

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 16th Annual Report together with the audited accounts of your Company for the year ended March 31, 2012.

Financial Results

Your Company, as a holding company, operates in different business sectors like Energy, Airports, Highways and Urban Infrastructure. Engineering,

Procurement and Construction (EPC) business is a separate operating division which mainly caters to the requirements for implementing projects undertaken by subsidiaries.

The Company's revenue, expenditure and results of operations are presented through consolidated financial statements and the details are given below.

Particulars	(Rs. in Crore)	
	March 31, 2012	March 31, 2011
Revenue from operations	8,473.03	6,465.26
Revenue share paid / payable to concessionaire grantors	(830.97)	(651.26)
Operating and administrative expenditure	(5,883.83)	(4,258.51)
EBITDA	1,758.23	1,555.49
Other Income	243.42	311.30
Interest and Finance Charges	(1,653.13)	(1,230.06)
Utilisation fees	(98.71)	(71.92)
Depreciation / Amortisation	(935.81)	(789.00)
Exceptional Items :		
Provision for diminution of investment	-	(938.91)
Amounts written off in earlier years written back	-	140.33
Interest on loans against development fund	(162.12)	-
Provisions for taxation (including deferred tax, MAT credit entitlement)	(210.72)	(23.90)
Profit/(loss) after tax and before minority interest and share of profits / (losses) from associates (PAT)	(1,058.84)	(1,046.67)
Share of profits / (losses) of associates	-	(3.46)
Minority Interest - (profits) / losses	455.50	120.49
Profit/(loss) after tax and after minority interest and share of profit / (losses) from associates	(603.34)	(929.64)
Surplus / (Deficit) brought forward from previous year	(79.15)	895.61
Profit / (Loss) available for appropriation	(682.49)	(34.03)
Appropriations / adjustments	(31.68)	(45.12)
Available surplus/(deficit) carried to balance sheet	(714.17)	(79.15)
Earnings per share (Rs.) (Face value of Re. 1/- each) - Basic and Diluted	(1.55)	(2.40)

Consolidated revenue from operations grew by 31.05 % from Rs. 6,465.26 Crore to Rs. 8,473.03 Crore. Airport, Energy, Highways, EPC and other segments contributed Rs. 4,381.29 Crore (51.71%), Rs. 2,374.99 Crore (28.03%), Rs. 405.64 Crore (4.79%), Rs. 970.89 Crore (11.46%) and Rs. 340.22 Crore (4.01%) respectively to the revenue from operations.

EBITDA grew by 13% from Rs. 1,555.49 Crore to Rs. 1,758.23 Crore. Short supply of gas and non-recognition of Rs. 100 Crore of revenues from Air India

impacted the earnings in the energy and airport sector respectively. Losses in DIAL of Rs.573 Crore after minority interest due to non revision of aero tariffs, proportionate operating losses of Istanbul Airport (Rs. 105 Crore, 40% share) and losses in Energy sector due to limited availability of gas resulted in a consolidated loss of Rs.603.34 Crore after minority interest (Loss of Rs.929.64 Crore last year).

Presented below are the standalone financial results of your Company:

Particulars	(Rs. in Crore)	
	March 31, 2012	March 31, 2011
Revenue from operations	1,381.87	727.40
Operating and administrative expenditure	(1,084.50)	(487.84)
EBITDA	297.37	239.56
Other Income	48.41	5.46
Interest and finance charges	(197.35)	(174.14)
Depreciation	(7.58)	(4.91)
Profit before tax	140.85	65.97
Provisions for taxation (including deferred tax and MAT credit entitlement)	(20.55)	(7.09)
Profit after tax	120.30	58.88
Surplus brought forward from previous year	298.64	277.48
Amount available for appropriation	418.94	336.36
Appropriations		
Debenture redemption reserve	(36.57)	(37.72)
Surplus carried to balance sheet	382.37	298.64
Earnings per share (Rs.) - Basic and Diluted	0.31	0.15

The revenue from operations of your Company has gone up by 90% from Rs. 727.40 Crore to Rs. 1,381.87 Crore on account of increased revenue to the extent of Rs. 583.67 Crore from EPC segment. Growth in the operations of the EPC segment is also the key contributor for the increase in operating and administrative expenditure from Rs. 487.84 Crore to Rs. 1,084.50 Crore. The increase in borrowings from Rs. 2,376.08 Crore to Rs. 2,960.13 Crore to meet the increased requirement of funds for investments in subsidiaries is the reason for the increase in interest expenditure from Rs. 174.14 Crore to Rs. 197.35 Crore.

Dividend

Your Company currently has various projects under implementation and in order to fund these projects in their development, expansion and implementation stages, conservation of funds is of vital importance. Surpluses generated in completed projects are being utilised for funding the projects under implementation. Therefore, your Directors have not recommended any dividend for the financial year 2011-12.

Subsidiary Companies

Your Company carries its business operations through various subsidiary, joint venture and associate companies mainly due to the requirement of

concession agreements. As on March 31, 2012, your Company had 128 subsidiary companies apart from other joint venture and associate companies. The complete list of subsidiary companies as on March 31, 2012 is provided in Annexure 'A' to this report.

Review of Operations/Projects of Subsidiary Companies

The detailed review of operations of each subsidiary's business is presented in the respective Company's Directors' Report; a brief overview of the major developments thereof is presented below. Further, Management Discussion and Analysis, forming part of the Report, also brings out a brief review of the business operations of various subsidiaries, joint ventures and associates.

Airport Sector

Airports business of your Company consists of two operating airports in India at New Delhi and Hyderabad, and two airports abroad at Istanbul, Turkey and Malé, Maldives. Significant developments in each of these assets during the year are briefly presented below:

Delhi International Airport Private Limited (DIAL)

DIAL is a Joint Venture (JV) between GMR Group (54%), Airports Authority of

India (AAI) (26%), Fraport AG Frankfurt Airport Services Worldwide (Fraport) (10%) and Malaysia Airports (Mauritius) Private Limited (10%) and has entered into a long-term agreement with AAI to operate, manage and develop the Indira Gandhi International Airport (IGIA), New Delhi.

IGIA recorded passenger traffic of 35.88 million in 2011-12, which is an overall growth of 20% over the previous year. Cargo at IGIA witnessed a decline of 5% in line with global trend and was 568,354 MT during the year.

