

Walker Chandiook & Co LLP

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Independent Auditor's Report on Standalone Annual Financial Results of GMR Power and Urban Infra Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

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

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of GMR Power and Urban Infra Limited ('the Company') for the year ended 31 March 2026, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net loss after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2026.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.



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

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

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Emphasis of Matters

4. As explained in note 3(a) to the accompanying Statement, the Company has invested in GMR Consulting Services Limited ('GCSL'), subsidiary of the Company. The Company together with GCSL has investments in GMR Energy Limited ('GEL'), a subsidiary of the Company, amounting to Rs. 2,820.67 crores as at 31 March 2026. GEL has further invested in GMR Kamalanga Energy Limited ('GKEL') and GMR Warora Energy Limited ('GWEL'), both subsidiary companies. The carrying value of investment of the Company in GEL is dependent upon fair values of GKEL and GWEL. The aforementioned investments are designated at their respective fair values as at the reporting date as per Ind AS 109 — Financial Instruments'.

With respect to aforesaid fair values, we draw attention to:

- (a) Note 3(b) to the accompanying Statement which states that the fair value of investment in GWEL considered for the purpose of determining the carrying value of aforesaid investment in GEL, is based on the valuation of GWEL performed by an external valuation expert using the discounted future cash flows method which is dependent upon recoverability of claims relating to transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') as explained below, which are under dispute and pending settlement/ realization as on 31 March 2026, capacity utilization of plant in future years and certain other key assumptions as considered in the aforementioned valuation performed by an external valuation expert.

The claims pertain to recovery of transmission charges from MSEDCL by GWEL. GWEL has disputed the contention of MSEDCL that the cost of transmission charges are to be paid by GWEL. However, based on the order of the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated 8 May 2015, currently contested by MSEDCL in the Hon'ble Supreme Court and pending conclusion, GWEL had accounted for reimbursement of such transmission charges amounting to Rs. 616.33 crores in the Statement of Profit and Loss for the period from 17 March 2014 to 30 November 2020. Further, GWEL has disclosed the aforesaid transmission charges and those invoiced directly to MSEDCL, a customer of GWEL, by Power Grid Corporation Limited for the period from 1 December 2020 to 31 March 2026 as contingent liability, as further described in aforesaid note.

- (b) Note 3(c) to the accompanying Statement which states that the fair value of investment in GKEL considered for the purpose of determining the carrying value of aforesaid investment in GEL is based on the valuation of GKEL performed by an external valuation expert using the discounted future cash flows method which is dependent on the achievement of certain key assumptions considered in aforementioned valuation such as expansion and optimal utilization of existing plant capacity, and timing and amount of settlement of disputes with customers, which are outstanding as on 31 March 2026 as further explained in the said note.

The management of the Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuation assessment made by an external valuation expert, is of the view that the carrying value of the aforesaid investment in GEL, taking into account the matters described above in relation to the investment made by GEL in GWEL and GKEL is appropriate and accordingly, no adjustment to the aforesaid balance are required to be made in the accompanying Statement.

Our opinion is not modified in respect of these matters.

5. We draw attention to Note 4 to the accompanying Statement which describes that the Company has recognised certain claims in the year ended 31 March 2026 and preceding years pertaining to Dedicated Freight Corridor Corporation ('DFCC') project basis evaluation by the joint venture ('JV') incorporated between the Company and SEW Infrastructure Limited, of JV's entitlement under the contract towards recovery of prolonged cost, as further detailed in the aforesaid note.

Based on the legal opinion and favourable award received from Dispute Adjudicating Board as stated in the said note, the management is of the view that the aforesaid claims as included in unbilled revenue as at 31 March 2026 are fully recoverable. Our opinion is not modified in respect of this matter.

