kurla Complex, Bandra (East), Mumbai-400051

T: +91 22 4202 8000; W: www.gmrpui.com

Email id: GPUIL.CS@gmrgroup.in

**NOTICE**

NOTICE is hereby given that the Fourth Annual General Meeting of the members of GMR Power and Urban Infra Limited will be held on Monday, September 18, 2023, at 11:00 A.M. (IST) through Video Conferencing ("VC") to transact the following businesses:

**Ordinary Business:**

1. To consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2023, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Grandhi Kiran Kumar (DIN: 00061669), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Boda Venkata Nageswara Rao (DIN: 00051167), who retires by rotation and being eligible, offers himself for re-appointment.

**Special Business:**

4. Appointment of Mr. Shantanu Ghosh (DIN: 00041435) as an Independent Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Shantanu Ghosh (DIN: 00041435) who was appointed by the Board of Directors as an Additional Director in the category of Independent Director with effect from August 04, 2023 and who holds office upto the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided under the Act and the Listing

Regulations, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of three (3) years with effect from August 04, 2023 or upto the conclusion of the 6<sup>th</sup> Annual General Meeting of the Company, whichever is earlier."

5. Appointment of Dr. Fareed Ahmed (DIN: 09698462) as an Independent Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Dr. Fareed Ahmed (DIN: 09698462) who was appointed by the Board of Directors as an Additional Director in the category of Independent Director with effect from August 04, 2023 and who holds office upto the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided under the Act and the Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of three (3) years with effect from August 04, 2023 or upto the conclusion of the 6<sup>th</sup> Annual General Meeting of the Company, whichever is earlier."

6. Appointment of Ms. Suman Naresh Sabnani (DIN:10223343) as an Independent Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (“the Act”), read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Ms. Suman Naresh Sabnani (DIN:10223343) who was appointed by the Board of Directors as an Additional Director in the category of Independent Director with effect from August 04, 2023 and who holds office upto the ensuing Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided under the Act and the Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of three (3) years with effect from August 04, 2023 or upto the conclusion of the 6<sup>th</sup> Annual General Meeting of the Company, whichever is earlier.”

7. Ratification of remuneration to Cost Auditors of the Company for the Financial Year ended March 31, 2024.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the remuneration payable to M/s. JSN & Company, Cost Accountants (Firm Registration No. 000455), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024, being ₹ 1,25,000/- (Rupees One Lakh Twenty-Five Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses that may be incurred by them in connection with the aforesaid audit, be and is hereby ratified.”

8. Approval for raising of funds through issuance of equity shares and/or other eligible securities through Qualified Institutions Placement and/or Foreign Currency Convertible Bonds.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Sections 23, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder [including the Companies

(Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014], each including any amendment(s), statutory modification(s), or re-enactment(s) thereof for the time being in force and in accordance with the relevant provisions of the Memorandum of Association and Articles of Association of the Company and in accordance with the regulations for qualified institutions placement contained in Chapter VI and other applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI Debt Regulations”) as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and applicable provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) and the regulations made thereunder including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, the Foreign Exchange Management (Debt Instruments) Regulations, 2019 as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary shares (Through Depository Receipt Mechanism) Scheme 1993 (“FCCB Scheme”) as amended, Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004 as amended, the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended including ECB Guidelines as amended, the uniform listing agreements entered into by the Company with the stock exchanges where the equity shares of face value of ₹ 5/- (Rupees Five) each of the Company are listed (“Stock Exchanges”, and such equity shares, the “Equity Shares”), and other provisions of applicable law (including all other applicable statutes, clarifications, rules, regulations, circulars, notifications, and guidelines issued by the Government of India (“GOI”), Ministry of Corporate Affairs (“MCA”), Reserve Bank of India (“RBI”), Securities and Exchange Board of India (“SEBI”), the Stock Exchanges, Registrar of Companies (“RoC”) and such other statutory/ regulatory authorities in India or abroad (the “Appropriate Authorities”) from time to time, and subject to existing borrowing limits and security creation limits approved by the members of the Company and all approvals, permissions, consents, and/ or sanctions as may be necessary or required from any of the Appropriate Authorities, and subject to such terms, conditions, or modifications as may be prescribed or imposed while granting such approvals, permissions, consents, and/ or sanctions by any of the aforesaid authorities, which may be agreed to by the Board of Directors of the Company (“Board”, which term shall include the Management Committee of the Board or any other committee which the Board may have constituted or may hereinafter constitute to exercise its powers, including the powers conferred by this resolution), the approval of the members of the Company be and is hereby accorded to

the Board and the Board be and is hereby authorised to create, offer, issue, and allot such number of Equity Shares, non-convertible debentures along with warrants and/or convertible securities other than warrants (collectively, referred to as the "Securities"), to qualified institutional buyers (as defined under the SEBI ICDR Regulations) ("QIBs"), whether they are holders of the Equity Shares or not, through one or more qualified institutions placements ("QIP"), pursuant to and in accordance with Chapter VI of the SEBI ICDR Regulations, as applicable, and/or Foreign Currency Convertible Bonds ("FCCB") to Investors eligible to invest as per FCCB Scheme/ FEMA or combination thereof or any other method as may be permitted under law through the issuance of a placement document(s)/offer document, as permitted under applicable laws and regulations, in one or more tranches, for cash, at such price or prices (including at a discount or premium to market price or prices permitted under applicable law) as may be deemed fit, including a premium or discount that may be permitted under the SEBI ICDR Regulations on the floor price calculated as per Regulation 176 of the SEBI ICDR Regulations for QIP, such that the total amount to be raised through issue of Securities through a QIP and/or FCCB, either singly or in any combination thereof shall not exceed ₹ 3,000 crores (Rupees Three Thousand Crores only) (inclusive of such premium as may be fixed on such Securities), to be subscribed in Indian Rupees or its equivalent of any foreign currency(ies) by all eligible investors, including resident or non-resident/foreign investors who are authorised to invest in the Securities/ FCCB of the Company as per extant regulations/guidelines or any combination as may be deemed appropriate by the Board in consultation with the book running lead managers or any advisors appointed by the Board and whether or not such Investors are members of the Company (collectively called "Investors"), to all or any of them, jointly or severally through a placement document or such other offer document, on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, in one or more tranche or tranches, in such manner, and on such terms and conditions as may be agreed by the Board in consultation with the book running lead managers/ other advisors appointed by the Board or otherwise, including the discretion to determine the amount to be issued by way of Securities or FCCB, categories of Investors, to whom the offer, issue and allotment of Securities shall be made, in such manner or otherwise on such terms and conditions and deciding of other terms and conditions like number of Securities to be issued and allotted.

**RESOLVED FURTHER THAT** in the event of issuance of securities through a QIP, subject to the provisions of the SEBI ICDR Regulations:

- i. the allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution by the members of the Company or such other time as may be allowed under the Companies Act, 2013 and SEBI

ICDR Regulations, from time to time;

- ii. the relevant date for the purposes of pricing of the Equity Shares to be issued and allotted in the proposed QIP shall be the date of the meeting in which the Board decides to open the proposed QIP. In case of convertible securities, the relevant date shall be either the date of the meeting at which the Board decides to open the proposed QIP of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares as may be decided by the Board;
- iii. the Securities shall be allotted as fully paid up (in case of allotment of non-convertible debt instruments along with warrants, the allottees may pay the full consideration or part thereof payable with respect to warrants, at the time of allotment of such warrants, with the balance consideration being payable on allotment of Equity Shares on exercise of options attached to such warrants);
- iv. the tenure of any convertible or exchangeable Securities issued through QIP shall not exceed 60 (sixty) months from the date of allotment;
- v. the issuance and allotment of the Securities by way of the QIP shall be made at such price that is not less than the price determined in accordance with the pricing formula provided under Regulation 176(1) of the SEBI ICDR Regulations ("Floor Price") and the price determined for the QIP shall be subject to appropriate adjustments as per the provisions of the SEBI ICDR Regulations, as may be applicable. However, the Board may, in consultation with the lead managers, offer a discount of not more than 5% or such other percentage as may be permitted under applicable law on the Floor Price;
- vi. no single allottee shall be allotted more than 50% of the issue size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations;
- vii. it is clarified that QIBs belonging to the same group (as specified under Regulation 180(2) of the SEBI ICDR Regulations) or who are under same control shall be deemed to be a single allottee;
- viii. the allotment of Securities except as may be permitted under the SEBI ICDR Regulations and other applicable laws shall only be to QIBs and no allotment shall be made, either directly or indirectly, to any QIBs who is a promoter of the Company, or any person related to the promoter of the Company, in terms of the SEBI ICDR Regulations;
- ix. the Securities shall not be sold by the allottees for a period of one (1) year from the date of its allotment, except on the recognized Stock Exchanges or except as may be permitted from time to time by the SEBI ICDR Regulations; and

- x. the Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to this special resolution.

**RESOLVED FURTHER THAT** in the event of issuance of FCCB, the relevant date for the purpose of pricing of FCCB to be issued shall be determined in accordance with the FCCB Scheme or as may be permitted under the applicable law.

