T R Chadha & Co LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of GVK Power & Infrastructure Limited

Report on the Audit of the Standalone Financial Statements

Disclaimer of Opinion

1. We were engaged to audit the accompanying Standalone Financial Statements of **GVK Power & Infrastructure Limited** ("the Company" "GVKPIL"), which comprise the Standalone Balance Sheet as at March 31, 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including material accounting policies and other explanatory information.

2. We do not express an opinion on the accompanying Standalone Financial Statements of the company. Because of the significance of the matters involving uncertainties, described in the "Basis of Disclaimer of opinion" section of our report, notwithstanding having obtained sufficient appropriate audit evidence regarding most of the individual uncertainties, it is not possible for us to form an opinion on the financial statements due to the potential interaction of the uncertainties and their possible cumulative effect on the Standalone Financial Statements.

3. Basis for Disclaimer of Opinion

We draw your attention to following notes of the Standalone Financial Statements:

i. We draw attention to Note 54 to the Standalone Financial Statements which states that as at March 31, 2025, GVKPIL had accumulated losses. The liabilities of the company, considering the amounts not provided for are much higher than the assets of the company. One of the subsidiary company where the project has been terminated are following liquidation basis of accounting. The GVKPIL, its subsidiaries, Associates and Joint controlled entity (GVKPIL Group) has delayed/defaulted in repayments of loans and interest thereon and various loan accounts have been classified as non-performing assets by banks/ lenders including recall of loans /filing of cases under the Insolvency and Bankruptcy Code in certain cases. The Interim Resolution Professional (IRP) / Resolution Professional (RP) have also been appointed in certain subsidiaries, step down subsidiaries and Joint controlled entity by NCLT. There are various litigations going on. The GVKPIL has also provided guarantees and commitments and/or has undertaken to provide financial assistance on behalf of various entities and as further detailed in notes 49 and 50 (referring to notes on GVK Coal Developers (Singapore) Pte Limited and GVK Energy Limited) uncertainties are being faced by various projects such as delays / non development of coal mines in an overseas project where the Company has provided guarantees and commitments for the borrowings. Various guarantees given by GVKPIL and GVK Energy Limited (GVKEL) on behalf of their subsidiaries, associates and joint controlled entity have been invoked by the lenders. Further, the GVKPIL has been admitted into Corporate Insolvency Resolution Process (CIRP) vide NCLT order dated July 12, 2024 and order uploaded on the portal on July 15, 2024 (Insolvency Commencement Date). These factors indicate

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significant doubt on going concern ability of the GVKPIL. Notwithstanding the above, the financial statements of the GVKPIL have been prepared on going concern basis as management believes that the outcome of the CIRP shall keep the company as going concern. Considering the various uncertainties involved as fully described in the Basis of Disclaimer section of our report, the probable impact could be material and pervasive on these standalone financial Statements and that may cause significant doubt on company's ability to continue as a going concern. Accordingly, we are unable to comment that the management assumption of preparing these financial statements on going concern basis is appropriate

ii. We draw attention to Note No 49 to the Standalone Financial Statements regarding GVK Coal Developers (Singapore) Pte. Limited, (GVK Coal Developers) (an associate) in which the GVKPIL has investments and has receivables aggregating to Rs.79,048 Lakhs and to whom the company along with others jointly and severally had given irrevocable and unconditional guarantee and commitments (CG) for loans up to aggregating to USD 1132.45 Million (Rs. 9,69,167 lakhs as on March 31,2025) of principal amount (GVKPIL itself guaranteed towards the repayment of limits which shall be lower of either 53.9% (including in respect of the Hedging Agreements if any) of all principal amounts outstanding under the finance documents or USD 692.61 Million) taken by the aforesaid associate Company part of which is collateralized by pledge of 155,587,500 (March 31, 2024: 155,587,500), 130,287,382 (March 31, 2024: 130,287,382) and 48,000,000 (March 31, 2024: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited and has also undertaken to provide financial assistance of USD 3.11million (Rs.2,662 Lakhs as on March 31,2025) with respect to which there are multiple significant uncertainties including outlook on the sector, non-achieving of financial closure and clearances for the project, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc. The GVK Coal Developers current liabilities exceeded current assets by USD 3029 million (Rs.25,92,378 Lakhs) as of March, 2025 (March 31, 2024: USD 2,624 million (Rs. 2,187,713 lakhs)) and accumulated losses as of March, 2025 is USD 1839 million (Rs.15,73,525 Lakhs) based on audited special purpose consolidated financial statements of GVK Coal Developers (Singapore) Pte. Limited.

The GVK Coal Developers lenders filed a claim in the High Court of Justice Business and Property Courts of England and Wales Commercial Courts (England Court) on November 09, 2020 and have sought to recover the amounts advanced to GVK Coal Developers. The England court vide its order dated October 19, 2023 has crystalized the amount payable by the defendants (GVKPIL and other guarantors / stakeholders in GVK Coal Developers) at USD 2.19 billion including the amount towards interest. As per legal opinion obtained by the company, the order dated 19th October 2023 passed by the England court is not speaking order. It has also been opined that the Order dated 19.10.2023 cannot be enforced in India and is contrary to the substantive law of India and is also in violation of the principles of natural justice.

As per the GVKPIL management, several attempts were made by the company to have a solution with the lenders including an agreement dated March 23, 2017, wherein a non-binding framework solution was agreed upon for a settlement. Subsequently also there were several efforts to engage with the lenders to arrive at a settlement.

The GVK Coal Developers having failed to repay debt obligation, ICICI bank has invoked CG of GVKPIL on Nov 02, 2020 and demanding to pay the GVK Coal Developers dues.

T R CHADHA & CO LLP Hyderabad Chartered Accountants

Further, one of the lenders have filed an application under section 7 of the Insolvency and Bankruptcy Code 2016 to initiate Corporate Insolvency Resolution Process (CIRP) against the company (being guarantor for loan taken by GVK Coal Developers) before National Company Law Tribunal (NCLT), Hyderabad on July 14, 2022 and NCLT has admitted the Company into CIRP vide order dated July 12, 2024 and order uploaded on the portal on July 15, 2024 (Insolvency Commencement Date). Interim Resolution professional (IRP) appointed by the Hon'ble NCLT and IRP has taken the possession of all assets of GVKPIL. As approved by NCLT vide its order dated September 05, 2024, IRP has been confirmed as Resolution Professional (RP) of the Company.

RP has received claims to the extent of Rs. 21,79,248 Lakhs from the Financial Creditors (Including claim of Rs. 18,83,145 Lakhs from Financial Creditors of GVK Coal Developers) and RP has admitted the claims to the extent of Rs.15,94,489 Lakhs (Including claim of Rs. 14,89,486 Lakhs from Financial Creditors of GVK Coal Developers) for CIRP purpose as per IBC rules and balance Rs.5,84,760 Lakhs (Including claim of Rs. 3,93,653 Lakhs from Financial Creditors of GVK Coal Developers) claims are not admitted. The Resolution professional has invited Resolution Plans and Resolution Applicants have submitted Resolution plan which will be considered by Committee of Creditors (CoC) and actual liability as per resolution plan will be determined on approval of resolution plan which the company would be liable to pay. Therefore, no accounting impact is given in the books of account and no provision has been made against admitted claims in the Standalone Financial Statements.

While the GVKPIL has made a provision for impairment in respect of the aforesaid investment and receivables aggregating to Rs.79,048 Lakhs, no provision has been made towards the Corporate Guarantee issued by GVKPIL in respect of which the above-mentioned claims are made by the financial creditors to the extent of Rs. 14,89,486 Lakhs admitted by the RP and the final outcome of the CIRP is pending. Considering the various uncertainties and complexities involved as mentioned above, we are unable to comment on the viability of the GVK Coal project and the additional provision that may be required concerning the aforementioned guarantees and commitments made by the GVKPIL and the resultant impact of the same on these standalone financial Statements.

iii. We draw attention to Note 50(e) to the Standalone Financial Statements, the company (GVKPIL) has subsidiary company GVK Energy limited (GVKEL). The company assessed based on the valuation carried out and other relevant factors, no provision is considered necessary in standalone books of accounts of GVKPIL towards the carrying value of investment in GVKEL of Rs 84120 Lakhs and Loan and trade receivables of Rs.19794 Lakhs though certain subsidiaries and joint ventures of GVKEL are facing uncertainties, detailed as below:

a) We draw attention to Note 50(b) to the Standalone Financial Statements regarding GVK Power (Goindwal Sahib) Limited ("GVKPGSL"), a step-down subsidiary of GVKPIL up to 10th October 2022, as the same has been admitted into Corporate Insolvency Resolution Process on October 10, 2022 based on petition filed by Axis Bank Ltd, one of the lenders in the consortium of GVKPGSL with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the GVKPGSL. Interim Resolution professional appointed by NCLT has taken possession of all assets of GVKPGSL.

T R CHADHA & CO LLP Hyderabad Chartered Accountants

During the financial year 2023-24, the Resolution plan submitted by resolution applicant has been approved by the Hon'ble NCLT Hyderabad vide its order dated 22nd December 2023. As per the said order, the secured lenders have received Rs.1,078 crores against their claims of Rs.6,585 Crores. i.e. with a deficit of Rs.5,507 Crores. The GVKEL has provided Corporate Guarantee to the lenders of GVKPGSL with respect to the amount lent by them. Lenders through its security trustee (IDBI Trusteeship services limited) have invoked the corporate Guarantee. Further, during the financial year 2023-24, one of the lenders (IDBI) has filed the case against the GVKEL demanding the amount of Rs.1,494 Crores in the Hon'ble NCLT, Hyderabad and the GVKEL has been admitted into Corporate Insolvency Resolution Process (CIRP) process vide NCLT order dated May 06, 2025 and order uploaded on the portal on May 07, 2025 Vide the said Order, a moratorium has been declared under Section 14 of the IBC and IRP has been appointed to carry out functions envisaged under the Code including taking charge of management of GVKEL.

Considering GVKEL is in to CIRP and the outcome of the process is pending, the amount which may be ultimately payable in this regard is not determinable at this stage. Hence, no accounting impact is given in the books of account and no provision has been made in this regard in the financial statements by the management.

In view of the same, we are unable to comment on the ultimate impact of the above-mentioned matter and the liability that may be required to be recorded in the standalone financial statements of the company.

b) We draw attention to Note No. 50(c) to the Standalone Financial Statements as per which GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL has been admitted into Corporate Insolvency Resolution Process (CIRP) during the financial year 2023-24, i.e. on October 20, 2023, based on petition filed by Edelweiss Asset Reconstruction Company Ltd, one of the lenders in the consortium of GVKGPL with the Hon'ble NCLT, Hyderabad and the Hon'ble NCLT Hyderabad has approved the resolution plan vide its amended order dated 03rd April 2025. As per the said order, the secured lenders have received Rs19,990 Lakhs against their claims of Rs.2,75,957 Lakhs i.e. with a deficit of Rs.2,55,967 Lakhs. GVKEL has already provided for an impairment for the full value of investment in GVKGPL of Rs 51,897 Lakhs.

GVKEL has also provided Corporate Guarantee to the lenders of GVKGPL with respect to the amount lent by them. This Corporate Guarantee has not been invoked by lenders so far (account became NPA on 1st October 2016) and no demands have been raised on GVKEL. This Corporate Guarantee may however be invoked by the Lenders of GVKGPL with respect to the amount lent by them and unpaid and lenders may submit claims to IRP. In such eventuality, GVKEL may need to reimburse the same.

Considering the GVKEL is in to CIRP and the outcome of the process is pending, the amount which may be ultimately payable in this regard is not determinable at this stage. Hence, no accounting impact is given in the books of account and no provision has been made in this regard in the GVKEL books. In the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying Standalone Financial Statements.

T R CHADHA & CO LLP * Hyderabad * Chartered Accountants

c) As discussed in detailed in Note 50(d) to the Standalone Financial Statements regarding annulment of settlement by Edelweiss and ARCIL with respect to their loans / NCDs to GVKEL and its subsidiary company namely Alaknanda Hydro Power Company Limited (AHPCL), non-accounting of estimated increase in liability on account of annulment of settlement terms by Edelweiss (amount not ascertained), invocation and transfer by Edelweiss of 46,60,11,000 Equity shares of AHPCL held by GVKEL of Rs.10 each, recording of exceptional loss of Rs.19,486 lakhs during the year ended March 31, 2023 by GVKEL on account of invocation of pledged shares and transfer by Edelweiss (being difference in face value of pledged shares invoked by Edelweiss and the liability of Edelweiss appearing in books of GVKEL and AHPCL), recording of discharge of liability of Edelweiss pending legal suit before Hon'ble Delhi High Court, wherein GVKEL pleaded that as a consequence of the invocation and transfer of a valuable asset, GVKEL liability towards the loan has been discharged and since the value of share is far in excess of the outstanding loan liability, the excess share to be returned. Next hearing of the case is scheduled on September 04, 2025.

Due to above mentioned default in the repayment of amount due on Loan / NCDs, ECL Finance Limited, Edelweiss Asset Reconstruction Company Limited, India Credit Fund II & Ecap Equities Limited (collectively referred to as "Edelweiss") (through its debentures trustee namely Catalyst Trusteeship Limited) has filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against the company and GVK Energy Ltd. on October 21, 2022, the company has filed its replies and next hearing of the case is scheduled on July 18, 2025.

Meanwhile, during the financial year 2023-24, AHPCL, GVKEL and GVK Power and Infrastructure Limited (GVKPIL / Holding company of GVKEL) has entered into another settlement agreement with the lenders on October 09, 2023, which requires to pay Rs 33,000 Lakhs and simple interest @12.50% pa is payable w.e.f. 1st November 2023. The entire amount along with interest is to be paid on or before 30th November 2023. The AHPCL, GVKEL and GVKPIL could not comply with the settlement terms and requested for extension of time to Edelweiss and they have extended the time till 31st July 2024 with phased payments. On 27th February'24 the lead lender of Alaknanda Hydro Power Company Limited has approved the release of Rs 20,000 Lakhs out of Rs 33,000 Lakhs to be paid and Rs.13,000 Lakhs to be brought in by AHPCL, GVKEL and GVKPIL. Till date AHPCL, GVKEL and GVKPIL has paid an amount of Rs 13,000 Lakhs as agreed. As per the terms of the settlement, lenders will release the securities including the transfer of 46,60,11,000 Equity shares, each having face value of Rs.10, of AHPCL to GVKEL on payment of amount due as per the settlement agreement.