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Responsibilities of Management and Those Charged with Governance for the Statement

6. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit or loss and other comprehensive income, and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
7. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

9. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
10. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

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- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

13. The Statement includes the financial results for the quarter ended 31 March 2026, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013



Anamitra Das
Partner
Membership No. 062191
UDIN: 26062191PVUXYA6306



Place: New Delhi
Date: 21 May 2026

GMR Power And Urban Infra Limited

Corporate Identity Number (CIN): L45400HR2019PLC125712

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Statement of standalone financial results for the quarter and year ended March 31, 2026

(Rs. in crore)

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Refer note 10)	Unaudited	(Refer note 10)	Audited	Audited
1. Income					
a) Revenue from operations					
Sales/ income from operations	90.96	100.81	104.41	367.28	480.89
b) Other income					
Other income	10.61	1.11	0.69	22.92	27.70
Total income	101.57	101.92	105.10	390.20	508.59
2. Expenses					
a) Cost of materials consumed	5.17	0.88	3.95	13.48	34.68
b) Sub-contracting expenses	21.93	15.12	19.83	61.06	84.69
c) Employee benefits expense	5.71	3.28	3.36	15.54	12.01
d) Other expenses	18.19	18.45	18.22	66.66	70.62
Total expenses	51.00	37.73	45.36	156.74	202.00
3. Earnings before finance costs, tax, depreciation and amortisation expenses (EBITDA) and exceptional items (1-2)	50.57	64.19	59.74	233.46	306.59
4. Finance costs	85.62	73.81	62.80	348.15	292.86
5. Depreciation and amortisation expenses	2.27	0.78	0.20	3.54	4.08
6. (Loss)/ profit before exceptional items and tax expenses (3 - 4 - 5)	(37.32)	(10.40)	(3.26)	(118.23)	9.65
7. Exceptional items (refer note 6)	(141.21)	18.60	53.32	(31.34)	736.95
8. (Loss)/profit before tax (6) + (7)	(178.53)	8.20	50.06	(149.57)	746.60
9. Tax expense	-	-	-	-	-
10. (Loss)/profit for the quarter/ year (8) ± (9)	(178.53)	8.20	50.06	(149.57)	746.60
11. Other comprehensive (loss)/ income (net of tax)					
Items that will not be reclassified to profit or loss					
-Re-measurement gain/ (loss) on defined benefit plans	0.54	(0.84)	0.22	(0.22)	0.08
-Net (loss)/ gain on fair valuation through other comprehensive income ('FVTOCI') of equity securities	(188.33)	1,050.92	(199.30)	1,191.31	(1,841.23)
Total other comprehensive (loss)/ income for the quarter/ year	(187.79)	1,050.08	(199.08)	1,191.09	(1,841.15)
12. Total comprehensive (loss)/ income for the quarter/ year (10+11)	(366.32)	1,058.28	(149.02)	1,041.52	(1,094.55)
13. Paid-up equity share capital (Face value Rs. 5 per share)	390.51	357.42	357.42	390.51	357.42
14. Other equity (excluding equity share capital)				3,204.49	1,296.60
15. Earnings per share (EPS) (Rs.) (not annualised)					
Basic and Diluted	(2.35)	0.12	0.70	(2.06)	10.91



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GMR Power And Urban Infra Limited
Audited standalone statement of assets and liabilities