**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolution the Securities or FCCB to be created, offered, issued, and allotted shall be subject to the provisions of the memorandum of association and articles of association of the Company and any Equity Shares that may be created, offered, issued and allotted by the Company shall rank pari-passu in all respects with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon issuance / conversion of any Securities/ FCCB or as may be necessary in accordance with the terms of the offering. All such Equity Shares shall rank pari-passu with the existing Equity Shares in all respects.

**RESOLVED FURTHER THAT** the Company be and is hereby authorised to engage/appoint book running lead managers, underwriters, guarantors, depositories, custodians, registrars, bankers, lawyers, advisors and all such agencies/intermediaries, as are or may be required to be appointed, involved or concerned in such offerings and to remunerate them by way of commission, brokerage, fees or the like including reimbursement of out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents etc., with such agencies/ intermediaries as per the SEBI ICDR Regulations, FCCB Scheme and FEMA.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do such acts, deeds, matters and take all steps as may be necessary including without limitation, the following:

- i. to determine the terms and conditions of the QIP/ FCCB, including among other things, the amount of issuance of QIP and/or FCCB or combination thereof, date of opening and closing of the QIP (including the extension of such subscription period, as may be necessary or expedient), date of issuance of FCCB, the class of Investors to whom the Securities/ FCCB are to be issued, the relevant date for convertible securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient;
- ii. to determine the number and amount of Securities/ FCCB that may be offered in domestic and/ or international markets and proportion thereof, tranches, issue price,

interest rate, listing, premium/ discount, as permitted under applicable law (now or hereafter);

- iii. to finalise and approve and make arrangements for submission of the preliminary and/or draft and/or final offering circulars/information memoranda/ offer documents/ other documents, and any addenda or corrigenda thereto with the appropriate regulatory authorities;
- iv. to determine conversion of Securities/ FCCB, if any, redemption, allotment of Securities/ FCCB, listing of securities at the Stock Exchanges;
- v. to make applications to the Stock Exchanges for in-principle and final approvals for listing and trading of Equity Shares, and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges in relation thereto;
- vi. to open such bank accounts, including escrow accounts, as are required for purposes of the QIP/ FCCB, in accordance with applicable law;
- vii. to finalise utilisation of the proceeds of the QIP/ FCCB, as it may in its absolute discretion deem fit in accordance with the applicable law;
- viii. approve estimated expenditure in relation to the QIP/ FCCB;
- ix. to decide on conduct and schedule of road shows, investor meet(s) in accordance with applicable legal requirements for the issue of the Securities/ FCCB;
- x. to undertake all such actions and compliances as may be necessary in accordance with the SEBI ICDR Regulations, the SEBI Listing Regulations, FCCB Scheme, FEMA or any other applicable laws;
- xi. to apply for dematerialisation of the Equity Shares with the concerned depositories;
- xii. to sign and execute all deeds, documents, undertakings, agreements, papers, declarations and writings as may be required in this regard, including without limitation, the private placement offer letter (along with the application form), information memorandum, disclosure documents, the preliminary placement document and the placement document, placement agreement, escrow agreement, term sheets, trustee agreement, trust deed and any other documents as may be required, approve and finalise the bid cum application form and confirmation of allocation notes, seek any consents and approvals as may be required, provide such declarations, affidavits, certificates, consents and/or authorities as required from time to time;
- xiii. to seek by making requisite applications as may be required, any approval, consent or waiver from the Company's lenders and/or any third parties (including industry data providers, customers, suppliers) with whom the Company



has entered into various commercial and other agreements, and/or any/all concerned government, statutory and regulatory authorities, and/or any other approvals, consents or waivers that may be required in connection with the QIP/ FCCB, offer and allotment of the Securities/ FCCB;

- xiv. to give instructions or directions and/or settle all questions, difficulties or doubts that may arise at any stage from time to time, and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by SEBI, the MCA, RBI, the book running lead manager(s), or other authorities or intermediaries involved in or concerned with the QIP/ FCCB and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, and that all or any of the powers conferred on the Company and the Board may intend that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to approve, finalise, execute, ratify, and/ or amend/ modify agreements and documents, including any power of attorney, lock up letters, and agreements in connection with the appointment of any intermediaries and/ or advisors (including for marketing, listing, trading and appointment of book running lead managers/ legal counsel/ bankers/ advisors/ registrars/ and other intermediaries as required) and to pay any fees, commission, costs, charges and other expenses in connection therewith.

**RESOLVED FURTHER THAT** subject to applicable law, the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any director(s), committee(s), executive(s), officer(s) or representative(s) of the Company or to any other person to do all such acts, deeds, matters and things and also to execute such documents, writings etc., as may be necessary to give effect to this resolution."

9. Approval for Material Related Party Transaction with the GIL-SIL JV.

To consider and, if thought fit, approve with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in supersession of the resolution no. 19 passed by members of the company at the third Annual General Meeting with reference to Related Party Transaction with GIL-SIL JV relevant for the FY 2023-24 and pursuant to the provisions of Regulation 23(4) and other applicable Regulations of the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act"), if any read with rules made thereunder, other applicable laws / statutory provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transaction ("RPT Policy") and basis the approval of the Audit Committee and recommendation of the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company for the related party transaction with GIL-SIL JV (a related party in terms of Regulation 2(1)(zb) of the Listing Regulations) for transaction of sub-contracting of Engineering, Procurement and Contract (EPC) works of Dedicated Freight Corridor Project (DFCC) for an amount of Rs 800 crores, for the FY 2023-24 and as per the details set out in explanatory statement annexed to notice.

**RESOLVED FURTHER THAT** the Board (which shall include any Committee of Board) or any person authorised by the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed fit in this regard and to take all such steps as may be required in this connection including execution of all such documents as deemed necessary, with power to alter and vary the terms and conditions of such arrangements/ transactions, as per the policy of the Company for related party transactions, and to settle all questions, difficulties or doubts that may arise in this regard."

10. Approval for shifting of the registered office of the Company from the State of Maharashtra to the State of Haryana and consequent alteration in the Memorandum of Association of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 12, 13 and all other applicable provisions, if any, of Companies Act, 2013 (the "Act") read with the Companies (Incorporation) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government (powers delegated to Regional Director) and/or any other authority(ies) as may be prescribed from time to time and such other approvals, permissions and sanctions as may be required, consent of the members of the Company be and is hereby accorded for shifting of the Registered Office of the Company from the State of Maharashtra to the State of Haryana.

**RESOLVED FURTHER THAT** upon shifting of the Registered Office of the Company becoming effective, the existing clause II of Memorandum of Association of the Company be and is hereby substituted with the following clause:

"II. The Registered Office of the Company shall be situated in the State of Haryana."

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board or the Management Committee of the Board, be and is hereby authorised to do all such acts, deeds, filings, matters and things and execute all such applications, declarations, deeds, documents, instruments and writings as may be required, to issue notice/advertisements including but not limited to publication of notice in newspaper(s), obtain orders of shifting of Registered Office from the concerned authorities and delegate all or any of its powers herein conferred to any director(s), officer(s) or representatives(s) and/or the consultant of the Company, if required, as it may in its absolute discretion deem it necessary or desirable."

By order of the Board of Directors  
For **GMR Power and Urban Infra Limited**

**Vimal Prakash**

Company Secretary &  
Compliance Officer  
(ACS 20876)

Place: New Delhi

Date: August 09, 2023

#### NOTES:

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020, General Circular Nos. 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being, General Circular No. 10/2022 dated December 28, 2022 (collectively referred to as "**MCA Circulars**") has allowed the companies to conduct the Annual General Meeting ("**AGM**") through Video Conferencing ("**VC**"), without the physical presence of the Members at a common venue. In terms of the said Circulars, the 4<sup>th</sup> AGM of the Company is being held through VC. Hence, Members can attend and participate in the AGM through VC only.

Further, MCA vide its aforesaid Circulars and the Securities and Exchange Board of India ("**SEBI**") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, and subsequent circulars issued in this regard, the latest being, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 (hereinafter referred to as "**SEBI Circulars**") prescribing the procedures and manner of conducting the AGM through VC/ Other Audio Visual Means (OAVM) and has granted relaxation in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode.

2. In line with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 are being sent only through electronic mode to those Members whose email addresses are registered in respect of electronic

holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, KFin Technologies Limited ("**KFintech**"). However, hard copy of Annual Report shall be sent to those shareholders who specifically request for the same. Members may also note that the Notice of the 4<sup>th</sup> AGM and the Annual Report 2022-23 will also be available on the Company's website at <https://investor.gmrpui.com>, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited, at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFintech at <https://evoting.kfintech.com>.