The significant developments during the year were:

- Ranked top in the total passengers handled by Indian airports;
- Completed the first full year of its commercial operations with the new terminal, T3 and other newly created facilities;
- Started construction of the new ATC tower;
- Introduced automated truck control system and bonded tracking services for cargo movement;
- Handled five new international destinations (Manila, Baghdad/Basra, Dushanbe, Hangzhou and Tehran) and two new domestic destinations (Allahabad and Gaya) to the network;
- Handled successfully cargo movement related to the first Formula 1 racing in India.

GMR Hyderabad International Airport Limited (GHIAL)

GHIAL is a joint venture Company promoted by the GMR Group (63%) in partnership with Airports Authority of India (13%), Government of Andhra Pradesh (13%) and MAHB (Mauritius) Private Limited (11%). GHIAL has set up India's first Greenfield Airport, Rajiv Gandhi International Airport (RGIA) at Shamshabad, Hyderabad.

RGIA recorded passenger traffic of 8.6 Million in 2011-12, which is an overall growth of 12.68% over 2010-11, with domestic passenger traffic increase by 16.40% and the international passenger traffic growth by 1.26%; cargo grew only by 0.86% over the previous year reaching a volume of 81,474 MT during the year.

The key highlights for the year were:

- Rated as the 3rd best airport in Airport Council International (ACI) Airport Service Quality (ASQ) survey in 5-15 million Passenger Per Annum category;
- Lufthansa Cargo certified RGIA to be one of its key cargo hub in South Asia for transport of temperature sensitive pharmaceuticals;
- Directorate General of Civil Aviation (DGCA) accorded approval for conversion of parallel taxiway as standby runway;
- RGIA became the second airport in India and the third in Asia to complete the verification of Greenhouse Gas (GHG) accounting of the airport operations as per ISO 14064-1:2006;
- Conversion of the aviation sector specific SEZ into an SEZ within airport was approved by the SEZ Board of Approvals.

GMR Malé International Airport Private Limited (GMIAL)

Ibrahim Nasir International Airport is a Brownfield airport in Malé, the capital city of Maldives. The airport is developed and operated by GMIAL a joint venture partnership between GMR Group (77%) and Malaysia Airports (Labuan) Private Limited (23%).

GMIAL recorded passenger traffic of 2.7 Million in 2011-12, which is an overall growth of 14% over 2010-11 with domestic traffic growth at 39% and International traffic growth at 11%. Cargo traffic declined by 1.5% over 2010-11.

The key highlights for the year were:

- New services by Etihad, Hainan and Alitalia airlines had started to cater to growing tourist interest from China and Russia;
- Achieved ASQ Score of 3.54 on a scale of 5;
- Received ISO Certification (9001, 14001, 10002) and also implemented SAP;
- Initiatives undertaken for improvement in passenger services by introducing lounges among others.

Istanbul Sabiha Gokcen International Airport (ISGIA)

ISGIA is promoted and developed by the consortium consisting of GMR Group (40%), Limak Holding (40%) and Malaysia Airports Holdings Berhad (20%). ISGIA has the rights to operate the terminal buildings, multi-storey car park, cargo, aircraft refueling operations, airport hotel and CIP facilities in the airport for 22 years beginning from May 2008. The terminal has a capacity to handle up to 25 million passenger per annum.

ISGIA recorded total passengers of 13.7 million in calendar year 2011, which corresponds to an 18% annual increase in total passenger traffic. Cargo traffic increased by 5% over 2010-11.

The key highlights for the year were:

- ISGIA commenced 8 new airlines flights during the year;
- Technical drawings and plans of ISGIA 2nd runway were finalised and approved, land expropriation is near completion;
- ISGIA served the Formula 1 racing from 6th - 8th May 2011 being closest airport to the race track.

Aviation Business

GMR Aviation Private Limited (GAPL) is a 100% subsidiary of GMR Infrastructure Limited and was formed in December, 2006.

GAPL operates and owns one of the youngest fleet in the country addressing the growing need for charter services in the country. During the year under review, the external charter business has increased. Special emphasis has been put in place to ensure that all operating assets are profitable and self-sustainable.

Optimum utilisation of the existing fleet was made during the entire year and utilisation rate of aircraft has been one of the highest in the industry. It

is expected that growth in charter business would gain momentum in the coming quarters.

Aircraft – Maintenance, Repair and Overhaul

During the year under review, your Company made foray into the business of Maintenance, Repair and Overhaul (MRO) of narrow and wide bodied aircraft. The MRO facility is operated by MAS GMR Aero Technic Limited which is a wholly owned subsidiary of MAS GMR Aerospace Engineering Company Limited (MGAE). MGAE is a 50:50 joint venture set up by GHIAL and Malaysian Aerospace Engineering Sdn Bhd.

MAS GMR Aero Technic Limited was inaugurated on March 13, 2012 by Minister of Civil Aviation.

The MRO facility has ultra-modern facilities for aircraft maintenance, painting, avionics upgrades, interior refurbishments, aircraft modifications and structural repairs. It can cater to various types of narrow-body as well as wide-body aircraft belonging to Airbus, Boeing and ATR families.

Energy Sector

The year under review has been a significant year for the Energy Sector of your Company which now has six operating assets and eleven projects under different stages of construction or development.

Operating Assets

Name of SPV	Capacity	Fuel
GMR Power Corporation Limited (GPCL)	200 MW	LSHS
GMR Vemagiri Power Generation Limited (GVPGL)	388 MW	Natural Gas
GMR Energy Limited (GEL)	220 MW	Natural Gas
GMR Gujarat Solar Power Private Limited	25 MW	Solar
GMR Renewable Energy Limited	2.1 MW	Wind
GMR Power Infra Limited	1.25 MW	Wind

New initiatives

- Your Company acquired 30% stake in Golden Energy Mines TBK, Indonesian Coal Company with operating mines. As the domestic supply of coal to power plants has become unreliable and inadequate, this acquisition would insulate and provide fuel security to the coal-based power units coming up for commissioning.
- Your Company has made foray into renewable energy by successfully commissioning a 25 MW solar power unit and two wind mills of 2.1 MW and 1.25 MW.

Operating Assets update

- Vemagiri plant was successfully registered for clean energy benefits under Clean Development Mechanism of United Nations Framework Convention on Climate Change;
- Chennai plant achieved SA-8000 (Social Accountability) and ISO 50001 (Energy Management) certifications.