(Rs. in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
A Assets		
1 Non-current assets		
Property, plant and equipment	1.33	0.29
Right of use assets	78.30	1.00
Intangible assets	1.78	2.10
Intangible assets under development	0.35	-
Financial assets		
Investments	4,040.05	1,803.11
Trade receivables	1.00	0.83
Loans	479.09	735.92
Other financial assets	7.62	9.22
Income tax assets (net)	8.08	6.18
Deferred tax assets (net)	-	-
Other non-current assets	2.07	2.20
	4,619.67	2,560.85
2 Current assets		
Inventories	4.90	9.29
Financial assets		
Trade receivables	275.22	142.93
Cash and cash equivalents	90.63	167.01
Bank balances other than cash and cash equivalents	27.34	21.21
Loans	201.44	254.00
Other financial assets	770.99	1,330.18
Other current assets	32.61	51.44
	1,403.13	1,976.06
3 Assets classified as held for sale	37.75	147.98
Total assets	6,060.55	4,684.89
B Equity and liabilities		
4 Equity		
Equity share capital	390.51	357.42
Other equity	3,204.49	1,296.60
Total equity	3,595.00	1,654.02
Liabilities		
5 Non-current liabilities		
Financial liabilities		
Borrowings	1,205.15	1,372.30
Lease liabilities	65.91	0.67
Other financial liabilities	92.13	12.55
Provisions	0.34	0.13
	1,363.53	1,385.65
6 Current liabilities		
Financial liabilities		
Borrowings	722.16	535.58
Lease liabilities	2.94	0.45
Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	39.77	39.25
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	181.81	256.73
Other financial liabilities	135.19	793.26
Other current liabilities	17.08	19.12
Provisions	3.07	0.83
	1,102.02	1,645.22
Total equity and liabilities	6,060.55	4,684.89



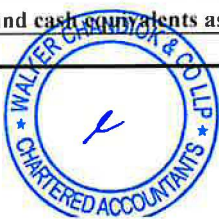
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GMR Power And Urban Infra Limited
Audited standalone statement of cash flows for the year ended March 31, 2026

(Rs. in crore)

Particulars	March 31, 2026	March 31, 2025
Cash flow from operating activities		
(Loss)/profit before tax expense	(149.57)	746.60
Adjustments to reconcile (loss)/ profit before tax to net cash flows		
Depreciation and amortisation expenses	3.54	4.08
Exceptional items	(19.34)	(736.95)
Net foreign exchange differences (unrealised)	(8.62)	3.00
Loss on disposal of assets (net)	-	1.85
Provisions/liabilities no longer required, written back	(12.89)	(22.10)
Reversal of upfront loss on long term construction cost	(1.58)	(0.69)
Profit on sale of current investments (net)	(6.64)	(4.53)
Bad debts written off	0.06	-
Finance income (including finance income on finance asset measured at amortised cost)	(158.60)	(215.99)
Finance costs	348.15	292.86
Operating (loss)/ profit before working capital changes	(5.49)	68.13
Working capital adjustments:		
Change in inventories	4.39	11.89
Change in trade receivables	(132.52)	(101.33)
Change in other financial assets	0.78	139.88
Change in other assets	18.96	16.82
Change in trade payables	(59.96)	(73.21)
Change in other financial liabilities	2.63	0.06
Change in provisions	1.80	0.93
Change in other liabilities	(2.05)	(132.67)
Cash used in operations	(171.46)	(69.50)
Direct taxes (paid)/refund (net)	(1.90)	3.18
Net cash used in operating activities	(A) (173.36)	(66.32)
Cash flow from investing activities		
Purchase of property, plant and equipment, intangible assets and cost incurred towards such assets under development (net)	(2.33)	(0.15)
Proceeds from disposal of property, plant and equipment	8.13	10.49
Purchase of non-current investments/ debentures/ investments in subsidiaries	(2,105.84)	(387.49)
Proceeds from sale and redemption of non-current investments/ debentures	1,051.35	0.02
Sale of current investments (net)	6.64	228.38
Movement in bank deposit (having original maturity of more than three months) (net)	0.32	6.63
Loans given to group companies	(1,611.56)	(764.82)
Loans repaid by group companies	1,755.88	842.75
Interest received	601.12	95.94
Net cash flow (used in)/ from investing activities	(B) (296.29)	31.75
Cash flow from financing activities		
Proceeds from issue of equity share capital (net of expenses)	799.46	-
Proceeds from issue of share warrants	100.00	-
Proceeds from non-current borrowings	173.01	260.00
Repayment of non-current borrowings (including current maturities)	(4.87)	(120.39)
(Repayment)/proceeds from current borrowings (net) (excluding current maturities)	(149.36)	102.98
Finance costs paid	(522.18)	(59.11)
Repayment of lease liabilities principal	(0.98)	(0.38)
Repayment of lease liabilities interest	(1.81)	(0.17)
Net cash flow from financing activities	(C) 393.27	182.93
Net (decrease)/ increase in cash and cash equivalents	(A + B + C) (76.38)	148.36
Cash and cash equivalents as at beginning of the year	167.01	18.65
Cash and cash equivalents as at end of the year	90.63	167.01
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	14.94	129.78
Deposits with original maturity of less than three months	75.69	37.23
Cash on hand Rs. 869 /- (March 31, 2025: Rs. 24,184/-)	0.00	0.00
Total cash and cash equivalents as at end of the year	90.63	167.01