3. Pursuant to the aforesaid MCA Circulars, Members attending the 4<sup>th</sup> AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. As per the Companies Act, 2013, ('the Act'), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. However, in terms of the MCA Circulars, the 4<sup>th</sup> AGM is being held through VC and physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA Circulars and SEBI Circulars, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 4<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. The Board of Directors have considered and decided to include item nos. 4 to 10 as Special Businesses in the Notice to the 4<sup>th</sup> AGM, as they consider them unavoidable in nature.
6. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Act relating to item nos. 4 to 10 and the additional information required to be provided pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "**SEBI LODR**") and Secretarial Standard on General Meeting (SS-2) prescribed by Institute of Company Secretaries of India (ICSI), regarding the Directors who are proposed to be appointed/re-appointed are annexed hereto.
7. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, September 11, 2023 to Monday, September 18, 2023** (both days inclusive).
8. KFin Technologies Limited (formerly known as Kfin Technologies Private Limited) ('KFintech') is the Registrar and Share Transfer Agent (RTA) of the Company to perform the share related work for shares held in physical and electronic form.
9. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to

authorise their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution/authorization letter to the Scrutiniser at e-mail ID [compliance@sreedharancs.com](mailto:compliance@sreedharancs.com) with a copy marked to RTA at email id- [evoting@kfintech.com](mailto:evoting@kfintech.com) and to the Company at [GPUIL.CS@gmrgroup.in](mailto:GPUIL.CS@gmrgroup.in) authorising its representative(s) to attend and vote through VC on their behalf at the Meeting pursuant to section 113 of the Act. In case if the authorized representative attends the Meeting, the above-mentioned documents shall be submitted before the commencement of said Meeting.

10. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC and vote.
11. The Company has engaged KFinTech for providing the facility of voting through remote e-voting, for participation in the 4<sup>th</sup> AGM through VC facility and e-voting thereof.
12. Members who have not registered their e-mail addresses are requested to register the same in respect of shares held in electronic form with their respective Depository through their Depository Participant(s). Any such changes effected by the Depository Participants will automatically reflect in the Company's records. In respect of shares held in physical form by writing to the Company's RTA, KFin Technologies Limited (Unit: GMR Power and Urban Infra Limited), Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serili Nagampally, Hyderabad, Rangareddi, Telangana-500 032, India.
13. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI LODR and has mandated that all requests for effecting transfer of securities including transmission and transposition shall not be processed unless the securities are held in the dematerialised form. Hence members are advised to dematerialize their shares that are held in physical form.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, Bank Mandate details, etc., to their Depository Participant(s) in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting documents. The said form can be downloaded from the Company's website at <https://investor.gmrpui.com> and is also available at the website of the RTA at <https://ris.kfintech.com/clientservices>.
15. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR- 4, the format of which is available on the Company's website at <https://investor.gmrpui.com> and on the website of RTA at <https://ris.kfintech.com/clientservices/isc/default.aspx#isc>.
16. As per the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to the members, in respect of equity shares held by them. Nomination form, Form No. SH 13, can be downloaded from the Company's website at <https://investor.gmrpui.com> and is also available at the website of the RTA at <https://ris.kfintech.com/clientservices/isc/default.aspx#isc>. Members are requested to submit the said form to their Depository Participants in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
17. As per Rule 3 of the Companies (Management and Administration) Rules, 2014, Register of Members of the Company should have additional details pertaining to e-mail, PAN /CIN, UID, Occupation, Status, Nationality. We request all the Members of the Company to update their details with their respective Depository Participants (DPs) in case of shares held in electronic form and with the Company's RTA in the case of physical holding, immediately.
18. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its RTA or the concerned Depository Participant, as the case may be: -
  - a) the change in the residential status on return to India for permanent settlement, and
  - b) the particulars of the updated Bank Account in India.
19. Since the AGM will be held through VC Facility, the Route Map being not relevant is not annexed to this Notice.
20. Pursuant to the scheme of arrangements sanctioned by NCLT, Mumbai the company had allotted shares in favour of Investor Education Protection Fund (IEPF) against the shares of GMR Airports Infrastructure Limited, (Formerly known as GMR Infrastructure Limited "GIL") that had been transferred to IEPF. The eligible shareholders will be able to reclaim these shares from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website <http://www.iepf.gov.in> and by sending a physical copy of the same to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.
21. Members may join the 4<sup>th</sup> AGM through VC Facility by following the procedure as mentioned separately in the notice, which shall



be kept open for the Members from 10:45 a.m. IST i.e. 15 minutes before the time scheduled to start the 4<sup>th</sup> AGM and shall not be closed for at least 15 minutes after such scheduled time.

22. Members may note that the VC Facility, provided by KFinTech, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 4<sup>th</sup> AGM without any restriction on account of first-come first-served principle.
23. Copies of all documents referred to in the notice and explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 annexed thereto are available for inspection electronically. Members seeking to inspect such documents can send an email to [GPUIL.CS@gmrgroup.in](mailto:GPUIL.CS@gmrgroup.in)
24. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act will be available electronically for inspection by the members during the 4<sup>th</sup> AGM.

Member seeking any information with regard to any queries regarding the Annual Report, may write to the Company at [GPUIL.CS@gmrgroup.in](mailto:GPUIL.CS@gmrgroup.in).

## 25. THE PROCESS AND MANNER FOR REMOTE E-VOTING:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard-2 on General Meetings and Regulation 44 of the SEBI LODR read with SEBI Circular No. SEBI/HO/CFD/

CMD/ CIR/P/2020/242 dated December 9, 2020, the Company is pleased to provide members with facility to exercise their votes by electronic means provided by KFinTech (E-Voting Service Provider) through the modes listed below, on all resolutions set forth in this Notice, by way of remote e-voting or e-voting during the AGM.

### A) Information and instructions for remote e-voting by Individual Shareholders holding shares of the Company in demat mode:





Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/ P/2020/242 dated December 9, 2020 on "e-Voting Facility Provided by Listed Entities", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/ websites of Depositories / DPs in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-Voting Service Provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile numbers and email Ids in their demat accounts to access e-Voting facility.

Individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts. During the voting period, shareholders / members can login any number of times till they have voted on the resolution(s) for a particular "Event". The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>1. Members already registered for NSDL Internet Based Demat Account Statement (IDeAS) facility:</b></p> <ol style="list-style-type: none"> <li>i. Visit URL <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>.</li> <li>ii. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section.</li> <li>iii. A new screen will prompt and you will have to enter your User ID and Password.</li> <li>iv. Post successful authentication, click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page.</li> <li>v. Click on company name or e-Voting service provider name i.e. KFinTech and you will be redirected to KFinTech website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
	<p><b>2. Members who have not registered for IDeAS facility, may follow the below steps:</b></p> <ol style="list-style-type: none"> <li>i. To register for IDeAS facility, visit the URL at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>.</li> <li>ii. Click on “<b>Register Online for IDeAS</b>” or for direct registration. click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>iii. On completion of the registration formality, follow the steps provided above.</li> </ol> <p><b>3. Members may alternatively vote through the e-voting website of NSDL in the following manner:</b></p> <ol style="list-style-type: none"> <li>i. Visit the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a>.</li> <li>ii. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>iii. Members to enter User ID (i.e. your Sixteen Digit demat account number held with NSDL), Password/OTP and a Verification Code shown on the screen.</li> <li>iv. Post successful authentication, you will be redirected to NSDL IDeAS site wherein you can see e-Voting page.</li> <li>v. Click on company name or e-Voting service provider name i.e., KFintech and you will be redirected to KFintech website for casting your vote.</li> </ol> <p><b>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</b></p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>NSDL Mobile App is available on</p> <p>   </p> <div style="display: flex; justify-content: space-around;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<p><b>1. Members already registered for Easi/ Easiest facility may follow the below steps:</b></p> <ol style="list-style-type: none"> <li>i. Visit the following URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>ii. Click on the “Login” icon and opt for “New System Myeasi” (only applicable when using the URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>)</li> <li>iii. On the new screen, enter User ID and Password. Without any further authentication, the e-voting page will be made available.</li> <li>iv. Click on Company name or e-voting service provider name i.e. KFintech to cast your vote.</li> </ol> <p><b>2. Members who have not registered for Easi/Easiest facility, may follow the below steps:</b></p> <ol style="list-style-type: none"> <li>i. To register for Easi/Easiest facility visit the URL at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>ii. On completion of the registration formality, follow the steps mentioned above.</li> </ol> <p><b>3. Members may alternatively vote through the e-voting website of CDSL in the manner specified below:</b></p> <ol style="list-style-type: none"> <li>i. Visit the following URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>ii. Enter the demat account number and PAN.</li> <li>iii. Enter OTP received on mobile number and email registered with the demat account for authentication.</li> <li>iv. Post successful authentication, the member will receive links for the respective e-voting service provider i.e., KFintech where the e-voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>1. Members may alternatively log-in using the credentials of the demat account through their Depository Participant(s) registered with NSDL/CDSL for the e-voting facility.</li> <li>2. On clicking the e-voting icon, members will be redirected to the NSDL/CDSL site, as applicable, on successful authentication.</li> <li>3. Members may then click on Company name or e-voting service provider name i.e. KFintech and will be redirected to KFintech website for casting their vote.</li> </ol>

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL who have forgotten their password:**

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants' website.

It is strongly recommended not to share your password

with any other person and take utmost care to keep your password confidential.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below;

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542/43 or call at toll free no. 1800 200 5533.

