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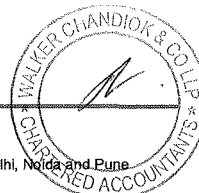
Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of GMR Power and Urban Infra Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of GMR Power and Urban Infra Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of GMR Power and Urban Infra Limited ('the Company') for the quarter ended 30 September 2022 and the year to date results for the period 1 April 2022 to 30 September 2022, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations') read with SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021. Our responsibility is to express a conclusion on the statement based on our review.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. As stated in note 3(a) to the accompanying Statement, 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 Rs. 668.12 crore and has outstanding loan (including accrued interest) amounting to Rs. 1,625.53 crore recoverable from

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



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GEL as at 30 September 2022. 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 Statement as per Ind AS 109 – 'Financial Instruments'.

As mentioned in note 3(d), the management of the Company has accounted the investment in GKEL 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 assumptions considered in aforementioned valuation such as settlement of disputes with customers and timely realization of receivables, expansion and optimal utilization of existing capacity, amongst other key assumptions and the uncertainty and the final outcome of the litigations with the capital creditors as regards claims against GKEL. Accordingly, 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 and investments, and the consequential impact on the accompanying Statement for the quarter and six months period ended 30 September 2022.

The opinion expressed by us on the standalone financial results of the Company for the year ended 31 March 2022 vide our audit report dated 18 May 2022, conclusion expressed by us vide our review report dated 08 August 2022 on the standalone financial result for the quarter ended 30 June 2022 and conclusion expressed by us on the standalone financial results of GMR Infrastructure Limited ('GIL' or 'Demerged Company') for the quarter ended and six months ended 30 September 2021 vide our review report dated 12 November 2021, was also qualified in respect of the above matter.

5. Based on our review conducted as above, except for the possible effects of the matter described in previous section, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. In addition to the matters described in paragraph 4 above, we draw attention to note 3(b) and 3(c) to the accompanying Statement, in relation to the investment made by the Company in GEL amounting to Rs. 668.12 crore as at 30 September 2022. The recoverability of such investment is further dependent upon various claims, counter claims and other receivables from customers of GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, which are pending settlement / realization as on 30 September 2022, and certain other key assumptions as considered in the valuation performed by an external expert, including capacity utilization of plant in future years, and invocation and implementation of the Resolution Plan under Prudential Framework for Stressed Assets as prescribed by the Reserve Bank of India ('RBI') and approved by the lenders of GWEL, as explained in the said note.

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. 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 Rs. 616.33 crore for the period from 17 March 2014 to 30 September 2022 and transmission charges invoiced directly to MSEDCL by Power Grid Corporation Limited for the period December 2020 to September 2022 as contingent liability, as further described in aforesaid note.

The management of the Company, based on its internal assessment, implementation of the aforementioned resolution plan, 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



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aforesaid investment of the Company in GEL, taking into account the matters described above in relation to the investments made by GEL in its aforementioned subsidiary, is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying Statement for the quarter ended and six months period ended 30 September 2022. Our conclusion is not modified in respect of these matters.

7. We draw attention to note 5 to the accompanying Statement in relation to the recoverability of sale consideration receivable as at 30 September 2022 amounting to Rs. 313.21 crore pursuant to the sale of equity stake and inter-corporate deposits given to Kakinada SEZ Limited (KSEZ) which is dependent on the achievement of the milestones as detailed in the aforementioned note. Such achievement of milestones is significantly dependent on future development in the KSEZ and basis independent assessment by property consultancy agency, the management is confident of achieving such milestones and is of the view that no adjustment to the aforesaid balance is required to be made in the accompanying Statement. Our conclusion is not modified in respect of this matter.
8. We draw attention to note 4 to the accompanying Statement, 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 Rs. 1,005.10 crore. The aforesaid investment is carried at fair value in the Statement as per Ind AS 109 – 'Financial Instruments'.