Projects update

- Achieved Financial Closure of GMR Energy (Singapore) Pte. Limited;
- Achieved Financial Closure of Maru and Aravali transmission projects;
- Environment clearance received for Kamalanga plant expansion;
- Megapower status obtained for Kamalanga and Chhattisgarh plant (provisional);
- Project execution at Kamalanga, EMCO, Singapore Island Power and Chhattisgarh plants are progressing as per plan and Kamalanga and EMCO plants are expected to be commissioned in FY 2012-13;
- Project execution at Rajahmundry plant is completed to a large extent and balance works would be completed, subject to gas availability.

Further, your Company is on track to implement several other projects which are under different stages of development. These projects are one coal-based 1370 MW SJK Powergen project and five hydroelectric power projects - (i) 300 MW Alaknanda power project on the Alaknanda River in the State of Uttarakhand; (ii) 160 MW Talong power project in East Kameng district in the State of Arunachal Pradesh; (iii) 180 MW Bajoli Holi project in Himachal Pradesh; (iv) 600 MW Upper Marsyangdi power project in Nepal; and (v) 900 MW Upper Karnali power project in Nepal.

Highways Sector

During the financial year under review, your Company has won the project for six-laning of 555.5 Km long Kishangarh – Udaipur – Ahmedabad (KUA) highway through international competitive bidding. This project is the first mega highway project of the country and will be implemented through the Public Private Partnership (PPP) on Design, Build, Finance, Operate and Transfer (DBFOT) model under National Highway Development Project-V. The Concession Agreement for the Project was signed on November 30, 2011 and the financial closure was achieved on May 24, 2012. In addition, your Company is also expected to start collection of toll in two other projects in FY 2012-13 which are currently under development namely Hyderabad-Vijayawada and Hungund-Hospet projects. The overall highways portfolio of the Company comprises the following:

Operating Assets:

- Tuni-Anakapalli (Annuity);
- Tambaram-Tindivanam (Annuity);
- Adloor Yellareddy-Gundla Pochanpalli (Annuity);
- Ambala- Chandigarh (Toll);
- Thondapalli-Jadcherla (Toll); and
- Tindivanam -Ulundurpet (Toll).

Projects under implementation in the Highways sector are:

- Chennai Outer Ring Road (Annuity);
- Hyderabad - Vijayawada (Toll);
- Hungund-Hospet (Toll); and
- Kishangarh-Udaipur –Ahmedabad (New Project Toll).

Urban Infrastructure

Krishnagiri & Kakinada SEZs

The Company is developing large industrial area and Special Economic Zones at Krishnagiri district in the state of Tamil Nadu, in collaboration with Tamil Nadu Industrial Development Corporation. Krishnagiri SEZ is expected to cater to Engineering, Defense and other Hi-tech industries. The Company acquired majority stake in Kakinada SEZ Private Limited and is developing the area as a Special Investment Region. Development of conceptual master-plan is underway.

Engineering, Procurement & Construction (EPC)

The Company had entered the EPC business to mitigate execution risk in new project development. EPC Division is now contributing significantly in developing the new Highway assets. Besides the Highways project, EPC Division has also made foray into Energy Thermal projects and is executing the construction of Coal Handling Plant at one of GMR's thermal energy projects. EPC Division has also undertaken construction of township, non-plant structures and miscellaneous works at another energy project.

Risk Management

Your Company is exposed to a number of risks, if these materialise, it could have varying degrees of impact on the various businesses and sectors that we operate in. The Group realises this and therefore its enterprise risk management framework and processes have been made robust to identify and address risks and also leverage opportunities so as to ensure achievement of its business objectives.

Significant developments during the year include:

- Preparing risk and opportunity profile of different countries/continents being explored by the Group for investment in infrastructure and resource opportunities;
- Detailed risk analysis (quantitative as well as qualitative) for new bids/opportunities pursued by the Group;
- Business Continuity Planning and Disaster Recovery Planning for key assets/locations;
- Risk review of important policies impacting the Group such as treasury policy, foreign exchange policy, code of conduct, whistleblower policy, among others;
- Top risks at the Group, Sector and Business Unit level are regularly being profiled for treatment and regular monitoring of risks;
- Strengthened the culture of risk awareness amongst employees through Risk Newsletters, regular updates on risks, case studies and training programmes.

The role of Enterprise Risk Management (ERM) starts with and also ends with the Company's Strategic and Annual Operating plan exercise. The various risks to objectives set at the start of the year identified through the year, serve as a key input to the Annual Planning Exercise for subsequent year. Besides the Management Assurance function draws upon the risk list to develop a Risk Based Audit Plan for the forthcoming year.

The ERM Team presents to the Management and the Audit Committee of the Board, the status and implementation of the risk management framework in the group and the outputs therein to assess the reliability of the risk management structure and efficiency of the process.

A detailed note on risks and concerns affecting the businesses of your Company is provided in Management Discussion and Analysis.

Developments in Human Resources and Organisation Development

Your Company has robust process of human resources development which is described in detail in Management Discussion and Analysis under the heading "Developments in Human Resources and Organisation Development at GMR Group".

Consolidated Financial Statements

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Balance Sheet, Profit and Loss account and other documents of its subsidiary companies to its Annual Report. The Ministry of Corporate Affairs (MCA), Government of India vide its General Circular No.2/2011 dated February 8, 2011 has provided an exemption to the companies from complying with section 212, provided such companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report 2011-12 does not contain the reports and other statements of the subsidiary companies. The annual audited accounts and related detailed information of the subsidiary companies will be available to the investors of the Company upon request. These documents will also be available for inspection during business hours at the registered office of the Company.

The statement pursuant to the aforesaid circular of the MCA about financial information of each subsidiary containing details of (a) capital (b) reserves (c) total assets (d) total liabilities (e) details of investment (except in case of investment in the subsidiaries) (f) turnover (g) profit before taxation (h) provision for taxation (i) profit after taxation (j) proposed dividend is provided as Annexure 'B' to this report. However, the financial statements of GMR Corporate Center Limited (GCCL) are not consolidated, since GCCL is a guarantee company having no share capital and commercial operations.

As required by the Listing Agreement with the Stock Exchanges, the audited consolidated financial statements of your Company and its subsidiaries, joint ventures and associates, form part of the Annual Report.

Changes in Share capital

During the year under review, there are no changes in the share capital structure of your Company.

Directors

Mr. Srinivas Bommidala, resigned as the Managing Director with effect from October 1, 2011. The Board places on record, its appreciation for the valuable contribution made by Mr. Srinivas Bommidala during his tenure as the Managing Director of the Company.

Mr. B. V. N. Rao has been appointed as the Managing Director of the Company with effect from October 1, 2011 for a period of five years subject to the approval of the members at the Annual General Meeting.