**B) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and for all shareholders holding securities in physical mode:**

Member will receive an e-mail from KFinTech [for the Members whose e-mail IDs are registered with the Depository Participant(s)/RTA] which includes details of E-Voting Event Number (“**EVEN**”), User ID and Password. They will have to follow the following process for e-voting:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
- ii. Enter the login credentials (i.e., User ID and Password). In case of Demat account, your Sixteen Digit DP ID-Client ID will be your User ID. In case of physical folio, User ID will be EVEN (e-Voting Event Number) XXXX, followed by folio number. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and Password for casting your vote.
- iii. After entering these details appropriately, click on 'LOGIN'.
- iv. You will now reach to password change Menu wherein you are required to mandatorily change your password. The new password should comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password, in case you forget your password. It is strongly recommended that you do

not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the 'EVENT', i.e., **GMR Power and Urban Infra Limited**.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-Off Date under 'FOR/AGAINST' or, alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option 'ABSTAIN'. If you do not indicate either 'FOR' or 'AGAINST' it will be treated as 'ABSTAIN' and the shares held will not be counted under either head.
- viii. Equity shareholders holding multiple demat accounts may choose the voting process separately for each demat account.
- ix. You may then cast your vote by selecting an appropriate option and click on 'Submit'.
- x. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, you can login any number of times till you have voted on the Resolution.
- xi. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF/JPG Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly

authorised representative(s) who are authorised to vote, to the Scrutiniser on e-mail ID [compliance@sreedharancs.com](mailto:compliance@sreedharancs.com) with a copy marked to RTA at email id- [evoting@kfintech.com](mailto:evoting@kfintech.com) and to the Company at [GPUIL.CS@gmrgroup.in](mailto:GPUIL.CS@gmrgroup.in). The scanned copy of the Board Resolution should be in the naming format "Company Name, EVEN No." In case if the authorized representative cast vote, the above mentioned documents shall be submitted before or at the time of casting the vote.

**C) Members whose email IDs are not registered with the RTA/Depository Participants(s), and consequently Notice of AGM and e-voting instructions cannot be serviced:**

To facilitate Members to receive the Company's Annual Report and Notice for the Annual General Meeting (including remote e-voting instructions) electronically and cast their vote, the Company has made special arrangements with KFintech for registration of email addresses of the Members in terms of MCA Circulars. Eligible Members who have not registered their email address and in consequence the e-voting notice could not be serviced, may temporarily get their email address registered with KFintech, on or before 5:00 p.m. (IST) on September 11, 2023.

- I. Member may send an email request at the email id [evoting@kfintech.com](mailto:evoting@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the notice of AGM and the E-voting instructions.
- II. Please follow all steps from Note No. 24(B) above to cast your vote by electronic means.

**D) OTHER INSTRUCTIONS:**

- I. A person, whose name is recorded in the register of equity shareholders maintained by RTA or in the register of beneficial owners maintained by the Depositories as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the Meeting.
- II. Person holding securities in physical mode and non-individual shareholders holding securities in demat mode who become equity shareholder after dispatch of the Notice of the Meeting but on or before the **Cut-Off Date, i.e., Monday, September 11, 2023** may obtain User ID and Password and any such member who has not received or has forgotten the

User ID and Password, may obtain/retrieve the same from KFintech in the manner as mentioned below:

- a) If the mobile number of the equity shareholder is registered against Folio No./DP ID-Client ID, the Member may send SMS: MYEPWD<SPACE>Folio No. or DP ID-Client ID to +91 9212993399. In case of physical holding, prefix Folio No. with EVEN.

Example for NSDL:

MYEPWD<SPACE>IN12345612345678

Example for CDSL:

MYEPWD<SPACE>1402345612345678

Example for Physical:

MYEPWD<SPACE>XXXX1234567890 (XXXX being EVEN)

- b) If email address of the equity shareholder is registered against DP ID-Client ID, then on the home page of <https://evoting.kfintech.com>, the equity shareholder may click 'Forgot Password' and enter DP ID-Client ID and PAN to generate a password.

**III. Registration of e-mail address permanently with RTA/ Depository Participant(s):** In case e-mail ID of a Member is not registered with the RTA/ Depository Participant(s), then such Member is requested to register/ update their e-mail addresses:

- a) with the Depository Participant (in case of Shares held in dematerialised form);
- b) with KFintech by sending an email request at the email ID [evoting@kfintech.com](mailto:evoting@kfintech.com) (in case of Shares held in physical form).

**IV. In case of any queries, please visit Help and Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com>. For any grievances related to e-voting, please contact Mr. G. Ramdas, Senior Manager, KFin Technologies Limited (formerly known as KFin Technologies Private Limited), Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramgula, Serili Nagmpally, Hyderabad, Rangareddi, Telangana-500 032, India. at [evoting@kfintech.com](mailto:evoting@kfintech.com), Toll Free No: 1800-309-4001.**

25. The remote e-voting period commences on **Thursday, September 14, 2023 at 9.00 a.m. IST and ends on Sunday, September 17, 2023 at 5.00 p.m. IST (both days inclusive)**. During this period, the Members of the Company may cast

their votes by remote e-voting in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-Off Date, being Monday, September 11, 2023 will be entitled to cast their votes by remote e-voting.

26. The voting rights of the members shall be in proportion to their shareholding of the paid-up equity share capital of the Company as on Cut-Off Date, i.e., Monday, September 11, 2023.

27. A person who is not a Member as on the Cut-Off Date should treat this Notice for information purposes only.

**28. VOTING DURING THE AGM:**

i. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same.

ii. Members who have voted through remote e-voting will be eligible to attend the AGM, however, they shall not be allowed to cast their vote again during the AGM.

iii. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM and he will announce the start time of casting the vote during AGM through the e-Voting platform of our RTA - KFinTech and thereafter the e-Voting during AGM shall commence.

iv. Upon declaration by the Chairman about the commencement of e-voting at AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the 'Instapoll' page.

v. Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.

vi. However, this facility shall be operational till all the resolutions are considered and voted upon in the meeting.

vii. A Member can opt for only single mode of voting i.e. through remote e-voting or voting at the AGM. If a Member cast votes by both modes i.e. voting at AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

29. Mr. V. Sreedharan, (Membership No. FCS 2347) or failing him Mr. Pradeep B. Kulkarni (Membership No. FCS 7260) or failing him Ms. Devika Satyanarayana (Membership No. FCS 11323), Partners, M/s. V. Sreedharan and Associates, Company Secretaries have been appointed as the Scrutinizer for conducting the remote e-voting, and e-voting process in a

fair and transparent manner.

30. The Scrutinizer will, after the conclusion of e-voting during the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or a person authorised by him in writing who shall countersign the same in compliance of Rule 20 of Companies (Management and Administration) Rules, 2014 (including amendments made thereto) read with Regulation 44 of SEBI LODR.

31. The Results on resolutions shall be declared within two working days from the date of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

32. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at [www.gmrpui.com](http://www.gmrpui.com) and on KFinTech's website at <https://evoting.kfintech.com> immediately after the result is declared by the Chairman or by person authorised by him and communicated to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed. The result shall also be displayed on the notice board at the Registered Office of the Company as well at the Corporate Office of the Company.

**33. Instructions for attending the AGM through VC:**

a) Members may access the platform to attend the AGM through VC at <https://emeetings.kfintech.com> by using their DP ID / Client ID as applicable as the credentials.

b) The facility for joining the AGM shall be open 15 minutes before the time scheduled to start the AGM and shall not be closed for at least 15 minutes after such scheduled time.

c) Members are encouraged to join the Meeting using Google Chrome (preferred browser), Safari, Microsoft Edge or Mozilla Firefox.

d) Members will be required to grant access to the webcam to enable two-way video conferencing.

e) Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC smoothly, without any fluctuations in the audio/video quality.

f) Members who may want to express their views or ask questions at the AGM may visit <https://evoting.kfintech.com> and click on the tab "Annual General Meeting Post Your Queries Here" to post their queries in the window provided, by mentioning their name, demat account number, email ID and mobile

number. **The window shall remain active during the remote e-voting period and shall be closed on Sunday, September 17, 2023 at 5:00 p.m.**

- g) In addition to the above-mentioned step, the Members may register themselves as speakers for the AGM to raise their queries. Accordingly, the Members may visit [https:// evoting.kfintech.com](https://evoting.kfintech.com) and click on tab 'Speaker Registration for e-AGM' during the period mentioned below. Members shall be provided a 'queue number' before the AGM. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

**The 'Speaker Registration' window shall be activated on Thursday, September 14, 2023 at 9.00 A.M. and shall be closed on Friday September 15, 2023 at 5.00 P.M.** Those Members who have registered themselves as a speaker will only be allowed to speak/express their views/ ask questions during the AGM provided they hold shares as on the Cut-Off Date i.e., Monday, September 11, 2023. The Company reserves the right to restrict the number of speakers and time allotted per speaker subject to availability of time as appropriate for smooth conduct of the AGM.

- h) Members who have not cast their vote through remote e- voting shall be eligible to cast their vote through e- voting system available during the AGM. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same.
- i) Members who may require any technical assistance or support before or during the AGM are requested to contact KFinTech at their toll free number 1800-309-4001 or write to them at [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) and/or [evoting@kfintech.com](mailto:evoting@kfintech.com). Kindly quote your name, DP ID Client ID and e-voting EVEN Number in all your communications.