The management has accounted investment in GHVEPL 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 4, that are pending before Hon'ble High Court as on 30 September 2022.

The management of the Company, 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 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 Statement for the quarter ended 30 September 2022. Our conclusion is not modified in respect of this matter.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013


Neeraj Sharma

Partner

Membership No. 502103

UDIN: 22502103BCUEWC9449

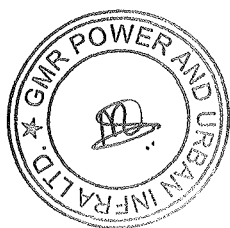


Place: New Delhi

Date: 11 November 2022

Statement of standalone financial results for the quarter and six month period ended September 30, 2022

Particulars	(Rs. in crore)					
	Quarter ended			Six months ended		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income						
a) Revenue from operations						
Sales/ income from operations	469.53	377.29	428.24	846.82	780.23	1,567.90
b) Other income						
Other income	1.55	10.91	0.89	12.46	6.05	3.74
Total income	471.08	388.20	429.13	859.28	786.28	1,571.64
2. Expenses						
a) Cost of materials consumed	216.83	155.23	186.44	372.06	324.72	651.79
b) Sub-contracting expenses	96.89	86.02	71.76	182.91	148.92	307.82
c) Employee benefits expense	10.35	6.92	5.30	17.27	9.66	26.76
d) Finance costs	134.94	145.31	152.73	280.25	296.92	623.41
e) Depreciation and amortisation expenses	4.07	4.38	4.81	8.45	9.72	18.87
f) Other expenses	54.40	44.04	23.26	98.44	47.12	107.40
Total expenses	517.48	441.90	444.30	959.38	837.06	1,736.05
3. Loss before exceptional items and tax	(46.40)	(53.70)	(15.17)	(100.10)	(50.78)	(164.41)
4. Exceptional items (refer note 7)	-	-	524.47	-	590.87	115.73
5. (Loss)/ profit before tax (3) ± (4)	(46.40)	(53.70)	509.30	(100.10)	540.09	(48.68)
6. Tax expense	-	-	-	-	-	-
7. (Loss)/ profit for the period/ year (5) ± (6)	(46.40)	(53.70)	509.30	(100.10)	540.09	(48.68)
8. Other comprehensive income (net of tax)						
Items that will not be reclassified to profit or loss						
-Re-measurement (loss)/ gain on defined benefit plans	0.00	(0.77)	(0.54)	(0.77)	(0.45)	(0.13)
-Net (loss)/ gain on fair valuation through other comprehensive income ('FVTOCI') of equity securities	(1,655.78)	1,563.97	(30.36)	(91.81)	(112.87)	590.86
Total other comprehensive income for the period/ year	(1,655.78)	1,563.20	(30.90)	(92.58)	(113.32)	590.73
9. Total comprehensive income for the period/ year (comprising (loss)/ profit and other comprehensive income (net of tax) for the period/ year) (7±8)	(1,702.18)	1,509.50	478.40	(192.68)	426.77	542.05
10. Paid-up equity share capital (Face value Rs. 5 per share)	301.80	301.80	301.80	301.80	301.80	301.80
11. Other equity (excluding equity share capital)						1,121.55
12. Earnings per share (EPS) (of Rs.5 each) (not annualised)						
Basic	(0.77)	(0.89)	8.44	(1.66)	8.95	(0.81)
Diluted	(0.77)	(0.89)	8.44	(1.66)	8.95	(0.81)



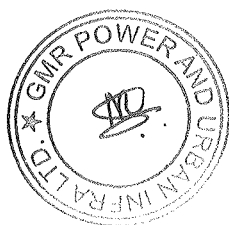
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GMR Power And Urban Infra Limited
Statement of Standalone assets and liabilities

(Rs. in crore)