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GMR Power and Urban Infra Limited

Notes to the audited standalone financial results for the quarter and year ended March 31, 2026

1. Investors can view the audited standalone financial results of GMR Power and Urban Infra Limited (“the Company” or “GPUIL”) on the Company’s website www.gmrpui.com or on the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com). The Company carries on its business through various subsidiaries, joint ventures, jointly controlled operation, and associate (hereinafter referred to as ‘the Group’), being special purpose vehicles exclusively formed to build and operate various urban infrastructure projects with interest in Energy and Road.
2. The Company carries on its business in single business vertical viz., Engineering, Procurement and Construction (‘EPC’) in accordance with Ind AS 108 ‘Operating Segments’ prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder.
3. (a) The Company has invested in GMR Consulting Services Limited (‘GCSL’), a subsidiary of the Company. The Company together with GCSL, have invested in GMR Energy Limited (‘GEL’), a subsidiary of the Company, amounting to Rs. 2,820.67 crore as at March 31, 2026. GEL has certain underlying subsidiaries which are engaged in energy sector as further detailed in note 3(b), 3(c), 3(d) and 3(e) below, which have accumulated losses resulting in substantial erosion in their net worth. Based on management’s internal assessment with regard to future operations and valuation assessment by an external expert, the management of the Company has fair valued its investments and for reasons as detailed in 3(b), 3 (c), 3(d) and 3(e) below, the management is of the view that the fair value of the Company’s investments in GEL is appropriate.

(b) GMR Warora Energy Limited (‘GWEL’), a subsidiary of GEL, entered into a Power Purchase Agreement (‘PPA’) with Maharashtra State Electricity Distribution Company Limited (‘MSEDCL’) for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant’s bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission (‘MERC’), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility (‘STU’) though GWEL was connected to Central Transmission Utility (‘CTU’). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL.

APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL’s bus bar and bear transmission charges of inter-state transmission system towards supply of power.

GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 08, 2015 upheld



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GMR Power and Urban Infra Limited

Notes to the audited standalone financial results for the quarter and year ended March 31, 2026

GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, GWEL had raised claims of Rs. 616.33 crore towards reimbursement of transmission charges from March 17, 2014 till November 30, 2020.

MSEDCL paid the aforementioned claim amount and preferred an appeal with the Hon'ble Supreme Court of India and the matter is pending conclusion. Pursuant to notification No. L-1/250/2019/CERC, the transmission charges (other than the deviation charges) are being directly billed to the respective customers (DISCOMS) by Power Grid Corporation of India Limited ('PGCIL') and accordingly, GWEL had not received transmission charges (other than the deviation charges) related invoices for the period from December 2020 to March 2026. The final obligation towards the transmission charges will be decided based on the order of the Hon'ble Supreme Court of India as stated above.

In view of the favorable Order from APTEL, receipt of aforementioned claim amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before the Hon'ble Supreme Court of India, GWEL has consequentially accounted for the reimbursement of transmission charges of Rs. 616.33 crore relating to the period from March 17, 2014 to November 30, 2020 in its books of accounts during the previous years. Further the cost of transmission charges as stated with effect from December 2020 has been directly invoiced by PGCIL to DISCOMS and such amount together with aforesaid reimbursement has been disclosed as contingent liability in the financials of GWEL pending the final outcome of the matter in the Hon'ble Supreme Court of India.