Meanwhile, the company has received the intimation from Phoenix ARC Private Limited (Phoenix ARC) vide letters dated October 14, 2024 that the Edelweiss and ARCIL have assigned the facilities to Phoenix ARC. On December 02, 2024, Phoenix ARC has demanded for the repayment of Rs 52,261.55 Lakhs and Rs 44,680.86 Lakhs against Debentures and Loans respectively. GVK Energy requested to extend the time to settle the dues and Phoenix ARC extended the time till June 30, 2025. GVK Energy also sent a request for a settlement and Phoenix ARC yet to respond to it.

With respect to the above matter, the RP has received claims to the extent of Rs.1,16,399 Lakhs from the Phoenix ARC and RP has admitted the claims to the extent of Rs.1,05,028

T R CHADHA & CO LLP Hyderabad Chartered Accountants

Lakhs and balance claims of Rs.11,397 Lakhs are not admitted. The Resolution professional has invited Resolution plans and Resolution applicants have been submitted Resolution plan which will be considered by CoC and actual liability as per resolution plan will be determined on approval of resolution plan which the company would be liable to pay. Therefore, no accounting impact is given in the books of account and no provision has been made against admitted claims in the Standalone Financial Statements.

In view of the same, we are unable to comment on the accounting done in this regard in books of account and the ultimate impact of the same including of the invocation of the settlement offer by Edelweiss, invocation of pledged shares of AHCPL by Edelweiss, invocation of corporate guarantee issued by the GVKPIL and GVKEL impact of the proceedings in the NCLT, impact of the assignment of facilities by Edelweiss and ARCIL to Phoenix ARC and the additional liability that may arise in this regard if any on the Standalone financial Statements till the payment of dues as per settlement agreement.

Further, in the light of the above, we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying Standalone financial statements

Further, in the light of the above para iii (a), (b) and (c), we are unable to comment upon consequential impact, if any, arising out of the same in the accompanying standalone financial statements with respect to the balance amount of investments, loans and trade receivables of GVKEL, aggregating to Rs.103,914 Lakhs in the books of GVKPIL.

iv. Note 53 to the Standalone Financial Statements regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds, money laundering and other matters, pending completion of which and non-provision of certain related information sought from the company by us including complete copy of the Enforcement Directorate complaint. CBI has filed a charge sheet before the Chief Metropolitan Court, Mumbai on February 09, 2023, laying as allegation under section 120B read with section 420 of IPC against Mumbai International Airport Limited (MIAL), Vice Chairman & erstwhile CFO of the Company and four other GVKPIL group companies apart from others. The Court has granted bail to all the accused. The main issue alleged is siphoning of fund of MIAL eventually causing a loss to Airport Authority of India (AAI). Vide order dated 08.12.2023, fresh cognizance of offences in the chargesheet has been taken again and accused persons have been summoned. However, the said order has been currently stayed by the Ld. Sessions Court, Mumbai in revision petitions preferred by various accused persons and therefore, the proceedings are currently stayed in the matter and matter will resume only once the stay order gets vacated by the Revision Court. The company is of the view that the case will not stand the test of scrutiny of the court and will eventually be dismissed. The company is also of the view that the charges are unsubstantiated and no offence u/s section 420 IPC has been made out as there is no loss to AAI, Government, or any Tax Authorities as alleged. Next date before Sessions Court in the revision petitions is June 13,2025.

In addition to be above, the Enforcement Directorate (ED) had also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. ED had filed a complaint in April 2021 on the same matters against the above-mentioned parties and some of the subsidiaries, joint ventures and step-down subsidiaries of the Company, their directors and officers. ED had filed a complaint before the City Court and Additional Session Judge, Greater Bombay under Section 45 of Prevention of Money Laundering Act, 2002 for commission of offence

T R CHADHA & CO LLP Hyderabad Chartered Accountants

of Money laundering under section 3, read with section 70, Punishable u/s 4 of the Prevention of Money Laundering Act, 2002. The matter is currently at stage of adjudication of application on behalf of Accused-4 seeking supply of all the unrelied documents and unrelied statement u/s 50 PMLA and is fixed for filing reply of Enforcement Directorate on June 19,2025.

The Audit Committee of the Company, based on the legal advice received by the Audit committee of Mumbai International Airport Limited (MIAL), have decided not to proceed with any independent investigation on the matters mentioned in the FIR or the complaint filed by ED. Considering the status of the proceedings with cases related to CBI and ED, the implications, if any, that may arise on the GVKPIL can't be ascertained and the impact if any of the same on the standalone financial statements cannot be commented upon.

v. We draw attention to Note 52 to the Standalone Financial Statements regarding GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company. GVK SEZ has Investment Property having book value of Rs.11,655 Lakh as on 31st March 2025. GVK SEZ stood as a Guarantor and mortgaged its land having book value as mentioned above (admeasuring 2,506.25 Acres) to Syndicate Bank (since merged with Canara Bank) on account of loans taken by GVKPIL. GVKPIL has since repaid the loan taken from Canara Bank and the bank has also acknowledged the same. However, Canara bank has not issued a no due certificate and has not returned the original title documents by exercising the right of general lien under section 171 of Indian Contract Act,1872 and has enforced general lien over the title deeds in the name of GVK SEZ for liabilities of GVK Coal (Singapore) PTE Ltd, an associate of GVKPIL. GVKPIL and GVK SEZ have jointly filed writ petition before High Court, Telangana on October 27, 2021, stating that Bank exercising of general lien under section 171 of the Indian Contract Act, 1872 is wholly misconceived and illegal and contrary to the terms of Guarantee extended by the GVK SEZ and the matter is yet to be listed. GVKPIL has obtained independent legal opinion based on which the outcome of the subject matter will be positive and the bank will be directed to release the documents given as security. Further, Enforcement Directorate (ED) has provisionally attached the said Land property in view of investigation under Prevention of Money Laundering Act (PMLA). However, Hon'ble High Court of Telangana vide its order dated April 22, 2021 has stayed the proceedings by issuing Show Cause Notice to ED. As on March 31, 2025, the status remains the same. The matter is under litigation. Pending these litigations, the recoverability of the investments made by GVKPIL in GVKSEZ of Rs.10,924 Lakhs and deferred tax asset (DTA) of Rs.Nil (As on 31st March 2024 Rs. 3352 Lakhs) recognized towards possible indexation benefits on sale of this land is not determinable.

4. Emphasis of Matter

We draw attention to Note 55 to the Standalone Financial Statements regarding sale of holding of GVK Airport Developers Limited (GVKADL) by company to Adani Airport Holding Limited (AAHL) as per binding co-operation agreement dated August 31, 2020 and other related transaction documents. GVKPIL has transferred majority of the shares to AAHL except 480 Lakh equity shares. In the past GVKPIL has accounted the Optionally Convertible Debentures (OCDs) of Rs.137,464 Lakhs held by AAHL as beneficial owner in view of the terms of arrangement. On November 27, 2024 AAHL transferred 11960 Lakh OCDs of face value Rs 10 each in Ybrant and 2500 Lakh OCDs of face value Rs 10 each in Sutara Roads & Infra Limited to GVKPIL. Against these securities both Ybrant and Sutara has already remitted Rs 137,464 lakhs. As per the terms of OCD agreement, Ybrant have the option to voluntarily redeem the OCDs anytime during the tenure of the Agreement. During the current year company has received an intimation from Ybrant & Sutara treating the

T R CHADHA & CO LLP Hyderabad Chartered Accountants

11246.40 Lakh and 2500 Lakh OCD's as redeemed since they have already paid in cash or otherwise Rs 112,464 Lakhs and 25,000 Lakhs respectively. As per the terms of OCD agreement with Ybrant, subject to the voluntary redemption mentioned above, balance OCDs of 7136 Lakhs shall be redeemed by the issuer any time after expiry of 10 years from the deemed date of allotment and hence reflected as investment in the books of GVKPIL.

5. Management / Resolution Professional (RP)/ Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Board of Directors/Resolution professional are responsible for the preparation and presentation of the Standalone financial statements that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder 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 judgements 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 Standalone financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Standalone financial statements by the Directors of the Company, as aforesaid.

In preparing the Standalone financial statements, the Board of Directors, management and RP 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors/RP of the Company are responsible for overseeing the financial reporting process of the Company.

6. Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our responsibility is to conduct an audit of the Company's financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the significance of the matters involving uncertainties, described in the "Basis of Disclaimer of opinion" section of our report, notwithstanding having obtained sufficient appropriate audit evidence regarding each most of the individual uncertainties, it is not possible for us to form an opinion on the financial statements due to the potential interaction of the uncertainties and their possible cumulative effect on the financial statements.

We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) and the provisions of Companies Act 2013 that are relevant to our audit of the financial statements in India under the Companies Act 2013 and we

T R CHADHA & CO LLP Hyderabad Chartered Accountants

have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies Act 2013.

7. Report on Other Legal and Regulatory Requirements

7.1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, and except for the possible effects, of the matter described in the Basis for Disclaimer of Opinion section, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

7.2. As required by section 143 (3) of the Act, we report that:

a) We have sought and obtained all the all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) Due to the effects/possible effects of the matter described in the Basis for Disclaimer of Opinion section above and our observation related to maintenance of edit logs of as mentioned in paragraph 7.2 (i) (vi) below we are unable to state whether 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 balance sheet, the standalone statement of profit and loss (including other comprehensive income), the statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) Due to the effects/possible effects of the matter described in the Basis for Disclaimer of Opinion section above, we are unable to state whether the standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) Due to the effects/possible effects of the matter described in the Basis for Disclaimer of Opinion section above, we are unable to state whether they have any adverse effect on the functioning of the company.

f) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

g) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph above and paragraph 7.2.(i) (vi) below on reporting under Rule 11(g).

h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses a disclaimer of opinion on the

T R CHADHA & CO LLP Hyderabad Chartered Accountants

adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statement.

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, in our opinion and to the best of our information and according to the explanations given to us:

i. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion section above, we are unable to state whether the company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer notes 26(b)&(c) to the financial statements.

ii. Due to the effects/possible effects of the matter described in the Basis for Disclaimer of Opinion section above, we are unable to state whether the company has long term contracts as at March 31, 2025 for which there were no material foreseeable losses. Also, the company did not have any derivative contracts as at March 31, 2025.

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 March 31, 2025;

iv. (a) The Management has represented and refer note no. 43 to the standalone financial statements, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented and refer note no. 43 to the standalone financial statements, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company 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;

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances due to the possible effects of the matter described in the Basis for Disclaimer of Opinion section above we are unable to state whether the representations under sub clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year

T R CHADHA & CO LLP
Hyderabad
Chartered Accountants

vi. Based on our examination, which included test checks, except for the instance mentioned below, the company used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

- The feature of recording audit trail (edit log) facility was not enabled at the database level at GVKPIL to log any direct data changes for the accounting software used for maintaining the books of account.

As the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 became applicable from 1st April, 2023, the reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 regarding the preservation of audit trail as per the statutory requirements for record retention is applicable for the financial year ending 31st March, 2025. The Company has preserved the audit trail in accordance with the applicable statutory requirements for record retention, to the extent it was enabled and recorded in the accounting software.

Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules,2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

For T R Chadha & Co LLP,
Chartered Accountants
FRN: -06711N\N500028

T R CHADHA & CO LLP * Hyderabad * Chartered Accountants

Sheshu Samudrala
(Partner)
Membership No-235031
UDIN: 25235031BMNRBU7680

Date: 30.05.2025
Place: Hyderabad

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of GVK Power & Infrastructure Limited for the year ended 31 March 2025

Referred to in paragraph 7.1 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the members of GVK Power & Infrastructure Limited on the standalone financial statements for the year ended March 31, 2025

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

(i) Property, Plant and Equipment and Intangible Assets

a)

A. The Company has maintained proper records showing full particulars including quantitative details and situtation of Property, Plant and Equipment;

B. The Company does not have intangible assets, therefore, the provision of paragraph 3(i)(a)(B) of the Order is not applicable to the Company ;

b) Property, Plant and Equipment were physically verified by the Management during the year and no material discrepancies were noticed on such verification for material items.

c) There is no Immovable Property in the books of accounts of the Company. Accordingly, the provision of paragraph 3(i)(c) of the Order is not applicable to the Company.

d) The Company has not revalued its Property and Plant and Equipment during the year.

e) As disclosed by the management in Note 38 of the standalone financial statements, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

(ii) Inventories

a) The company does not have any inventory. Hence, reporting under clause 3(ii) (a) of the order is not applicable.

b) The Company has not been sanctioned any working capital limits, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. Hence, reporting under clause 3(ii) (b) of the order is not applicable.

(iii) Loans, Investments, Guarantees, Securities and Advances in nature of Loan

(a) The Company has provided loans to subsidiaries / joint ventures / associates during the year. The details of the same are given below

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Aggregate amounts during the year	Amount Rs. in Lakhs		
Particulars	**Guarantees**	**Loan**	**Investments**
Subsidiaries	0	9,130	4
Related parties other than above	0	0	0
Total	**0**	**9,130**	**4**
Balances outstanding in the year			
Particulars	**Guarantees**	**Loan**	**Investments**
Subsidiaries	0	19,690	95,077
Associates	4,74,892	0	0
Related parties other than above	0	1,609	0
Others	0	0	7,136
Total	**4,74,892**	**21,299**	**1,02,213**

(b) The company has given loans to relating parties which are repayable on demand. Considering the Basis of Disclaimer as given in Audit Report and the reasons described there in, we are not in a position to comment whether the terms and conditions of the loans granted and investments made during the year are not prejudicial to the interest of the Company.

(c) In the case of loans given, no schedule for repayment of principal and payment of interest has been stipulated by the company. Hence, we do not make any comment on the regularity of repayment of principal and payment of interest and overdue amount, if any, in this regard.

(d) There is an overdue amount for more than ninety days as at Balance Sheet date in respect of loans given to related parties as detailed below:

Name of the party	Principal Amount Overdue	Interest Overdue	Total Overdue
Crescent EPC Projects and Technical Services Limited	758.71	2.81	761.52

As informed by th Management, resolution professional is following up with related party for recovery of the amount.

(e) There is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.

(f) As mentioned in Para c above, the company has granted loans to one company as per the summary given below, which are either repayable on demand or without specifying any terms or period of repayment during the year.