	Particulars	As at September 30, 2022 (Unaudited)	As at March 31, 2022 (Audited)
A	Assets		
1	Non-current assets		
	Property, plant and equipment	95.83	105.35
	Intangible assets	2.88	3.03
	Financial assets		
	Investments	3,532.13	4,589.91
	Trade receivables	0.88	0.88
	Loans	1,022.85	1,506.47
	Other financial assets	68.79	272.31
	Non-current tax assets (net)	5.98	4.67
	Other non-current assets	4.77	4.84
		4,734.11	6,487.46
2	Current assets		
	Inventories	78.09	84.39
	Financial assets		
	Investments	201.95	0.20
	Trade receivables	43.97	9.64
	Cash and cash equivalents	12.81	5.66
	Bank balances other than cash and cash equivalents	38.03	8.98
	Loans	593.48	522.52
	Other financial assets	1,670.86	1,275.86
	Other current assets	115.74	169.49
		2,754.93	2,076.74
	Total assets	7,489.04	8,564.20
B	Equity and liabilities		
3	Equity		
	Equity share capital	301.80	301.80
	Other equity	566.14	1,121.55
	Total equity	867.94	1,423.35
	Liabilities		
4	Non-current liabilities		
	Financial liabilities		
	Borrowings	3,197.51	3,636.17
	Other financial liabilities	47.38	51.69
	Provisions	4.13	3.08
		3,249.02	3,690.94
5	Current liabilities		
	Financial liabilities		
	Borrowings	672.46	892.44
	Trade payables		
	a) total outstanding dues of micro enterprises and small enterprises	89.00	54.30
	b) total outstanding dues of creditors other than (a) above	494.28	463.54
	Other financial liabilities	2,062.14	1,927.30
	Other current liabilities	53.76	112.01
	Provisions	0.44	0.32
		3,372.08	3,449.91
	Total equity and liabilities	7,489.04	8,564.20

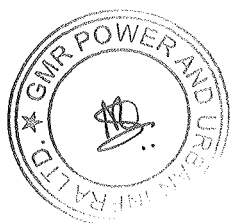


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GMR Power And Urban Infra Limited
Standalone statement of cash flows for the six month period ended September 30, 2022

Particulars	(Rs. in crore)	
	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)
Cash flow from operating activities		
(Loss)/ profit before tax expenses	(100.10)	540.09
(Loss)/ profit before tax expenses	(100.10)	540.09
Adjustments to reconcile (loss)/ profit before tax to net cash flows		
Depreciation and amortization expenses	8.45	9.72
Exceptional items	-	(590.87)
Net foreign exchange differences (unrealised)	59.82	(3.28)
Gain on disposal of assets (net)	(1.09)	(0.03)
Provisions/liabilities no longer required, written back	(6.08)	-
Reversal of upfront loss on long term construction cost	(15.86)	(13.96)
Profit on sale of current investments	(0.69)	(0.62)
Finance income (including finance income on finance asset measured at amortised cost)	(155.95)	(200.25)
Finance costs	280.25	296.92
Operating profit before working capital changes	68.75	37.72
Working capital adjustments:		
Change in inventories	6.30	(30.28)
Change in trade receivables	(34.25)	203.71
Change in other financial assets	(64.67)	(151.82)
Change in other assets	53.82	19.08
Change in trade payables	87.38	8.22
Change in other financial liabilities	(64.28)	56.04
Change in provisions	0.40	0.61
Change in other liabilities	(58.25)	(22.36)
Cash generated from operations	(4.80)	120.92
Direct taxes (paid)/refund (net)	(1.31)	(34.23)
Net cash flow (used in)/ generated from operating activities (A)	(6.11)	86.69
Cash flow from investing activities		
Purchase of property, plant and equipment	(0.03)	1.18
Proceeds from disposal of property, plant and equipment	2.34	0.03
Purchase of non-current investments (including advances paid)	(451.12)	(217.60)
Proceeds from sale and redemption of non-current investments	1,401.96	53.09
Purchase of current investments (net)	(201.06)	0.62
Investment in bank deposit (having original maturity of more than three months) (net)	13.67	(18.64)
Loans given to group companies	(614.99)	(1,168.55)
Loans repaid by group companies	947.92	963.98
Interest received	149.37	285.98
Net cash flow from / (used in) investing activities (B)	1,248.06	(99.91)
Cash flow from financing activities		
Proceeds from long term borrowings	237.18	1,202.47
Repayment of long term borrowings	(1,266.01)	(969.45)
(Repayment of) /proceeds from short term borrowings (net)	(53.54)	108.50
Finance costs paid	(152.43)	(351.90)
Net cash flow used in financing activities (C)	(1,234.80)	(10.38)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	7.15	(23.60)
Cash and cash equivalents as at beginning of the period	5.66	24.16
Cash and cash equivalents as at the end of the period	12.81	0.56
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	11.55	0.56
Deposits with original maturity of less than three months	1.23	-
Cash on hand	0.03	-
Total cash and cash equivalents as at the end of the period	12.81	0.56



