

Directors' Report

Dear Shareholders,

The Board of Directors present the 17th Annual Report together with the audited accounts of the Company for the year ended March 31, 2013.

Financial Results

The Company is a diversified infrastructure company with operations and investments across the airport, energy, highways, urban infrastructure and EPC sectors and structured in a distinct way through subsidiaries with a unique business model. While the Company is a holding company for the investments made in airports, energy, highways and urban infrastructure

and SEZ (Special Economic Zone) sectors it has Engineering, Procurement and Construction (EPC) business as a separate operating division within the Company to cater to the requirements for implementing the projects undertaken by the subsidiaries and others.

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

Particulars	(₹ in Crore)	
	March 31, 2013	March 31, 2012
Revenue from operations	9,974.86	8,473.03
Revenue share paid / payable to concessionaire grantors	(1,669.48)	(830.97)
Operating and administrative expenditure	(5,697.34)	(5,883.83)
Other Income	277.19	243.42
Finance Costs	(2,099.00)	(1,653.13)
Utilisation fees	(130.87)	(98.71)
Depreciation and amortisation expenses	(1,039.78)	(935.81)
(Loss) / profit before exceptional items, tax expenses and minority interest	(384.42)	(686.00)
Exceptional Items:		
Profit on sale of a subsidiary	1,231.25	-
Loss on impairment of assets in a subsidiary	(251.37)	-
Assets write off in a subsidiary	(202.61)	-
Interest on loans against development fund receipts	-	(162.12)
Profit / (loss) before tax expenses and minority interest	392.85	(848.12)
(Loss) / profit from continuing operations before tax expenses and minority interest	(440.39)	(959.10)
Tax expenses (including tax adjustments for prior years, deferred tax, MAT credit entitlement) of continuing operations	241.94	190.47
(Loss) / profit after tax expenses and before minority interest from continuing operations	(682.33)	(1,149.57)
Minority interest - share of (profit) / loss from continuing operations	(86.40)	437.37
(Loss) / profit after minority interest from continuing operations	(768.73)	(712.20)
Profit / (loss) from discontinuing operations before tax expenses and minority interest	833.24	110.98
Tax expenses (including tax adjustments for prior years, deferred tax, MAT credit entitlement) of discontinuing operations	15.50	20.25
Profit / (loss) after tax expenses and before minority interest from discontinuing operations	817.74	90.73
Minority interest - share of (profit) / loss from discontinuing operations	39.11	18.13
Profit / (loss) after minority interest from discontinuing operations	856.85	108.86
Profit / (loss) after minority interest from continuing and discontinuing operations	88.12	(603.34)
Net deficit in the statement of profit or loss - Balance as per last financial statements	(714.17)	(79.15)
Loss before appropriation	(626.05)	(682.49)
Appropriations	(130.28)	(31.68)
Net deficit in the statement of profit or loss	(756.33)	(714.17)
Earnings per equity share (₹) - Basic and diluted (per equity share of ₹ 1 each)	0.23	(1.55)
Earnings per equity share (₹) from continuing operations - Basic and diluted (per equity share of ₹ 1 each)	(1.97)	(1.83)
Earnings per equity share (₹) from discontinuing operations - Basic and diluted (per equity share of ₹ 1 each)	2.20	0.28

Consolidated revenue from operations grew by 17.72% from ₹ 8,473.03 Crore to ₹ 9,974.86 Crore. Airport, Energy, Highways, EPC and other segments contributed ₹ 6,099.07 Crore (61.14%), ₹ 2,425.13 Crore (24.31%), ₹ 517.37 Crore (5.19%), ₹ 655.16 Crore (6.57%) and ₹ 278.12 Crore (2.79%) respectively to the revenue from operations.

During the year, the group divested its balance 70% equity holding in GMR Energy (Singapore) Pte Limited and this has resulted in a profit of ₹ 1,231.25 Crore, which is presented as an exceptional item in the financial statements.

The group also divested its 50% equity in Tshedza Mining Resource (Pty) Ltd., which held the license for the development of Eloff mines and 74% equity interest in Ferret Coal (Kendal) (Pty) Ltd., which held the license for the development of Kendal Mines, HEG in South Africa. This resulted in an exceptional loss of ₹ 251.37 Crore. Consequent to the termination of operation in Malé Airport, the group has written off assets of ₹ 202.61 Crore. The group has also entered into a Share Purchase Agreement for divestment of 74% stake in GMR Jadcherla Expressways Ltd. (GJEL).

Presented below are the standalone financial results of the Company:

(₹ in Crore)

Particulars	March 31, 2013	March 31, 2012
Revenue from operations	1,432.79	1,381.87
Operating and administrative expenditure	(1072.01)	(1,084.50)
Other Income	28.58	48.41
Finance costs	(374.43)	(197.35)
Depreciation and amortisation expenses	(8.31)	(7.58)
Profit before exceptional items and tax expenses	6.62	140.43
Exceptional items:		
Profit on sale of investment	75.83	-
Profit before tax	82.45	140.85
Tax expenses (including deferred tax and MAT credit entitlement)	(29.00)	(20.55)
Profit for the year	53.45	120.30
Surplus in the statement of profit and loss - Balance as per last financial statements	382.37	298.64
Profit available for appropriation	435.82	418.94
Appropriations:		
Transfer to debenture redemption reserve	81.53	36.57
Proposed final equity dividend	38.92	-
Tax on proposed equity dividend	6.31	-
Net surplus in the statement of profit and loss	309.06	382.37
Earnings per share (₹) - Basic and Diluted	0.14	0.31

The revenue from operations of the Company on standalone basis has gone up by 3.68% from ₹ 1,381.87 Crore to Rs 1,432.79 Crore. This has been contributed on account of increased revenue to the extent of ₹ 51.13 Crore from EPC segment. The increase in borrowings from ₹ 2,960.13 Crore to ₹ 4,237.20 Crore to meet the increased requirement of funds for investments in subsidiaries is the reason for the increase in interest expenditure from ₹ 197.35 Crore to ₹ 374.43 Crore. Profit on sale of the investment in GMR Energy (Singapore) Pte Limited amounting to ₹ 75.83 Crore, has been shown as an exceptional item in the financial statement.

Dividend

Considering the gain of ₹ 75.83 Crore earned by the Company on divestment of its stake in GMR Energy (Singapore) Pte. Limited and better operational performance base of the airport sector during the financial year under review, the Board of Directors has recommended a dividend of ₹ 0.10 per

equity share of ₹ 1 each (10%) for the financial year (FY) ended March 31, 2013 subject to the approval of shareholders at the Annual General Meeting.

Subsidiary Companies

As on March 31, 2013, the Company had 127 subsidiaries apart from other joint venture and associate companies. Operation of businesses through subsidiaries is mainly due to requirement of concession agreements. The complete list of subsidiary companies as on March 31, 2013 is provided in Annexure 'A' to this report.

Review of Operations / Projects of Subsidiary Companies and EPC

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 this Report, also brings out a brief review of the business operations of various subsidiaries, joint ventures.

Airport Sector

Airports business consists of four operating airports, with two in India at Delhi and Hyderabad, and two airports abroad at Istanbul, Turkey and Male. Male Airport has since been taken over by Maldives Airports Company Limited (MACL), an entity owned by Government of Maldives.

An overview of these assets during the year is briefly given 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 to operate, manage and develop the Indira Gandhi International Airport (IGIA), Delhi. Passenger traffic at IGIA was 34.3 million in FY 2012-13, which has seen a marginal decline over the previous year in line with the 2% decline in the overall sector primarily due to decline in domestic air traffic by 9%. International traffic however went up by 8%. Cargo tonnage at IGIA recorded 0.546 MT which was 3.88% decline over the previous year, which followed the overall cargo decline of 4% in the sector. Revision of tariff rates during the year enabled DIAL post a profit after tax (PAT) of ₹ 72.52 Crore for the financial year under review.