(Figures are in lakhs)

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/advances in nature of loans granted during the year	9,130	0	9,130
Percentage of aggregate loans/advances in nature of loans to the total loans	100%	0	100%

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(iv) Compliance of Sec. 185 & 186

The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under apply. Accordingly, the provision of paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act. Accordingly, the provision of paragraph 3(vi) of the Order is not applicable to the Company.

(vii) Statutory Dues

a) The Company has generally been regular in depositing its undisputed statutory dues including Goods and Service tax, Provident Fund, Employees State insurance, Income-tax, Custom duty, Cess and other relevent material statutory dues, which are accounted in its books of account.

There are no undisputed amounts payable in respect of above statutory dues, which were in arrears as at 31 March 2025 for a period of more than six months from the date they become payable.

b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below;

Name of the statute	Nature of dues	Amount (Rs. In Lakhs.)	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service tax	279	July 01, 2003 to September 30,2008	High court
The Finance Act, 1994	Service tax	111	October 1, 2008 to September 30, 2009	High court
The Finance Act, 1994	Service tax	149	October 1, 2009 to September 30, 2010	High court
The Finance Act,1994	Service tax	444	June 1, 2009 to March 31 2012	High court
The Finance Act,1994	Service tax	170	April 1, 2012 to March 31, 2013	High court
The Finance Act,1994	Service tax	164	April 1, 2013 to March 31, 2014	High court

T R CHADHA & CO LLP Hyderabad Chartered Accountants

(viii) As disclosed by the management in note 45 of the standalone financial statements and as verified by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) Application & Repayment of Loans & Borrowings

(a) The Company has not defaulted in the repayment of loans or other borrowings to any lender, during the year. These borrowings are interest free repayable on demand taken from related parties. Please also refer Para 3(i) of Basis of Disclaimer of Opinion section above in our report.

(b) As disclosed by the management in note 39 of the standalone financial statements, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.

(c) The company has not taken any term loan during the year and there are no outstanding term loan at the beginning of the year and hence, reporting under clause 3(ix) (c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the company, we report that, funds raised on short-term basis have been used for long term purposes. Please also refer Para 3 Basis of Disclaimer of Opinion section above in our report.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Accordingly, the provision of paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the provision of paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) Application of funds raised through Public Offer

(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provision of paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) Fraud

a) Except as described below, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed nor reported during the year, nor have we been informed of such case by the Management.

T R CHADHA & CO LLP Hyderabad Chartered Accountants

Refer paragraph 3(iv) of our main audit report and as disclosed in note 53 to the standalone financial statements, investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds, money laundering and other matters, pending completion of which and non-provision of certain related information sought from the company by us including complete copy of the Enforcement Directorate complaint. CBI has filed a charge sheet before the Chief Metropolitan Court, Mumbai on February 09, 2023, laying as allegation under section 120B read with section 420 of IPC against Mumbai International Airport Limited (MIAL), Vice Chairman & erstwhile CFO of the Company and four other GVKPIL group companies apart from others. The Court has granted bail to all the accused. The main issue alleged is siphoning of fund of MIAL eventually causing a loss to Airport Authority of India (AAI). Vide order dated 08.12.2023, fresh cognizance of offences in the chargesheet has been taken again and accused persons have been summoned. However, the said order has been currently stayed by the Ld. Sessions Court, Mumbai in revision petitions preferred by various accused persons and therefore, the proceedings are currently stayed in the matter and matter will resume only once the stay order gets vacated by the Revision Court. The company is of the view that the case will not stand the test of scrutiny of the court and will eventually be dismissed. The company is also of the view that the charges are unsubstantiated and no offence u/s section 420 IPC has been made out as there is no loss to AAI, Government, or any Tax Authorities as alleged. Next date before Sessions Court in the revision petitions is June 13,2025.

In addition to be above, the Enforcement Directorate (ED) had also taken up the investigation under the Prevention of Money Laundering Act (PMLA) on the basis of an FIR registered by the CBI. ED had filed a complaint in April 2021 on the same matters against the above-mentioned parties and some of the subsidiaries, joint ventures and step-down subsidiaries of the Company, their directors and officers. ED had filed a complaint before the City Court and Additional Session Judge, Greater Bombay under Section 45 of Prevention of Money Laundering Act, 2002 for commission of offence of Money laundering under section 3, read with section 70, Punishable u/s 4 of the Prevention of Money Laundering Act, 2002. The matter is currently at stage of adjudication of application on behalf of Accused-4 seeking supply of all the unrelied documents and unrelied statement u/s 50 PMLA and is fixed for filing reply of Enforcement Directorate on June 19,2025.

We are unable to comment whether any fraud has been committed by the Company or any fraud was committed by the officers and employees of the Company, on the Company.

b) As represented to us by the management, there were no whistle blower complaints received during the year by the Company.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions entered into with the related parties upto the date of commencement of CIRP date (NCLT order date July 12, 2024 and order uploaded on the portal on July 15, 2024 - Insolvency commencement date) are in compliance with sections

T R CHADHA & CO LLP * Hyderabad * Chartered Accountants

177 and 188 of the Act, where applicable. Post CIRP date Audit Committee was dissolved and the Board chaired by Resolution Professional (RP) has further reviewed the list of Related party transactions that were previously approved on 28th May, 2024 and the actual amounts spent during the financial year 2024-25 against the approved limits and taken note of the same. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, 'Related Party Disclosures' specified under Section 133 of the Act.

(xiv) Internal Audit

(a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the internal auditors issued to the Company for the period under audit.

(xv) During the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) Registration u/s 45-IA of RBI Act

(a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3(xvi) (a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) As represented to us, the Group does not have any CIC as part of the Group.

(xvii) The company has incurred cash losses of Rs 21 Lakhs during the current financial year covered by our audit and there are no cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable to the Company.

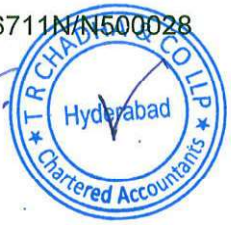
(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements including note no.37 to the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that a material uncertainty exists with

T R CHADHA & CO LLP Hyderabad Chartered Accountants

respect to going concern as on the date of audit report as mentioned in Para 3 of our Audit Report on the Standalone Financial Statements.

(xx) As disclosed by management in note 41 of the standalone financial statements, the company was not required to spend on Corporate Social Responsibility (CSR) during the year in view of the continuing losses during the last three years and there is no unspent amount towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx) (a) and 3(xx)(b) of the Order are not applicable.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028



Sheshu Samudrala
(Partner)
Membership No. 235031
UDIN: 25235031BMNRBU7680

Date: 30.05.2025
Place: Hyderabad

Annexure-B to the Independent Auditor's Report on the Standalone Financiai Statements of GVK Power & Infrastructure Limited for the year ended 31 March 2025

Referred to in paragraph 7.2(h) of the Independent Auditors' Report of even date to the members of GVK Power & Infrastructure Limited on the Standalone Financial Statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the Standalone Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the Internal Financial Controls with reference to financial statements of GVK Power & Infrastructure Limited (hereinafter referred to as "the Company").

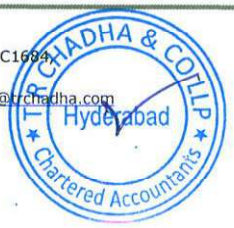
Management's and Board of Directors' Responsibility for Internal Financial Controls with reference to financial statements

2. The respective Board of Directors of the company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting 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 its business, including adherence to the respective 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.
   Also refer to the Basis of Disclaimer of Opinion section of our main audit report.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI.

4. Because of the matter described in Disclaimer of Opinion paragraph below, it is not possible for us to form an opinion on internal financial controls system with reference to financial statements of the Company.



Meaning of Internal Financial Controls with reference to financial statements

5. 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 includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Basis for Disclaimer of Opinion

6. According to the information and explanations given to us and based on our audit, we draw attention to the following:

7. As more fully described in paragraph 3 of our main audit report on the standalone financial statements, we were unable to obtain sufficient appropriate audit evidence regarding the completeness and accuracy of certain liabilities and commitments, including corporate guarantees extended by the Company to its subsidiaries. The Company is currently under Corporate Insolvency Resolution Process (CIRP) and the outcome of the process is pending. The amount which may be ultimately payable in this regard is not determinable at this stage. Hence, no accounting impact is given in the books of account and no provision has been made in this regard in the financial statements. Consequently, we were unable to perform necessary audit procedures to assess whether the Company had adequate internal controls over financial reporting relating to recognition and measurement of such liabilities and commitments.

Disclaimer of Opinion

8. Because of the significance of the matters involving uncertainties, described in the "Basis of Disclaimer of opinion" paragraph above, notwithstanding having obtained sufficient appropriate audit evidence regarding most of the individual uncertainties, it is not possible for us to form an opinion whether the Company had adequate internal financial controls with reference to standalone financial statements and whether such internal financial controls were operating effectively as at March 31, 2025 based on the internal control with reference to standalone 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 ICAI.

T R CHADHA & CO LLP Hyderabad Chartered Accountants

9. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2025, and the disclaimer has affected our opinion on the financial statements of the standalone Company and we have issued a disclaimer of opinion on the financial statements for the year ended on that date. (Refer the Basis of Disclaimer of Opinion section of the main audit report.)

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028



Sheshu Samudrala
(Partner)
Membership No. 235031
UDIN: 25235031BMNRBU7680
Date: 30.05.2025
Place: Hyderabad

GVK Power & Infrastructure Limited

Standalone Balance Sheet

(All amounts in INR lakhs, except share data and where otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3	17	23
Financial assets			
Investments	4	1,02,213	1,02,214
Non Current tax assets (net)	5	376	444
Other non-current assets	6	14	14
		1,02,620	**1,02,695**
Current assets			
Financial assets			
Investments	7	1,121	1,43,878
Trade receivables	8	114	344
Cash and cash equivalents	9	2,737	3,936
Loans	10	21,299	12,626
Other financial assets	11	104	118
Other current assets	12	345	362
		25,720	**1,61,264**
Total assets		**1,28,340**	**2,63,959**
Equity and Liabilities			
Equity			
Equity share capital	13	15,792	15,792
Other equity		69,679	69,711
		85,471	**85,503**
Liabilities			
Non-current liabilities			
Financial liabilities			
Unearned financial guarantee liability	14	2,695	2,695
		2,695	**2,695**
Current liabilities			
Financial liabilities			
Borrowings	15	36,427	36,430
Trade payables	16		
• Total outstanding dues of micro enterprises and small enterprises		3	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises		83	110
Other financial liabilities	17	1,635	1,39,138
Other current liabilities	18	2,026	80
Provisions	19	-	3
		40,174	**1,75,761**
Total liabilities		**42,869**	**1,78,456**
Total Equity and Liabilities		**1,28,340**	**2,63,959**

General information and material accounting policies 1 and 2

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm registration number: 006711N/N500028

Sheshu Samudrala
Partner
Membership No. 235031
Place: Hyderabad
Date: 30-May-2025

T R CHADHA & CO LLP * Hyderabad * Chartered Accountants

For and on behalf of the Board of Directors
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

P V Prasanna Reddy
Whole-time Director
DIN: 01259482

Sanjeev Kumar Singh
Chief Financial Officer
ACA: 074700

Ravi Prakash T
Company Secretary
ACS: 9730

Place: Hyderabad
Date: 30-May-2025

GVK Power & Infrastructure Ltd.

GVK Power & Infrastructure Limited

Standalone Statement of Profit and Loss

(All amounts in INR lakhs, except share data and where otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	20	150	760
Other income	21	367	1,208
Total income		**517**	**1,968**
Expenses			
Employee benefit expenses	22	30	191
Depreciation expenses	3	6	11
Impairment of non-current investments/ Deemed investment	4	5	2,284
Other expenses	23	439	933
Total expenses		**480**	**3,419**
Profit / (Loss) before tax		**37**	**(1,451)**
Tax expense	24		
Current tax		69	310
Taxes of earlier years		-	33
Total tax expense		**69**	**343**
Profit / (Loss) for the year		**(32)**	**(1,794)**
Other Comprehensive Income			
Items that may be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive income/(loss) for the year		**(32)**	**(1,794)**
Earnings per equity share:	25		
Basic earnings per share		(0.00)	(0.11)
Diluted earnings per share		(0.00)	(0.11)
Nominal value per equity share		1.00	1.00
General information and material accounting policies	1 and 2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm registration number: 006711N/N500028

Sheshu Samudrala
Partner
Membership No. 235031
Place: Hyderabad
Date: 30-May-2025

T R CHADHA & CO LLP Hyderabad Chartered Accountants

For and on behalf of the Board of Directors
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

P V Prasanna Reddy
Whole-time Director
DIN: 01259482

Sanjeev Kumar Singh
Chief Financial Officer
ACA: 074700

Ravi Prakash T
Company Secretary
ACS: 9730

Place: Hyderabad
Date: 30-May-2025

GVK Power & Infrastructure Ltd.

GVK Power & Infrastructure Limited

Standalone Cash flow statement

(All amounts in INR lakhs, except share data and where otherwise stated)

		Year ended March 31, 2025	Year ended March 31, 2024
1 CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/(loss) before tax		37	(1,451)
Adjustments to reconcile profit/ (loss) before tax to net cash flows:			
Depreciation expenses		6	11
Gain on sale of current investments (net)		(137)	(640)
Interest Income		(217)	(359)
Impairment of non-current investments/ Deemed investment		5	2,284
Advances written off		11	-
Profit on Sale of Asset		-	(1)
Reversal of previous year expenses		-	(34)
Interest income on income tax and service tax refund		(3)	(126)
Operating profit/ (Loss) before working capital changes		**(298)**	**(316)**
Movement in working capital:			
Decrease/(Increase) in trade receivables		230	676
Decrease/(Increase) in other current assets		39	35
Increase/(Decrease) in trade payables, current liabilities and provisions		(81)	(234)
Cash generated from operations		**(110)**	**161**
Taxes (paid)/refund, net		(1)	555
Net cash generated from operating activities	**(A)**	**(111)**	**716**
2 CASH FLOW FROM INVESTING ACTIVITIES			
(Purchase)/ Sale of current investments, net		5,430	3,791
Investments in subsidiaries/ associates/related party including share application money		(4)	(407)
Loans (given)/refunds to/from subsidiaries/related party		(8,723)	(5,369)
Sale/ (Purchase) of property, plant and equipment		-	(13)
Interest received		212	273
Net Cash (used in)/ generated from investing activities	**(B)**	**(3,085)**	**(1,725)**
3 CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds/ (Repayment) of short term borrowings (net)		(3)	(131)
Earnest money deposit received from Resolution applicants		2,000	-
Net Cash generated from/(used in) financing activities	**(C)**	**1,997**	**(131)**
Net increase/ (decrease) in Cash and Cash Equivalents	(A+B+C)	(1,199)	(1,140)
Cash and Cash Equivalents at the beginning of the year		3,936	5,076
Cash and Cash Equivalents at the end of the year		**2,737**	**3,936**
Components of cash and cash equivalents			
Balance with banks:			
Current accounts		2,737	3,936
Total cash and cash equivalents (Refer Note 9)		**2,737**	**3,936**
General information and material accounting policies	1 and 2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm registration number: 006711N/N500028

Sheshu Samudrala
Partner
Membership No. 235031
Place: Hyderabad
Date: 30-May-2025

T R CHADHA & CO LLP Hyderabad Chartered Accountants

For and on behalf of the Board of Directors
GVK Power and Infrastructure Limited
(CIN - L74999TG2005PLC059013)

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

P V Prasanna Reddy
Whole-time Director
DIN: 01259482

Sanjeev Kumar Singh
Chief Financial Officer
ACA: 074700

Ravi Prakash T
Company Secretary
ACS: 9730

Place: Hyderabad
Date: 30-May-2025

GVK Power & Infrastructure Ltd.