Mr. Srinivas Bommidala retires by rotation as a Director and being eligible, offers himself for reappointment at the Annual General Meeting. Further, Mr. Arun K. Thiagarajan, Mr. Uday M. Chitale and Mr. Udaya Holla, Directors, retire by rotation at the Annual General Meeting and they have expressed their desire not to offer themselves for reappointment in line with the Policy on Retirement of Independent Directors. The Board places on record, its appreciation for the valuable contributions made by them during their tenure as Directors of the Company.

Mr. K. Balasubramanian and Mr. N. C. Sarabeswaran were appointed as Additional Directors on the Board with effect from November 9, 2011 and they hold office till the Annual General Meeting. Notices under Section 257 of the Companies Act, 1956 have been received from a member of the Company, for their appointment as Directors. The profiles of the Directors seeking appointment/reappointment are given in the notice of the annual general meeting.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed:

1. That in the preparation of the annual accounts for the year ended March 31, 2012, the applicable Accounting Standards have been followed and proper explanations were provided for material departures, if any;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the accounts for the financial year ended March 31, 2012, on a going concern basis.

Corporate Governance

Your Company continuously works at improving its governance practices and processes. Your Company strives to ensure that the best practices are identified; adopted and followed and has also developed a framework for Corporate Governance and a roadmap for forward thinking Corporate Governance practices. The Board of Directors have approved Board Governance initiatives which cover the process for appointment, term of Independent Directors, training of Directors, effective time spent by Directors and evaluation process for Directors and the Board. These initiatives will be implemented in a progressive manner.

A detailed report on Corporate Governance practices followed by your Company, in terms of Clause 49 (VI) of the Listing agreement with Stock Exchanges, is provided separately in this Annual Report.

Secretarial Audit

As per SEBI requirement, Reconciliation of Share Capital Audit is being carried out at specific periodicity by a Practising Company Secretary. The findings of the audit have been satisfactory.

In addition, Secretarial audit was carried out voluntarily for ensuring transparent, ethical and responsible governance processes and also proper compliance mechanisms in the Company. M/s. V. Sreedharan & Associates, Company Secretaries, conducted Secretarial Audit of the Company and a Secretarial Audit Report for the financial year ended March 31, 2012, is provided in the Annual Report.

Awards and Recognitions

During the year under review, the following awards and recognitions were received:-

- IGIA, New Delhi won the award at the Infrastructure Excellence Awards 2011 in the Main Awards Category - 'Airports', for Operation, Management & Development of the new integrated passenger terminal building T3;
- IGIA, New Delhi was rated as 2nd Best Airport in the 25-40 million passengers per annum (mppa) category in the Airport Service Quality awards given by the Airports Council International;
- IGIA, New Delhi was awarded international recognition for Excellence in Air Cargo at an event organised by Stat Trade Times;
- RGIA, Hyderabad was rated as 3rd Best Airport in the world in the 5-15 mppa category in Airport Service Quality by Airports Council International;
- SATTE-2012 award for RGIA, Hyderabad for the 'Best Performing Domestic Airport' in the aviation sector;
- Washrooms & Beyond Honours 2011 for Intelligent Washroom Design in the Airports Category for IGIA, New Delhi;
- Travel + Leisure India's Best Awards - Best Airport (India), 2011 award for T3, IGIA, New Delhi;
- 'National Tourism Award 2010-11' under the 'Best Airport' category for RGIA, Hyderabad;
- SKYTRAX award for IGIA, New Delhi as the World's Most Improved Airport-2012 and No.1 Airport in India and RGIA, Hyderabad has been declared to be India's 3rd Best Airport, 2012;
- RGIA, Hyderabad was honoured with Project Management Institute Award;
- RGIA, Hyderabad received the 'Certificate of Merit' award 2011 for energy conservation from Ministry of Power, Government of India on December 14, 2011;

- ISGIA was selected 'Best Public Services Development Project' at the 2011 Europe International Property Awards organised in association with Bloomberg and Google;
- GEL obtained Leadership and Excellence Award in Safety, Health & Environment from CII – Southern Region;
- GVPGL has achieved the status of 5S model Company, the only Company in power sector, from ABK-AOTS DOSOKAI, Japan;
- GVPGL received National Energy Conservation Award from CEA.

Management Discussion and Analysis (MDA)

The MDA, forming part of this report, as required under Clause 49(IV)(F) of the Listing Agreement with the Stock Exchanges is attached separately in this Annual Report.

Auditors and Auditors' Report

M/s. S. R. Batliboi & Associates, Chartered Accountants, the statutory auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting of the Company. They have offered themselves for reappointment as statutory auditors and have confirmed that their appointment, if made, will be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956.

There are no qualifications or adverse remarks in the Auditors' Report. However, with reference to auditor's observation with respect to clause no. xv in the annexure to auditors' report on matters specified in Companies (Auditor's Report) Order, 2003, corporate guarantee support is provided by the Company to its subsidiaries and other group companies, based on requirements. Commission is normally not charged on corporate guarantees issued by the Company. The Notes to Accounts forming part of the financial statements are self-explanatory with respect to the observations in the audit report and need no further explanation.

Corporate Social Responsibility (CSR)

GMR Group undertakes CSR activities on a significant scale through GMR Varalakshmi Foundation (GMRVF). It has its own professional staff drawn from top academic and development institutions who are dedicated to the cause of community development. The Vision of GMRVF is to make sustainable impact on the human development of under-served communities through initiatives in Education, Health and Livelihoods. Towards this, it works with the communities neighbouring GMR Group's businesses for their economic and social development, thus supporting their development, even as the businesses grow. Currently, GMRVF is working in over 200 villages and urban communities across 23 locations.

Environmental Protection and Sustainability

Your Company believes in integrating strong Environmental Management practices into its industrial enterprises across all processes. Several unique schemes have been implemented to prevent pollution and conserve natural resources to achieve sustainable development.

Your Company is aggressively implementing national policies and objectives in Environmental Management and Emission Control. In its quest to march towards business excellence, it is pursuing to attain excellence in the vital area of environmental management.

All the operating units are in compliance with environmental regulations. Hazardous wastes are being disposed through Pollution Control Board authorised agencies. Efficient monitoring systems have been set up at appropriate locations in and around the plants and the Environmental performance indicators like stack emissions, ambient air quality, among others are maintained well within the stipulated norms.