The significant developments during the year were:

- DIAL was ranked the 4th best airport globally and 2nd best in the capacity band of 25-40 million passengers per annum (mppa) in the ASQ survey by Airport Council International (ACI);
- DIAL implemented Business Continuity Management System to avoid any operational disruptions due to unforeseen circumstances and became the world's first airport to achieve the 'ISO 22301:2012 Certification' for Business Continuity Management system;
- National Air Traffic Services implementation to maximize Runway/Apron Utilization; Achieved Air Traffic Movements (ATMs) of 73/hour during peak hour operations, up from 65 movements per hour;
- Air Freight Station at Kanpur and Ludhiana launched;
- DIAL's Carbon Emissions inventory has been verified as per ISO 14064 by M/s DNV and accredited by ACI for Level 2 (Reduction);
- DIAL has started Solar Power generation and has setup a pilot project for the same.

GMR Hyderabad International Airport Limited (GHIAL)

GHIAL is a JV Company promoted by the GMR Group (63%) in partnership with AAI (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 8.38 million in FY 2012-13, which is down by 3% over FY 2011-12. In FY 2012-13, international traffic grew by 10% as compared to FY 2011-12 while the domestic traffic declined by 6%. ATMs were 90,647 Nos. in FY 2012-13, which are down by 9% over FY 2011-12. In FY 2012-13, the domestic ATMs declined by 12% and international ATMs grew by 2% as compared to FY 2011-12.

The growth in international traffic was largely due to capacity increase i.e. inclusion of new airlines and increase in frequency of existing routes.

Cargo handled in FY 2012-13 was 83,990 tons which registered a growth of 3% over 2011-12. The domestic cargo declined by 2% and international cargo grew by 7% as compared to FY 2011-12. Better operating performance resulted in profit after tax (PAT) of ₹ 105.84 Crore for the financial year.

On domestic front, Kingfisher airlines withdrew its operations completely out of Hyderabad while Indigo and Spicejet added their capacities and routes.

The Company has adopted a two-pronged strategy, for overall improvement in its business. The first focused on airlines that are the primary customers called "Route Development Strategy" and the second one being "Passenger Development Strategy". The primary objective of these strategies are to make Hyderabad Airport as South and Central India's gateway thereby enabling airlines to have financially sustainable operations from Hyderabad.

The following certificates were received during the year:

- 1st Airport in India to receive ISO 20000 certification for Best Practices in Information Technology Management;
- RGIA accredited ISO 50001:2011 - Energy Management System Certification.

Istanbul Sabiha Gokcen International Airport Limited (ISGIA)

ISGIA is promoted and developed by the consortium consisting of GMR Infrastructure Limited (GMR Group - 40%), Limak Holding (40%) and Malaysia Airports Holdings Berhad (20%). The terminal developed by the consortium has a capacity to handle up-to 25 million passenger per annum and has the rights to operate the terminal buildings, multi-story car park, cargo, aircraft refueling operations, airport hotel and Commercial Important Person (CIP) facilities in the airport.

ISGIA is located in the Asian side of Istanbul with connection to two major highways and has a catchment area of 20 million population. The city of Istanbul has a vibrant and growing economy and is the economic capital of the country. It is the 3rd most visited city in Europe and 5th in the world. ISGIA recorded 14.9 million total passengers in calendar year 2012, which corresponds to a 9% annual increase in total passenger traffic.

The group's 40% share of loss of ISGIA was ₹ 123.33 Crore for the financial year.

ISGIA's growth potential remains promising due to the capacity constraints at the city's major Ataturk airport. As a result, nine new airlines started

flights out of ISGIA during the year and Turkish Airways has also started new international destinations from ISGIA from March 2013.

GMR Male 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%);
- Refurbishment of existing commercial areas and development of new commercial areas was nearly complete, which were leading to an increase in discretionary consumer spending at the airports as more retail options were now available at the airport;
- New terminal development project was on track for an early 2014 commercial opening date before it had to be halted due to a 'Stop-Work' order by the Ministry of Civil Aviation, Maldives in August, 2012;
- Overall passenger traffic at the airport had increased 6.5% for the 8 months period in FY 2012-13. International traffic grew at 1.9% compared to the same period last year, despite negative impact on international tourist traffic due to political disruptions in first half of calendar year 2012;
- The airport was taken over by MACL, an entity owned by Government of Maldives, on December 08, 2012 declaring that the concession agreement is void ab-initio and the arbitration process has been initiated for settlement.
- Management of the group is confident of proving that the concession agreement was not void ab-initio and that group would be entitled for compensation under the concession agreement.

Aerotropolis Development

Hyderabad and Delhi airports and surrounding land are being developed as an airport city or "Aerotropolis", with a mix of aeronautical and non-aeronautical developments. As adjoining commercial areas to the airports, they are bound to encourage the business activity and have a positive impact on the economy. DIAL is developing Aerocity in the locality of the Delhi Airport which may ultimately cover 250 acres of land.

GHIAL is developing India's largest Airport City in the vicinity of Hyderabad Airport with an objective of creating an ecosystem that will generate benefits for the Airport as well as the regional economy and facilitate in establishing the prominence of Hyderabad Airport in the global arena. Master Plan for the entire Airport City has been completed and the physical infrastructure activities have started. The initial phase assets consisting of Aerospace SEZ, Retail, Business School, Exhibition Centre etc. are in various stages of design and development.

GMR Aviation Private Limited

GMR Aviation Private Limited operates and owns one of the youngest fleets in the country and addresses the growing need for charter services in the country. The operations are managed by professionals with robust processes and systems to ensure highest levels of efficiency and safety. The company

has three aircrafts (two Falcons and one Hawker) and two helicopters in its fleet. Due to slow down of Indian Economy, the overall business for internal as well as external air charter has come down, which resulted in a loss of ₹ 31.11 Crore, which includes ₹ 8 Crore for cancelation of purchase agreement of an aircraft.

Aircraft - Maintenance, Repair and Overhaul (MRO)

The MRO facility is a part of aero SEZ of GMR Hyderabad International Airport. It is being operated by MAS GMR Aero Technic Limited ("MGAT") 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.

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.

During the year under review, maintenance service was provided on 30 various families of aircraft which include C-checks on B737-800, B737-900, ATR-72, A320, and A321 for domestic customers and painting on Cessna Citation 560XL and ATR 72-500 aircraft. Additionally Engine Change, Nose Landing gear & Main Landing gear change were carried out on B737-800 & B737-900 aircraft. Apart from the above, seat retrofit was performed on two A320 aircraft. The main customers during the year were - Spicejet, Go Air, Kingfisher and Indigo. The group's 50% share of loss of MGAT was ₹ 45.35 Crore.

Energy Sector

Energy Sector through Special Purpose Vehicles (SPVs) is operating around 1484 MWs of Coal, Gas, Liquid fuel and Renewable power plants in India and around 5690 MWs of power projects under various stages of construction and development besides a pipeline of other projects. The Energy Sector has a diversified portfolio of thermal and hydro projects with a mix of merchant and long term Power Purchase Agreements.

The current operating portfolio of energy sector comprises of:

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
EMCO Energy Limited (EEL) - Unit 1	300 MW	Coal
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

The following are the major highlights of the Energy sector:

Operating Assets

- GPCL Achieved Energy management system Certification - ISO 50001;
- GPCL achieved the GREEN Award from Tamil Nadu Pollution Control Board (TNPCB) presented by Honorable Chief Minister;

- GEL & GVPGL operated at a suboptimal PLF of about 25% due to reduced gas supply;
- Gujarat Solar Project and wind projects achieved Clean Development Mechanism (CDM) registration.

The Company along with its overseas subsidiary sold balance 70% interest in GMR Energy (Singapore) Pte Ltd.

The energy sector continues to face constraints in terms of availability of coal and gas for running the power plants. The supply of coal in India is not adequate due to lower production of coal which in turn necessitated many power producers to import coal with attendant risks in relation to pricing, government policies of the exporting countries, transportation etc. The availability of gas is also another challenge faced by the power producing companies. Lack of adequate fuel in the country continues to adversely impact the performance of the subsidiaries in the energy sector.