Further, GWEL has generated profit after tax of Rs 53.15 crore and Rs. 313.05 crore during the quarter and year ended March 31, 2026 respectively and the management of GWEL expects that the plant will generate sufficient profits in the future years and will be able to recover the receivables and based on business plans and valuation assessment by an external expert during the year ended March 31, 2026, considering key assumptions such as capacity utilization of plant in future years based on current levels of utilization including merchant sales and sales through other long term PPA's, the management is of the view that the carrying value of the investments in GWEL by GEL as at March 31, 2026 is appropriate.

(c) GMR Kamalanga Energy Limited ('GKEL'), a subsidiary of GEL, is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal-based power



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GMR Power and Urban Infra Limited

Notes to the audited standalone financial results for the quarter and year ended March 31, 2026

project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has accumulated losses of Rs. 283.81 crore as at March 31, 2026 due to operational difficulties faced during the early stage of its operations. GKEL has generated profit after tax amounting to Rs. 54.67 crore during the quarter and profit after tax amounting to Rs. 506.24 crore during the year ended March 31, 2026 respectively.

Further, GKEL has trade receivables (including unbilled revenue) of Rs. 270.08 crore as at March 31, 2026, towards tariff determination petition, plant availability factor and other claims in case of GRIDCO Limited (customer) under the PPA. GKEL has filed petitions with various regulatory authorities for settlement of such claims in its favour. GKEL from time to time has been receiving certain favorable interim regulatory orders with regard to the above mentioned petitions against which GRIDCO has filed review petitions with various regulatory authorities which are pending adjudication.

Based on internal assessment and external consultant opinion, the management is confident of a favorable outcome towards the outstanding receivables of GKEL from other customers. Accordingly, the management is of the view that the carrying value of the outstanding trade receivables (including unbilled revenue) as at March 31, 2026 is appropriate.

In view of these matters explained above, business plans of GKEL and valuation of GKEL and GEL performed by an external expert using the discounted future cash flows method which is significantly dependent on the achievement of certain key assumptions such as expansion and optimal utilization of existing plant capacity, timing and amount of settlement of disputes with customers which are outstanding as on March 31, 2026, the management is of the view that the carrying value of the investments in GKEL as at March 31, 2026 is appropriate.

(d) GKEL had entered an agreement with SEPCO in 2008 for the construction and operation of coal fired thermal power plant. There were certain disputes between the parties in relation to the delays in construction and various technical issues relating to the construction and operation of the plant. SEPCO served a notice of dispute to GKEL in March 2015 and initiated arbitration proceedings.

The Arbitral Tribunal has issued an opinion (the Award) on September 07, 2020 against GKEL. Since there were computation/ clerical/ typographical errors in the Award, both parties (GKEL and SEPCO) immediately applied for correction of the award under Section 33 of the Arbitration & Conciliation Act 1996 (as amended). The Arbitral Tribunal considered the applications of both



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GMR Power and Urban Infra Limited

Notes to the audited standalone financial results for the quarter and year ended March 31, 2026

the parties and has pronounced the corrected award on November 17, 2020. GKEL already accounted for the aforementioned liability as per the award pertaining to the retention money, unpaid invoices and the Bank Guarantee revoked. GKEL had challenged the award and the final award under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'ble High Court of Orissa on February 15, 2021 and December 31, 2021 respectively.

The Hon'ble High Court of Orissa vide its judgement and order dated June 17, 2022 has dismissed the petition filed by GKEL on February 15, 2021 to put aside the Final Award on the basis that impugned award does not fall under the category which warrants interference under Section 34 of the Arbitration Act. GKEL has challenged judgement by filing special leave petition ('SLP') before the Hon'ble Supreme Court of India on grounds; a) Violation of Principles of Natural Justice, b) Judgement is in violation of the guidelines laid by the Hon'ble Supreme Court of India for timely pronouncing of judgements c) Violation of due process of law and others.