GPCL, Chennai plant was certified with OHSAS 18001, ISO 14001 and ISO 9001. A fully integrated Sewage Water Treatment Plant (STP) was set up including Reverse Osmosis (RO) process for treating 10% of total sewage of Chennai, saving fresh water intake of 5400 m³ per day, which is equivalent to the water consumption by 100000 people. The treated STP water is used for cooling operations and green belt development. Waste Heat Recovery Boilers generate steam for use in indirect heating of fuel storage tanks and pipelines. Solar energy is used to light the boundary fence. GPCL has been certified for Energy Management System (EnMS) ISO 50001:2011 by M/s DNV on October 3, 2011. The Online Stack Emissions of GPCL was connected to TNPCB central monitoring station in July 2011 and energy conservation initiatives resulted in savings of 1.27 Million Units.

GVPGL, Rajahmundry is also certified with OHSAS 18001, ISO 14001 and ISO 9001 and this Gas Turbine uses the advanced Dry Low NO_x (DLN 2.0 +) burner system to reduce NO_x emissions at source. The waste heat from gas turbine is used for power production in Steam Turbine through Heat Recovery Steam Generator (HRSG). In December 2011, GVPGL received National Energy Conservation Award from CEA and it is the only company in power sector which has achieved the status of 5S model company from ABK-AOTS DOSOKAI, Japan.

GEL, Kakinada obtained the host country approval from Ministry of Environment and Forests, Government of India which is a key milestone in registering this project under Clean Development Mechanism. It has carried on DNV Voluntary Carbon Standard Plant audit, Rain Water harvesting has been implemented and a greenbelt of 8000 trees across has been planted in nine acres of land.

At DIAL, the Operational Environment management focuses on energy management, air quality, noise level, emissions management, waste management, water and waste water management, natural resource conservation and bird and animal hazard management. Proactive and collaborative efforts such as Workshop on Carbon Footprint of Indian Aviation with DGCA, Airports and Airlines, Community Noise issues discussions along with DGCA and Ministry of Civil Aviation (MoCA) and Collaborative Environment Management Programs with stakeholders are examples of efforts on social concerns.

DIAL has established an Aircraft Noise Monitoring System (ANMS) in order to develop a database of aircraft noise which will help in formulating future

mitigation strategies on noise in parity with the working group on airport noise formed by DGCA. 'Track your Aircraft Noise' program is one of the noise mitigation initiatives by the team, which offers an awareness on noise levels 10 decibels(A) below the DGCA standard for both night and day periods for aircraft movements taking place at IGIA.

As part of Corporate Environmental responsibility, GHIAL has voluntarily initiated and completed the GHG accounting for the calendar years 2009, 2010 and 2011. Further, it successfully completed verification of the GHG data of three years by M/s.Bureau Veritas as per ISO 14064-1 specifications. By this, RGIA has accredited its reduction of GHG emission of 1980 tonnes in 2010 and 2363 tonnes in 2011 on 2009 emissions.

Bio-fuel tree plantation (Jatropha) is one of the novel initiatives taken by RGIA towards promoting green environment. RGIA has planted 23,662 Jatropha saplings which is significant approach in terms of reduction in the carbon footprint and conservation of natural resources. Energy conservation practices are being implemented and achieved a reduction of 37,43,805 kWh of power per year. RGIA was awarded the prestigious 'Certificate of Merit' in the General Category Sector for the National Energy Conservation Awards - 2011 by the Government of India, which is in recognition of the initiatives taken at RGIA to conserve energy.

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

The Particulars as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are set out in the Annexure "C" included in this report.

Particulars of employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, the names and other particulars of employees are set out in the Annexure 'D'. However, having regard to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Fixed Deposits

During the year under review, the Company has not accepted any deposits from the public.

Acknowledgments

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

For and on behalf of the Board

Place : Bengaluru
Date : August 9, 2012

G. M. Rao
Executive Chairman

Annexure 'B' to the Directors' Report: Statement Pursuant to General Circular No.2 and 3 dated February 8, 2011 and February 21, 2011 respectively of Ministry of Corporate Affairs, Government of India granting general exemption from compliance with Section 212 of the Companies Act, 1956.

Sl. No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (loss) before taxation	Provision for Taxation	Profit/ (loss) after Taxation	Proposed Dividend
1	GMR Krishnagiri SEZ Limited	117.50	(3.38)	278.51	164.39	3.50	-	(0.64)	-	(0.64)	-
2	GMR Aviation Private Limited	86.44	(15.67)	413.32	342.55	-	89.99	2.31	1.96	0.35	-
3	GMR SEZ & Port Holdings Private Limited	47.99	(0.88)	290.23	243.12	100.65	-	0.21	0.74	(0.54)	-
4	Advika Properties Private Limited	1.00	(0.03)	7.04	6.07	-	-	(0.03)	-	(0.03)	-
5	Aklima Properties Private Limited	1.00	(0.03)	4.11	3.14	-	-	(0.03)	0.00	(0.04)	-
6	Anartya Properties Private Limited	1.00	0.01	8.22	7.21	0.48	-	0.02	0.01	0.01	-
7	Baruni Properties Private Limited	1.00	(0.03)	6.13	5.16	-	-	(0.03)	-	(0.03)	-
8	Bougainvillea Properties Private Limited	1.00	0.77	6.32	4.55	0.35	-	0.23	0.08	0.15	-
9	Camelia Properties Private Limited	1.00	(0.10)	6.09	5.19	-	-	(0.08)	-	(0.08)	-
10	Deepesh Properties Private Limited	1.00	1.81	12.88	10.07	0.13	-	0.67	0.22	0.46	-
11	Eila Properties Private Limited	1.00	(0.04)	7.64	6.68	-	-	(0.03)	-	(0.03)	-
12	Gerbera Properties Private Limited	1.00	(0.00)	6.58	5.58	-	-	(0.02)	0.00	(0.02)	-
13	Lakshmi Priya Properties Private Limited	1.00	(0.03)	7.27	6.30	-	-	(0.02)	-	(0.02)	-
14	Larkspur Properties Private Limited	1.00	(0.03)	4.88	3.91	-	-	(0.02)	-	(0.02)	-
15	Honeysuckle Properties Private Limited	1.00	0.28	7.94	6.66	0.27	-	0.20	0.07	0.13	-
16	Idika Properties Private Limited	1.00	(0.03)	6.37	5.40	-	-	(0.02)	-	(0.02)	-
17	Krishnapriya Properties Private Limited	1.00	(0.04)	5.96	5.00	-	-	(0.03)	-	(0.03)	-
18	Nadira Properties Private Limited	1.00	(0.03)	6.74	5.77	-	-	(0.02)	-	(0.02)	-
19	Prakalpa Properties Private Limited	1.00	(0.03)	6.78	5.81	-	-	(0.03)	-	(0.03)	-
20	Purnachandra Properties Private Limited	1.00	(0.04)	6.95	5.99	-	-	(0.03)	-	(0.03)	-
21	Padmapriya Properties Private Limited	1.00	0.40	28.65	27.25	0.28	-	0.13	0.05	0.08	-
22	Pranesh Properties Private Limited	1.00	(0.02)	7.28	6.30	-	-	(0.02)	-	(0.02)	-
23	Radhapriya Properties Private Limited	1.00	(0.02)	4.61	3.63	-	-	(0.02)	-	(0.02)	-
24	Shreyadita Properties Private Limited	1.00	0.02	5.91	4.89	-	-	0.00	0.01	(0.01)	-
25	Sreepa Properties Private Limited	1.00	(0.02)	5.60	4.62	-	-	(0.01)	0.00	(0.02)	-
26	GMR Corporate Affairs Private Limited	20.00	0.26	187.29	167.03	3.50	7.60	(0.10)	0.11	(0.22)	-
27	GMR Hotels and Resorts Limited	109.66	(61.18)	218.33	169.85	-	47.75	(17.28)	-	(17.28)	-
28	Kakinada SEZ Private Limited	93.99	(1.62)	869.77	777.40	-	-	(0.49)	-	(0.49)	-
29	Dhruvi Securities Private Limited	210.06	840.12	1,052.41	2.23	13.73	11.16	1.18	1.38	(0.20)	-
30	GMR Business Process and Services Private Limited	0.01	(0.83)	2.21	3.03	-	-	(0.83)	(0.00)	(0.83)	-
31	GMR Airport Developers Limited	5.10	13.82	47.77	28.85	9.05	69.73	10.39	4.33	6.06	-
32	GMR Hyderabad International Airport Limited	378.00	(40.37)	2,945.88	2,608.25	19.21	599.13	44.78	28.05	16.73	-