Amongst the energy subsidiary companies, GMR Power Corporation Limited, GMR Gujarat Solar Power Private Limited and GMR Renewable Energy Limited made a profit of ₹ 91.03 Crore, ₹ 9.05 Crore and ₹ 0.59 Crore respectively. GMR Energy Limited, GMR Vemagiri Power Generation Limited, EMCO Energy Limited and GMR Energy Trading Limited made a loss of ₹ 494.92 Crore, ₹ 76.93 Crore, ₹ 17.12 Crore and ₹ 16.27 Crore respectively. Loss in GMR Energy Limited includes an exceptional loss on account of impairment of investment in HEG of ₹ 350.47 Crore.

The Company has projects under implementation, which on completion will result in substantial increase in power generating capacity. Update on projects under implementation is given below:

- EMCO Energy Limited (EMCO): Unit 1 (300 MW) commissioned;
- EMCO: Won Case I bid for supply of 200 MW to Dadra and Nagar Haveli distribution company for 7 years 3 Months term;
- EMCO Unit - 1 Fuel Supply Agreement signed with South Eastern Coalfields Ltd.;
- GMR Kamalanga Energy Limited (GKEL): Unit 1 (350 MW) commercial operation achieved on April 29, 2013;
- GMR Chhattisgarh Energy Limited [Chhattisgarh Thermal Power Plant (CTPP)]: Achieved Integrated Management System (IMS) certification for successful implementation of Quality, Environmental & Safety standards;
- The implementation of coal based projects is progressing well to achieve commercial operation of the plant (all the units of GKEL, EMCO and first unit of CTPP) during the financial year 2014;
- Alaknanda and Bajoli Holi Hydro projects received all statutory clearances including Stage II forest clearance and CDM registration;
- Nepal Hydro projects achieved key project development milestones as per plan and license for import of power to India for a period of 30

years was obtained from Directorate General of Foreign Trade (DGFT), Government of India (GOI).

Highways

The FY 2012-13 has seen a decline in the highway sector due to various factors such as slowed economic situation, delay in clearances, sand quarry and mining bans, power shortage, funding constraints, etc. This has resulted in lower investment from private players in infrastructure in general including roads and highways sector.

GMR Highways Limited is one of the leading highways developers in India with 8 operating highways of total length of 3170 lane kms and 1 project under construction of total length of 178 lane kms. There is a healthy mix of 5 toll projects, viz Ambala - Chandigarh, Thondapalli - Jadcherla, Tindivanam - Ulundurpet, Hyderabad - Vijayawada and Hungund - Hospet; and 4 annuity projects, viz Tuni - Anakapalli, Tambaram - Tindivanam, Adloor Yellareddy - Gundla Pochanpalli and Chennai Outer Ring Road. The group entered into a Share Purchase Agreement for divestment of 74% stake in Thondapalli - Jadcherla project. Quality of construction and operational safety are of utmost priority.

Highways sector operating subsidiary companies, GMR Tambaram Tindivanam Expressways Private Limited, GMR Tuni Anakapalli Expressways Private Limited, GMR Pochanpalli Expressways Limited and GMR Jadcherla Expressways Private Limited, made a profit of ₹ 9.30 Crore, ₹ 6.47 Crore, ₹ 17.96 Crore and ₹ 2.08 Crore respectively. GMR Ambala Chandigarh Expressways Private Limited, GMR Hyderabad Vijayawada Expressways Private Limited, GMR OSE Hungund Hospet Highways Private Limited and GMR Ulundurpet Expressways Private Limited made a loss of ₹ 23.13 Crore, ₹ 21.47 Crore, ₹ 14.39 Crore and ₹ 8.25 Crore respectively.

During FY 2012-13, COD of Hyderabad Vijayawada project and partial COD of Hungund Hospet project was achieved overcoming various challenges during the construction lifespan viz. delay in land acquisition and local agitation. Arbitration process was initiated in respect of Ambala Chandigarh for loss of traffic under State Support Agreement & Concession Agreement (SSA & CA).

Kishangarh-Udaipur-Ahmedabad Highway

Amid various economic challenges, financial closure was successfully achieved for the development of four lane 555.5 Km long Kishangarh - Udaipur - Ahmedabad highway into a six lane highway, the first mega highway project in the country which the company had won in international competitive bidding. While the Company completed/complied with most of its obligations within stipulated time from the signing of the agreement, on the other hand, the Highways Authority could not fulfill its key obligations within the stipulated time, including getting the Environmental and Forest Clearance and issuing the Fee notification for the project. This has led to an inordinate delay in fixing the "appointed date" and there was no certainty as to when these key conditions would be fulfilled by the Authority. This uncertainty has materially affected the project putting additional financial burden on the Company. Considering these uncertainties and various

unfavorable factors that were beyond Company's control, the Company issued a notice of termination of concession agreement to the Highways Authority. Highways ministry is proactively working with other ministries, government authorities and various industry bodies for resolving the issues.

Urban Infrastructure

With the objectives of generation of additional economic activity, promotion of exports of goods and services, promotion of investment from domestic and foreign sources, creation of employment opportunities and development of infrastructure facilities, the urban infrastructure sector is focusing on developing special investment regions.

Kakinada and Krishnagiri SEZ

With the master plan underway for both the special investment regions in the year under review, all the necessary approvals on utility front from the Government, which includes approval for ground water abstraction, approval for power, consent for establishment and no objection certificate from Forest Department was obtained.

On the Kakinada SEZ development front, Memorandum of Understanding (MoU) has been signed with Rural Shores for setting up of BPO and two 'Letters of Intent' with fisheries processing firms for setting up of Marine Park. The Marine Park is expected to generate an employment to 3000 people in the region.

On Krishnagiri SEZ development front, a detailed plan on the EMC (Electronic Manufacturing Cluster) has been submitted to Department of Electronics and Information Technology (DeITY) and waiting for an in-principle approval from the Government for a greenfield EMC.

A concept note for setting up a Multi Skill Development Center (MSDC) has been submitted to Government of Tamilnadu. MoU with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) has been signed for designing and establishing MSDCs in both Kakinada and Krishnagiri Regions.

Engineering Procurement and Construction (EPC) Division

The Company had entered the EPC business to mitigate execution risk for in-house project development. EPC Division has been instrumental in successful and timely completion of new Highway assets. Apart from Highway Projects, EPC Division is supporting GMR Energy business in Balance of Plant (BoP) Segment and has completed Coal handling Unit at EMCO (Warora Power Plant). EPC Division has also undertaken Coal Blending system, Ash handling plant, Raw water Reservoir, Township and other non-plant structures.

Key highlights of the year under review were:

- Completed Hyderabad-Vijayawada Toll Project (0-65 kms)
- Completed 4-laning of Hungund-Hospet Toll Project (22 kms of 4 laning)
- Commissioned Coal Handling Plant at Warora Power Plant

Over the last three years, EPC Division has built an over ₹ 100 Crore Equipment Bank which includes Batching Plants, HMP Plants, Boom Placer and other equipment.

Risk Management

As an enterprise with presence in different segments of infrastructure industry and considering the high levels of economic volatility currently witnessed in the global markets, the Company is exposed to a number of risks that impact our businesses in varying measures. It is imperative to identify and address these risks and at the same time leverage opportunities for achieving the set objectives.

The Company's risk management framework is in line with the current best practices and effectively addresses the emerging challenges in a dynamic business environment.