**Explanatory Statement under Section 102(1) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Item No. 4**

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee ("NRC") had approved the appointment of Mr. Shantanu Ghosh (DIN: 00041435) as an Additional Director of the Company with effect from August 04, 2023. In terms of the provisions of Section 161 of the Companies Act, 2013, ("the Act"), and Article 64 of the Articles of Association of the Company, he will hold office till the ensuing Annual General Meeting. He was also appointed as an Independent Director under Section 149 of the Act and SEBI (Listing Obligations and Disclosure

Requirements), Regulations 2015 ("Listing Regulations") to hold office for a term of 3 years, with effect from August 04, 2023 or upto the conclusion of the 6<sup>th</sup> Annual General Meeting of the Company, whichever is earlier, subject to approval of Members.

It may be noted that while the resolution is proposed as a Special Resolution in terms of Regulation 25(2A) of the Listing Regulations, and in terms of section 149 of the Act the resolution requires simple majority of members. The said provision of the Listing Regulation further stipulates that in the event the resolution is not passed as Special Resolution but the votes cast in favour of resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceeds the votes cast against the resolution, then the appointment of the independent director shall be deemed to be approved.

The Company has received declaration from Mr. Shantanu Ghosh that he is not disqualified from being appointed as Director in terms of Section 164 and other applicable provisions of the Act and has given his consent for the appointment. In the opinion of the Nomination & Remuneration committee of the Board Mr. Shantanu Ghosh is not debarred from holding the office of Director pursuant to any SEBI order.

The Company has also received a declaration from Mr. Shantanu Ghosh confirming that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations.

The Company has received a notice from Member proposing the name of Mr. Shantanu Ghosh as Director of the Company.

In the opinion of the Board, Mr. Shantanu Ghosh fulfils the conditions specified in the Act and rules made thereunder and Listing Regulations, for his appointment as an Independent Director of the Company and he is independent of the management.

Mr. Shantanu Ghosh holds Master's Degree in Economics from Delhi University. He has also completed Post Graduate Diploma in International Trade Management from Indian Institute of Foreign Trade.

During his career spanning over 40 years, he has held many prestigious positions in various Indian and Overseas Banks. He held the position of country head of Retail Banking of ING Vysya Bank.

He was member of the startup team at C level in Bank Sohar and Bank Nizwa in Sultanate of Oman for over 11 years. He has rich experience in financial leadership roles, Business Strategy, Consulting, General Management, HRD, Information Technology and investment banking. Currently he advises on Digital Transformation.

NRC and the Board of Directors at their respective meetings have assessed the candidature of Mr. Shantanu Ghosh and are of the view that he is a person of integrity and possesses necessary competencies and skills identified by the Board of Directors for being appointed as Independent Director.



In view of his expertise and knowledge, the Board is of opinion that it would be in the interest of the Company to appoint him as an Independent Director.

Copy of letter of appointment of Mr. Shantanu Ghosh setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

As required under Regulation 36 of Listing Regulations and Secretarial Standard (SS-2) on General Meetings, issued by Institute of Company Secretaries of India (ICSI), the relevant details of Mr. Shantanu Ghosh are annexed herewith to the notice.

Except Mr. Shantanu Ghosh, being an appointee and his relatives, none of the Directors and/ or Key Managerial Personnel of the Company and/ or their relatives are concerned or interested in the resolution set out in Item No. 4 of the notice. The Board recommends passing of the resolution set out in Item No. 4 of the notice as a Special Resolution.

#### **Item No. 5**

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee (“NRC”) had approved the appointment of Dr. Fareed Ahmed (DIN: 09698462) as an Additional Director of the Company with effect from August 4, 2023. In terms of the provisions of Section 161 of the Companies Act, 2013 (“the Act”) and Article 64 of the Articles of Association of the Company, he will hold the Office till the ensuing Annual General Meeting. He was also appointed as an Independent Director under Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) to hold office for a term of 3 years, with effect from August 04, 2023 or upto the conclusion of the 6<sup>th</sup> Annual General Meeting of the Company, whichever is earlier, subject to approval of Members.

It may be noted that while the resolution is proposed as a Special Resolution in terms of Regulation 25(2A) of the Listing Regulations, and in terms of section 149 of the Act the resolution requires simple majority of members. The said provision of the Listing Regulation further stipulates that in the event the resolution is not passed as Special Resolution but the votes cast in favour of resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceeds the votes cast against the resolution, then the appointment of the independent director shall be deemed to be approved.

The Company has received declaration from Dr. Fareed Ahmed that he is not disqualified from being appointed as Director in terms of Section 164 and other applicable provisions of the Act and has given his consent for the appointment. In opinion of the Nomination & Remuneration committee of the Board Dr. Fareed Ahmed is not debarred from holding the office of Director pursuant to any SEBI order.

The Company has also received a declaration from Dr. Fareed Ahmed confirming that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations.

The Company has received a notice from Member proposing the name of Dr. Fareed Ahmed as Director of the Company.

In the opinion of the Board, Dr. Fareed Ahmed fulfils the conditions specified in the Act and rules made thereunder and Listing Regulations, for his appointment as an Independent Director of the Company and he is independent of the management.

Dr. Fareed Ahmed holds Master’s degree in Agricultural Economics, from AP Agricultural University. He has also completed Ph.D in Management.

Dr. Fareed has experience of working in the banking sector, at both operational and administrative levels. He started his career as an Agricultural Field Officer in May 1983 and reached the level of Branch Head, Zonal Head, and General Manager with Corporation Bank with which his association was for 34 years.

He had also served with Punjab & Sind Bank as Executive Director for over 3.5 years.

He has been a regular contributor as an author for International Journals of Research in Management Economics and Commerce.

Dr. Fareed has also been associated with various Banks’ Staff Training colleges and other Management Institutes as a panelist/speaker and has conducted a number of sessions on Banking, Leadership and Team Performance.

NRC and the Board of Directors at their respective meetings have assessed the candidature of Dr. Fareed Ahmed and are of the view that he is a person of integrity and possesses necessary competencies and skills identified by the Board of Directors for being appointed as Independent Director.

In view of his expertise and knowledge, the Board is of opinion that it would be in the interest of the Company to appoint him as Independent Director.

Copy of letter of appointment of Dr. Fareed Ahmed setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

As required under Regulation 36 of Listing Regulations and Secretarial Standard (SS-2) on General Meetings, issued by Institute of Company Secretaries of India (ICSI), the relevant details of Dr. Fareed Ahmed are annexed herewith to the notice.

Except Dr. Fareed Ahmed, being an appointee and his relatives, none of the Directors and/ or Key Managerial Personnel of the Company and/ or their relatives are concerned or interested in the resolution set out in Item No. 5 of the notice. The Board recommends passing of the resolution set out in Item No. 5 of the notice as a Special Resolution.

**Item No. 6**

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee (“NRC”) had approved the appointment of Ms. Suman Naresh Sabnani (DIN: 10223343) as an Additional Director of the Company with effect from August 04, 2023. In terms of the provisions of Section 161 of the Companies Act, 2013 (“the Act”) and Article 64 of the Articles of Association of the Company, she will hold office till the ensuing Annual General Meeting. She was appointed as an Independent Director under Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) to hold office for a term of 3 years, with effect from August 04, 2023 or upto the conclusion of the 6<sup>th</sup> Annual General Meeting of the Company, whichever is earlier, subject to approval of Members.

It may be noted that while the resolution is proposed as a Special Resolution in terms of Regulation 25(2A) of the Listing Regulations, and in terms of section 149 of the Act the resolution requires simple majority of members. The said provision of the Listing Regulation further stipulates that in the event the resolution is not passed as Special Resolution but the votes cast in favour of resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceeds the votes cast against the resolution, then the appointment of the independent director shall be deemed to be approved.

The Company has received a declaration from Ms. Suman Naresh Sabnani that she is not disqualified from being appointed as Director in terms of Section 164 and other applicable provisions of the Act and has given her consent for the appointment. In the opinion of the Nomination & Remuneration committee of the Board, Ms. Suman Naresh Sabnani is not debarred from holding the office of Director pursuant to any SEBI order.

The Company has also received a declaration from Ms. Suman Naresh Sabnani confirming that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations.

The Company has received a notice from Member proposing the name of Ms. Suman Naresh Sabnani as a Director of the Company.

In the opinion of the Board, Ms. Suman Naresh Sabnani fulfils the conditions specified in the Act and rules made thereunder and Listing Regulations, for her appointment as an Independent Director of the Company and she is an independent of the management.

Ms. Suman Naresh Sabnani is a Graduate in commerce from Mumbai University and holds Post Graduate Certificate in Business Management, XLRI, Jamshedpur.

Ms. Suman is having managerial experience of over 30 years and has held various senior positions with HSBC Bank, India and her last stint with the Bank was a Global role reporting to HSBC, UK. During her stint, she dealt the Regional Third Party Risk Officers across Asia Pacific,

UK, Europe, North America, to ensure all that Third Party Risks raised in their Areas are completely and accurately addressed.

She also managed the third party Global Risk Map, Emerging Risk Return and third party Opinion Paper for Global Senior Management and review of Supplier Management chain to ensure alignment to the Bank’s Policy and Procedures.