(Rs. in Crore)

Annexure 'B' to the Directors' Report: Statement Pursuant to General Circular No.2 and 3 dated February 8, 2011 and February 21, 2011 respectively of Ministry of Corporate Affairs, Government of India granting general exemption from compliance with Section 212 of the Companies Act, 1956. (contd.)

Sl. No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (loss) before Taxation	Provision for Taxation	Profit/ (loss) after Taxation	Proposed Dividend
33	Hyderabad Airport Security Services Limited	12.50	0.30	88.99	76.19	0.40	-	1.00	0.20	0.80	-
34	GMR Hyderabad Airport Resource Management Limited	0.05	0.58	1.15	0.52	-	-	0.02	0.01	0.01	-
35	GMR Hyderabad Aerotropolis Limited	2.18	(0.38)	9.00	7.20	-	-	(0.23)	-	(0.23)	-
36	Hyderabad Menzies Air Cargo Private Limited	19.04	19.12	62.84	24.72	-	55.38	16.42	3.49	12.93	3.66
37	GMR Hyderabad Multi Product SEZ Limited	0.05	(0.03)	0.02	0.00	-	-	(0.01)	-	(0.01)	-
38	GMR Hyderabad Aviation SEZ Limited	25.00	4.80	76.20	46.40	-	10.94	6.09	1.92	4.17	-
39	Gateways for India Airports Private Limited	0.01	1.60	2.56	0.95	2.25	-	0.16	0.05	0.11	-
40	Delhi International Airport Private Limited	2,450.00	(1,453.21)	12,268.05	11,271.26	52.61	1,492.63	(1,071.55)	13.85	(1,085.40)	-
41	Delhi Aerotropolis Private Limited	0.10	(0.15)	1.17	1.22	-	-	(0.08)	-	(0.08)	-
42	Hyderabad Duty Free Retail Limited	4.95	(4.27)	18.82	18.14	-	24.68	(3.22)	-	(3.22)	-
43	GMR Airport Handling Services Company Limited	0.05	(0.01)	0.04	0.00	-	-	(0.02)	0.00	(0.02)	-
44	Asia Pacific Flight Training Academy Limited	2.00	(0.01)	2.06	0.07	-	-	0.00	-	0.00	-
45	GMR Airports Limited	1,828.67	53.79	1,894.96	12.50	10.00	62.30	45.10	12.52	32.58	-
46	GMR Energy Limited	2,695.55	745.61	7,276.65	3,835.49	24.10	457.74	(47.71)	21.71	(69.42)	-
47	GMR Vemagiri Power Generation Limited	274.50	(69.19)	935.47	730.16	-	617.77	30.57	16.03	14.54	-
48	GMR Power Corporation Limited	247.50	486.44	1,627.06	893.12	-	962.88	151.39	30.53	120.86	-
49	GMR (Badrinath) Hydro Power Generation Private Limited	5.00	(9.28)	306.40	310.68	-	-	(0.03)	-	(0.03)	-
50	Badrinath Hydro Power Generation Private Limited	0.01	(0.01)	0.01	0.01	-	-	(0.00)	-	(0.00)	-
51	GMR Maharashtra Energy Limited	0.05	(0.01)	6.77	6.73	-	-	(0.01)	-	(0.01)	-
52	GMR Kamalanga Energy Limited	621.20	(12.18)	4,607.45	3,998.43	73.75	-	(2.55)	-	(2.55)	-
53	GMR Energy Trading Limited	52.00	7.36	195.11	135.75	-	591.09	4.07	1.21	2.86	-
54	GMR Consulting Services Private Limited	0.01	1.09	35.94	34.84	-	49.94	2.70	1.79	0.91	-
55	GMR Coastal Energy Private Limited	0.01	(0.05)	3.03	3.07	-	-	(0.00)	-	(0.00)	-
56	GMR Bajoli Holi Hydro Power Private Limited	0.01	(0.26)	294.43	294.68	-	-	(0.09)	-	(0.09)	-
57	GMR Londa Hydro Power Private Limited	0.01	(0.27)	50.67	50.93	-	-	(0.00)	-	(0.00)	-
58	GMR Kakinada Energy Private Limited	0.01	(0.01)	4.51	4.51	-	-	(0.00)	-	(0.00)	-
59	GMR Chhattisgarh Energy Limited	510.07	(6.53)	3,603.01	3,099.47	-	-	(3.97)	-	(3.97)	-
60	GMR Rajahmundry Energy Limited	520.00	(3.60)	3,320.17	2,803.78	-	-	(0.81)	-	(0.81)	-
61	SIK Powergen Limited	0.50	4.06	404.05	399.49	-	-	(0.05)	-	(0.05)	-
62	EMCO Energy Limited	435.00	(5.81)	2,819.02	2,389.83	-	-	(1.56)	-	(1.56)	-
63	GMR Mining & Energy Private Limited	0.05	(0.59)	0.01	0.55	-	-	(0.04)	-	(0.04)	-
64	GMR Bundelkhand Energy Pvt. Limited	0.01	(0.04)	11.66	11.69	-	-	(0.04)	-	(0.04)	-