Significant developments during the year include:

- Delhi International Airport Private Limited (DIAL) became the first airport in the world to be certified for ISO-22301:2012, Societal Security- Business Continuity Management System;
- Project Risk Management framework has been strengthened along with one of the top consultants in the world and being implemented for the ongoing projects;
- A Contractual Risk Review Framework has been developed for implementation across the Group that would help us in identifying and addressing contract related risks and compliance areas in an appropriate manner;
- Risk management process is critically woven in the strategic planning process with various risks identified to the strategic objectives of all the businesses and initiatives defined to address them;
- Risk review of important policies impacting the group such as treasury policy, foreign exchange policy and insurance policy manual etc. taken up;
- Formalized a country risk and opportunity profile framework to evaluate different countries being explored by the Group for investments and other business opportunities.

The Enterprise Risk Management (ERM) Team presents to the Management and the Audit Committee of the Board, the risk assessment and minimization procedures adopted 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 the Company is provided in Management Discussion and Analysis.

Developments in Human Resources and Organisation Development

The Company has robust process of human resources development which is described in detail in Management Discussion and Analysis section under the heading "Developments in Human Resources and 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, statement of Profit and Loss 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 2012-13 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 Centre 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 the Company and its subsidiaries, joint ventures and associates form part of the Annual Report.

Changes in Share capital

During the year under review, there is no change in the share capital structure of the Company.

Directors

Mr. B.V.N. Rao resigned as the Managing Director of the Company with effect from July 28, 2013. The Board places on record its appreciation for valuable contribution made by Mr. B.V.N. Rao during his tenure as the Managing Director of the Company.

Mr. Kiran Kumar Grandhi has been appointed as the Managing Director with effect from July 28, 2013 for a period of five years subject to the approval of the members at the Annual General Meeting.

Mr. G. M. Rao was reappointed as Executive Chairman for a period of five years with effect from October 18, 2012.

Mr. B.V.N. Rao and Mr. G.B.S. Raju, Directors retire by rotation and being eligible offer themselves for reappointment at the Annual General Meeting.

Mr. K. R. Ramamoorthy retires by rotation at the Annual General Meeting and has expressed his desire not to offer himself for reappointment in line with the policy on retirement of independent directors. Mrs. Vijaya Mohan Ram, who was appointed as an additional director on September 11, 2012, will cease to hold office at the forthcoming Annual General Meeting. The Board places on record its appreciation for the valuable contribution made by them during their tenure as Directors of the Company.

Mr. S. Sandilya was appointed as an additional director on September 11, 2012 and holds office till the Annual General Meeting. Mr. K.V.V. Rao and

Mr. S. Rajagopal were appointed as additional directors on the Board with effect from November 12, 2012 and they hold office till the Annual General Meeting. Notices under section 257 of the Companies Act, 1956 have been received from a member for their appointment as Directors.

Notices under section 257 of the Companies Act, 1956 have been received from a member for the appointment of Mr. V. Santhana Raman and Mr. C.R. Muralidharan at the forthcoming Annual General Meeting of the Company. The profiles of the Directors seeking appointment / reappointment are given in the Notice of the Annual General Meeting.

Directors' Responsibility Statement

Pursuant to under Section 217(2AA) of the Companies Act, 1956, it is hereby confirmed:

1. That in the preparation of the annual accounts for the year ended March 31, 2013, 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, 2013, on a going concern basis.

Corporate Governance

The Company follows the Business Excellence Framework, based on the Malcolm Baldrige Model, for continuous improvement in all spheres of its activities, to attain global standards including a clear focus on high standards of corporate governance. The company works towards continuous improvement in governance practices and processes. Board governance upgrades are underway and will be implemented in a progressive manner.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report. Also a detailed report on Corporate Governance practices followed by the 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 Practicing 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, 2013, is provided in this Annual Report.

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.

Business Responsibility Report

SEBI, vide its circular CIR/CFD/DIL/8/2012 dated August 13, 2012, mandated inclusion of Business Responsibility Report as part of the Annual Report for Top 100 listed entities based on market capitalisation at BSE and NSE as on March 31, 2012. Accordingly, Report on Business Responsibility is provided separately in this Annual Report.

Auditors and Auditors' Report

M/s. S.R. Batliboi & Associates LLP, 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.

With reference to the qualification in the auditors' report on the standalone financial statements of the Company pertaining to the dispute in GMR Malé International Airport Private Limited, auditors' observation is included in Basis for Qualified Opinion in the auditors' report. Management's disclosure on the qualification is detailed in note 43 of the notes to the standalone financial statements.

As regards to the auditors' 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.

With reference to the qualifications in the auditors' report on consolidated financial statements of the Company pertaining to the capitalization of indirect expenditure and borrowing costs in GMR Rajahmundry Energy Limited, capitalization of indirect expenditure towards project and borrowing costs in GMR Kishangarh Udaipur Ahmedabad Expressways Limited and dispute in GMR Malé International Airport Private Limited, auditors' observation is included in Point 1, 2 and 3 respectively under Basis for Qualified Opinion in the auditors' report. Management's disclosure on the qualifications are detailed respectively in note 35(viii)(j) (2), note 35(viii)(n) and note 30(a) & 35(viii)(m) of the notes to the consolidated financial statements.

Corporate Social Responsibility (CSR)

With a belief that corporates have a special and continuing responsibility towards social development, GMR Group is undertaking CSR activities on a significant scale through GMR Varalakshmi Foundation (GMRVF). The Vision of GMR Group's CSR activities is to make sustainable impact on the human development of under-served communities through initiatives in Education, Health and Livelihoods. Towards such inclusive growth, GMRVF works with the communities neighboring GMR Group's businesses for their economic and social development. Currently, GMRVF is working in over 200 villages/urban communities across 22 locations.

Environmental Protection and Sustainability

The Company has been aligning sustainability to assist organization in identifying the cross-cutting dimensions of triple bottom line performance and in understanding the process elements of environmental accountability and engagements. Triple bottom line performance expands the traditional reporting framework to take into account social and environmental performance in addition to financial performance.

Every business operations should be driven with core values in accordance with business requirements to attain sustainability with respect to social, environment and economy. The Company's business culture is cautiously driven through 7 core values (GMR Values & Beliefs) viz., Humility, Entrepreneurship, Teamwork and Relationships, Deliver the promise, Learning, Social Responsibility and Respect for Individual. Thus, Company's Environmental Initiatives are driven with three main values and beliefs - 'Humility', 'Social Responsibility' & 'Respect for Individual' towards achieving the harmony with nature and society.

The Company believes in integrating strong environmental management practices into its industrial enterprises across all business operations. Each business enterprise has been covered under stupendously articulated Corporate Environmental, Health, Safety & Quality (EHSQ) Policy. Sustainable practices reduce risks to life and property, and improve system efficiency which helps to conserve natural resources. When such practices become institutionalized, they reduce costs. Several unique schemes have been implemented to prevent pollution and conserve natural resources to achieve sustainable development.

The Company is aggressively implementing national policies, regulation and objectives in Environmental Management and Pollution Control measures. Continuous efforts are laid to build the strong foundation towards environmental excellence for all of its operations.

Airport Sector

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 Directorate General of Civil Aviation (DGCA), Airports and Airlines, Community Noise issues discussions along with DGCA and Ministry

of Civil Aviation and Collaborative Environment Management Programs with stakeholders are examples of efforts on social concerns.

DIAL is successfully maintaining its certifications for all the international programs to which it subscribes through continual improvement in the environmental performance. ACI has recognized DIAL for Greenhouse Gas (GHG) Inventory and Accredited to the Reduction Level under Airport Carbon Accreditation. DIAL has bagged the Greentech Environmental Management Award, 2013 for the best environmental practices. DIAL in collaboration with International Air Transport Association (IATA) conducted the workshop on 'Infrastructure, Fuel Efficiency for Emission Reductions & Sustainable Aviation Environment Management' and 70 numbers of participants were certified. Various workshops and training on Environmental Management System, Environmental Legal requirement, green initiatives, and CSR for Aerocity builders were some of the prime initiatives during FY 2012-13.

DIAL has established an Aircraft Noise Monitoring System (ANMS) and the Indira Gandhi International Airport Noise Mapping with DGCA & National Aerospace Laboratory is done.