NRC and the Board of Directors at their respective meetings have assessed the candidature of Ms. Suman Naresh Sabnani and are of the view that she is a person of integrity and possesses necessary competencies and skills identified by the Board of Directors for being appointed as Independent Director.

In view of her expertise and knowledge, the Board is of opinion that it would be in the interest of the Company to appoint her as an Independent Director.

Copy of letter of appointment of Ms. Suman Naresh Sabnani setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

As required under Regulation 36 of Listing Regulations and Secretarial Standard (SS-2) on General Meetings, issued by Institute of Company Secretaries of India (ICS), the relevant details of Ms. Suman Naresh Sabnani are annexed herewith to the notice.

Except Ms. Suman Naresh Sabnani, being an appointee and her relatives, none of the Directors and/ or Key Managerial Personnel of the Company and/ or their relatives are concerned or interested in the resolution set out in Item No. 6 of the notice. The Board recommends passing of the resolution set out in Item No. 6 of the notice as a Special Resolution.

**Item No. 7**

The Board of Directors of the Company at its meeting held on August 9, 2023, on recommendation of the Audit Committee, approved the appointment of and remuneration payable to M/s. J.S.N & Company, Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending March 31, 2024 as set out in the resolution.

None of the Directors and/ or Key Managerial Personnel of the Company and/ or their relatives are concerned or interested in the resolution set out in Item No. 7 of the notice and the Board recommends passing of the same as an Ordinary Resolution.

**Item No. 8**

In order to meet the existing debt obligations of the Company, its subsidiaries / associate companies and also to facilitate any operational or growth capital that may be required on a case to



case basis, the Company may require to raise additional funds in the form of QIP or other related modes. This will also facilitate the continuing efforts of the Company to reduce the debts and to optimise existing overall cost of debts.

The aforesaid funds would be utilized for the purpose of reduction of existing debts of the Company and or its subsidiaries/ associates, providing assistance to the subsidiaries from time to time and for meeting any general corporate purpose.

In line with the above, the Company proposes to raise funds upto aggregate amounts of ₹ 3,000 crore (Rupees Three Thousand Crore Only), either singly or in any combination of issuance of equity shares of the Company ("Equity Shares"), non-convertible debentures along with warrants and/or convertible securities other than warrants (collectively, referred to as the "Securities") to qualified institutional buyers (as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), whether they are holders of Equity Shares or not, for cash, in one or more tranches and/or issuance of Foreign Currency Convertible Bonds ("FCCB") to eligible investors permitted under the Issue of Foreign Currency Convertible Bonds and Ordinary shares (Through Depository Receipt Mechanism) Scheme 1993 ("FCCB Scheme") or under any Regulations made under Foreign Exchange Management Act, 1999 ("FEMA") or combination thereof, in terms of (a) the SEBI ICDR Regulations; (b) applicable provisions of the Companies Act, 2013 and the applicable rules made thereunder [including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014], each including any amendment(s), statutory modification(s), or re-enactment(s) thereof ("Companies Act"); (c) FCCB Scheme, as amended, Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004 as amended and (d) other applicable law including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and replaced with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Foreign Exchange Management Act, 1999 ("FEMA") including ECB Guidelines as amended, as may be applicable.

Accordingly, the Board, at its meeting held on August 09, 2023, subject to the approval of the members of the Company, approved the issuance of the Securities/ FCCB on such terms and conditions as may be deemed appropriate by the Board ("Board", which term shall include the Management Committee of the Board or any other committee which the Board may hereinafter constitute for this purpose) at its sole and absolute discretion, taking into consideration market conditions and other relevant factors and wherever necessary, in consultation with the book running lead manager(s) and /or other advisor(s) appointed in relation to issuance of the QIP/ FCCB, in accordance with applicable laws. The Securities allotted will be listed and traded on the stock exchange(s) where Equity Shares of the Company are currently listed, subject

to obtaining necessary approvals. The offer, issue, allotment of the Securities/ FCCB, shall be subject to obtaining regulatory approvals, if any by the Company.

In terms of Section 62(1)(c) of the Companies Act, 2013, shares may be issued to persons who are not the existing shareholders of a company, if the company is authorised by a special resolution passed by its shareholders. Further, in terms of provisions of Section 42 and 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, SEBI ICDR Regulations, FCCB Scheme, shareholders' approval is required for issuance of Securities/ FCCB. Therefore, consent of the shareholders is being sought for passing the special resolution, pursuant to applicable provisions of the Companies Act, 2013 and other applicable law.

The Securities offered, issued, and allotted by the Company pursuant to the QIP in terms of the resolution and shares arising out of conversion of Securities/FCCB would be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and any Equity Shares that may be created, offered, issued and allotted by the Company shall rank, in all respects, paripassu with the existing Equity Shares of the Company.

The pricing of the Securities shall be determined in accordance with the relevant provisions of the SEBI ICDR Regulations, the Companies Act, FCCB Scheme and any other applicable law. The resolution enables the Board in accordance with applicable law, to offer a discount of not more than 5% or such percentage as may be permitted under applicable law on the floor price determined in accordance with the SEBI ICDR Regulations.

The allotment of the Securities issued by way of QIP shall be completed within a period of 365 days from the date of passing of this resolution by the shareholders of the Company or such other time as may be allowed under the SEBI ICDR Regulations from time to time. The Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on the recognised Stock Exchanges, or except as may be permitted under the SEBI ICDR Regulations from time to time.

The 'relevant date' for the purpose of the pricing of the Securities to be issued and allotted in the proposed QIP shall be decided in accordance with the applicable provisions of the SEBI ICDR Regulations, which shall be the date of the meeting in which the Board decides to open the QIP (or in case of allotment of eligible convertible securities, the relevant date may be either the date on which the Board decides to open the issue or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares as may be decided by the Board), which shall be subsequent to receipt of shareholders' approval in terms of provisions of Companies Act, 2013 and other applicable laws, rules, regulations and guidelines in relation to the proposed issue of the Equity Shares. The relevant date for purpose of FCCB will be determined in

accordance with the FCCB Scheme or as may be permitted under the applicable laws.

The resolution proposed is an enabling resolution and the exact amount, exact price, proportion and timing of the issue of the Securities/ FCCB in one or more tranches and the remaining detailed terms and conditions for the QIP/ FCCB will be decided by the Board, in accordance with the SEBI ICDR Regulations, FCCB Scheme or other applicable laws in consultation with book running lead manager(s) and / or other advisor(s) appointed and such other authorities and agencies as may be required to be consulted by the Company. Further, the Company is yet to identify the investor(s) and decide the quantum of Securities/ FCCB to be issued to them. Hence, the details of the proposed allottees, percentage of their post- QIP shareholding and the shareholding pattern of the Company are not provided. The proposal, therefore, seeks to confer upon the Board the discretion and adequate flexibility to determine the terms of the QIP/ FCCB, including but not limited to the identification of the proposed investors in the QIP/ FCCB and quantum of Securities and/or FCCB or combination thereof to be issued and allotted to each such investor, in accordance with the provisions of the SEBI ICDR Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended the Companies Act, the FCCB Scheme, the FEMA and the regulations made thereunder, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, the Foreign Exchange Management (Debt Instruments) Regulations, 2019, as amended, the ECB guidelines as amended, Consolidated FDI Policy issued by the Department for Promotion of Industry & Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended; and other applicable laws.

Necessary disclosures have and will be made to the recognised Stock Exchanges, as may be required under the listing agreements entered into with the recognised Stock Exchanges and the Listing Regulations.

The approval of the Members is being sought to enable the Board, to decide on the issuance of Securities/FCCB, to the extent and in the manner stated in the Special Resolution, as set out in item No. 8 of this notice, without the need for any fresh approval from the Members of the Company in this regard.

None of the Directors or Key Managerial Personnel of the Company, or their respective relatives, is concerned or interested, financially or otherwise, except their shareholding, if any, in the Company, in the resolution set out at Item No. 8 of the notice.

The proposed QIP/FCCB is in the interest of the Company and the Board recommends the resolution set out at Item No. 8 of the notice for the approval of the Members as a Special Resolution.

#### **Item No. 9**

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(Listing Regulations), effective April 1, 2022, requires Members approval by way of Ordinary Resolution for all material related party transactions. In terms of said Regulations a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 crores, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower ("Material RPTs").

The Material RPTs requires approval of the Members even if the same are in the ordinary course of business and at arm's length basis.

The members of the Company at the 3<sup>rd</sup> Annual General Meeting held on September 27, 2022, had approved the continuance of an existing related party transaction with GIL-SIL JV of upto ₹ 1300 crores for the FY 2022-23 and of upto ₹ 600 crores for the FY 2023-24. However, based on work carried out, actual billing during the FY 2022-23 was ₹ 1085 Crore only. It is expected that during the FY 2023-24, the estimated value of transaction will be around ₹ 800 crores.

Considering the anticipated increase in the value of the related party transaction with GIL-SIL-JV for the FY 2023-24 from ₹ 600 crore as already approved to ₹ 800 crore, the Company seeks revised approval of shareholders for upto ₹ 800 crore.