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Notes to the unaudited standalone financial results for the quarter and six month period ended September 30, 2022

1. Investors can view the unaudited standalone financial results of GMR Power and Urban Infra Limited ("the Company" or "GPUIL") on the Company's website www.gmrgroup.in or on the websites of BSE (www.bseindia.com) or NSE (www.nse-india.com). The Company carries on its business through various subsidiaries, joint ventures and associates (hereinafter referred to as 'the Group'), being special purpose vehicles exclusively formed to build and operate various infrastructure projects.
2. (a) The Company carries on its business in single business verticals viz., Engineering, Procurement and Construction ('EPC').

The segment reporting of the Company has been prepared in accordance with Ind AS 108 'Operating Segments' prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder.

(b) The composite scheme of amalgamation and arrangement for amalgamation of GMR Power Infra Limited (GPIL) with GMR Infrastructure Limited ('GIL') and demerger of Engineering Procurement and Construction (EPC) business and Urban Infrastructure Business (including Energy Business) of GIL 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), thereby making the Scheme effective. Accordingly, the unaudited standalone financial results of the Company for the quarter and six month period ended September 30, 2021 have been prepared by giving effect to the Composite scheme of amalgamation and arrangement (the 'Scheme') in accordance with Appendix C of Ind AS 103 "Business Combination".

3. (a) The Company together with GMR Generation Assets Limited ("GGAL") and GMR Energy Projects Mauritius Limited, subsidiaries of the Company, has investments in GMR Energy Limited ("GEL") amounting Rs. 668.12 crore and has outstanding loan (including accrued interest) amounting to Rs. 1,625.53 crore in GEL as at September 30, 2022. GEL has certain underlying subsidiaries/ associates/ joint ventures which are engaged in energy sector as further detailed in note 3(b), 3(c) and 3(d), 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, 2022, the management of the Company has fair valued its investments and for reasons as detailed in 3(b), 3(c) and 3(d) below, the management is of the view that the fair value of the Company's investments in GEL is appropriate.

(b) 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 Rs. 663.22 crore as at September 30, 2022 which has resulted in substantial erosion of GWEL's net worth and its current liabilities exceed current assets. There have been delays in receipt of the receivables from customers which has resulted in delays in meeting its financial liabilities.

Further, GWEL on the basis of requisite approval of the lenders, has invoked resolution process as per Resolution Framework for COVID-19 related stress 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. In this regard, all the lenders of GWEL have entered into an Inter Creditors Agreement ('ICA') on January 21, 2021



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Notes to the unaudited standalone financial results for the quarter and six month period ended September 30, 2022