(Rs. in Crore)

Annexure 'B' to the Directors' Report: Statement Pursuant to General Circular No.2 and 3 dated February 8, 2011 and February 21, 2011 respectively of Ministry of Corporate Affairs, Government of India granting general exemption from compliance with Section 212 of the Companies Act, 1956. (contd.)

Sl. No.	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (loss) before Taxation	Provision for Taxation	Profit/ (loss) after Taxation	Proposed Dividend
65	GMR Uttar Pradesh Energy Private Limited	0.01	(0.01)	0.18	0.18	-	-	(0.00)	-	(0.00)	-
66	GMR Hosur Energy Limited	0.05	(0.00)	21.59	21.54	-	-	(0.00)	-	(0.00)	-
67	GMR Gujarat Solar Power Private Limited	46.00	(0.59)	368.85	323.44	-	3.46	(0.58)	-	(0.58)	-
68	GMR Indo-Nepal Energy Links Limited	0.05	(0.01)	0.25	0.21	-	-	(0.00)	-	(0.00)	-
69	GMR Indo-Nepal Power Corridors Limited	0.05	(0.00)	0.39	0.34	-	-	(0.00)	-	(0.00)	-
70	GMR Renewable Energy Limited	1,014.44	(0.70)	1,013.73	0.01	-	0.78	0.40	0.08	0.32	-
71	GMR Power Infra Limited	1.70	0.87	6.53	3.96	-	0.02	(0.36)	-	(0.36)	-
72	East Delhi Waste Processing Company Limited	30.50	(1.13)	101.39	72.02	-	-	(0.60)	-	(0.60)	-
73	GMR Tambaram Tindivanam Expressways Private Limited	1.00	144.86	532.71	386.85	27.68	81.18	22.85	5.02	17.82	-
74	GMR Tunj Anakapalli Expressways Private Limited	1.00	80.78	373.68	291.90	22.24	59.01	13.85	3.12	10.73	-
75	GMR Ambala Chandigarh Expressways Private Limited	216.59	(80.07)	591.19	454.67	0.67	24.65	1.73	-	1.73	-
76	GMR Jaecherla Expressways Private Limited	197.00	(19.58)	496.71	319.29	7.22	58.79	8.02	1.60	6.41	-
77	GMR Pochampalli Expressways Private Limited	182.50	24.70	823.48	616.28	17.14	108.36	17.61	3.52	14.09	-
78	GMR Ulundurpet Expressways Private Limited	344.17	(48.23)	975.06	679.12	3.91	73.65	5.15	0.19	4.96	-
79	GMR Highways Limited	646.54	(15.63)	935.08	304.17	0.25	13.08	(1.58)	0.45	(2.04)	-
80	GMR Hyderabad Vijayawada Expressways Private Limited	209.29	(2.65)	1,722.27	1,515.63	-	-	(0.17)	-	(0.17)	-
81	GMR Chennai Outer Ring Road Private Limited	150.00	105.71	725.65	469.94	6.75	-	(0.14)	-	(0.14)	-
82	GMR OSE Hungund Hospet Highways Private Limited	230.00	80.74	962.09	651.35	-	-	(0.58)	0.14	(0.72)	-
83	GMR Highways Projects Private Limited	0.01	(0.01)	0.00	0.00	-	-	(0.01)	-	(0.01)	-
84	GMR Kishangarh Udaipur Ahmedabad Expressways Limited	0.05	(0.68)	204.21	204.84	-	-	(0.68)	-	(0.68)	-
85	GMR Infrastructure (Global) Limited (b)	745.36	(1.16)	744.45	0.25	-	-	(0.07)	-	(0.07)	-
86	GMR Infrastructure (Cyprus) Limited (b)	0.03	(49.86)	1,478.27	1,528.10	-	-	(95.01)	0.64	(95.65)	-
87	GMR Energy (Global) Limited (b)	743.73	(642.48)	101.50	0.25	99.12	-	94.32	-	94.32	-
88	GMR Infrastructure Overseas Sociedad Limitada (d)	0.02	181.73	190.32	8.57	-	-	(1.44)	-	(1.44)	-
89	GMR Infrastructure (Mauritius) Limited (b)	1,651.79	(68.12)	2,389.34	795.67	-	-	(45.07)	-	(45.07)	-
90	GMR Infrastructure (UK) Limited (e)	40.81	(73.53)	34.35	67.07	-	13.94	(30.59)	-	(30.59)	-
91	GMR International (Malta) Limited (d)	0.01	(0.98)	0.09	1.06	-	-	(0.60)	-	(0.60)	-
92	GADL (Mauritius) Limited (b)	0.83	(0.24)	0.65	0.06	-	-	(0.13)	-	(0.13)	-
93	GADL International Limited (b)	0.13	(44.82)	284.81	329.50	-	132.50	(37.05)	1.44	(38.49)	-
94	GMR Infrastructure (Overseas) Limited (b)	0.00	(0.28)	5.10	5.38	-	-	(0.26)	0.00	(0.26)	-
95	GMR Malé International Airport Private Limited (b)	154.85	204.71	1,211.25	851.69	0.00	1,243.82	158.53	17.71	140.82	-
96	GMR Airport Global Limited (b)	0.52	37.40	47.23	9.31	-	43.62	34.89	-	34.89	-

(Rs. in Crore)

Annexure 'B' to the Directors' Report: Statement Pursuant to General Circular No.2 and 3 dated February 8, 2011 and February 21, 2011 respectively of Ministry of Corporate Affairs, Government of India granting general exemption from compliance with Section 212 of the Companies Act, 1956. (contd.)