The Hon'ble Supreme Court of India in the hearing on July 25, 2022 has issued notice and stayed the operation of the Section 34 Judgement. The Hon'ble Supreme Court of India vide its order dated May 15, 2023, has disposed of SLP and allowed GKEL to approach the Commercial Appellate Division Bench, as constituted by the Hon'ble High Court of Orissa by way of an appeal under Section 37 of the Arbitration Act with liberty to raise all grounds and contentions. It had further directed that the aforesaid stay shall continue till June 30, 2023.

In furtherance of the order of the Hon'ble Supreme Court of India, GKEL has filed an appeal under Section 37 of the Arbitration Act before the Hon'ble High Court of Orissa on June 09, 2023, challenging Section 34 judgement and the Award. The Hon'ble High Court of Orissa pronounced its judgement on September 27, 2023 wherein it has allowed the Section 37 appeal and set aside Section 34 judgement and the Award.

On September 26, 2025, the Hon'ble Supreme Court of India pronounced its judgement on the SLP filed by SEPCO. The Hon'ble Supreme Court upheld the Hon'ble High Court of Orissa's decision dated September 27, 2023, which had set aside both the Section 34 judgement and the Arbitration Award. As a result, the arbitration award dated September 07, 2020 stands nullified, and GKEL has no liability towards SEPCO under the said award. As per the legal opinion obtained by the management, this judgement resolves the dispute in GKEL's favor and the management believes there shall be no cash outflows related to the above dispute with SEPCO.



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Hence, the management, during the year ended March 31, 2026, reversed the liability payable to SEPCO amounting to Rs. 1,147.30 crore and has performed the fair valuation of the investments after giving the impact of the Hon'ble Supreme Court of India Judgement as mentioned above and has recognized the corresponding fair value gain in Other Comprehensive Income as per Ind AS 109 amounting to Rs. 894.00 crore.

The matter relating to the interest and cost on the SEPCO liability was pending before the Hon'ble Delhi High Court and was disposed of in favour of the Company on December 23, 2025. Consequently, GKEL has reversed an amount of Rs. 240.90 crore during the previous quarter and the company has performed fair valuation of the investment after giving the effect to the said reversal. Accordingly, the fair value gain has been recognised in the other comprehensive income in the accompanied standalone audited financial results for the year ended March 31, 2026.

(e) GKEL also had litigations related to coal allocation and various "change in law" events with its customers under the respective PPA's. Against such litigations, GKEL had filed petition with various regulatory authorities and received certain favorable orders at various stages. Against these orders, Haryana Discom and GRIDCO (collectively referred to as 'Discoms') had filed an appeal before the Hon'ble Supreme Court of India.

During the year ended March 31, 2026, the Hon'ble Supreme Court of India, in its judgement dated September 08, 2025, dismissed the appeals filed by Discoms and upheld its judgement in the favour of GKEL. Against the aforesaid order, Haryana Discom had requested the Hon'ble Supreme Court of India for additional clarifications. The Hon'ble Supreme Court of India passed its Order on November 14, 2025, maintaining its earlier position on the matter upholding that Linkage Coal would be allocated on a pro rata basis.

Accordingly, GKEL has invoiced its claim to Haryana Discom which has been paid by Haryana Discom during the year ended March 31, 2026.

On the basis of the above order GKEL has re-estimated the value of its claims against the Discoms and has accounted for an adjustment to the carrying value of its claims amounting to Rs. 414.34 crore. Accordingly, the fair value of GKEL has been adjusted and consequential loss has been recognised in the other comprehensive income in the accompanied standalone audited financial results for the year ended March 31, 2026.



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4. The Company and SEW Infrastructure Limited ('SIL') had incorporated a Joint venture, GIL- SIL JV (the "JV") and entered into a contract with Dedicated Freight Corridor Corporation of India Limited ("DFCCIL") in 2015 for execution of design and construction of civil structures and track works for double line railway involving formation in embankments/ cuttings, ballast on formation, track works, bridges, structures, buildings, yards, integration with existing railway system and testing and commissioning on design-build lump sum basis for Mughalsarai-New Karchana Station (including) of Eastern Dedicated Freight Corridor Project (Contract Package – 201) and New Karchana (excluding) – New Bhaupur Station (excluding) of Eastern Dedicated Freight Corridor Project (Contract Package – 202) (hereinafter together referred as 'DFCC project') to the JV.