As part of Corporate Environmental Responsibility, GHIAL has voluntarily initiated and completed the GHG accounting since the calendar year 2009 till 2012. Further, it has successfully completed verification of the GHG data through third party as per ISO 14064-1 specifications. By this, GHIAL has obtained level of assurance for its reduction of GHG emission. Airport Council International has accredited RGIA under the Airport Carbon Accreditation Programme - level 2 during FY 2012-13. Online continuous environmental monitoring station has been installed at RGIA. Ambient air quality, meteorological parameters and ambient noise levels are being monitored. This initiative forms one of the best environmental practices at Indian Airports. GHIAL has bagged First Prize for the Best landscape in Private Institutions category (3rd consecutive time), First Prize for the Best Rotaries and Second Prize for Residential Township. The award was received from the Commissioner Horticulture, Department of Horticulture, Government of Andhra Pradesh.

This year a group wide initiative was undertaken to conserve electricity and water through project 'Bijlee' (Electricity) and project 'Paani' (Water) respectively.

Energy Sector

All the Operating units are in compliance with environmental regulations. Hazardous wastes management and disposal has been in accordance with Central Pollution Control Board (CPCB) guidelines. The environmental management system followed at these operating units provides no-opportunity for any environmental violations through establishment of continuous ambient air monitoring systems at appropriate locations in and around the plants. Thus, environmental performance indicators like stack emissions, ambient air quality are maintained well within the stipulated norms. Also, each of the operating units has dedicated Effluent treatment Plant to treat waste water from the units and discharge in accordance with Pollution Control Board Norms. Noise level monitoring has been the part of the monitoring scheme which will ensure the noise levels within the legal

perimeter and also, helps in quick identification of any abnormality during operation.

Energy Sector has continuously ventured to promote cleaner fuel operations and renewable energy. The supercritical technology power plant is under development at Chhattisgarh. The 25 MW capacity Solar Photo-Voltaic based power generation has become part of the success story under Phase-1 of Gujarat Solar Power Policy-2009. Further, installation of 2.1 MW and 1.25 MW wind turbine generators in the state of Gujarat and Tamil Nadu respectively with the total capacity of the wind turbine generator being 3.35 MW has added the Company for its one step ahead commitment towards sustainability in terms of clean and renewable energy resource.

Energy Sector has pledged its commitment beyond the regulatory compliance and thus, ensuring the implementation of internationally accredited Management Systems at major units at operation. Environmental Management System (ISO 14001:2004) has been successfully implemented and certified by the certification agency. The strong management review through triple bottom-line approach ensures the continuous improvement in environmental performance.

GMR Power Corporation Limited (GPCL), Chennai plant has successfully maintained the performance standards in accordance with OHSAS 18001, ISO 14001 and ISO 9001. Further, to add the feather into its cap, the GPCL is certified with ISO 50001:2011 (Energy Management Systems) which is one of the first-of-its-kind standardization norms to any power plant and thus, the energy conservation initiatives resulted in savings of 1.42 Million Units of power during FY 2012-13. Also, GPCL has been rewarded with 'GREEN Award' from Government of Tamil Nadu for Environment protection activities, recycling the waste water, and reduction in usage of fossil fuels. The best environmental practices are consistently thriving to achieve the best environmental performance throughout the year.

GMR Vemagiri Power Generation Limited (GVPGL), Rajahmundry has also maintained the certification OHSAS 18001, ISO 14001 and ISO 9001. This year was marked with greenery development with 4500 saplings planted in the plant premises. The company was able to harvest rain water of 1,00,000 m³ during the season, and also conserve 30,000 m³ of water for gardening purpose through recycling of Cooling Tower (CT) blow down water. GVPGL, which is also registered as CDM project under Kyoto Protocol, has already been contributing towards the GHG emission reduction and Sustainable Development.

GMR Energy Limited (GEL), Kakinada has maintained the certification for Environmental Management System (ISO 14001:2004) in accordance to the standards requirement for continual improvement. The plant premises have enhanced the rain-water harvesting potential through the well-connected drainage network. GEL, Kakinada is now registered at Verified Carbon Standards Board (VCS Board) for its contribution towards GHG's reduction by using cleaner fuel for power generation.

GHG Accounting as per ISO 14064-1 specifications is already initiated at GVPGL, GEL and GPCL voluntarily to map the carbon foot print of the power

plant.

GMR Infrastructure Limited (GIL) understands the global thrusts for minimizing the effect of developmental projects towards global warming. The Company has developed / under development of various projects voluntarily, which ultimately reduces GHG emissions into the atmosphere and thus, minimizing the global warming effect. GMR Rajahmundry Energy Ltd., Rajahmundry which utilizes Natural Gas (Clean fuel) for power generation has been successfully registered as CDM Project at United Nations Framework Convention on Climate Change (UNFCCC) during the FY 2012-13. The two hydro projects promoted by the Company at the location of Alaknanda and Bajoli-Holi have been registered under CDM at UNFCCC during the FY 2012-13. Further, the Solar Power project set up at Gujarat and Wind power project at Gujarat and Tamil Nadu are also registered as CDM Projects at UNFCCC.

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.

Acknowledgements

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

For and on behalf of the Board

Place: Bengaluru
Date: July 27, 2013

G. M. Rao
Executive Chairman

Annexure 'A' to the Directors' Report

GMR Infrastructure Limited - Subsidiaries

Direct Subsidiaries		Subsidiaries to Subsidiaries										
Subsidiaries of DIAL		Subsidiaries of GHIAL		Subsidiaries of GEL		Subsidiaries of GLEL		Subsidiaries of GEML		Subsidiaries of GAGL		
Delhi International Airport Private Limited (DIAL)	East Delhi Waste Processing Company Private Limited	Delhi Aerotropolis Private Limited										
	GMR Airports Limited (GAL)	GMR Hyderabad International Airport Limited (GHIAL)	Subsidiary of GHIAL									GMR Airports (Malta) Limited
GMR Airports Limited (GAL)	GMR Hyderabad International Airport Limited (GHIAL)	Hyderabad Menzies Air Cargo Private Limited	GMR Hyderabad Aerotropolis Limited	GMR Hyderabad Airport Resource Management Limited	GMR Hyderabad Aviation SEZ Limited	GMR Hyderabad Multiproduct SEZ Limited	Hyderabad Airport Security Services Limited	GMR Hotels and Resorts Limited				
	Gateways for India Airports Private Limited	Hyderabad Duty Free Retail Limited	GMR Airport Handling Services Company Limited	GMR Airport Developers Limited (GADL)	Subsidiary of GADL (GADL Mauritius) Limited (GALML)	Subsidiary of GADL (GADL Mauritius) Limited (GALML)	GMR Airport (Global) Limited (GAGL)	GMR Male Retail Private Limited	Subsidiary of GAGL			
GMR Renewable Energy Limited (GREL)	GMR Energy Limited (GEL)	Subsidiaries of GEL										
	GMR Energy Trading Limited (GETL)	GMR Power Corporation Limited	GMR Mining & Energy Private Limited	SJK Powergen Limited	GMR Kamalanga Energy Limited	GMR Consulting Services Private Limited	GMR Rajahmundry Energy Limited					
GMR Power Infra Limited	GMR Power Corporation Limited	GMR Indo-Nepal Power Corridors Limited	GMR Indo-Nepal Energy Links Limited	GMR Chhattisgarh Energy Limited	GMR Bajoli Holi Hydropower Private Limited	GMR Londa Hydropower Private Limited	GMR Kakinada Energy Private Limited					
	Emco Energy Limited	Badrinath Hydro Power Generation Private Limited	GMR Gujarat Solar Power Private Limited	Himal Hydro Power Company Private Limited	GMR Maharashtra Energy Limited	GMR Bundelkhand Energy Private Limited	GMR (Badrinath) Hydro Power Generation Private Limited					
Energy	Aravalli Transmission Service Company Limited	Maru Transmission Service Company Limited	GMR Hosur Energy Limited	GMR Coastal Energy Private Limited	GMR Uttar Pradesh Energy Private Limited	GMR Energy (Mauritius) Limited (GEML)	GMR Coal Resources Pte Limited					
	GMR Lion Energy Limited (GLEL)	GMR Energy (Cyprus) Limited (GECL)	Subsidiary of GECL (Netherlands) BV (GEN)	Subsidiary of GEN (PTDSU)	Subsidiary of GEN (PTDuta Sarana Internusa (PTDSI))	Subsidiary of PTDSI (PTDuta Sarana Internusa (PTDSI))	Subsidiary of GEN (PTDuta Sarana Internusa (PTDSI))					
Energy	Karnali Transmission Company Private Limited	Marsyangdi Transmission Company Private Limited	GMR Upper Karnali Hydropower Public Limited	Homeland Energy Group Limited (HEGL)	Subsidiary of HEGL (HEGL)	Homeland Energy Corp. (HEC)	Homeland Mining & Energy SA (Pty) Limited (HMEL)					
	Homeland Coal Mining (Pty) Limited	Homeland Mining and Energy (Botswana) (Pty) Limited (HMBL)	Subsidiary of HEC	Subsidiary of HMBL	Subsidiary of HMBL	Subsidiary of HMBL	Subsidiary of HMBL					
Energy	Homeland Coal Mining (Pty) Limited	Homeland Mining and Energy (Botswana) (Pty) Limited (HMBL)	Subsidiary of HEC	Subsidiary of HMBL	Subsidiary of HMBL	Subsidiary of HMBL	Subsidiary of HMBL					
	Homeland Coal Mining (Pty) Limited	Homeland Mining and Energy (Botswana) (Pty) Limited (HMBL)	Subsidiary of HEC	Subsidiary of HMBL	Subsidiary of HMBL	Subsidiary of HMBL	Subsidiary of HMBL					