Sl. No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (loss) before Taxation	Provision for Taxation	Profit/ (loss) after Taxation	Proposed Dividend
97	GMR Malé Retail Private Limited (b)	0.00	(0.05)	0.00	0.05	-	-	0.00	-	0.00	-
98	GMR Energy (Mauritius) Limited (b)	332.55	(12.01)	357.79	37.25	-	-	(2.34)	-	(2.34)	-
99	GMR Lion Energy Limited (b)	15.16	(0.43)	34.24	19.51	-	-	(0.08)	-	(0.08)	-
100	GMR Energy (Cyprus) Limited (b)	0.02	53.31	318.59	265.26	-	-	(0.16)	-	(0.16)	-
101	GMR Energy (Netherlands) B.V.(b)	0.12	220.01	427.64	207.51	-	-	(11.66)	-	(11.66)	-
102	PT Unsoco (c)	0.60	0.07	0.67	-	-	-	0.06	-	0.06	-
103	PT Dwikarya Sejati Utama (b)	2.48	(0.16)	33.48	31.16	-	-	(0.01)	-	(0.01)	-
104	PT Duta Sarana Internusa (b)	2.39	(5.55)	216.38	219.54	-	-	0.85	-	0.85	-
105	PT Barasentosa Lestar (b)	5.91	(10.00)	211.74	215.83	-	-	(4.18)	(0.11)	(4.07)	-
106	Homeland Mining and Energy Botswana@ (g)	-	-	-	-	-	-	-	-	-	-
107	Homeland Mining & Energy SA (Pty) Limited@ (g)	0.00	(54.85)	419.99	474.84	-	10.85	(83.89)	(23.31)	(60.58)	-
108	Homeland Coal Mining (Pty) Limited@ (g)	0.00	(6.13)	62.16	68.29	0.00	-	(19.78)	(2.05)	(17.73)	-
109	Corpdo 331 (Pty) Limited@ (g)	0.00	(5.42)	0.33	5.75	-	-	(0.36)	1.41	(1.77)	-
110	Ferret Coal Holdings (Pty) Limited@ (g)	0.00	0.00	0.00	-	-	-	-	-	-	-
111	Ferret Coal (Kenda) (Pty) Limited@ (g)	0.00	(102.35)	275.13	377.48	-	125.90	(13.24)	4.24	(17.48)	-
112	Wizard Investments (Pty) Limited @ (g)	-	-	-	-	-	-	-	-	-	-
113	Homeland Energy (Swaziland) (Pty) Limited@ (g)	-	-	-	-	-	-	-	-	-	-
114	Manoka Mining (Pty) Limited@ (g)	-	-	-	-	-	-	-	-	-	-
115	Homeland Energy Group Limited @ (h)	496.39	(84.98)	705.95	294.54	-	-	(3.45)	-	(3.45)	-
116	Homeland Energy Corp@ (h)	209.16	(149.72)	213.80	154.36	-	-	(10.58)	-	(10.58)	-
117	GMR Energy (Singapore) Pte.Limited (f)	515.08	(40.66)	2,131.17	1,656.75	-	-	(1.28)	-	(1.28)	-
118	GMR Supply (Singapore) Pte. Limited (f)	-	-	-	-	-	-	-	-	-	-
119	GMR Infrastructure Singapore Pte. Limited (f)	292.04	88.21	831.69	451.44	-	-	5.80	-	5.80	-
120	GMR Energy Projects (Mauritius) Limited (b)	0.05	0.34	9.18	8.79	-	9.56	0.46	0.03	0.43	-
121	GMR Coal Resources Pte. Limited (b)	2.58	(47.96)	2,684.45	2,729.83	-	-	(44.61)	-	(44.61)	-
122	Himtal Hydro Power Company Private Limited (a)	2.83	(0.13)	26.45	23.75	-	-	(0.28)	0.01	(0.29)	-
123	GMR Upper Kamali Hydro Power Limited (a)	0.94	(0.71)	31.97	31.74	-	-	(0.38)	0.02	(0.40)	-
124	Karnali Transmission Company Private Limited (a)	0.21	(0.03)	0.66	0.48	-	-	(0.00)	-	(0.00)	-
125	Marsyangdi Transmission Company Private Limited (a)	0.21	(0.03)	1.12	0.94	-	-	(0.01)	-	(0.01)	-
126	Aravali Transmission Service Company Limited	5.20	(0.54)	22.90	18.24	-	-	(0.05)	-	(0.05)	-
127	Maru Transmission Service Company Limited	8.80	(0.96)	37.41	29.57	-	-	(0.07)	-	(0.07)	-

(Rs. in Crore)

Notes:

1. The annual accounts of the Subsidiary Companies and the related detailed information will be made available to the members of the Company and the subsidiary companies seeking such information at any point of time.
The annual accounts of the subsidiary companies will also be kept for inspection by any member in the registered office and that of the subsidiary companies concerned.
2. *Investments except investment in Subsidiaries.
3. @ These companies financial statements are for the period ended on and as at December 31, 2011
4. The Ministry of Corporate Affairs, Government of India vide General Circular No. 2 and 3 dated February 8, 2011 and February 21, 2011 respectively has granted a general exemption from compliance of Section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the Circulars. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption.
5. Details of reporting currency and the rate used in the preparation of consolidated financial statements.

Reporting Currency Reference	For Conversion		
	Currency	Average Rate (in Rs.)	Closing Rate (in Rs.)
a	NPR	1.6	1.6
b	USD	47.93	51.53
c	IDR	0.0055	0.00595
d	Euro	65.86	67.8675
e	GBP	76.15	81.4575
f	SGD	37.96	40.4775
g	ZAR	6.66728	6.66728
h	CAD	47.26	51.995

Annexure 'C' to the Directors' Report

Information pursuant to Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, as amended and forming part of the Directors' Report for the year ended March 31, 2012.

1. Conservation of energy and technology absorption:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

2. Foreign exchange earnings and outgo in foreign exchange during the period (on accrual basis in books of accounts):

The particulars relating to foreign exchange earnings and outgo during the period are:

i. The Foreign Exchange earnings during the year:

(Rs. in Crore)		
Particulars	2012	2011
Interest income	37.97	7.23

ii. The details of Foreign Exchange outgo are as shown below:

(Rs. in Crore)		
Particulars	March 31, 2012	March 31, 2011
Legal and professional fees	8.78	16.14
Meetings and seminars	0.49	0.22
Rates and taxes	-	0.13
Traveling and conveyance	0.34	0.03
Repairs and maintenance	0.38	-
Raw materials	6.73	-
Others	0.06	0.17
Total	16.78	16.69