Subsequently the JV had sub-contracted a significant portion of such contract to the Company. During the execution of the project, DFCCIL failed to fulfil its obligations in a timely manner and as a consequence of such non-fulfilment, the execution of DFCC project got significantly delayed. In view of the aforementioned delay, the JV sought extensions as per Clause 8.4 of the General Conditions to the Contract and DFCCIL had granted such extensions from time to time.

During the year ended March 31, 2023, the JV had submitted its claim against DFCCIL for the period of delay i.e. from January 2019 to December 31, 2021, DFCCIL has rejected such claim citing the amendments made in the contract, while granting the extensions of time. JV has invoked the dispute resolution process and accordingly Dispute Adjudicating Board (DAB) is constituted.

On November 01, 2024 majority of the DAB members have awarded an amount of Rs 262.54 crore for Contract Package 201 and on November 21, 2024 for an amount of Rs. 254. 80 crore for contract Package 202 for the claim period from January 21, 2019 to September 30, 2022. Further, DAB members unanimously have rejected all the counter claims of DFCCIL for Contract Package 202 and 201.

However, JV and DFCCIL, being dissatisfied with the Award for Contract Package 201 & Contract Package 202 issued Notice of Dissatisfaction and proceed for arbitration.

Arbitration Tribunal for Contract Package 201 held its first preliminary hearing on April 15, 2025 during which the schedule for completion of the pleadings was fixed. JV filed its statement of claim on June 10, 2025 claiming Rs. 1,057.12 crore along with interest and applicable taxes and DFCCIL has filed its Statement of Defense and counter claim on August 17, 2025. JV has filed its reply to counter claim on December 03, 2025, while DFCCIL filed its Rejoinder to Reply to



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Counter Claim on February 03, 2026. In response JV filed its Sur-Rejoinder to the Rejoinder to Reply to Counter Claim on March 12, 2026. Currently, the matter is at the stage of filing of affidavits of evidence of their witnesses on June 15, 2026 and the next date of hearing is fixed for June 16, 2026.

Similarly, Arbitration Tribunal for Contract Package 202 held its first preliminary hearing on March 21, 2025 wherein for completion of pleadings, the schedule was fixed. As per the schedule JV has filed its statement of claim on May 07, 2025 and claimed an amount of Rs. 1,266.50 crore including pre-pendente lite interest.

DFCCIL filed its Statement of Defense on July 22, 2025 and Statement of counter claims on July 28, 2025. JV in response to DFCCIL's Counter claim filed its reply to Counter claims on September 20, 2025. Both the parties have filed their affidavits of evidence of their witness on December 04, 2025 and currently, the matter is at the stage of Cross examination of JV's witness. The next date of hearing is fixed for July 20, 2026; July 21, 2026; August 1, 2026 to August 03, 2026 and September 01, 2026 to September 02, 2026 for cross examination of JV's witnesses.

In addition to the aforementioned claim for January 21, 2019 to September 30, 2022 the JV has further filed the claims of Prolongation Cost with DAB for the period October 01, 2022 till April 30, 2024 for Contract Package 202 and Contract Package 201 for and for Rs. 226.86 crore and Rs. 278.28 crore on June 19, 2024 and December 16, 2024 respectively. DFCCIL has submitted letters for raising counter claims in Contract Package 202 and Contract Package 201 on November 20, 2024 and November 25, 2024 respectively which has been duly objected by the JV on December 20, 2024.