GVK Power & Infrastructure Limited
Standalone Statement of Changes in Equity
(All amounts in INR lakhs, except share data and where otherwise stated)

A) Equity share capital

	Number of Shares	Rs. In Lakhs
Balance as at April 01, 2023	1,57,92,10,400	15,792
Issued during the year	-	-
Balance as at March 31, 2024	**1,57,92,10,400**	**15,792**
Issued during the year	-	-
Balance as at March 31, 2025	**1,57,92,10,400**	**15,792**

B) Other Equity	**Reserves and Surplus**			**Total**
	Retained Earnings	**Securities premium**	**General reserve**	
Balance as at April 01, 2023	**(1,44,557)**	**2,15,935**	**127**	**71,505**
Add: Loss for the year	(1,794)	-	-	(1,794)
Balance as at March 31, 2024	**(1,46,351)**	**2,15,935**	**127**	**69,711**
Add: Profit/ (Loss) for the year	(32)	-	-	(32)
Balance as at March 31, 2025	**(1,46,383)**	**2,15,935**	**127**	**69,679**

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For T R Chadha & Co LLP
Chartered Accountants
Firm registration number: 006711N/N500028

Sheshu Samudrala
Partner
Membership No. 235031
Place: Hyderabad
Date: 30-May-2025

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GVK Power & Infrastructure Ltd.

1 Corporate information

GVK Power & Infrastructure Limited ('the Company' or 'GVKPIL') provides operation and maintenance services, manpower and consultancy services and incidental services to owners of power plants, airports etc. The Company has also acquired substantial ownership interest into power companies, airports, roads and companies providing infrastructure facilities. The registered office of the company is located at Darshak Chambers, Plot No 32, H No 1-8-303/48/32, Street Number 1, Penderghast Road, Hyderabad - 03.

These financial statements have been approved by the Company's Board of Directors and authorized for issue on May 30, 2025.

The Company has also given guarantees and commitments for loans taken by GVK Coal Developers (Singapore) Pte. Limited (GVK Coal) .Further, one of the lenders of GVK Coal has filed an application under Section 7 of the Insolvency and Bankruptcy Code 2016 to initiate Corporate Insolvency Resolution Process against the company (being guarantor for loan taken by GVK Coal) before National Company Law Tribunal, Hyderabad on July 14, 2022. Interim Resolution professional (IRP) appointed by NCLT vide order dated July 12, 2024 in CP. 260/2022 uploaded on the portal on July 15, 2024 (Insolvency Commencement Date) and IRP has taken possession of all assets of GVKPIL. As approved by NCLT vide its order dated September 05, 2024, IRP has been confirmed as Resolution Professional (RP) of the Company. Refer note 49.

2 Material accounting policies

2.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act., 2013 (the Act), read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:
- certain financial assets and liabilities are measured at fair value
- defined benefit plans - plan assets are measured at fair value.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- 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:
- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
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) Foreign currency translation

The financial statements are presented in Indian rupees lakhs, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in foreseeable future is considered as part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/ (losses).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively.)

(c) Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date.
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:
- In the principal market for the asset or liability, or
- 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 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 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.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfactory performance obligation is measured at the amount of transaction price(Net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as a part of the contract. The Company 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 credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Manpower and consultancy services:

Income from Manpower and Consultancy services is recognised as per the terms of the agreement on the basis of services rendered.

Interest income

For all debt instruments measured either at amortized 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 amortized 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 (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

Guarantee commission

Revenue is recognized on a straight line basis taking into account the present value of the guarantee amount and the commission rate applicable.

(e) Income tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current tax items are recognized 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 income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not recognized if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

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GVK Power & Infrastructure Ltd.

The carrying amount of deferred tax assets is reviewed at each reporting 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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) **Property, plant and equipment**

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture and fittings	- 10 years
Office equipment	- 5 years
Vehicles	- 8 years
Data processing equipment	- 3 years

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.

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.

(g) **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.

Company as a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.





Effective from April 1, 2019:

As a lessee:

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(h) 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. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which these are separately identifiable cash inflows which are largely independent of cash inflows from other assets or group of assets (cash generating units). Non financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Provisions

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. Provisions are not recognised for future operating losses.

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.

(k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet 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.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Remeasurements, 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 balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

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GVK Power & Infrastructure Ltd.

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.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats accumulated leave, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on an actuarial valuation using the projected unit credit method at the period-end/ year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

(l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

a) Debt instruments at amortised cost.

b) Debt instruments at fair value through Other comprehensive income (FVTOCI).

c) Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL).

d) Equity instruments measured at fair value through other comprehensive income (FVOCI).

Debt instruments at amortized cost

A 'debt instrument' is measured at amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, other receivables and loans.

Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the asset, and

i. the Company has transferred substantially all the risks and rewards of the asset, or

ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Trade receivables or any contractual right represents the companies right to an amount of consideration that is conditional (i.e.. Only the passage of time is required before payment of consideration is due).

c) Loan commitments which are not measured as at FVTPL.

d) Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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GVK Power & Infrastructure Ltd.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the Balance Sheet ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This category is most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 15.

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.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of twelve 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.

T R CHADHA & CO LLP Hyderabad Chartered Accountants
GVK Power & Infrastructure Ltd.

(n) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(o) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless otherwise stated.

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GVK Power & Infrastructure Ltd.

3 . Property, plant and equipment

	Furniture and fittings	Office equipment	Vehicles	Data processing equipment	Total
At Cost					
As at April 01, 2023	1	12	66	15	94
Additions	-	13	-	-	13
Deletions	-	(1)	(58)	-	(59)
As at March 31, 2024	1	24	8	15	48
Additions	-	-	-	-	-
Deletions	-	-	-	-	-
As at March 31, 2025	1	24	8	15	48
Accumulated depreciation					
As at April 01, 2023	1	6	30	11	48
Charge for the year	-	3	6	2	11
Deletions	-	(1)	(33)	-	(34)
As at March 31, 2024	1	8	3	13	25
Charge for the year	-	3	2	1	6
Deletions	-	-	-	-	-
As at March 31, 2025	1	11	5	14	31
Net Block					
As at March 31, 2024	-	16	5	2	23
As at March 31, 2025	-	13	3	1	17

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GVK Power & Infrastructure Ltd.

4. Investments

	As at March 31, 2025	As at March 31, 2024
(i) Investments		
A. Unquoted, in fully paid equity shares (at cost)		
In subsidiaries		
10,000 (March 31, 2024: 10,000) Equity shares of Rs.10 each fully paid-up in GVK Perambalur SEZ Private Limited	1	1
143,410,000 (March 31, 2024: 143,410,000) equity shares of Rs.10 each fully paid-up in GVK Developmental Projects Private Limited	11	11
190,000 (March 31, 2024: 190,000) equity shares of Rs.10 each fully paid-up in GVK Airport Services Private Limited	19	19
50,000 (March 31, 2024: 50,000) equity shares of Rs.10 each fully paid-up in Sutara Roads & Infra Limited	-	5
1,000,000 (March 31, 2024: 1,000,000) equity shares of Rs.10 each fully paid-up in GVK Shivpuri Devas Expressway Private Limited	1	1
10,000 (March 31, 2024: 10,000) equity shares of Rs.10 each fully paid-up in GVK Power (Khadur Sahib) Private Limited	1	1
1288,310,657 (March 31, 2024: 1288,310,657) equity shares of Rs.10 each fully paid-up in GVK Energy Limited	84,120	84,120
217,149,070 (March 31, 2024: 217,149,070) equity shares of Rs.10 each fully paid-up in GVK Transportation Private Limited	-	-
	84,153	84,158
In Associate		
50,000 (March 31, 2024: 50,000) equity shares of USD 1 each fully paid-up in GVK Coal Developers (Singapore) Pte. Ltd.	25	25
Share application money for purchase of non-cumulative redeemable preference shares of USD 1 each (at amortised cost) in GVK Coal Developers (Singapore) Pte. Ltd.	1	1
	26	26
Provision for impairment in value of Equity investment in GVK Coal Developers Singapore Pte Ltd	(26)	(26)
	-	-
	84,153	84,158
B. Loan given to subsidiaries classified as equity (at cost)		
GVK Perambalur SEZ Private Limited	10,924	10,920
	10,924	10,920
Total (A+B)	95,077	95,078
(ii) Other investments		
Unquoted, in fully paid non-cumulative redeemable preference shares (at amortised cost)		
C. In Associate		
17,66,31,918 (March 31, 2024: 17,66,31,918) non-cumulative redeemable preference shares of USD 1 each fully paid-up in GVK Coal Developers (Singapore) Pte. Ltd.*	77,510	77,510
Provision for diminution in value of non-cumulative redeemable preference investment in GVK Coal Developers (Singapore) Pte. Ltd	(77,510)	(77,510)
	-	-
D. In Others		
48,000,000 (March 31, 2024: 48,000,000) equity shares of Rs.10 each fully paid-up in GVK Airport Developers Limited	-	7,136
Debentures #	7,136	-
Total (C+D)	7,136	7,136
Total (A+B+C+D)	1,02,213	1,02,214
Aggregate amount of unquoted investments net of impairment	1,02,213	1,02,214

Debentures are unlisted, unsecured, optionally convertible debentures ("OCDs") each having a face value of Rs 10 each and shall accrue a coupon at the rate of 0.01% per annum.

Number of Debentures issued by M/s Ybrant Engineering and Constructions Private Limited is 7,136 Lakhs. Please refer note 55.

E. Break up of impairment of non-current investments		
Impairment in value of Equity investment in Sutara Roads & Infra Limited	5	-
Impairment of Deemed investment in subsidiaries/ Associate ('GVK Jaipur Expressway Private Limited)	-	2,284
Total	5	2,284

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GVK Power & Infrastructure Ltd.

5 . Non current tax assets (net)

	As at March 31, 2025	As at March 31, 2024
Advance income-tax (net of provision for taxation)	376	444
Total	**376**	**444**

6 . Other non-current assets

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good:		
Balance with government authorities	14	14
Total	**14**	**14**

7 . Current investments

	As at March 31, 2025	As at March 31, 2024
Quoted mutual funds at fair value through statement of profit and loss		
2,205,215 (March 31, 2024: 4,451,641) Franklin India Money Market / Liquid Fund	1,121	2,097
Nil (March 31, 2024: 67,131) Birla Sun Life Savings/ Low duration Fund	-	340
Nil (March 31, 2024: 4,004,357) ICICI Prudential short term/ Ultra short Fund	-	2,360
Nil (March 31, 2024: 3,749,230) Axis Short Term Fund	-	1,133
Nil (March 31, 2024: 40,287) Mirae Asset Ultra short Duration Fund	-	484
UnQuoted Investment carried at amortised cost		
Debentures ##	-	1,37,464
Total	**1,121**	**1,43,878**
Aggregate carrying and market value of quoted investments	**1,121**	**6,414**

Debentures are unlisted, unsecured, optionally convertible debentures ("OCDs") each having a face value of Rs 10 each and shall accrue a coupon at the rate of 0.01% per annum.

Number of Debentures issued by M/s Sutara Roads & Infra Limited and M/s Ybrant Engineering and Constructions Private Limited is 2,500 Lakhs and 11,246.4 Lakhs respectively.

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GVK Power & Infrastructure Ltd.

8 . Trade receivables

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good:		
Receivables from related parties	114	343
Others	-	1
Total	**114**	**344**

Trade receivables are non-interest bearing.

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.

As at March 31, 2025	Less than 6 Months	6 - 12 Months	1 - 2 years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables						
- Considered Good	105	-	3	-	6	114
Total	**105**	**-**	**3**	**-**	**6**	**114**

As at March 31, 2024	Less than 6 Months	6 - 12 Months	1 - 2 years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables						
- Considered Good	338	-	-	-	6	344
Total	**338**	**-**	**-**	**-**	**6**	**344**

9 . Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Balance with banks:		
- In current accounts	506	18
- Fixed Deposits	2,231	3,918
Total	**2,737**	**3,936**

There are no repatriation restrictions on the usage of Cash and Bank Balances

10 . Loans

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good:		
Loans to related parties receivable on demand	1,609	2,050
Interest free loans to related parties receivable on demand	19,690	10,576
Total	**21,299**	**12,626**

11 . Other financial assets

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good:		
Other receivables	104	118
Total	**104**	**118**

12 . Other current assets

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good:		
Advances recoverable in cash or kind or value to be received	-	1
Security Deposit - Rent	4	4
Prepayments	4	13
Others (Including GST ITC)	337	344
Total	**345**	**362**

T R CHADHA & CO LLP Hyderabad Chartered Accountants

GVK Power & Infrastructure Ltd.