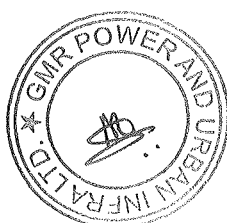
and a Resolution plan was to be implemented within 180 days from the invocation date in accordance with the framework issued by RBI. Considering that the proposed resolution plan did not meet certain minimum rating criteria under Resolution Framework for COVID-19 related stress, the said resolution process failed. 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 with 180 days timeline for resolution plan implementation. The initial timeline for implementation of Resolution plan had expired on January 24, 2022. However, the lenders in the consortium meeting dated February 24, 2022 principally agreed to proceed with the Resolution plan. The lead lender issued a sanction letter dated April 5, 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 unaudited financial results of GWEL for the quarter ended June 30, 2022. During the quarter ended September 30, 2022, Master Restructuring Agreement ('MRA') has been executed by all the participating lenders and the Company is in the process of completing remaining procedural activities such as creation of charge on assets etc.

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 Rs. 812.84 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.

Further, GWEL received notices from one of its customer disputing payment of capacity charges of Rs. 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 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 with 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



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Notes to the unaudited standalone financial results for the quarter and six month period ended September 30, 2022

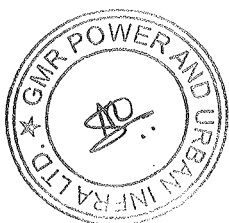
amount in an interest-bearing fixed deposit receipt with a nationalized bank. However, GWEL has not received any amount from the customer and the matter is pending conclusion. The management based on its internal assessment and petition filed with CERC, is of the view that the aforesaid capacity charges are fully recoverable.

The management based on its internal assessment and petition filed with CERC, is of the view that the aforesaid capacity charges are fully recoverable. Further, in view of the expiry of the PPA with one of the customer availing 200 MW of power in June 2020 and a consequent cancellation of the fuel supply agreement, there could be impact on the future business operations, financial position and future cash flows of GWEL.

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.

Accordingly, 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 quarter ended June 30, 2022, 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 invocation and 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 September 30, 2022 is appropriate.

(c) 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 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 Rs. 616.33 crore towards reimbursement of transmission charges from March 17, 2014 till September 30, 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 September 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.



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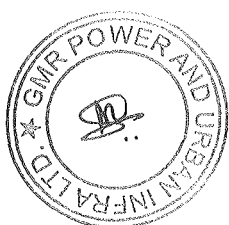
Notes to the unaudited standalone financial results for the quarter and six month period ended September 30, 2022

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 Rs. 616.33 crore relating to the period from March 17, 2014 to September 30, 2022. 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.

(d) 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 Rs. 1,519.97 crore as at September 30, 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 Rs. 1,452.33 crore as at September 30, 2022, 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 September 30, 2022. 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 now 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. Accordingly, GKEL has reversed excess revenue recognized on coal cost pass through claims and carrying cost thereon for the period from September 01, 2014 to July 31, 2021 amounting to Rs 60.92 crore (including net impact of carrying cost recognised amounting to Rs 39.71 crore). The total outstanding receivable (including unbilled revenue amounting to Rs. 114.14 crore) from Bihar Discoms amounts to Rs 449.53 crore as at September 30, 2022.

GKEL has accounted for transportation cost of fly ash as change in law event as the same was agreed in principle by CERC vide Order 131/MP/2016 dated February 21, 2018 and on March 22, 2021 in case no 405/MP/2019, CERC allowed to recover ash transportation costs including GST from Bihar and Haryana Discoms. Similarly, CERC in its order dated April 8, 2019 has



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Notes to the unaudited standalone financial results for the quarter and six month period ended September 30, 2022

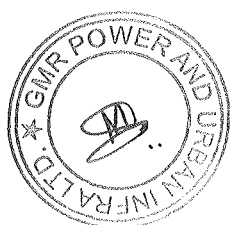
allowed Maithan Power Limited in case no – 331/MP/2018 to recover the actual ash disposal expenses from its beneficiaries (DVC).

Based on the above orders of CERC, GKEL has recognised revenue amounting to Rs 5.53 crore for GRIDCO during the quarter ended September 30, 2022 post complying with the conditions mandated in this regard. GKEL has filed petition with CERC for determination of compensation of transportation charges of fly ash as per Order 131/MP/2016 and is awaiting final order.