The Company would continue the said RPT on the same terms as has been in existence and as detailed in the table below. The proposed transaction is in the ordinary course of business of the Company and on at arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by law, at its meeting held on August 08, 2023, reviewed and approved the said transaction, subject to approval of the Members, while noting that such transaction is at arms' length basis and in the ordinary course of business of the Company.

Your Board of Directors considered the same and recommend passing of the resolution contained in Item No. 9 of this notice by way of Ordinary Resolution. None of the Directors or Key Managerial Personnel of the Company, or their respective relatives, is concerned or interested, financially or otherwise, except their shareholding, if any, in the Company, in the resolution set out at Item No. 9 of the notice.

As per the Listing Regulations, all related parties of the Company, whether or not a party to the proposed transaction, shall not vote to approve the said resolution.

The approval of the Members is being sought for Item no. 9 of the Notice for Material RPT set out below. The details as required under Regulation 23 of Listing Regulations read with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is set forth below:

Sl. No.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	GIL-SIL JV is an Unincorporated Joint Venture (JV) between GMR Power and Urban Infra Limited ('GPUIL') [GMR Airports Infrastructure Limited (previously known as GMR Infrastructure Limited) ('GIL') before the Demerger] and SEW Infrastructure Limited with GPUIL having 51% stake in JV.
2.	Type, material terms and particulars of proposed transactions	<p>GIL-SIL JV had won the construction contract for the prestigious Dedicated Freight Corridor project in the year 2015 under 2 separate packages.</p> <p>Letter of Award (LOA) was received from the Dedicated Fright Corridor Corporation of India Limited (DFCCIL, the Concessioneing authority for this project), on March 31, 2015 and contract for both the packages were signed on May 27, 2015.</p> <p>To execute the works for both the Packages of value of about ₹ 5,600 crore, GIL-SIL JV has further sub-contracted majority of the EPC works, as indicated below to GPUIL (GIL before demerger):</p> <ul style="list-style-type: none"> <li>• Execution of project (including all procurement, awarding of sub-contractors etc.)</li> <li>• Financing of the project (including submission of all Bank Guarantees)</li> <li>• Discussion &amp; Negotiation with DFCCIL (Authority)</li> <li>• Management Control &amp; Organization structure</li> <li>• Maintaining Accounts &amp; Auditor Recruitment</li> <li>• Realization of Profit of the project</li> </ul> <p>Approximately 86% of the overall project value was sub-contracted to Company and invoicing for such 86% of the works was agreed to be on back to back basis.</p> <p>Since the primary construction contract was awarded to the GIL-SIL JV, the DFCCIL makes the project payments based on milestone based invoices raised by the GIL-SIL JV.</p> <p>Further, in terms of the sub-contract and the works executed, the GIL-SIL JV makes payments to GPUIL in terms of the sub-contract.</p>
3.	Tenure and Value of Transaction	<p>During FY 2022-23, GPUIL was expected to raise invoices for an amount of upto ₹ 1300 crore under both the Packages. However, based on work carried out, actual billing was ₹ 1085 Crore only.</p> <p>Hence, in FY 2023-24, GPUIL is expected to raise invoices for ₹ 800 Crore as against ₹ 600 crore estimated earlier.</p> <p>Increase in invoicing in FY 2023-24 is due to carried forward of work which could not be completed in FY 2022-23 and will be completed and invoiced in FY 2023-24.</p>
4.	Percentage of annual consolidated turnover considering FY 2022-23 as the immediately preceding financial year	About 14%
5.	Justification as to why RPT is in interest of the Company	<p>As per the sub-contracting agreement between GIL SIL JV and GPUIL for the Project, the Company is undertaking the execution of the work and is generating the revenue from the business. The execution of entire DFCC projects has provided niche experience and expertise of the Group and enhances the EPC business prospect going forward.</p> <p>Considering the above and details as mentioned in point 2 above the transactions is in interest of the Company.</p>

Sl. No.	Particulars	Details
6.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	NA
	(i) details of the source of funds in connection with the proposed transaction	NA
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments nature of indebtedness; cost of funds; and tenure	NA
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	NA
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA
7.	Copy of valuation or other external report, if any, relied upon in relation to the proposed transaction	NA
8.	Any other information relevant or important for the members to take a decision on the proposed transaction.	Nil

**Item No. 10**

The Registered Office of the Company is presently situated in the State of Maharashtra. However, in order to have an effective administrative control and to have a centralised control pan India basis, the administrative /corporate office of the Group has been established within the Delhi NCR Region.

Currently the EPC, Energy, highways and Urban Infrastructure business of the GMR Group are housed under the company and its various subsidiaries / JVs. The headquarter of the GMR Group is situated in Delhi NCR Region and the senior management of the Company also operate from the corporate office within the Delhi NCR region. Further, the DFCC project of the Company is also monitored from Delhi location.

To exercise better administrative control and consolidate the operations and management functions in a seamless manner, it is proposed to shift the Registered Office of the Company from the State of Maharashtra to the State of Haryana.

The Board of Directors of the Company at its meeting held on August 09, 2023 have recommended to shift the Registered Office of the Company from the State of Maharashtra to the State of Haryana and consequent amendment in Memorandum of Association, subject to the approval of the members and other requisite statutory / regulatory approvals as may be required.

The proposed shifting of Registered Office will facilitate the Company

to function more effectively and efficiently and will also result in operational convenience.

The shifting of the Registered Office to the state of Haryana would in no way be detrimental or prejudicial to the interest of any member of the public shareholders, employees, creditors, or other stakeholders of the Company in any manner whatsoever.

In terms of the provisions of the Companies Act, 2013, shifting of Registered Office from one state to another state and consequent amendment in Memorandum of Association requires the approval of the shareholders by way of Special Resolution. Accordingly, the Board of Directors of your Company recommend the resolution set out at Item no.10 of the notice for the approval of the shareholders as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company, or their respective relatives, is concerned or interested, financially or otherwise, except their shareholding, if any, in the Company, in the resolution set out at Item No. 10 of the notice.

By order of the Board of Directors  
For **GMR Power and Urban Infra Limited**

Place: New Delhi  
Date: August 09, 2023

Regd. Office:  
Naman Centre, 701, 7th Floor,  
Plot No. C-31, G Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai-400051

**Vimal Prakash**  
Company Secretary &  
Compliance Officer  
(ACS 20876)

## **ANNEXURE TO THE NOTICE**

### **Details of directors seeking appointment / reappointment at the 4<sup>th</sup> Annual General Meeting to be held on Monday, September 18, 2023**

**[Pursuant to Regulations 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 (SS-2) on General Meetings]**

<b>Name of the Director</b>	<b>Mr. Grandhi Kiran Kumar</b>	<b>Mr. BVN Rao</b>	<b>Mr. Shantanu Ghosh</b>	<b>Dr. Fareed Ahmed</b>	<b>Ms. Suman Naresh Sabnani</b>
Director Identification Number (DIN)	00061669	00051167	00041435	09698462	10223343
Age	47 years	69 years	67 years	63 years	52 years
Qualification	B. Com	Graduate in Electrical Engineering	Master's in economics and Post Graduate Diploma in International Trade Management	Ph.D in Management and Master's in Agricultural Economics.	Graduate in commerce and Post Graduate Certificate in Business Management, XLRI, Jamshedpur.
Brief resume of the Director and nature of their expertise in specified functional areas	Mr. Grandhi Kiran Kumar-Group Director is a Graduate in Commerce and has been on the Board of GMR Group companies. He has successfully spearheaded the setting up of the greenfield Hyderabad International Airport and the development and modernization of Delhi International Airport, a major public-private partnership project. Earlier he headed the GMR Group's Finance function and the Shared Services. Subsequently led Highways, Construction, SEZs and allied businesses (excluding Airports SEZ) and Sports. Currently he is overseeing Group Finance and Corporate Strategic Planning functions in addition to leading Sports business.	Mr. B.V.N. Rao, Group Director, has been associated with the Group since 1989. He is a graduate in Electrical Engineering from Andhra University. During his tenure with Andhra Bank before joining the Group, he gained extensive experience in the Banking Sector with specific focus in Industrial Finance. He was also on the board of Vysya Bank for eight years. He has held various senior responsibilities in the GMR Group. Currently as a Business Chairman, he heads Transportation & Urban infrastructure covering Transportation, SEZ, EPC business. He is a Director on the Board of several subsidiaries of the GMR Group.	Mr. Shantanu Ghosh has held many prestigious positions in various Indian and Overseas Banks in his career experience of 40 years. He held the position of country head of Retail Banking of ING Vysya Bank. He was member of the startup team at C level in Bank Sohar and Bank Nizwa in Sultanate of Oman for over 11 years. He has rich experience in financial leadership roles, Business Strategy, Consulting, General Management, HRD, Information Technology and investment banking. Currently he advises on Digital Transformation.	Dr. Fareed has experience of working in banking sector, at both operational and administrative levels. He started his career as an Agricultural Field Officer in May 1983 and reached to the level of Branch Head, Zonal Head, and General Manager with Corporation Bank with which his association was for 34 years. He had also served with Punjab & Sind Bank as Executive Director for over 3.5 years. He has been a regular contributor as an author for International Journals of Research in Management Economics and Commerce. Dr. Fareed has also been associated with various Banks' Staff Training colleges and other Management Institutes as a panelist/ speaker and has conducted a number of sessions on Banking, Leadership and Team Performance.	Ms. Sabnani is having managerial experience of over 30 years and has held various senior positions with HSBC Bank, India and her last stint with the Bank was a Global role reporting to HSBC, UK. During her stint, she dealt the Regional Third Party Risk Officers across Asia Pacific, UK, Europe, North America, to ensure all that Third Party Risks raised in their Areas are completely and accurately addressed.
Date of first appointment on the Board	Appointed as Additional director w.e.f. January 6, 2022	Appointed as Additional director w.e.f. January 6, 2022	Appointed as Additional Director w.e.f. August 04, 2023	Appointed as Additional Director w.e.f. August 04, 2023	Appointed as Additional Director w.e.f. August 04, 2023
Shareholding in the Company	87316 equity shares*	18214 equity shares	Nil	Nil	5000 equity shares
Directorships and Committee memberships held in other companies	Given hereunder as (a)	Given hereunder as (b)	Given hereunder as (c)	Given hereunder as (d)	Given hereunder as (e)
Names of listed Companies in which person ceased to be a director in past three years#	Nil	Nil	Nil	Nil	Nil

