

Limited Review Report

Review Report to
The Board of Directors of GMR Infrastructure Limited

1. We have reviewed the statement of unaudited financial results of GMR Infrastructure Limited ('the Company') for the quarter ended September 30, 2011 (the "Statement"), included in the accompanying statement of unaudited financial results, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our conclusion, we draw attention to Note 5 to the financial results for the quarter ended September 30, 2011 in connection with an investment of Rs. 282.41 Crores (including loans of Rs. 65.82 Crores and investment in equity / preference shares of Rs. 216.59 Crores made by the Company and its subsidiaries) in GMR Ambala Chandigarh Expressways Private Limited (GACEPL). Though GACEPL has been incurring losses since the commencement of commercial operations, based on management's internal assessment and legal opinion obtained by the management of GACEPL, such investment has been carried at cost.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended)] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. Batliboi & Associates
For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

Sunil Bhumralkar
per Sunil Bhumralkar
Partner
Membership No.: 35141



Place: Bengaluru
Date: November 09, 2011

GMR Infrastructure Limited

Registered Office: 25/1, Skip House, Museum Road, Bengaluru - 560 025

Unaudited Financial Results for the quarter ended September 30, 2011

| Particulars | Stand-alone Results [in Rs. Crore, except for share data] | | | | |
|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|----------------------|------------------------------|----------------------|------------------------|
| | Quarter ended September 30 | | Half year ended September 30 | | Year ended March 31 |
| | 2011 Unaudited | 2010 Unaudited | 2011 Unaudited | 2010 Unaudited | 2011 Audited |
| 1. Revenue from operations | | | | | |
| Sales / Income from Operations | 348.25 | 127.05 | 615.05 | 203.74 | 727.40 |
| Total Income | 348.25 | 127.05 | 615.05 | 203.74 | 727.40 |
| 2. Expenditure | | | | | |
| a) Operating Expenses | 240.64 | 35.51 | 403.31 | 59.93 | 389.94 |
| b) (Increase) or Decrease in Stock in Trade | (14.06) | 6.91 | (17.91) | 8.13 | 2.11 |
| c) Employees Cost | 12.43 | 11.15 | 22.82 | 12.93 | 38.65 |
| d) General and Administrative Expenditure | 25.84 | 19.35 | 42.87 | 23.52 | 57.14 |
| Total Operating Cost | 264.85 | 72.92 | 451.09 | 104.51 | 487.84 |
| 3. EBIDTA (1) - (2) | 83.40 | 54.13 | 163.96 | 99.23 | 239.56 |
| 4. Depreciation / Amortisation | 1.75 | 0.88 | 3.41 | 1.54 | 4.91 |
| 5. Profit from Operation before Other Income, Interest and Exceptional items (3) - (4) | 81.65 | 53.25 | 160.55 | 97.69 | 234.65 |
| 6. Other Income | 29.69 | 1.29 | 30.83 | 2.62 | 5.46 |
| 7. Profit from Operation before Interest and Exceptional items (5) + (6) | 111.34 | 54.54 | 191.38 | 100.31 | 240.11 |
| 8. Interest | 48.54 | 45.25 | 96.89 | 98.24 | 174.14 |
| 9. Profit / (Loss) from Ordinary Activities before tax (7) - (8) | 62.80 | 9.29 | 94.49 | 2.07 | 65.97 |
| 10. Provision for taxation | | | | | |
| - Current Tax | 11.75 | 5.60 | 20.43 | 5.88 | 23.66 |
| - Reversal of earlier years tax provision | - | - | (1.40) | - | (1.52) |
| - MAT credit entitlement | (8.30) | (5.60) | (8.83) | (5.88) | (16.36) |
| - Deferred Tax | 0.99 | 0.32 | 1.44 | 0.06 | 1.31 |
| 11. Net Profit/(Loss) from Ordinary Activities after tax (9) - (10) | 58.36 | 8.97 | 82.85 | 2.01 | 58.88 |
| 12. Paid-up equity share capital (Face value - Re. 1 per share) | 389.24 | 389.24 | 389.24 | 389.24 | 389.24 |
| 13. Reserves excluding Revaluation Reserves as per balance sheet | 6,829.82 | 6,758.57 | 6,829.82 | 6,758.57 | 6,780.34 |
| 14. Debenture Redemption Reserve (included in Reserves in no. 13 above) | 50.89 | 23.93 | 50.89 | 23.93 | 40.99 |
| 15. Earnings Per Share - Basic and Diluted - (Rs.) (not annualised) | 0.15 | 0.02 | 0.21 | 0.01 | 0.15 |
| Weighted average number of shares used in computing Earning Per Share | 3,892,432,532 | 3,892,432,032 | 3,892,432,532 | 3,867,833,082 | 3,880,098,989 |
| 16. Debt Service Coverage Ratio (DSCR) | 2.29 | 0.12 | 0.86 | 0.20 | 0.25 |
| 17. Interest Service Coverage Ratio (ISCR) | 2.29 | 1.21 | 1.98 | 1.02 | 1.38 |
| 18. Debt Equity Ratio | 0.31 | 0.30 | 0.31 | 0.30 | 0.33 |
| 19. Public Shareholding | | | | | |
| - Number of shares | 1,112,595,950 | 1,143,878,988 | 1,112,595,950 | 1,143,878,988 | 1,122,095,312 |
| - Percentage of shareholding | 28.58% | 29.39% | 28.58% | 29.39% | 28.83% |
| 20. Promoters and Promoter Group Share Holding | | | | | |
| a) Pledged / Encumbered | | | | | |
| - Number of shares | 793,555,360 | 475,271,165 | 793,555,360 | 475,271,165 | 630,181,498 |
| - Percentage of shares (as % of the total shareholding of promoter and promoter group) | 28.55% | 17.29% | 28.55% | 17.29% | 22.75% |
| - Percentage of shares (as % of the total share capital of the Company) | 20.39% | 12.21% | 20.39% | 12.21% | 16.19% |
| b) Non- Encumbered | | | | | |
| - Number of shares | 1,986,283,472 | 2,273,284,629 | 1,986,283,472 | 2,273,284,629 | 2,140,157,972 |
| - Percentage of shares (as % of the total shareholding of promoter and promoter group) | 71.45% | 82.71% | 71.45% | 82.71% | 77.25% |
| - Percentage of shares (as % of the total share capital of the Company) | 51.03% | 58.40% | 51.03% | 58.40% | 54.98% |