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 7, 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 in excess of the amount 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 the 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. GKEL has challenged the award before the Hon'ble Supreme Court and Supreme Court has granted stay till October 14, 2022. The matter was last listed for hearing on October 10, 2022 wherein the same has been adjourned by 8 weeks.



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Notes to the unaudited standalone financial results for the quarter and six month period ended September 30, 2022

In view of these matters, business plans (including expansion and optimal utilization of existing capacity, valuation assessment by an external expert during the quarter ended June 30, 2022, the management is of the view that the carrying value of the investments in GKEL held by GEL as at September 30, 2022 is appropriate.

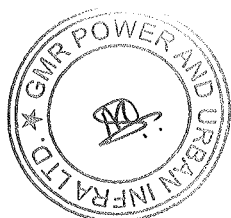
4. The Company together with GMR Highway Limited (“GMRHL”) a subsidiary of the Company, has invested in GMR Hyderabad Vijayawada Expressways Private Limited (‘GHVEPL’) amounting to Rs. 1,005.10 crore. Based on its internal assessment with regard to future operations and valuation assessment by an external expert during the year ended March 31, 2022, 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. 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 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. 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 will be restricted to 15 years as against 25 years. GHVEPL has been amortising intangible assets over the concession period of 25 years.

GHVEPL has been recognizing a provision of additional concession fees (premium) of Rs. 1,142.17 crore including interest payable thereon till September 30, 2022 (March 31, 2022: Rs. 1,007.83 crore), which is unpaid pending finality of litigation proceedings as detailed below.

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 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, demanding premium and taking coercive / precipitate measures under the Concession Agreement. Vide order dated August 4, 2020, the Delhi High Court upheld the



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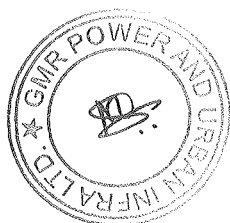


Notes to the unaudited standalone financial results for the quarter and six month period ended September 30, 2022

decision of the Arbitral Tribunal that there was a change in law due to ban on sand mining and State bifurcation. The 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 Rs. 1,672.20 crore, as against claimed amount of Rs. 1,676.34 crore, up to March 31, 2020 with direction to follow the same methodology and formula for claims for financial year 2020-21 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 January 31, 2022. Further, 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. GHVEPL has also filed its response in terms of the direction from Sole arbitrator on April 20, 2022. 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, in the meanwhile, had challenged the Order dated August 4, 2020 before Divisional Bench of Hon'ble Delhi High Court, wherein the Hon'ble Court has clarified that the Sole Arbitrator shall continue to discharge his duties subject to the final outcome of the appeal, however in the interim by its 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 Company till the issues are resolved. Aggrieved by the said order of Divisional Bench, the Company filed a SLP 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 November 15, 2022.

On May 8, 2020, GHVEPL has received a notice from NHAI / Regulator 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 8, 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



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Notes to the unaudited standalone financial results for the quarter and six month period ended September 30, 2022

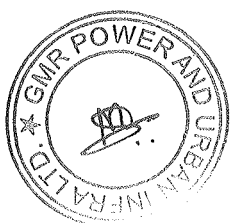
aforesaid petitions before the Hon'ble Delhi High Court, only to make GHVEPL to somehow give up its claims and avoid determination of claims. GHVEPL on October 30, 2020 has issued Notice of Dispute under Article 44.2 read with Clause 44.1.2 of the Concession Agreement to NHAI for amicable settlement as a first step in dispute resolution, which has been declined by NHAI on December 4, 2020. Pursuant to the notice dated April 6, 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 has been reconstituted and the hearing for procedural order has been fixed for December 01, 2022 and the stay granted by the Tribunal will continue.