13 . Equity share capital and other equity

A Equity share capital

	As at March 31, 2025	As at March 31, 2024
Authorised Share Capital		
2,500,000,000 (March 31, 2024: 2,500,000,000) equity shares of Rs. 1 each	25,000	25,000
Issued, subscribed and fully paid-up share capital		
1,579,210,400 (March 31, 2024: 1,579,210,400) equity shares of Rs. 1 each	15,792	15,792

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	Year ended March 31, 2025		Year ended March 31, 2024	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares of Rs. 1 each fully paid up				
At the beginning of the year	1,57,92,10,400	15,792	1,57,92,10,400	15,792
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,57,92,10,400**	**15,792**	**1,57,92,10,400**	**15,792**

b) Terms/rights attached to equity shares

The Company has only one class of equity share having par value of Rs.1 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends 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 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 shareholders.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

c) Details of shares held by promoters as on 31-03-2025 are as follows:

Promoter Name	No of Shares	% of total shares	% of change during the year
G V Krishna Reddy	6,81,09,487	4.31%	Nil
G V Sanjay Reddy	5,57,25,951	3.53%	Nil
Vertex Projects LLP	73,28,93,902	46.41%	Nil
Total	**85,67,29,340**	**54.25%**	Nil

Details of shares held by promoters as on 31-03-2024 are as follows:

Promoter Name	No of Shares	% of total shares	% of change during the year
G V Krishna Reddy	6,81,09,487	4.31%	Nil
G V Sanjay Reddy	5,57,25,951	3.53%	Nil
Vertex Projects LLP	73,28,93,902	46.41%	Nil
Total	**85,67,29,340**	**54.25%**	Nil

d) Details of shareholders holding more than 5% equity shares in the Company

Name of the shareholder	Year ended March 31, 2025		Year ended March 31, 2024	
	Number of Shares	% of holding	Number of Shares	% of holding
Vertex Projects LLP (Formerly Vertex Infratech Private Limited)	73,28,93,902	46.41%	73,28,93,902	46.41%

e) No class of bonus shares have been issued as bonus shares or for consideration other than cash by the company during the period of five years immediately preceding the current year end.

f) No class of shares have been reserved for issue under options.

g) No class of shares have been bought back by the company during the period of five years immediately preceding the current year end.

(B) Reserves and surplus

	As at March 31, 2025	As at March 31, 2024
Retained Earnings	(1,46,383)	(1,46,351)
Securities premium	2,15,935	2,15,935
General reserve	127	127
Total reserves and surplus	**69,679**	**69,711**

(i) Retained Earnings

	As at March 31, 2025	As at March 31, 2024
Opening balance	(1,46,351)	(1,44,557)
Profit/ (Loss) for the year	(32)	(1,794)
Closing balance	**(1,46,383)**	**(1,46,351)**

(ii) Securities premium

	As at March 31, 2025	As at March 31, 2024
Opening balance	2,15,935	2,15,935
Movement during the year	-	-
Closing balance	**2,15,935**	**2,15,935**

Note: Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(iii) General reserve

	As at March 31, 2025	As at March 31, 2024
Opening balance	127	127
Movement during the year	-	-
Closing balance	**127**	**127**

T R CHADHA & CO LLP Hyderabad Chartered Accountants

GVK Power & Infrastructure Ltd.

14 . Unearned financial guarantee liability

	As at March 31, 2025	As at March 31, 2024
Unearned guarantee commission liability on financial guarantees given to related parties	2,695	2,695
Total	**2,695**	**2,695**

15 . Short-term borrowings

	As at March 31, 2025	As at March 31, 2024
Unsecured:		
Loans from related parties repayable on demand	36,427	36,430
Total	**36,427**	**36,430**

16 . Trade payables

	As at March 31, 2025	As at March 31, 2024
- Outstanding dues to micro enterprises and small enterprises	3	-
- Outstanding dues to creditors other than micro enterprises and small enterprises (Dues to related parties is Nil (March'24: Nil))	83	110
Total	**86**	**110**

Trade payables are non-interest bearing and are normally settled on 30-120 days.

Micro, small and medium enterprises

The identification of micro, small and medium enterprise suppliers as defined under the provisions of "Micro, small and medium enterprises Act, 2006" is based on Management's knowledge of their status. There are no dues to micro, small and medium enterprises as at the year end.

As at March 31, 2025	Less than 1 year	1 - 2 years	2-3 Years	More than 3 Years	Total
(i) MSME	3	-	-	-	3
(ii) Others	83	-	-	-	83
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**86**	-	-	-	**86**

As at March 31, 2024	Less than 1 year	1 - 2 years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	110	-	-	-	110
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**110**	-	-	-	**110**

17 . Other financial liabilities

	As at March 31, 2025	As at March 31, 2024
Others (Payable to related party)	1,635	26,674
Other payables	-	1,12,464
Total	**1,635**	**1,39,138**

18 . Other current liabilities

	As at March 31, 2025	As at March 31, 2024
Statutory liabilities	25	80
Other liabilities	2,001	-
Total	**2,026**	**80**

19 . Provisions

	As at March 31, 2025	As at March 31, 2024
Provision for compensated absences (Refer note 27)	-	3
Total	-	**3**

T R CHADHA & CO LLP Hyderabad Chartered Accountants

GVK Power & Infrastructure Ltd.

20 . Revenue from operations

	Year ended March 31, 2025	Year ended March 31, 2024
Sale of services		
– Manpower and consultancy services	150	760
Total	**150**	**760**

21 . Other income

	Year ended March 31, 2025	Year ended March 31, 2024
Income from current investments	137	640
Interest Income	217	359
Interest on income tax refund	3	126
Reversal of Expenses Incured in Previous years	-	34
Profit on Sale of Asset	-	1
Miscellaneous income	10	48
Total	**367**	**1,208**

22 . Employee benefit expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	28	182
Contribution to provident and other funds (Refer note 27)	-	2
Staff welfare expenses	2	7
Total	**30**	**191**

23 . Other expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Rent	8	7
Communication costs	2	6
Travelling and conveyance	6	34
Operating and maintenance expenses	45	86
Repairs and maintenance	2	33
Legal and professional charges	249	603
Rates and taxes	42	41
Printing and stationery	1	3
Insurance	8	50
Remuneration to statutory auditors (refer note below)	57	59
Directors' sitting fees	1	8
Advances written off	11	-
Miscellaneous expenses	7	3
Total	**439**	**933**

Payment to auditor

	Year ended March 31, 2025	Year ended March 31, 2024
As auditor:		
Audit fee	21	21
Limited review	36	36
Certification fee	-	2
Total	**57**	**59**

T R CHADHA & CO LLP Hyderabad Chartered Accountants

GVK Power & Infrastructure Ltd.

24 . Taxes

	Year ended March 31, 2025	Year ended March 31, 2024
a. Income tax expense		
Current tax	69	310
Taxes of earlier years	-	33
Total	**69**	**343**

b. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

		Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) before taxes		37	(1,451)
Existing tax rates in India		25.168%	25.168%
Expected tax expenses	(a)	9	(365)
Add: Effect of non-deductible expenses:			
Advances and investments written off		16	2,284
Less: Effect of non-taxable incomes:			
Interest Income		(220)	(485)
Profit on sale of mutual funds taxable at other rates		(137)	(640)
Utilisation of brought forward losses		301	293
Effect of non-deductible expenses (net)		(40)	1,452
Tax effect on the above	(b)	(10)	365
Tax on other income	(c)	69	343
Net current tax expense recognised in Statement of Profit and Loss (a) + (b) + (c)		**68**	**343**

c. Tax losses

	Year ended March 31, 2025	Year ended March 31, 2024
Unused tax losses for which no deferred tax asset has been recognised	18,098	17,797
Potential tax benefit	4,555	4,479

25 . Earning per equity share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. There are no potentially dilutive equity shares in the Company.

The following reflects the income/(loss) and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) after tax	(32)	(1,794)
Weighted average number of Equity Shares considered for calculation of basic and diluted earnings per share	1,579,210,400	1,579,210,400
Nominal value per equity share	1.00	1.00
Earnings/ (loss) per share		
- Basic and diluted	(0.00)	(0.11)

26 . Commitments and Contingencies

A. Leases

a. Operating lease commitments - Company as lessee

Operating leases are mainly in the nature of lease of office premises with no restrictions and are renewable/cancellable at the option of either of the parties. The Company has not entered into any non-cancellable leases. There is 10% escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. Lease period is less than 12 months and considered as short term so ROU is not recongised.

The Company has not recognised any contingent rent as expense in the Statement of Profit and Loss. The aggregate amount of operating lease payments recognised in the Statement of Profit and Loss is Rs. 8 lakhs (March 31, 2024: Rs. 7 lakhs).

B. Capital and other commitments

i) Capital Commitments

The Company has no outstanding capital commitments as at year end. (March 31, 2024: Nil)

ii) Other Commitments

a) The company has given undertaking to infuse equity aggregating to Rs. 494,275 lakhs (March 31, 2024: Rs. 481,526 lakhs) in GVK Coal Developers (Singapore) Pte. Limited, towards shortfall, if any, of its loan repayment obligations [Also refer note C(ii) below]. Further, the Company has pledged 155,587,500 (March 31, 2024: 155,587,500), 130,287,382 (March 31, 2024: 130,287,382) and 48,000,000 (March 31, 2024: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited (Admitted into CIRP on 06-Aug-2024) and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited, an associate entity in which Company has 10% stake.

C. Contingent liabilities

	Year ended March 31, 2025	Year ended March 31, 2024
Direct and indirect taxes		
Claims not acknowledged as debts by the company		
Service tax	1,318	1,318

Security against loan taken by group companies

(i) The Company has provided security by way of corporate guarantees amounting to Rs. 474,892 lakhs to the lenders of GVK Coal Developers (Singapore) Pte Ltd, an associate (March 31, 2024: Rs. 462,642 lakhs) for various fund and nonfund based facility availed by them. Lenders filed claims with RP. Also refer note (ii) below

(ii). Refer note 49 to 53.

T R CHADHA & CO LLP Hyderabad Chartered Accountants

GVK Power & Infrastructure Ltd.

27. Employee benefits

A) Defined contribution plan

	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to provident fund recognised as expense in the Statement of Profit and Loss	-	2

B) Disclosures related to defined benefit plan

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employees who have completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Net employee benefit expense (included under employee benefit expenses)

	Year ended March 31, 2025	Year ended March 31, 2024
Current Service Cost	-	-
Interest expense	(2)	(2)
Net employee benefit expenses	-	-

ii) Amount recognised in the Balance Sheet

	Year ended March 31, 2025	Year ended March 31, 2024
Defined benefit obligation	-	22
Fair value of plan assets	28	29
Net plan liability/ (asset)*	-	-

* Plan asset has been recognised only to the extent of obligation. Accordingly, expenses not consider for the year.

iii) Changes in the present value of the defined benefit obligation for gratuity are as follows

Opening defined benefit obligation	-	15
Current service cost	-	-
Interest cost	-	-
Benefits paid	-	-
Net Actuarial (gains)/losses on obligation for the year recognised under OCI	-	7
Closing defined benefit obligation	-	22

iv) Changes in fair value of plan assets

Opening fair value of plan assets	29	50
Other adjustments	(3)	(23)
Expected return	2	2
Closing fair value of plan assets	28	29

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Scheme of Insurance- Conventional products	100%	100%

v) Amount recognised in Statement of Other Comprehensive Income (OCI):

Opening amount recognised in OCI	(1)	(1)
Remeasurement for the year - Obligation gain/(loss)	-	-
Remeasurement for the year - plan assets gain/(loss)	-	-
Closing amount recognised in OCI	(1)	(1)

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below

Discount rate	6.40%	7.00%
Expected rate of return on assets	6.40%	7.00%
Salary rise	6.00%	6.00%
Attrition Rate	10.00%	10.00%

1. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

2. The expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

Expected benefit payments for the year ending:

	Year ended March 31, 2025	Year ended March 31, 2024
Within next 12 months	0	0
Between 2 and 5 years	1	1
Beyond 5 years	1	1

Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption as at year end is as shown below:

Assumptions	Year ended March 31, 2025	Year ended March 31, 2024
(a) Effect of 1% change in assumed discount rate		
- 1% increase	(0)	(0)
- 1% decrease	0	0
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	0	0
- 1% decrease	(0)	(0)
(c) Effect of 1% change in assumed employee attrition rate		
- 1% increase	0	0
- 1% decrease	(0)	(0)

T.R. CHADHA & CO. LLP Hyderabad Chartered Accountants
GVK Power & Infrastructure Ltd.

28. In respect of the amounts mentioned under section 125 of the Companies Act, 2013 there are no dues that are to be credited to the Investor Education and Protection Fund as at the year end.

29. **Related Parties**

(a) Related parties where control exists

GVK Energy Limited	Subsidiary
Alaknanda Hydro Power Company Limited	Subsidiary
GVK Coal (Tokisud) Company Private Limited	Subsidiary
GVK Airport Services Private Limited	Subsidiary
PT.GVK Services, Indonesia	Subsidiary
GVK Shivpuri Dewas Expressway Private Limited	Subsidiary
GVK Developmental Projects Private Limited	Subsidiary
GVK Ratle Hydro Electrical Projects Private Limited	Subsidiary
GVK Perambalur SEZ Private Limited	Subsidiary
GVK Power (Khadur Sahib) Private Limited	Subsidiary
GVK Transportation Private Limited (Admitted into CIRP on 06-Aug-2024)	Subsidiary (Till 05-Aug-2024)
GVK Jaipur Expressway Private Limited	Subsidiary (Till 05-Aug-2024)
Sutara Roads & Infra Limited	Subsidiary (Till 05-Aug-2024)
GVK Deoli Kota Expressway Private Limited	Subsidiary (Till 05-Aug-2024)
GVK Bagodara Vasad Expressway Private Limited	Subsidiary (Till 05-Aug-2024)

(b) Related parties where joint control exists

GVK Gautami Power Limited	Jointly Control Entity (JCE) of Subsidiary (Till 20-Oct-2023)

(c) Key management personnel

Dr. GVK Reddy	Chairman
Mr. G V Sanjay Reddy	Director
Mr. P V Prasanna Reddy	Director
Mr. Anumolu Rajasekhar	Director (Till 24th April, 2024)
Mr. Anil Kumar Reddy	Director (Till 3rd October, 2024)
Ms. Rama Rao	Director (Till 3rd October, 2024)
Mr. Ilyas Ghulam Hussain Ghouse	Director (Till 3rd October, 2024)
Mr. A Issac George	CFO& Director (Till 31-Aug-2023)
Mr. Sanjeev Kumar Singh	CFO (From 26-Sep-2023)
Mr. Ravi Prakesh	Company Secretary (From 01-Sep-2023)
Mr. P V Rama Seshu	Company Secretary (Till 31-Aug-2023)
Mr. Satish Kumar Gupta	Resolution Professional (From 15-Jul-2024)

(d) Associate

GVK Coal Developers (Singapore) Pte. Ltd

(e) Enterprises over which the key management personnel exercise significant influence and with whom there are transactions during the year

TAJ GVK Hotels & Resorts Limited
GVK Technical & Consultancy Services Private Limited
Indira Constructions
Paigah House Hotels LLP
Crescent EPC Projects and Technical Services Limited

30. **Disclosures pursuant to the Regulation 34(3) read with paragraph A of Schedule V to SEBI Listing Regulations, 2015**
Details of loan given to subsidiaries, associates, parties in which directors are interested:

	Year ended March 31, 2025	Year ended March 31, 2024
i) GVK Perambalur SEZ Private Limited		
Balance as at the year end	10,924	10,920
Maximum amount outstanding during the year	10,924	10,920
The aforesaid loan is repayable at the option of the subsidiary.		
ii) GVK Transportation Private Limited		
Balance as at the year end	11	11
Maximum amount outstanding during the year	11	11
The aforesaid loan is repayable on demand		
iii) GVK Jaipur Expressway Private Limited		
Balance as at the year end	-	-
Maximum amount outstanding during the year	-	-
The aforesaid loan is repayable on demand		
iv) GVK Energy Limited		
Balance as at the year end	19,690	10,565
Maximum amount outstanding during the year	19,690	10,565
The aforesaid loan is repayable on demand		
v) Crescent EPC Projects and Technical Services Limited		
Balance as at the year end	1,609	2,050
Maximum amount outstanding during the year	2,050	2,050
The aforesaid loans are repayable by end of one year along with interest rate		

31. Details of trade receivables due from subsidiary companies in which Company's director is a director.

GVK Jaipur Expressway Private Limited	-	49
GVK Energy Limited	104	277

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GVK Power & Infrastructure Ltd.