GMR Infrastructure Limited

Report on Stand-alone Segment Revenue, Results and Capital Employed

(in Rs. Crore)

| Particulars | Quarter ended September 30 | | Half year ended September 30 | | Year ended March 31 |
|-----------------------------------------------------------------------|----------------------------|-------------------|------------------------------|-------------------|------------------------|
| | 2011 Unaudited | 2010 Unaudited | 2011 Unaudited | 2010 Unaudited | 2011 Audited |
| | 1. Segment Revenue | | | | |
| a) EPC | 264.45 | 72.35 | 456.37 | 105.58 | 507.37 |
| b) Others | 83.80 | 54.70 | 158.68 | 98.16 | 220.03 |
| Total | 348.25 | 127.05 | 615.05 | 203.74 | 727.40 |
| Less: Inter Segment | - | - | - | - | - |
| Net Segment Revenue | 348.25 | 127.05 | 615.05 | 203.74 | 727.40 |
| 2. Segment Result [Profit before tax and interest] | | | | | |
| a) EPC | 13.29 | 10.49 | 24.21 | 13.11 | 59.25 |
| b) Others | 98.05 | 44.05 | 167.17 | 87.20 | 180.86 |
| Total | 111.34 | 54.54 | 191.38 | 100.31 | 240.11 |
| Less: Interest expenses | 48.54 | 45.25 | 96.89 | 98.24 | 174.14 |
| Profit before tax | 62.80 | 9.29 | 94.49 | 2.07 | 65.97 |
| 3. Capital employed (Segment Assets - Segment Liabilities) | | | | | |
| a) EPC | 109.16 | (21.55) | 109.16 | (21.55) | 103.20 |
| b) Others | 9,361.11 | 9,366.66 | 9,361.11 | 9,366.66 | 9,419.17 |
| c) Unallocated | (2,251.21) | (2,197.30) | (2,251.21) | (2,197.30) | (2,352.79) |
| Total | 7,219.06 | 7,147.81 | 7,219.06 | 7,147.81 | 7,169.58 |

Notes to standalone results:

1. Statement of assets & liabilities

(in Rs. Crore)

| Particulars | As at September 30, 2011 (Unaudited) | As at September 30, 2010 (Unaudited) |
|-------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| Shareholders' funds | | |
| Share capital | 389.24 | 389.24 |
| Reserves and surplus | 6,829.82 | 6,758.57 |
| Loan funds | 2,250.48 | 2,176.62 |
| Deferred tax liability (Net) | 2.71 | 0.03 |
| Total | 9,472.25 | 9,324.46 |
| Fixed assets (Net) | 97.49 | 63.80 |
| Investments | 6,179.18 | 6,767.26 |
| Current assets, loans and advances | | |
| Inventories | 28.48 | 4.55 |
| Sundry debtors | 143.77 | 107.67 |
| Cash and bank balances | 830.17 | 281.26 |
| Other current assets | 242.07 | 37.25 |
| Loans and advances | 2,456.72 | 2,363.50 |
| | 3,701.21 | 2,794.23 |
| Less: Current liabilities and provisions | | |
| Current liabilities | 460.81 | 250.34 |
| Provisions | 44.82 | 50.49 |
| | 505.63 | 300.83 |
| Total | 9,472.25 | 9,324.46 |

2. Investors can view the standalone results of the company on the Company's website www.gmrgroup.in or on the websites of BSE (www.bseindia.com) or NSE (www.nse-india.com).