Name of the Director	Mr. Grandhi Kiran Kumar	Mr. BVN Rao	Mr. Shantanu Ghosh	Dr. Fareed Ahmed	Ms. Suman Naresh Sabnani
Inter-se relationships between - Directors - Key Managerial Personnel (KMP)	Mr. Kiran Kumar Grandhi is the younger son of Mr. G. M. Rao, and brother-in-law of Mr. Srinivas Bommidala. There is no inter-se relationship with other directors and KMP of the Company.	There is no inter-se relationship with the directors and KMP of the Company.	There is no inter-se relationship with the directors and KMP of the Company.	There is no inter-se relationship with the directors and KMP of the Company.	There is no inter-se relationship with the directors and KMP of the Company.
Number of Board Meetings attended during the year 2022-23 <sup>^</sup>	Four (4)	Four (4)	NA	NA	NA
Details of remuneration last drawn (₹)	Nil	Nil	NA	NA	NA
Terms and conditions of appointment along with remuneration sought to be paid	Director (Non-Executive Promoter Director) liable to retire by rotation. No remuneration proposed.	Director (Non-Executive Non-Promoter Director) liable to retire by rotation. No remuneration proposed.	As an Independent Director for the term of three (3) years or upto the conclusion of the 6th Annual General Meeting of the Company, whichever is earlier-Sitting Fees for attending Board and Committee Meetings.	As an Independent Director for the term of three (3) years or upto the conclusion of the 6th Annual General Meeting of the Company, whichever is earlier-Sitting Fees for attending Board and Committee Meetings.	As an Independent Director for the term of three (3) years or upto the conclusion of the 6th Annual General Meeting of the Company, whichever is earlier-Sitting Fees for attending Board and Committee Meetings.
Skills and capabilities required for the role of Independent Director and the manner in which the proposed person meets such requirements.	NA	NA	Please refer to explanatory statement of item no. 4. Details are also provided in Corporate Governance Report forming part of Annual Report.	Please refer to explanatory statement of item no. 5. Details are also provided in Corporate Governance Report forming part of Annual Report.	Please refer to explanatory statement of item no. 6 and are also provided in Corporate Governance Report forming part of Annual Report.

\* Shareholding includes shares held as HUF and Trustee

<sup>^</sup> Mr. Shantanu Ghosh, Dr. Fareed Ahmed and Ms. Suman Naresh Sabnani were appointed w.e.f. August 04, 2023.

# Including debt listed company

(a) Names of entities in which **Mr. Grandhi Kiran Kumar** holds the directorship and the membership of Committees of the board:

S. No.	Name of Companies (Directorship)*	Membership/ Chairmanship of Committees of the Board
1.	GMR Airports Infrastructure Limited (Formerly known as GMR Infrastructure Limited)	<ul style="list-style-type: none"> <li>• Management Committee (Member);</li> <li>• Risk Management Committee (Chairman);</li> <li>• Environment, Social and Governance Committee (Chairman)</li> </ul>
2.	GMR Hyderabad International Airport Limited	Nil
3.	GMR Varalakshmi Foundation	Nil
4.	Delhi International Airport Limited	<ul style="list-style-type: none"> <li>• Stakeholders Relationship Committee (Chairman);</li> <li>• Nomination and Remuneration Committee (Member)</li> </ul>
5.	GKR Holdings Private Limited	Nil
6.	GMR Airports Limited	Nil
7.	JSW GMR Cricket Private Limited	Nil
8.	GMR Goa International Airport Limited	Nil
9.	GMR Hyderabad Aerotropolis Limited	Nil
10.	GMR Enterprises Private Limited	<ul style="list-style-type: none"> <li>• Audit Committee (Member);</li> <li>• Nomination and Remuneration Committee (Member);</li> <li>• Corporate Social Responsibility Committee (Member);</li> <li>• Management Committee (Member);</li> <li>• Stakeholder Relationship Committee (Member);</li> <li>• Group Risk Management Committee (Member);</li> <li>• Risk Management Committee (Chairman)</li> </ul>
11.	GMR Technologies Private Limited	Nil
12.	GMR Energy Limited	Nil

\*Foreign entities not considered.

(b) Names of entities in which **Mr. B.V.N Rao** holds directorship and the membership of Committees of the Board.

S. No.	Name of Companies (Directorship)*	Membership/ Chairmanship of Committees of the Board
1.	GMR Airports Infrastructure Limited (Formerly known as GMR Infrastructure Limited)	<ul style="list-style-type: none"> <li>• Nomination and Remuneration Committee (Member);</li> <li>• Corporate Social Responsibility Committee (Member);</li> <li>• Management Committee (Member);</li> <li>• Debenture Allotment Committee (Member);</li> <li>• Risk Management Committee (Member);</li> <li>• Environment, Social and Governance Committee (Member);</li> <li>• Stakeholders' Relationship Committee (Chairman)</li> </ul>
2.	GMR Varalakshmi Foundation	Nil
3.	GMR Highways Limited	<ul style="list-style-type: none"> <li>• Nomination and Remuneration Committee (Member);</li> <li>• Management Committee (Member)</li> </ul>
4.	TIM Delhi Airport Advertising Private Limited	Nil
5.	GMR Krishnagiri SIR Limited	Nil
6.	GMR Enterprises Private Limited	<ul style="list-style-type: none"> <li>• Audit committee (Member);</li> <li>• Risk Management Committee (Member);</li> <li>• Nomination and Remuneration Committee (Member);</li> <li>• Corporate Social Responsibility Committee (Member);</li> <li>• Stakeholder Relationship Committee (Chairman);</li> <li>• IT Strategy Committee (Member);</li> <li>• Management Committee (Member)</li> </ul>
7.	Parampara Family Business Institute	Nil

\*Foreign entities not considered.

(c) Names of entities in which **Mr. Shantanu Ghosh** holds the directorship and the membership of Committees of the board: Nil

(d) Names of entities in which **Dr. Fareed Ahmed** holds the directorship and the membership of Committees of the board:

S. No.	Name of Companies (Directorship)	Membership/ Chairmanship of Committees of the Board
1.	MONEYPLANT CAPITAL PRIVATE LIMITED	Nil

(e) Names of entities in which **Ms. Suman Naresh Sabnani** holds the directorship and the membership of Committees of the board: Nil





**GMR Power and Urban Infra Limited**

(CIN: L45400MH2019PLC325541)

Regd. Office: Naman Centre, 701, 7<sup>th</sup> Floor, Plot No. C-31, G Block,

Bandra Kurla Complex, Bandra (East), Mumbai-400051

T: +91 22 4202 8000; W: www.gmrpui.com

E: GPUIL.CS@gmrgroup.in

**SHAREHOLDERS' FEEDBACK FORM**

It is our constant endeavor to provide best possible services to our valuable Shareholders. We seek your feedback on the services provided by the Company.

Please spare your valuable time to fill the questionnaire given below and send it back to the Company Secretary at the Registered Office address mentioned above, to serve you better.

You may also fill the feedback form online, which is available on the website of the Company www.gmrpui.com

Name of the Shareholder: ..... DP ID: .....

Address: .....

Regd. Folio No.: ..... Client ID: .....

No. of shares held: ..... Signature of the Shareholder: .....

Kindly rate on a five point scale (5= excellent, 4= very good, 3= good, 2= satisfactory, 1= Needs Improvement)

	5	4	3	2	1
Quality and contents of Financial and Non-Financial information in the Annual Report					
Information provided on the website of the Company					
Speed and quality of the responses to your queries / complaints					
Services provided by our Registrar and Share Transfer Agent, Kfin Technologies Limited					
Overall rating of investor services					

Your comments and suggestions, if any .....

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**GMR POWER AND URBAN INFRA LIMITED**

**REGISTERED OFFICE:**

Naman Centre, 701, 7<sup>th</sup> Floor, Plot No. C-31, G Block  
Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India

[www.gmrpui.com](http://www.gmrpui.com)