GVK Power & Infrastructure Limited

Notes to Standalone financial statements

(All amounts in INR lakhs, except share data and where otherwise stated)

	March 31, 2025	March 31, 2024
A. Details of related party transactions during the year		
Fees for services rendered (Includes Corporate guarantee commission income)		
GVK Energy Limited	150	250
GVK Jaipur Expressway Private Limited	-	500
GVK Developmental Projects Private Limited	-	7
Reimbursement of expenses (Billable expenses)		
GVK Energy Limited	0	8
Alaknanda Hydro Power Company Limited	6	21
GVK Power (Goindwal Sahib) Limited *	-	1
Sutara Roads & Infra Limited	0	-
GVK Jaipur Expressway Private Limited	0	4
GVK Technical & Consultancy Services Private Limited	0	12
Crescent EPC Projects and Technical Services Limited	0	2
Interest income on financial assets		
Crescent EPC Projects and Technical Services Limited	150	119
Sale of vehicles		
Alaknanda Hydro Power Company Limited	-	25
Services received		
TAJ GVK Hotels & Resorts Limited	1	1
GVK Technical & Consultancy Services Private Limited	3	-
Alaknanda Hydro Power Company Limited	-	36
Advances written off		
GVK Transportation Pvt Ltd	11	-
Impairment of Deemed investment		
GVK Jaipur Expressway Private Limited	-	2,284
Sutara Roads & Infra Limited	5	-
Director sitting fees		
Dr. GV Krishna Reddy	0	1
Mr. GV Sanjay Reddy	0	1
Mr. N Anil Kumar Reddy (Till 3rd October, 2024)	0	2
Mr. Ilyas Ghulam Hussain Ghouse (Till 3rd October, 2024)	0	1
Ms. Rama Rao (Till 3rd October, 2024)	-	2
Mr. A. Rajashekar (Till 24th April, 2024)	-	2
Remuneration		
Mr. Sanjeev Kumar Singh, CFO (From 26-Sep-2023)	23	87
Resolution Professional Fee		
Mr. Satish Kumar Gupta (From 15-Jul-2024)	38	-
Investments in Equity		
GVK Energy Limited (Purchased from GVK Developmental Projects Private Limited)	-	400
GVK Energy Limited	-	9,598
Loans/advances given/expenditure incurred on behalf		
GVK Energy Limited	9130	4,275
GVK Perambalur SEZ Private Limited	4	7
Crescent EPC Projects and Technical Services Limited	-	1,301
Loans/advances recovered		
GVK Energy Limited	281	213
Crescent EPC Projects and Technical Services Limited	441	-
Loan repaid		

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GVK Power & Infrastructure Ltd.

	GVK Developmental Projects Private Limited	2	144
	Sutara Roads & Infra Limited	39	630
B.	**Year end balances**		
	Receivables/ (Payables)		
	GVK Energy Limited	19,794	10,841
	Alaknanda Hydro Power Company Limited	1	2
	GVK Transportation Private Limited	-	11
	GVK Jaipur Expressway Private Limited	-	49
	Sutara Roads & Infra Limited	(38,062)	(38,101)
	GVK Bagodara Masad Expressway Private Limited	5	5
	GVK Deoli Kota Expressway Private Limited	2	2
	GVK Perambalur SEZ Private Limited	10,924	10,920
	GVK Developmental Projects Private Limited	-	(2)
	GVK Technical & Consultancy Services Private Limited	-	6
	Crescent EPC Projects and Technical Services Limited	1,710	2,150
	Corporate Guarantee (Loan outstanding)		
	GVK Coal Developers (Singapore) Pte Limited (Refer note 49)	4,74,892	4,62,642
	Pledge of Investment (no. of shares)		
	GVK Coal Developers (Singapore) Pte Limited	33,38,74,882	33,38,74,882

Notes:

a Refer note 26

b The loans/ advances and guarantees have been provided to meet normal business needs of the respective entity.

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GVK Power & Infrastructure Ltd.

32. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, borrowings including interest accrued on borrowings, less cash and short-term deposits.

	Year ended March 31, 2025	Year ended March 31, 2024
Borrowings including interest accrued on borrowings (Refer note 15)	36,427	36,430
Less: Cash and short-term deposits (Refer note 9)	(2,737)	(3,936)
Less: Investments in mutual funds & Bank deposits (Refer note 7)	(1,121)	(6,414)
Net debt	32,569	26,080
Equity share capital	15,792	15,792
Other Equity	69,679	69,711
Total Equity	85,471	85,503
Gearing ratio (Net Debt/ Total Equity)	0.38	0.31

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

33. Fair values

The management assessed that the fair value of loans given, trade receivables, cash and cash equivalents, other financial assets, short term borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities or interest bearing nature of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

a) Financial instruments by category

		March 31, 2025		March 31, 2024	
	Level	Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Measured at amortised cost					
Non-current:					
Investments	3	1,02,213	1,02,213	1,02,214	1,02,214
Current:					
Trade receivables	3	114	114	344	344
Loans	3	21,299	21,299	12,626	12,626
Investments	3	-	-	1,37,464	1,37,464
Other financial assets	3	104	104	118	118
Cash and cash equivalents	1	2,737	2,737	3,936	3,936
Mandatorily measured at fair value through profit or loss					
Investments	1	1,121	1,121	6,414	6,414

		March 31, 2025		March 31, 2024	
	Level	Carrying value	Fair value	Carrying value	Fair value
Financial liabilities					
Measured at amortised cost					
Current					
Borrowings	3	36,427	36,427	36,430	36,430
Trade payables	3	83	83	110	110
Other financial liabilities	3	1,635	1,635	1,39,138	1,39,138

Level 1: Level 1 hierarchy includes financial instruments measuring using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification asset included in level 3.

b) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

- The fair value of investment in mutual funds is measured at quoted price or NAV.
- The fair values for non-current investments, other non-current financial assets and borrowings are based on discounted cash flows using a borrowing rate at the date of transition. They are classified as level 3 fair values in their fair value hierarchy due to the use of unobservable inputs, including own credit risk.

T R CHADHA & CO LLP Hyderabad Chartered Accountants

GVK Power & Infrastructure Ltd.

34 . Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

A. Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

i. Determination of control and accounting thereof

As detailed in the accounting policy, principles under Ind AS are different from the previous GAAP, especially with respect to assessment of control of subsidiaries. Further, investment in GVK Coal Developers (Singapore) Pte. Ltd has been accounted as associate since the company participates in all significant financial and operating decisions. The company has therefore determined that it has significant influence over this entity, even though it only holds 10% of the voting rights.

ii. Impairment of non-current assets including investments in subsidiaries, joint ventures and associates

Determining whether investment 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 ('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 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 passenger traffic and rates and outcomes of litigations, and settlements may be reached with lenders which are considered as reasonable by the management and significant uncertainties faced including absence of financial closure in respect of GVK Coal Developers (Singapore) Pte Ltd.

Based on such determination the Company has imparied carrying value of its investment in Sutara Road & Infra Limited is Rs 5 Lac (March 31, 2024: Rs 2,284 Lakhs, deemed investment in GVK Jaipur Expressway Private Limited).

iii. Also refer note 54 on significant judgement on going concern ability of the Company.

B. 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 has prepared financial statements based its assumptions and estimates on parameters available when the 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.

(i) 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 losses 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.

(ii) Defined employee benefit plans (Gratuity)

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 in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. 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 for the respective countries. Further details about gratuity obligations are given in note 27.

(iii) 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 (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. Judgements 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.

(iv) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, and the useful lives are in line with the useful lives prescribed under Schedule II of the Companies Act, 2013.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

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GVK Power & Infrastructure Ltd.

35. Financial risk management objectives and policies

Financial Risk Management Framework

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A Price risk

The company's exposure to investment in mutual funds are subject to price and recognised in the balance sheet as fair value through Statement of Profit or Loss.

Sensitivity

The table below summaries the impact of increase/decrease of the index on the company's investment in mutual fund and profit/ (loss) for the year.

Particulars	Impact on Profit/(Loss) after tax		Impact on other components of equity	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Increase by 1%	11	64	-	-
Decrease by 1%	(11)	(64)	-	-

B Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans and other financial assets. Trade receivables, Financial guarantee receivables (Other financial assets) and Loans given by the Company result in material concentration of credit risk as these are with related parties.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 21,517 lakhs (March 31, 2024: Rs. 13,088 lakhs), being the total of the carrying amount of balances with trade receivables, Loans and Other financial assets.

Trade receivables, Other financial assets, Loans given:

An impairment analysis is performed at each reporting date. The Company does not hold collateral as security. Impairment analysis takes into account historical credit loss experience and adjusted for forward-looking information. Significant portion of trade receivables, other financial assets and loans given comprise receivables from related parties and not subject to significant credit risk based on past history.

C 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 manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	On Demand	Within 12 months	After 12 months	Total
Year ended March 31, 2025				
Borrowings	36,427	-	-	36,427
Other financial liabilities	-	1,635	-	1,635
Trade payables	-	86	-	86
Total	**36,427**	**1,721**	**-**	**38,148**
Year ended March 31, 2024				
Borrowings	36,430	-	-	36,430
Other financial liabilities	-	1,39,138	-	1,39,138
Trade payables	-	110	-	110
Total	**36,430**	**1,39,248**	**-**	**1,75,678**

D Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, investments, other financial assets and other financial liabilities.

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 change 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. As the Company has debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are substantially dependent of changes in market interest rates.

As the company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

T R CHADHA & CO LLP Hyderabad Chartered Accountants

GVK Power & Infrastructure Ltd.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings. With all other variables held constant, the Company's profit/(loss) before tax is affected through impact on floating rate borrowings, as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Change in Interest Rate		
-increase by 50 basis points	-	-
-decrease by 50 basis points	-	-

Foreign Currency exchange rate 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 investment in foreign entity and financial asset/liability in relation to foreign entity in respect of financial guarantee. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. The Company has not entered into derivative instruments during the year.

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise is Nil.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rate, with other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Rs. in Lakhs

Change in USD rate	Year ended March 31, 2025	Year ended March 31, 2024
5%	-	-
-5%	-	-

36 . Segment reporting

In accordance with Indian Accounting Standard (Ind AS) 108 on Operating segments, segment information has been given in the consolidated financial statements of the Company, and therefore no separate disclosure on segment information is given in these financial statements.

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T R CHADHA & CO LLP Hyderabad Chartered Accountants

GVK Power & Infrastructure Ltd.

GVK Power & Infrastructure Limited

Notes to Standalone financial statements

(All amounts in INR lakhs, except share data and where otherwise stated)

37. Ratios:

S No	Ratio	Formula	Particulars		31-Mar-25		31-Mar-24		Ratio as on 31-Mar-25	Ratio as on 31-Mar-24	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator				
1	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	25,720	40,174	1,61,264	1,75,761	0.64	0.92	(0.30)	Reduction in Current liabilites & Current assets
2	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes – Preference Dividend	Shareholder's Equity	(32)	85,471	(1,794)	85,503	-0.04%	-2.10%	(0.98)	PY, Impairment of Deemed investment in GVK Jaipur Expressway Private Limited
3	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	150	229	760	669	0.66	1.14	(0.42)	Reduction in Revenue
4	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets – Current liabilities	150	(14,476)	760	(10,127)	-0.01	-0.08	(0.86)	Reduction in Revenue
5	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	(32)	150	(1,794)	760	-21.33%	-236.05%	(0.91)	PY, Impairment of Deemed investment in GVK Jaipur Expressway Private Limited
6	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	37	88,166	(1,451)	88,198	0.04%	-1.65%	(1.03)	
7	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	(32)	85,471	(1,794)	85,503	-0.04%	-2.10%	(0.98)	

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GVK Power & Infrastructure Ltd.

38. Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

39. Details relating wilful defaulter

The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other Lender in accordence with the guidelines on wilful defaulters issued by the Reserve Bank of India.

40. The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the companies Act,2013 read with the Companies Restriction on number of Layers) Rules, 2017.

41. Corporate Social Responsibility Expenditure

The Company has not required to spend on Corporate Social Responsibility(CSR) in view of the continiung losses during the last three years.

42. Relationship with Struck off Companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

43. The Company has not advanced or loaned or invested funds to any other person(s) or entity (is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall : (a) directly or indirectly lend or invest in other person(s) or entities identified in any manner whatsoever by or on behalf of the Comapny (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
The Company has not received any fund from person(s) or entity (is), including foreign entities (Funding Party) with the understandng (whether recorded in writing or otherwise) that the Company shall : (a) directly or indirectly lend or invest in other person(s) 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 to or on behalf of the Ultimate Beneficiaries.

44. Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

45. Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

46. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

47. Social Security Code, 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.
The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

48. The following disclosures shall be made where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

				31-Mar-25		31-Mar-24	
Type of Borrower	**Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)**	**Repayable on demand (Yes / No)**	**Terms/Period of repayment is specified (Yes / No)**	**Amount outstanding as at the balance sheet date**	**% of Total**	**Amount outstanding**	**% of Total**
Related Parties	Individually	Yes	No	21,299	100%	12,626	100%
Total of loan and advances in the nature of Loan (Refer Note 10)				**21,299**		**12,626**	

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GVK Power & Infrastructure Ltd

49. The company has an investment in GVK Coal Developers (Singapore) Pte. Limited (GVK Coal) which is assessed as an associate to the Company. The Company exercises significant influence on GVK Coal as per Ind AS 28.

The Company has also given guarantees and commitments for loans amounting to USD 1,132.45 Million (Rs. 969,167 lakhs as at March 31, 2025; Rs. 944,168 lakhs as at March 31, 2024) of principal amount (GVKPIL itself guaranteed towards the repayment of limits which shall be lower of either 53.9% (including in respect of the Hedging Agreements if any) of all principal amounts outstanding under the finance documents or USD 692.61 Million) taken by GVK Coal part of which is collateralized by pledge of 155,587,500 (March 31, 2024: 155,587,500), 130,287,382 (March 31, 2024: 130,287,382) and 48,000,000 (March 31, 2024: 48,000,000) shares of GVK Energy Limited, GVK Transportation Private Limited and GVK Airport Developers Limited respectively for securing loan obtained by GVK Coal Developers (Singapore) Pte. Limited and has also undertaken to provide financial assistance of USD 3.11 million (Rs. 2,662 lakhs) as at March 31, 2025 (Rs. 2,593 lakhs as at March 31, 2024) , with respect to which there are multiple significant uncertainties including outlook on the sector, non-achieving of financial closure and clearances for the project, concluding an appropriate solution with various stakeholders including lenders, and necessary environmental and regulatory clearances etc.. The entity's current liabilities exceeded current assets by USD 3,029 million (Rs. 2,592,378 lakhs) as of March 31, 2025 (March 31, 2024: USD 2,624 million (Rs. 2,187,713 lakhs)) and accumulated losses as of March, 2025 is USD 1,839 million (Rs. 1,573,525 Lakh) based on audited special purpose consolidated financial statements of GVK Coal.

The GVK Coal lenders had also filed a claim in the High Court of Justice Business and Property Courts of England and Wales Commercial Courts (England Court) on November 09, 2020, and have sought to recover the amounts advanced to GVK Coal. During the current financial year 2023-24, the England court vide its order dated October 19, 2023, has crystalized the amount payable by the defendants (GVKPIL and other guarantors/ stakeholders in GVK Coal) at USD 2.19 billion including the amount towards interest.

As per legal opinion obtained by the company, the order dated 19th October 2023 passed by the England court is not speaking order. It has also been opined that the Order dated 19th October 2023 cannot be enforced in India and is contrary to the substantive law of India and is also in violation of the principles of natural justice. Management has made several attempts were made by the company to have a solution with the lenders including an agreement dated March 23, 2017, wherein a non-binding framework solution was agreed upon for a settlement. Subsequently also there were several efforts to engage with the lenders to arrive at a settlement. The GVK Coal having failed to repay debt obligation, ICICI bank has invoked CG of GVKPIL on Nov 02, 2020 and demanding to pay the GVK Coal dues .

Further, one of the lenders has filed an application under Section 7 of the Insolvency and Bankruptcy Code 2016 to initiate Corporate Insolvency Resolution Process against the company (being guarantor for loan taken by GVK Coal) before National Company Law Tribunal, Hyderabad on July 14, 2022. Interim Resolution professional (IRP) appointed by NCLT vide order dated July 12, 2024 in CP. 260/2022 uploaded on the portal on July 15, 2024 (Insolvency Commencement Date) and IRP has taken possession of all assets of GVKPIL. As approved by NCLT vide its order dated September 05, 2024, IRP has been confirmed as Resolution Professional (RP) of the Company.

RP has received claims to the extent of Rs. 21,79,248 Lakhs from the Financial Creditors (Including claim of Rs. 18,83,145 Lakhs from Financial Creditors of GVK Coal Developers) and RP has admitted the claims to the extent of Rs.15,94,489 Lakhs (Including claim of Rs. 14,89,486 Lakhs from Financial Creditors of GVK Coal Developers) for CIRP purpose as per IBC rules and balance Rs.5,84,760 Lakhs (Including claim of Rs. 3,93,653 Lakhs from Financial Creditors of GVK Coal Developers) claims are not admitted. The Resolution professional has invited Resolution Plans and Resolution Applicants have submitted Resolution plan which will be considered by CoC and actual liability as per resolution plan will be determined on approval of resolution plan which the company would be liable to pay. Therefore, no accounting impact is given in the books of account and no provision has been made against admitted claims in the Standalone Financial statements.
The extent of the liability that may arise in respect of guarantees and commitments and the manner of such settlement is presently not ascertainable and accordingly no provision has been made in this regard in relation to any liability.

The company has provided for impairment of Rs 78,634 Lakhs for full value of its investment and receivable in earlier years in the absence of any certainty of realization either by use or from the settlement that may be reached.

50. GVKPIL has wholly own subsidiary company viz. GVK Energy Limited ('GVKEL'), certain subsidiaries and jointly controlled entity (group companies) of GVKEL are facing uncertainties as detailed below

Certain subsidiaries and jointly controlled entity (group companies) of GVK Energy Limited ('GVKEL') are facing uncertainties as detailed below:
a) The Hon'ble Supreme Court of India had deallocated dedicated coal mine allotted to GVK Power (Goindwal Sahib) Limited (GVKPGSL). GVK Coal (Tokisud) Private Limited (GVKCTPL), a subsidiary company of GVKEL and mine operator was offered compensation by the Nominated Authority of Rs. 11,129 Lakhs as against the carrying value of assets of Rs. 31,113 Lakhs as at March 31, 2017. GVKCTPL had appealed against the said order in the Hon'ble High Court of Delhi. The aforesaid court vide its order dated March 09, 2017, directed GVKCTPL to submit its claim to the adjudicating authority constituted under the Coal Mines (Special Provisions) Act, 2015. Subsequently GVKCTPL submitted its claim for the balance amount of Rs. 19,882 Lakhs to the aforesaid authority. The nominated authority under the Ministry of Coal vide its order dated 16th March 2022 has further approved and released compensation of Rs.13,867 lakhs. Out of this an amount of Rs.8,883 lakhs have been deposited by nominated authority in interest bearing account with Registrar General of the Court as per the directions of the high court of Delhi dated 11th April 2022 and an amount of Rs.4,984 lakhs have been paid to lenders by nominated authority towards the balance dues payable as per the claims made by the lenders as on the date of vesting orders less the amount already paid to the lenders. Including the above amount of Rs 4,984 lakhs, a total of Rs 23,761 lakhs , being the due on vesting date has been paid to lenders. The nominated authority has advised in the above order to approach Coal Tribunal in respect of disputes including the compensation disallowed regarding R&R costs. The GVKCTPL has accordingly filed the appeal under sec. 27 of the Coal Mines (Special Provisions) Act, 2015 with Coal Tribunal for Rs 34,830 lakhs on August 01, 2022 and the next hearing of the case is scheduled on June 11, 2025 for evidence.

Based on the internal assessment, management believes that GVKCTPL will be appropriately reimbursed for cancelled coal mine. Additionally, the fund lying-in interest-bearing account with Registrar General of the Court will be sufficient to discharge all liabilities and accordingly no provision is required towards corporate guarantee given by GVKEL for loan taken by GVKCTPL and carrying value (Balance of claims) of Rs 6,015 Lakhs.

b) GVK Power (Goindwal Sahib) Limited ("GVKPGSL") a erstwhile subsidiary company of GVKEL, has been admitted into Corporate Insolvency Resolution Process on October 10, 2022 based on petition filed by Axis Bank Ltd, one of the lenders in the consortium of GVKPGSL with the Hon'ble NCLT, Hyderabad and the Hon'ble NCLT Hyderabad had approved resolution plan vide its order dated December 22, 2023. As per the said order, the secured lenders have received Rs.1,078 crores against their claims of Rs.6,585 Crores. i.e. with a deficit of Rs.5,507 Crores. The GVKEL has provided Corporate Guarantee to the lenders of GVKPGSL with respect to the amount lent by them. The lenders through security trustee (IDBI Trusteeship services limited) have invoked the corporate Guarantee. Further, during the financial year 2023-24, one of the lenders (IDBI) has filed the case against the GVKEL demanding the amount of Rs.1,494 Crores in the Hon'ble NCLT, Hyderabad and GVKEL has been admitted into Corporate Insolvency Resolution Process (CIRP) vide NCLT order dated May 06, 2025 (order uploaded on the portal on May 07, 2025). Vide the said Order, a moratorium has been declared under Section 14 of the IBC and IRP has been appointed to carry out functions envisaged under the Code including taking charge of management of GVKEL.

T R CHANDHA & CO LLP Hyderabad Chartered Accountants

GVK Power & Infrastructure Ltd.

Meanwhile, one of the suspended director of GVKEL has filed an appeal against the NCLT order before NCLAT, Chennai on May 12, 2025 and next hearing of the case is scheduled on June 02, 2025.

Considering GVKEL is in to CIRP, an appeal against the NCLT order before NCLAT, Chennai and the outcome of the process is pending, the amount which may be ultimately payable in this regard is not determinable at this stage. Hence, no accounting impact is given in the books of accounts and no provision has been made in this regard in the financial statements.

c) GVK Gautami Power Limited (GVKGPL), a jointly controlled entity of GVKEL, has been admitted into Corporate Insolvency Resolution Process (CIRP) during the previous financial year 2023-24, i.e on October 20, 2023 based on petition filed by Edelweiss Asset Reconstruction Company Ltd, one of the lenders in the consortium of GVKGPL with the Hon'ble NCLT, Hyderabad and Resolution professional appointed by NCLT has taken possession of all assets of GVKGPL. The Hon'ble NCLT Hyderabad has approved the resolution plan vide its amended order dated 03th April 2025. As per the said order, the secured lenders have received Rs 19,990 Lakhs against their claims of Rs.2,75,957 Lakhs. i.e. with a deficit of Rs.2,55,967 Lakhs. GVKEL has already provided for an impairment in the full value of investment in GVKGPL of Rs 51,897 Lakh.

The GVKEL has also provided Corporate Guarantee to the lenders of GVKGPL with respect to the amount lent by them. This Corporate Guarantee has not be invoked by the Lenders so far (account became NPA on 1st October 2016) and no demands have been raised on GVKEL. This Corporate Guarantee may be invoked by the lenders of GVKGPL considering the default therein. In such an eventuality, GVKEL may need to reimburse the same, especially considering that the net assets of GVKGPL is negative. The extent of the liability that may arise in respect of the guarantee given is presently not determinable at present and no provision has been made in this regard in relation to such liability. Please refer note 50 (b).

d) During the earlier years, GVK Energy Ltd. (GVKEL) and Alaknanda Hydro Power Company Limited (AHPCL) have issued debentures vide respective Trust Deed and taken loans from ECL Finance Limited, Edelweiss Asset Reconstruction Company Limited, India Credit Fund II & Ecap Equities Limited (collectively referred to as "Edelweiss"). These Debentures and Loans are also secured by pledge of shares of GVK Power (Goindwal Sahib) Limited, GVK Coal Tokisud Company Private Limited and AHPCL held by GVKEL and shares of GVKEL held by GVKPIL as investment in respective companies. The loans were further secured by Corporate Guarantee given jointly by GVKEL and GVKPIL.

Since the repayment of loan and interest was defaulted, GVKEL and AHPCL have entered into settlement agreement with Edelweiss on October 31, 2020 which resulted in settlement of principal and interest outstanding of Rs.68,730 Lakhs (GVKEL Rs.12,139 Lakhs and AHPCL Rs.56,591 Lakhs) at Rs.52,500 Lakhs (GVKEL Rs.3,800 Lakhs and AHPCL Rs.48,700 Lakhs) along with interest rate of 12.50% pa compound monthly w.e.f. September 16, 2020 till July 31, 2021, which was further extended up to March 31, 2022. AHPCL and GVKEL has made total payments of Rs.33,059 Lakhs resulting in balance payable of Rs. 27,115 Lakhs including interest till May 16, 2022 (GVK EL Rs.3,506 Lakhs and AHPCL Rs.23,609 Lakhs). AHPCL and GVKEL has requested for further time till August 31, 2022 from Edelweiss for making balance payment and were in discussions with them.

However, Edelweiss has withdrawn the settlement agreement vide its mail dated April 11, 2022. Edelweiss has also written letter dated July 08, 2022 invoking the Corporate Guarantee issued by GVKEL and GVKPIL.

Further, since GVKEL and AHCPL could not make the payment as per settlement terms, ECL Finance Limited (Edelweiss) has invoked the pledge of equity shares and transferred 46,60,11,000 Equity shares, each having face value of Rs 10, of AHPCL held by GVK Energy Limited on May 16, 2022. ECL Finance Limited will continue to hold these shares as security on behalf of Edelweiss for the loans taken/NCD issued by AHCPL & GVKEL. ECL Finance Limited reserved the right to sell the same as per the terms of the pledge agreement read with security sharing agreements. ECL finance Limited has further assigned its loan of Rs.27,500 lakhs to Asset Reconstruction Company India Limited (ARCIL) on May 31, 2022. (Edelweiss and ARCIL together referred as Lenders).

GVKEL filed a suit before Delhi High Court on May 30, 2022, wherein GVKEL pleaded that because of the invocation and transfer of a valuable asset our liability towards the loan has been discharged and since the value of share is far in excess of the outstanding loan liability, the excess share to be returned. The Hon'ble High Court Delhi has given interim order dated May 31, 2022 wherein it is stated that while selling the shares of AHPCL by Lenders, the best offer received by them would be communicated to the GVKEL and GVKPIL as well as to the Court, and an opportunity would be given to them to match the said offer within five days. In the meanwhile, if GVKEL and GVKPIL get an offer for the aforesaid shares, they shall also inform the defendants as well as the Court. In the event GVKEL and GVKPIL are unable to match the offer of the lenders, the lenders would be free to sell the said shares at the best offer received by them. Till the time, the shares which are invoked are sold in the aforesaid manner, the lenders shall not sell any other shares that have been pledged by the GVKEL and GVKPIL with the lenders. However, the lenders shall be free to invoke the pledged shares. Next hearing of the case is scheduled in the month of September 04, 2025.