3. Segment Reporting

- GMR Infrastructure Limited ("the Company" or "GMR") carries on its business in two business verticals viz., Engineering Procurement Construction (EPC) and others.
- The segment report of the Company has been prepared in accordance with AS 17 on Segment Reporting notified pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended).

The business segments of the Company comprise of the following:

| Segment | Description of Activity |
|---------|------------------------------------------------------------------------------------------|
| EPC | Handling of engineering, procurement and construction solutions in Infrastructure Sector |
| Others | Investment activity and corporate support to various infrastructure SPVs |

4. The Company has an investment of Rs. 1,823.09 Crore (including a loan of Rs. 345.10 Crore) in its subsidiary GMR Infrastructure (Mauritius) Limited ('GIML') as at September 30, 2011.

During the year ended March 31, 2011, GMR Infrastructure (Malta) Limited, a wholly owned subsidiary of GMR Holding (Malta) Limited ('GHML'), which through its step-down subsidiary held 50% economic stake in InterGen N.V., entered into an agreement to sell the investment in InterGen N.V. for USD 1,232 million to Overseas International Inc. Limited, an associate of China Huaneng Group. The transaction was consummated in April 2011 for the aforesaid consideration after obtaining the necessary regulatory approvals. On consummation of the transaction, GHML repaid the loans from the banks in full and Compulsory Convertible Debentures issued to GMR Energy Global Limited (step-down subsidiary of GIML) in part and GMR recorded a loss of Rs 938.91 Crore, as an exceptional item in its consolidated financial statements for the year ended March 31, 2011.

Notes to standalone results:

Despite the aforementioned loss, based on valuation assessment of GIML and its investments in underlying subsidiaries / joint ventures the management of the Company continues to carry the investment in GIML at cost as at September 30, 2011.

5. The Company has an investment of Rs. 282.41 Crore (including loans of Rs. 65.82 Crore and investment in equity / preference shares of Rs.216.59 Crore made by the Company and its subsidiaries) in GMR Ambala Chandigarh Expressways Private Limited (GACEPL) as at September 30, 2011. GACEPL has been incurring losses since the commencement of commercial operations. The management believes that these losses are primarily attributable to loss of revenue arising as a result of diversion of partial traffic on parallel roads. Based on management's internal assessment and a legal opinion, the management of GACEPL is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly, the investment in GACEPL has been carried at cost. The statutory auditors of the Company have drawn an Emphasis of Matter in their limited review report.
6. Investor complaints / references: During the current quarter, 23 investor complaints / references were received and resolved. There were no complaints / references pending, both at the beginning and end of the quarter.
7. DSCR represents Profit from Operation before Interest and Exceptional items/ (Interest Expense + Principal Repayment of Loan funds during the period). ISCR represents Profit from Operation before Interest and Exceptional items / Interest Expense. Interest Expense does not include Debenture Redemption Premium which has been adjusted against the Securities Premium Account. Debt Equity Ratio represents Loan Funds / Shareholder's Funds (Share Capital + Reserves and Surplus).
8. Other Income includes foreign exchange gain (net) of Rs. 29.49 Crore for the quarter ended September 30, 2011 and Rs. 29.51 Crore for the half year ended September 30, 2011. General and Administrative Expenditure includes foreign exchange loss (net) of Rs. 0.51 Crore for the quarter ended September 30, 2010 and Rs. 0.81 Crore for the half year ended September 30, 2010.
9. The financial results of the Company for the quarter ended September 30, 2011 have been reviewed by the Audit Committee at their meeting on November 09, 2011 and approved by the Board of Directors at their meeting on November 09, 2011.
10. The Statutory Auditors of the Company have carried out a Limited Review of the above standalone financial results of the Company for the quarter ended September 30, 2011.
11. Figures pertaining to previous periods have been regrouped, reclassified and restated, wherever necessary, to conform to the classification adopted in the current period.

For GMR Infrastructure Limited

Bengaluru
November 09, 2011

B V Nageswara Rao
Managing Director