Annexure 'A' to the Directors' Report

GMR Infrastructure Limited - Subsidiaries

Direct Subsidiaries		Subsidiaries to Subsidiaries										
Highways	GMR Highways Limited (GHL)	GMR Pochampalli Expressways Limited	GMR Iadcherla Expressways Private Limited	GMR Ulundurpet Expressways Private Limited	GMR Highways Projects Private Limited	GMR Kishangarh Udalpur Ahmedabad Expressways Limited	GMR Tambaram - Tindivanam Expressways Private Limited	GMR Turi - Anakapalli Expressways Private Limited				
	GMR Ambala-Chandigarh Expressways Private Limited											
	GMR Hyderabad Vijayawada Expressways Private Limited											
	GMR Chennai Outer Ring Road Private Limited											
	GMR OSE Hungund Hospet Highways Private Limited											
	GMR SEZ & Port Holdings Private Limited (GSPHPL)											
	GMR Krishnagiri SEZ Limited											
Urban Infrastructure												
Corporate & International Business	GMR Infrastructure (Mauritius) Limited (GIML)	GMR Male International Airport Private Limited	GMR Infrastructure (UK) Limited	GMR Infrastructure Overseas Limited	GMR Infrastructure (Cyprus) Limited (GICL)	GMR Infrastructure (Singapore) PTE Limited (GISL)						
	GMR Infrastructure (Overseas) Limited											
	GMR Corporate Affairs Private Limited (GCAPL)											
	GMR Corporate Centre Limited											
	Dhruvi Securities Private Limited											
	GMR Aviation Private Limited											

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.

S.No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit before		Provision for		Profit after		Proposed Dividend
								Taxation	Taxation	Taxation	Taxation	Taxation	Taxation	
1	GMR Krishnagiri SEZ Limited	117.50	(4.06)	335.60	222.16	-	-	(0.68)	-	(0.68)	-	(0.68)	-	
2	GMR Aviation Private Limited	86.44	(46.79)	392.41	352.76	1.40	71.70	(23.34)	7.77	(31.11)	-	(31.11)	-	
3	GMR SEZ & Port Holdings Private Limited	47.99	(2.16)	305.65	259.82	-	-	(1.28)	-	(1.28)	-	(1.28)	-	
4	Advika Propertie Private Limited	1.00	(0.03)	7.01	6.04	-	-	-	-	-	-	-	-	
5	Aklima Properties Private Limited	1.00	(0.04)	4.10	3.14	-	-	-	-	-	-	-	-	
6	Amartya Properties Private Limited	1.00	0.01	7.73	6.72	-	-	-	-	-	-	-	-	
7	Baruni Properties Private Limited	1.00	(0.03)	6.12	5.15	-	-	-	-	-	-	-	-	
8	Bougainvillea Properties Private Limited	1.00	0.77	5.88	4.11	-	-	-	-	-	-	-	-	
9	Camelia Properties Private Limited	1.00	(0.17)	5.97	5.14	-	-	(0.07)	-	(0.07)	-	(0.07)	-	
10	Deepesh Properties Private Limited	1.00	1.80	5.81	3.01	-	-	(0.01)	-	(0.01)	-	(0.01)	-	
11	Ella Properties Private Limited	1.00	(0.04)	7.63	6.67	-	-	-	-	-	-	-	-	
12	Gerbera Properties Private Limited	1.00	-	6.54	5.54	-	-	-	-	-	-	-	-	
13	Lakshmi Priya Properties Private Limited	1.00	(0.03)	7.27	6.30	-	-	-	-	-	-	-	-	
14	Larkspur Properties Private Limited	1.00	(0.04)	13.53	12.57	-	-	(0.01)	-	(0.01)	-	(0.01)	-	
15	Honeysuckle Properties Private Limited	1.00	0.28	7.49	6.21	-	-	0.01	-	0.01	-	0.01	-	
16	Idilka Properties Private Limited	1.00	(0.03)	6.37	5.40	-	-	-	-	-	-	-	-	
17	Krishnapriya Properties Private Limited	1.00	(0.05)	5.94	4.99	-	-	(0.01)	-	(0.01)	-	(0.01)	-	
18	Nadira Properties Private Limited	1.00	0.07	6.48	5.41	-	-	0.10	-	0.10	-	0.10	-	
19	Prakaipa Properties Private Limited	1.00	(0.03)	6.77	5.80	-	-	-	-	-	-	-	-	
20	Purnachandra Properties Private Limited	1.00	(0.09)	6.86	5.95	-	-	(0.06)	-	(0.06)	-	(0.06)	-	
21	Padmapriya Properties Private Limited	1.00	0.68	25.77	24.09	0.50	-	0.40	0.12	0.28	-	0.28	-	
22	Pranesh Properties Private Limited	1.00	(0.03)	7.13	6.16	-	-	(0.01)	-	(0.01)	-	(0.01)	-	
23	Radhapriya Properties Private Limited	1.00	(0.03)	4.61	3.64	-	-	-	-	-	-	-	-	
24	Shreyadita Properties Private Limited	1.00	(0.05)	5.77	4.82	-	-	(0.07)	-	(0.07)	-	(0.07)	-	
25	Sreepa Properties Private Limited	1.00	(0.03)	5.53	4.56	-	-	(0.02)	-	(0.02)	-	(0.02)	-	
26	Asteria Real Estates Private Limited	0.03	(0.03)	9.36	9.36	-	-	-	-	-	-	-	-	
27	Lantana Properties Private Limited	0.01	(0.01)	6.87	6.87	-	-	(0.01)	-	(0.01)	-	(0.01)	-	
28	GMR Corporate Affairs Private Limited	20.00	0.27	188.80	168.53	-	7.47	(0.01)	(0.03)	0.02	-	0.02	-	
29	GMR Hotels and Resorts Limited	109.66	(85.03)	203.85	179.22	0.30	42.04	(23.85)	-	(23.85)	-	(23.85)	-	
30	Kakinada SEZ Private Limited	93.99	(2.27)	1,011.32	919.60	-	-	(0.65)	-	(0.65)	-	(0.65)	-	
31	Dhruvi Securities Private Limited	210.06	178.27	1,248.34	860.01	9.22	42.33	(20.65)	1.20	(21.85)	-	(21.85)	-	
32	GMR Business Process and Services Private Limited	0.01	(0.84)	7.64	8.47	-	0.25	(0.01)	-	(0.01)	-	(0.01)	-	
33	GMR Airport Developers Limited	5.10	26.38	43.92	12.44	1.00	64.68	18.77	6.22	12.55	-	12.55	-	
34	GMR Hyderabad International Airport Limited	378.00	65.48	3,025.13	2,581.65	10.22	702.86	159.05	53.21	105.84	-	105.84	-	

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 Comapnies Act, 1956. (contd.)