GVKEL has transferred the liability of AHPCL in its books of account relating to Edelweiss and based on legal opinion, GVKEL has shown the discharge of the loan liability of Edelweiss against the invoked shares till a settlement is arrived at with Edelweiss. GVKEL has not accounted for the impact of the annulment of settlement since they are confident of achieving settlement with Edelweiss. However, on conservative basis, a loss on invocation and transfer of shares, amounting to Rs.19,486 Lakhs during year ended March 31, 2023 (being difference in face value of pledged shares invoked by Edelweiss and the liability of Edelweiss appearing in books of GVKEL and AHPCL as per settlement terms) has been accounted in the books of accounts and reported as an exceptional item in the standalone financials of GVKEL and consolidated financials of GVKPIL.

Due to above mentioned default in the repayment of amount due on Loan / NCDs, Edelweiss (through its debentures trustee namely Catalyst Trusteeship Limited) has also filed petition with the Hon'ble NCLT, Hyderabad invoking Corporate Insolvency Resolution Process against GVKPIL (being the Guarantor of the Loan / NCDs) and GVKEL on October 21, 2022 and the next hearing of the case is scheduled on July 18, 2025.

Meanwhile, AHPCL, GVKEL and GVKPIL has entered into a new settlement agreement with the lenders on October 09, 2023, which requires to pay Rs 33,000 Lakhs up to October 31, 2023 and simple interest @12.50% pa is payable w.e.f. 1st November 2023. The entire amount along with interest is to be paid on or before 30th November 2023 and due date further extended till July 31, 2024 with phased payments. On 27th February'24 the lead lender of Alaknanda Hydro Power Company Limited has approved the release of Rs 20,000 Lakhs out of Rs 33,000 lakhs and Rs.13,000 Lakhs to be brought in by GVKPIL group and till date GVKPIL group has paid an amount of Rs 13,000 lakhs as agreed.

As per the terms of the settlement, lenders will release the securities including the transfer of 46,60,11,000 Equity shares, each having face value of Rs.10, of AHPCL to GVKEL on payment of amount due as per the settlement agreement.

Meanwhile, the company received the intimation from Phoenix ARC Private Limited (Phoenix ARC) vide letters dated October 14, 2024 that both Edelweiss and ARCIL have assigned the facilities to Phoenix ARC. On December 02, 2024, Phoenix ARC has demanded for the repayment of Rs 52,261.55 Lakhs and Rs 44,680.86 Lakhs against Debentures and Loans respectively. GVK Energy requested to extend the time to settle the dues and Phoenix ARC extended the time till June 30, 2025. GVK Energy also sent a request for a settlement and Phoenix ARC yet to respond to it.

With respect to the above matter, RP has received claims to the extent of Rs. 116,399 Lakhs from the financial creditors and RP has admitted the claims to the extent of Rs. 105,028 Lakhs and balance Rs.11,397 Lakhs claims are not admitted. The Resolution professional has invited Resolution plans and Resolution applicants have submitted Resolution plan which will be considered by CoC and actual liability as per resolution plan will be determined on approval of resolution plan which the company would be liable to pay. therefore, no accounting impact is given in the books of account and no provision has been made against admitted claims in the Standalone Financial statements.





e) The parent company (GVKPIL) has assessed and based on the valuation carried out and other relevant factors including uncertainties involved, no provision is considered necessary in standalone books of accounts of GVKPIL towards the carrying value of investment in GVKEL of Rs 84,120 Lakhs (March 31, 2024 Rs.84,120 Lakhs) and interest free unsecured loan of Rs.19,690 Lakhs (March 31, 2024 Rs.10,565 Lakhs).

51. The Company has wholly own subsidiary company viz. GVK Transportation Pvt. Ltd. (GVKTPL). J.C. Flowers Asset Reconstruction Pvt Ltd (Debt assigned by Yes bank) has filed the Insolvency Resolution Process petition against GVKTPL with the Hon'ble NCLT, Hyderabad on February 24, 2022 by invoking Corporate Guarantee provided by GVKTPL to the lenders of GVK Deolikota Expressway Private Limited and the GVKTPL has been admitted into CIRP vide NCLT order dated August 06, 2024. RP has been appointed by the Hon'ble NCLT and RP has taken the possession of all assets of GVKTPL.
GVKPIL has not provided any corporate guarantees for GVKTPL and its subsidiaries.

Based on such assessment management has made an impairment provision amounting to Rs 4,977 lakhs (which includes deemed investment of Rs. 1,181 lakhs) in the earlier years.

52. GVK Perambalur SEZ Private Limited (GVK SEZ), a wholly owned subsidiary company has Investment Property having book value of Rs.11, 655 Lakh (March 31, 2024, Rs.11, 655 Lakh). GVK SEZ stood as a Guarantor and mortgaged its land admeasuring 2,506.25 Acres to Syndicate Bank (since merged with Canara Bank) on account of loans taken by the GVK PIL . GVK PIL has since repaid the loan taken from Canara Bank and the bank has also acknowledged the same. However, despite the same, Canara bank has not issued a no due certificate and has not returned the original title documents. The Canara Bank has exercised the right of general lien under section 171 of Indian Contract Act,1872 and has enforced general lien over the title deeds in the name of GVK SEZ for liabilities of GVK Coal (Singapore) PTE Ltd, an associate of GVK PIL. GVK PIL and GVK SEZ have jointly filed writ petition before High Court, Telangana on October 27, 2021, stating that Bank exercising of general lien under section 171 of the Indian contract Act, 1872 is wholly misconceived and illegal and contrary to the terms of Guarantee extended by the GVK SEZ and the matter is yet to be listed. GVKPIL has obtained independent legal opinion based on which the outcome of the subject matter will be positive and the bank will be directed to release the documents given as security.

Enforcement Directorate (ED) had tried to provisionally attach the said Land property in view of investigation under Prevention of Money Laundering Act (PMLA). However, Hon'ble High Court of Telangana vide its order dated April 22, 2021, has stayed the proceedings of such provisional attachment of Land by issuing show Cause Notice to ED. As on day no response has been submitted and the status quo is maintained.

The matter is under litigation. Pending these litigations, the Investment Property having book value of Rs.11,655 Lakh (March 2024: Rs 11,655 Lakhs) and deferred tax asset (DTA) of Rs. Nil (As on 31st March 2024 Rs. 3,352 Lakhs) recognized towards possible indexation benefits on sale of this land is shown as recoverable since the Management is confident of winning the cases on merits.

53. In June 2020, Central Bureau of Investigation (CBI) has registered a First Information Report (FIR) against MIAL, its parent Company GVK Airport Holdings Limited (GVKAHL) (both are erstwhile step-down subsidiaries of the Company), the Chairman and Vice Chairman of the Company and has initiated investigation on various matters alleging misuse of funds of MIAL including for the benefit of other GVK group and related parties. CBI has filed a charge sheet before the Chief Metropolitan Court, Mumbai on February 09, 2023, laying as allegation under section 120B read with section 420 of IPC against MIAL, Vice Chairman & erstwhile CFO of the parent Company and four other GVKPIL group companies apart from others. The Court has granted bail to all the accused. The main issue alleged is siphoning of fund of MIAL eventually causing a loss to Airport Authority of India (AAI). Vide order dated 08.12.2023, fresh cognizance of offences in the charge sheet has been taken and accused persons have been summoned. However, the said order has been currently stayed by the Ld. Sessions Court, Mumbai in revision petitions preferred by various accused persons and therefore, the proceedings are currently stayed in the matter and matter will resume only once the stay order gets vacated by the Revision Court. The company is of the view that the case will not stand the test of scrutiny of the court and will eventually be dismissed. The company is also of the view that the charges are unsubstantiated, and no offence u/s section 420 IPC is made out as there is no loss to AAI, Government, or any Tax Authorities as alleged. Considering the status of the proceedings, the implications, if any, that may arise can't be ascertained and would be considered in the financial statements on conclusion of the aforesaid proceedings and next date before Sessions Court in the revision petitions is June 13, 2025.

The Enforcement Directorate (ED) had also taken up the investigation under the Prevention of Money Laundering Act (PMLA) based on an FIR registered by the CBI. ED had filed a complaint in April 2021 on the same matters against the above-mentioned parties and some of the subsidiaries, joint ventures and step-down subsidiaries of the Company, their directors and officers. ED had filed a complaint before the City Court and Additional Session Judge, Greater Bombay under Section 45 of Prevention of Money Laundering Act, 2002 for commission of offence of Money laundering under section 3, read with section 70, Punishable u/s 4 of the Prevention of Money Laundering Act, 2002. The matter is currently at the stage of adjudication of application on behalf of Accused-4 seeking supply of all the un-relied documents and un-relied statement u/s 50 PMLA and is fixed for filing reply of Enforcement Directorate on June 19,2025.

The Audit Committee of the Company, based on the legal advice received by the Audit committee of MIAL, have decided not to proceed with any independent investigation on the matters mentioned in the FIR or the complaint filed by ED. Considering the status of the proceedings with cases related to CBI and ED, the implications, if any, that may arise on the GVKPIL can't be ascertained and would be considered in the financial statements on conclusion of the aforesaid investigation.

54. As at March 31, 2025, The company has also provided guarantees and commitments and/or has undertaken to provide financial assistance on behalf of various entities and as further detailed in notes 49 and 50 (referring to notes on GVK Coal Developers (Singapore) Pte Limited and GVK Energy Limited), uncertainties are being faced by various projects such as delays /non development of coal mines in an overseas project where the parent Company has provided guarantees and commitments for the borrowings, losses incurred by gas based power plant in the absence of gas and litigations on rights to claim capacity charge, arbitration on delay of commencement of road projects, termination of various projects etc. Various guarantees given by GVKPIL and GVK Energy Limited (GVKEL) on behalf of their subsidiaries, associates and joint controlled entity have been invoked by the lenders. The company has been admitted into CIRP vide NCLT order dated 12th July 2024 in CP. 260/2022 and order uploaded on the portal on July 15, 2024 (Insolvency Commencement Date). These factors indicate significant doubt on going concern ability of the GVKPIL group. The financial statements of the GVKPIL Group have been prepared on going concern basis as management believes that the outcome of the CIRP shall keep the company as going concern.

55. The Company and its erstwhile subsidiary GVK Airport Developers Limited (GVK ADL) had entered into a binding agreement comprising a co-operation agreement and other related agreements with Adani Airport Holdings Limited (AAHL) on August 31, 2020 and subsequent dates. This includes acquisition of the debt by AAHL from various lenders of GVKADL with a view to release pledge on certain shares of GVK Airport Holdings Limited (GVKAHL) and with an ability for AAHL to convert the acquired debt from the lenders of GVKADL to equity so as to acquire equity interest in Mumbai International Airport Limited (MIAL) and also acquiring Company's equity and other instruments in GVKADL and also possible acquisition/ settlement of debt of GVK Coal Developers (Singapore) Pte Ltd (GVK Coal) (with a view to release pledge on remaining shares of GVKAHL). AAHL has since acquired the debt of GVKADL from lenders and has converted the same to equity acquiring controlling interest in GVKADL on July 13, 2021. Consequently GVKADL, Bangalore Airport & Infrastructure Developers Limited (BAIDL), GVKAHL, MIAL and Navi Mumbai International Airport Limited (NMIAL) are no longer subsidiaries of the Company from July 13, 2021.





The broad contours of the co-operation and related agreements is detailed below:
(i) Acquisition of debt and related accrued interest with carrying value in the financial statements of GVKADL of Rs. 255,107 lakhs by AAHL.
(ii) AAHL acquiring certain securities of Sutara Roads & Infra Limited, a subsidiary of the Company and another Company of the promoter group to be used exclusively for financial support of any of its affiliates and affiliates of GVKPIL post the date of co-operation agreement.
(iii) Acquiring equity of Rs. 30,000 lakhs and other instruments of Rs.100,000 lakhs held by GVKPIL and its subsidiary in GVKADL by AAHL to be settled by transfer of securities held by AAHL referred to in (ii) above.
(iv) GVKPIL and AAHL have also agreed on certain steps to be taken in respect of lenders of GVK Coal.

GVKPIL has sold its holding in GVKADL to AAHL and AAHL has acquired and hold the securities as per Para (ii) above during the financial year ended March 31, 2022. The balance 480 Lakhs equity shares of GVKADL are yet to be transferred to AAHL. In the past GVKPIL has accounted the Optionally Convertible Debentures (OCDs) of Rs.137,464 Lakhs held by AAHL as beneficial owner as per Para (ii) above in view of the terms of arrangement. On November 27, 2024 AAHL transferred 119,60,00,000 OCDs of face value Rs 10 each in Ybrant and 25,00,00,000 OCDs of face value Rs 10 each in Sutara Roads & Infra Limited to GVKPIL. Against these securities both Ybrant and Sutara has already remitted Rs 137,464 lakhs. As per the terms of OCD agreement, Ybrant have the option to voluntarily redeem the OCDs anytime during the tenure of the Agreement. During the current year, the company has received an intimation from Ybrant & sutara treating the 11,246.40 Lakhs and 2,500 Lakhs OCD's as redeemed since they have already paid in cash or otherwise Rs 112,464 Lakhs and Rs 25,000 Lakhs respectively. As per the terms of OCD agreement with Ybrant, subject to the voluntary redemption mentioned above, balance OCDs of 7,136 Lakhs shall be redeemed by the issuer any time after expiry of 10 years from the deemed date of allotment and hence reflected as investment.

56. 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.

57. There are no scheme of arrangements approved by the competent authority interms of sections 230 to 237 of the companies act 2013 during the year.

58. Previous year's figures have been regrouped/reclassified , wherever necessary, to conform to the current year's classification.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm registration number: 006711N/N500028

Sheshu Samudrala
Partner
Membership No. 235031
Place: Hyderabad
Date: 30-May-2025

T R CHADHA & CO LLP * Hyderabad * Chartered Accountants

For and on behalf of the Board of Directors
GVK Power and Infrastructure Limited

Dr. GVK Reddy
Non-Executive Chairman
DIN: 00005212

P V Prasanna Reddy
Whole-time Director
DIN: 01259482

Sanjeev Kumar Singh
Chief Financial Officer
ACA: 074700

Ravi Prakash T
Company Secretary
ACS: 9730

Place: Hyderabad
Date: 30-May-2025

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GVK Power & Infrastructure Ltd.