The valuation expert based on the assumptions that it would be receiving the compensation in the future and concession life of 25 years with six laning, has determined fair value of investment in GHVEPL as at March 31, 2022.

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 accompanying standalone financial results for the quarter and six month period ended September 30, 2022.

5. GMR Airports Infrastructure Limited (formerly known as 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 Rs. 1,692.03 crore upfront payment to be received on or before the closing date and Rs. 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, 2022 and March 31, 2023.

The Company expects in next 2-3 years there will be significant development in the Kakinada SEZ which includes the development of Bulk Drug Park, Commercial Sea port, establishment of various port-based industries, manufacturing industries, development of new International Airport in Bhogapuram. Based on assessment of the achievement of the aforementioned milestones by an independent property consultancy agency, management of the Company is confident of achieving the aforementioned milestones and is of the view that the carrying value of the amount recoverable as at September 30, 2022 is appropriate.



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GMR Power and Urban Infra Limited

Notes to the unaudited standalone financial results for the quarter and six month period ended September 30, 2022

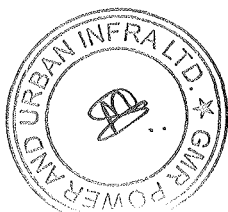
6. The Company has investment in subsidiary GMR Infrastructure Mauritius Limited ('GIML') and GIML has further invested in step down subsidiary GMR Coal Resources Pte Ltd ("GCRPL") including other overseas entities. During the quarter, GCRPL, has entered into a Share Purchase Agreement ('SPA') with PT 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 420.00 million. 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 Rs. 1,606.85 crore and Rs.59.83 crore in the fair value of equity (including the impact of the aforesaid SPA) in GIML (the holding company of GCRPL which held investments in PT GEMS as mentioned above) in "Other Comprehensive Income" during the current quarter and six month period ended September 30, 2022 respectively.

Above downside has been recorded primarily due to investment in PTGEMS was carried at Fair Value through Other Comprehensive income (FVOCI) in accordance with Ind AS 109 (Financial Instruments).

The Company has been earning dividend and recognizing foreign exchange restatement gains over the invested period. On an overall basis, the Company has generated positive return on the invested amount. For further details, please refer note 10 in consolidated results.

7. Exceptional items comprise of the reversal/ creation of provision for impairment in carrying value of investments and loans/ advances/ other receivables carried at amortised cost.
8. Other operating income includes interest income, dividend income, income from management and other services and profit on sale of current investments considering that the Company undertakes investment activities.
9. The standalone financial results for the quarter and six month period ended September 30, 2022 reflected an excess of current liabilities over current assets of Rs. 617.15 crore and losses from operations after tax amounting to Rs. 100.10 crore. However, net worth of the Company is positive amounting Rs. 867.94 crore. Further Management is taking various initiatives including monetization of assets, recovery of outstanding claims in highway sector investee entities, raising finances from financial institutions, 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.
10. The Company has majority of its investments in EPC and Urban Infrastructure Business (including Energy Business). Investee entities has witnessed recovery in EPC and Urban Infrastructure Business (including Energy Business) with the removal of COVID 19 restrictions, relaxations by the state and central government, increase in vaccination drive. During the current period, the operations of the Group has significantly improved and are operating at nearly pre-covid level.
11. The accompanying standalone financial results of the Company for the quarter and six month period ended September 30, 2022 have been reviewed by the Audit Committee in their meeting on November 10, 2022 and approved by the Board of Directors in their meeting on November 11, 2022.



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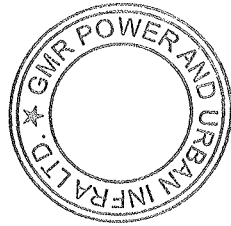
12. Previous quarter/ period/ year's figures have been regrouped/ reclassified, to conform to the classification adopted in the current period classification.

For GMR Power and Urban Infra Limited



Srinivas Bommidala
Managing Director

Place: Bangalore
Date: November 11, 2022



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