S.No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit before		Provision for		Profit after		Proposed Dividend
								Taxation	Taxation	Taxation	Taxation	Taxation	Taxation	
35	Hyderabad Airport Security Services Limited	12.50	0.46	74.86	61.90	1.32	-	0.20	0.04	0.16	-	-	-	
36	GMR Hyderabad Airport Resource Management Limited	0.05	0.60	1.06	0.41	0.25	-	0.03	0.01	0.02	-	-	-	
37	GMR Hyderabad Aerropolis Limited	23.63	(0.47)	23.66	0.50	0.57	-	(0.09)	-	(0.09)	-	-	-	
38	Hyderabad Menzies Air Cargo Private Limited	19.04	32.33	62.78	11.41	-	54.83	32.23	6.46	25.77	13.89	-	-	
39	GMR Hyderabad Multi Product SEZ Limited	0.05	(0.03)	0.02	-	-	-	-	-	-	-	-	-	
40	GMR Hyderabad Aviation SEZ Limited	30.00	9.63	109.85	70.22	1.50	17.13	7.31	2.49	4.82	-	-	-	
41	Gateways for India Airports Private Limited	0.01	1.77	2.69	0.91	2.45	-	0.25	0.08	0.17	-	-	-	
42	Delhi International Airport Private Limited	2,450.00	(1,380.69)	11,955.39	10,886.08	109.00	3,258.39	72.52	-	72.52	-	-	-	
43	Delhi Aerropolis Private Limited	0.10	(0.10)	0.08	0.08	-	-	0.04	-	0.04	-	-	-	
44	Hyderabad Duty Free Retail Limited	9.95	(5.82)	21.43	17.30	-	31.86	(0.62)	-	(0.62)	-	-	-	
45	GMR Airport Handling Services Company Limited	0.05	(0.02)	0.04	0.01	-	-	-	-	-	-	-	-	
46	GMR Airports Limited	1,828.67	84.56	1,920.06	6.83	4.52	56.66	45.29	14.52	30.77	-	-	-	
47	GMR Energy Limited	2,780.28	85.09	8,080.46	5,215.09	-	170.36	(476.75)	18.17	(494.92)	-	-	-	
48	GMR Vemagiri Power Generation Limited	759.50	(146.11)	895.66	282.27	-	338.29	(39.23)	37.70	(76.93)	-	-	-	
49	GMR Power Corporation Limited	247.50	577.48	1,743.91	918.93	-	796.44	113.80	22.77	91.03	-	-	-	
50	GMR (Badrinath) Hydro Power Generation Private Limited	5.00	(9.34)	364.98	369.32	-	-	(0.06)	-	(0.06)	-	-	-	
51	Badrinath Hydro Power Generation Private Limited	0.01	(0.01)	-	-	-	-	-	-	-	-	-	-	
52	GMR Mahashitra Energy Limited	0.05	(0.02)	7.06	7.03	-	-	(0.01)	-	(0.01)	-	-	-	
53	GMR Kamalanga Energy Limited	1,356.37	(14.85)	5,981.09	4,639.57	-	-	(2.67)	-	(2.67)	-	-	-	
54	GMR Energy Trading Limited	62.00	(8.92)	217.83	164.75	-	460.64	(16.27)	-	(16.27)	-	-	-	
55	GMR Consulting Services Private Limited	0.01	1.91	23.59	21.67	-	27.25	1.35	0.54	0.81	-	-	-	
56	GMR Coastal Energy Private Limited	0.01	(0.05)	3.06	3.10	-	-	(0.01)	-	(0.01)	-	-	-	
57	GMR Bajoli Holi Hydro Power Private Limited	161.61	(0.46)	400.16	239.01	-	-	(0.19)	-	(0.19)	-	-	-	
58	GMR Londa Hydro Power Private Limited	0.01	(0.28)	50.92	51.19	-	-	(0.01)	-	(0.01)	-	-	-	
59	GMR Kakinada Energy Private Limited	0.01	(0.02)	4.50	4.51	-	-	(0.01)	-	(0.01)	-	-	-	
60	GMR Chhattisgarh Energy Limited	822.87	(10.95)	6,810.54	5,998.62	2.00	-	(4.42)	-	(4.42)	-	-	-	
61	GMR Rajahmundry Energy Limited	520.00	(4.06)	3,623.89	3,107.95	-	-	(0.46)	-	(0.46)	-	-	-	
62	SIK Powergen Limited	0.50	4.05	152.80	148.25	-	-	(0.01)	-	(0.01)	-	-	-	
63	EMCO Energy Limited	435.00	(22.93)	3,876.13	3,464.06	-	11.13	(17.12)	-	(17.12)	-	-	-	
64	GMR Mining & Energy Private Limited	0.05	(0.60)	-	0.55	-	-	(0.01)	-	(0.01)	-	-	-	
65	GMR Bundelkhand Energy Pvt. Limited	0.01	(0.06)	11.90	11.95	-	-	(0.02)	-	(0.02)	-	-	-	
66	GMR Uttar Pradesh Energy Pvt. Limited	0.01	(0.01)	0.17	0.17	-	-	(0.01)	-	(0.01)	-	-	-	
67	GMR Hosur Energy Limited	0.05	(0.01)	21.17	21.13	-	-	(0.01)	-	(0.01)	-	-	-	
68	GMR Gujarat Solar Power Private Limited	73.60	8.47	372.43	290.36	15.20	60.89	11.32	2.27	9.05	-	-	-	

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.)