For Contract Package 201, arguments were concluded and DAB Award was received on January 03, 2026 wherein DAB has rejected the claims made by JV. JV had invoked Arbitration vide its notice dated April 03, 2026 and DFCCIL has replied the same on May 04, 2026. Both the parties consented to refer these fresh dispute to the same Hon'ble Tribunal (already seized of the prolongation claims for the period beyond the completion date i.e. January 20, 2019, up to September 30, 2022 and other claims) for adjudication. On May 15, 2026, the Arbitral Tribunal was duly notified about the parties consent for the appointment of the same Arbitral Tribunal and requested to commence the arbitral proceedings.



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For Contract Package 202, arguments were concluded and DAB award was received on March 10, 2025 without any adjudication of monetary claims. JV had invoked arbitration vide its notice dated February 27, 2026. DFCCIL has rejected JV's notice by stating that claim are premature.

Based on internal assessment and review of the technical and legal aspects by independent experts, the management of the JV and the Company recognized such claim in its books of account and basis back-to-back agreement with the JV, the Company has also included an incremental budgeted contract revenue of Rs. 506.15 crore (out of total claim amount of Rs. 2,828.75 crore) for determination of the revenue recognition in accordance with Ind AS 115 and has recognized revenue during the previous years and year ended March 31, 2026 out of the aforesaid claims as fully recoverable.

The management of the JV and the Company considers the unbilled revenue recognized amounting to Rs. 505.55 crore as at March 31, 2026 out of the aforesaid claims as fully recoverable.

However, based on the legal opinion, the management of the JV and the Company is confident of recoverability of the entire claim amount of Rs. 2,828.75 crore (including unbilled revenue recognized amounting to Rs. 505.55 crore) as at March 31, 2026.

5. The Board of Directors of the Company, at its meeting held on December 17, 2025, approved the issuance of Equity Shares and Convertible Warrants on a preferential basis to promoter and non-promoter entities. The same has been approved by shareholders at its meeting held on January 16, 2026. Accordingly, the Company has:
- i. Allotted 6,61,81,335 Equity Shares of face value Rs. 5.00 each at an issue price of Rs. 120.88 (including a premium of Rs. 115.88), on January 28, 2026 upon receipt of the full consideration in a single tranche.
 - ii. Allotted 3,30,90,668 Convertible Warrants of face value Rs. 5.00 each at an issue price of Rs. 120.88 (including a premium of Rs. 115.88), on January 28, 2026, upon receipt of 25% of the consideration. The Convertible Warrants are convertible into an equivalent number of Equity Shares of face value Rs. 5.00 each, within 18 months from the allotment date,



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i.e., January 28, 2026, upon payment of the balance 75% consideration at the time of conversion.

Consequent to this allotment, the paid-up equity share capital of the Company increased from Rs. 3,57,41,80,970 (71,48,36,194 fully paid-up equity shares of Rs. 5.00 each) to Rs. 3,90,50,87,645 (78,10,17,529 fully paid-up equity shares of Rs. 5.00 each).

During the year ended March 31, 2026, the Company has received Rs. 900.00 crore against the above preferential allotment of equity shares and Convertible Warrants.

6. Exceptional items comprise of the reversal/ creation of provision for impairment of investments and loans/ advances/ assets classified as held for sale/ other receivables and reversal of liability.
7. Sales/ income from operations includes interest income, dividend income, income from management and other services and profit on sale of current investments considering that the Company undertakes investment activities.
8. The Company has presented earnings before finance costs, taxes, depreciation, amortisation expense and exceptional items as EBITDA.
9. The accompanying audited standalone financial results of the Company for the quarter and year ended March 31, 2026 have been reviewed by the Audit Committee in its meeting on May 20, 2026 and approved by the Board of Directors in its meeting on May 21, 2026.
10. Figures for the quarter ended March 31, 2026 and March 31, 2025 represent the difference between audited figures for the financial year and the limited reviewed figures for the nine months period ended December 31, 2025 and December 31, 2024 respectively.



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

For **GMR Power and Urban Infra Limited**



Place: New Delhi
Date: May 21, 2026

Srinivas Bommidala
Vice Chairman & Managing Director
DIN: 00061464



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