S.No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
69	GMR Indo-Nepal Energy Links Limited	0.05	(0.01)	0.27	0.23	-	-	(0.01)	-	(0.01)	-
70	GMR Indo-Nepal Power Corridors Limited	0.05	(0.01)	0.38	0.34	-	-	(0.01)	-	(0.01)	-
71	GMR Renewable Energy Limited	1,014.44	(0.11)	1,014.35	0.02	1.60	1.40	0.64	0.05	0.59	-
72	East Delhi Waste Processing Company Private Limited	30.50	(1.77)	177.40	148.67	-	-	(0.64)	-	(0.64)	-
73	GMR Hyderabad Airport Power Distribution Limited	0.05	(0.01)	0.04	-	-	-	(0.01)	-	(0.01)	-
74	GMR Power Infra Limited	1.70	0.82	6.84	4.32	-	0.76	(0.05)	-	(0.05)	-
75	GMR Tambaram Tindivanam Expressways Private Limited	1.00	154.17	535.27	380.10	-	81.23	11.89	2.59	9.30	-
76	GMR Tuni Anakapalli Expressways Private Limited	1.00	87.25	369.03	280.78	-	58.94	8.40	1.93	6.47	-
77	GMR Ambala Chandigarh Expressways Private Limited	216.59	(103.21)	578.56	465.18	-	28.59	(23.14)	-	(23.14)	-
78	GMR Jodheria Expressways Private Limited	197.00	(17.50)	510.06	330.56	1.70	64.23	2.61	0.53	2.08	-
79	GMR Pochanpalli Expressways Limited	182.50	42.66	817.01	591.85	3.19	108.36	22.46	4.50	17.96	-
80	GMR Ulundurpet Expressways Private Limited	344.17	(56.48)	958.73	671.04	4.89	87.99	(8.25)	-	(8.25)	-
81	GMR Highways Limited	726.54	(79.18)	1,893.80	1,246.44	0.40	16.38	(62.90)	0.66	(63.56)	-
82	GMR Hyderabad Vijayawada Expressways Private Limited	297.83	(24.12)	2,276.51	2,002.80	-	64.75	(21.47)	-	(21.47)	-
83	GMR Chennai Outer Ring Road Private Limited	150.00	(1.03)	822.40	673.43	-	-	(0.04)	-	(0.04)	-
84	GMR OSE Hungund Hospet Highways Private Limited	230.00	(16.39)	1,241.34	1,027.73	-	23.28	(14.39)	-	(14.39)	-
85	GMR Highways Projects Private Limited	0.01	(0.01)	-	-	-	-	-	-	-	-
86	GMR Kishangarh Udaipur Ahmedabad Expressways Limited	700.00	(2.45)	705.21	7.66	-	-	(1.77)	-	(1.77)	-
87	GMR Infrastructure (Global) Limited (b)	687.16	(1.37)	685.90	0.11	-	-	(0.14)	-	(0.14)	-
88	GMR Infrastructure (Cyprus) Limited (b)	0.03	(43.13)	1,436.09	1,479.19	-	-	12.89	1.31	11.58	-
89	GMR Energy (Global) Limited (b)	685.52	(683.35)	2.39	0.22	-	-	(0.09)	-	(0.09)	-
90	GMR Infrastructure Overseas, S.L. (d)	0.02	188.59	300.95	112.34	-	-	2.60	0.09	2.51	-
91	GMR Infrastructure (Mauritius) Limited (b)	1,756.61	(105.79)	3,184.93	1,534.11	-	-	(49.53)	-	(49.53)	-
92	GMR Infrastructure (UK) Limited (e)	41.20	(79.38)	43.01	81.19	-	10.41	(5.51)	-	(5.51)	-
93	GMR Airports (Malta) Limited (d)	0.01	(3.70)	105.25	108.94	-	-	(2.72)	-	(2.72)	-
94	GADL (Mauritius) Limited (b)	0.83	(0.10)	0.81	0.08	-	0.27	0.10	-	0.10	-
95	GADL International Limited (b)	0.14	15.08	296.22	281.00	-	304.56	73.86	11.46	62.40	-
96	GMR Infrastructure (Overseas) Limited (b)	-	(7.63)	0.25	7.88	-	-	(7.30)	-	(7.30)	-
97	GMR Male International Airport Private Limited (b)	164.67	182.65	1,327.42	980.10	-	973.65	(39.33)	(4.42)	(34.91)	-
98	GMR Airport Global Limited (b)	0.55	69.50	71.15	1.10	-	37.12	29.92	-	29.92	-
99	GMR Male Retail Private Limited (b)	0.11	(0.06)	0.11	0.06	-	-	(0.05)	-	(0.05)	-
100	GMR Energy (Mauritius) Limited (b)	408.06	(12.96)	480.99	85.89	-	-	(0.18)	-	(0.18)	-
101	GMR Lion Energy Limited (b)	16.12	(0.56)	44.06	28.50	-	-	(0.10)	-	(0.10)	-
102	GMR Energy(Cyprus) Limited (b)	0.02	7.29	312.26	304.95	-	-	(49.21)	-	(49.21)	-

(₹ 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.)

S.No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
103	GMR Energy (Netherlands) B.V.(b)	0.13	242.71	460.66	217.82	-	-	(13.16)	-	(13.16)	-
104	PT Unsoco (c)	0.56	0.09	0.65	-	-	-	0.03	-	0.03	-
105	PT Dwikarya Sejati Utama (b)	35.50	(0.17)	35.60	0.27	-	-	-	-	-	-
106	PT Duta Sarana Internusa (b)	198.47	(7.40)	252.02	60.95	-	-	0.08	-	0.08	-
107	PT Barasentosa Lestari (b)	235.03	(14.05)	258.72	37.74	-	-	(2.84)	-	(2.84)	-
108	Homeland Mining and Energy Botswana@ (g)	-	-	-	-	-	-	-	-	-	-
109	Homeland Mining & Energy SA (Pty) Limited@ (g)	-	(246.05)	306.08	552.13	-	(0.06)	(248.16)	(51.50)	(196.66)	-
110	Homeland Coal Mining (Pty) Limited@ (g)	-	(56.85)	75.50	132.35	-	(0.22)	(64.07)	(12.19)	(51.88)	-
111	Corpdlo 331 (Pty) Limited@ (g)	-	(5.65)	0.15	5.80	-	-	(0.43)	-	(0.43)	-
112	Ferret Coal Holdings (Pty) Limited@ (g)	-	-	-	-	-	-	-	-	-	-
113	Ferret Coal (Kendal) (Pty) Limited@ (g)	-	(183.98)	226.90	410.88	-	88.71	(132.18)	(45.49)	(86.69)	-
114	Wizard Investments (Pty) Limited @ (g)	-	-	-	-	-	-	-	-	-	-
115	Homeland Energy (Swaziland) (Pty) Limited@ (g)	-	-	-	-	-	-	-	-	-	-
116	Homeland Energy Group Limited @ (h)	527.56	(701.03)	199.73	373.20	2.88	102.60	(249.33)	1.18	(250.51)	-
117	Homeland Energy Corp@ (h)	-	-	-	-	-	-	-	-	-	-
118	GMR Energy (Singapore) Pte.Limited (f)	-	-	-	-	-	-	7.36	1.08	6.28	-
119	GMR Supply (Singapore) Pte. Limited** (f)	-	-	-	-	-	-	(0.05)	-	(0.05)	-
120	GMR Infrastructure Singapore Pte Limited** (f)	302.32	1,292.14	2,908.23	1,313.77	-	1,342.83	1,221.18	0.70	1,220.48	-
121	GMR Energy Projects (Mauritius) Limited (b)	0.05	1.12	12.69	11.52	-	15.01	0.80	0.05	0.75	-
122	GMR Coal resources Pte Ltd. (b)	34.25	(152.31)	2,835.25	2,953.31	3.67	-	(100.92)	-	(100.92)	-
123	Himal Hydro Power Co. (P) Limited (a)	12.50	(0.35)	28.11	15.96	-	-	(0.21)	0.01	(0.22)	-
124	GMR Upper Karnali Hydro Power Limited (a)	0.94	(1.30)	38.32	38.68	-	-	(0.58)	-	(0.58)	-
125	Karnali Transmission Company Private Limited (a)	0.21	(0.03)	0.94	0.76	-	-	-	-	-	-
126	Marsyangdi Transmission Co. Pvt. Limited (a)	0.21	(0.03)	1.35	1.17	-	-	-	-	-	-
127	Arawali Transmission Service Company Ltd.	5.23	(0.64)	140.00	135.41	-	-	(0.09)	-	(0.09)	-
128	Maru Transmission Service Company Ltd.	8.94	(1.14)	177.89	170.09	-	-	(0.18)	-	(0.18)	-

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 & Joint Ventures.
3. @These companies financial statements are for the period ended on and as at December 31, 2012.
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. **The Company has ceased to be a subsidiary company as on March 31, 2013 and has been considered for the purpose of consolidation of accounts.
6. Details of reporting currency and the rate used in the preparation of consolidated financial statements.

Reporting Currency Reference	For Conversion		
	Currency	Average Rate (in ₹)	Closing Rate (in ₹)
a	NPR	1.6	1.6
b	USD	54.59	54.80
c	IDR	0.006	0.006
d	Euro	70.02	69.495
e	GBP	85.92	82.228
f	SGD	43.63	43.72
g	ZAR	6.56	6.44
h	CAD	53.23	55.26

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, 2013:

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:

(₹ in Crore)

Particulars	March 31, 2013	March 31, 2012
Interest income	10.09	37.97
Profit on sale of Investment	75.83	-
Management Consulting fees	6.58	-
Total	92.50	37.97