

Report on Corporate Governance

I. Company's Philosophy on Code of Governance

The chosen vision of your Company is institution in perpetuity. The Company is deeply conscious that, while doing business successfully it will actively cater to building of nation and society around it. The long term interest particularly in infrastructure domain is closely woven with stakeholders alignment. Your Company has large number of stakeholders in all spheres of business and society. It will be our endeavor to constantly promote and enhance the stakeholders legitimate interests.

Ethics / Governance Policies

The Company endeavors to conduct its businesses and strengthen relationships in a manner that is dignified, distinctive and responsible. The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, the Company has adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct for Board Members
- Code of Conduct for Senior Management
- Code of Conduct for Prohibition of Insider Trading
- Policy on Whistle Blower
- Policy on Related Party Transactions
- Policy on Material Subsidiaries
- Nomination & Remuneration Policy
- Corporate Social Responsibility Policy
- Risk Management Policy
- Code of business conduct and ethics applicable to employees

Report on Corporate Governance and statutory compliances are given below:

II. Board of Directors

a. Board composition and category of Directors

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The composition of the Board and category of Directors are as follows:

Category	Name of the Directors
Promoter Directors	Mr. G. M. Rao (Executive Chairman) Mr. Grandhi Kiran Kumar (Managing Director)
Executive Directors	Mr. Srinivas Bommidala Mr. G.B.S. Raju
Non-Executive Directors	NIL Mr. B.V. N. Rao Mr. O. Bangaru Raju Mr. K. V. V. Rao
Independent Non-Executive Directors	Mr. N. C. Sarabeswaran Dr. Prakash G. Apte Mr. R.S.S.L.N. Bhaskarudu Mr. S. Sandilya Mr. S. Rajagopal Mr. C.R. Muralidharan Mr. V. Santhanaraman Mrs. Vissa Siva Kameswari
Nominee Directors	NIL

Mr. G. M. Rao is the father of Mr. G. B. S. Raju and Mr. Grandhi Kiran Kumar and father-in-law of Mr. Srinivas Bommidala. None of the other directors is related to any other director on the Board.

Selection of Independent Directors

Taking the requirement of skill sets on the Board into consideration, eminent person having an independent standing in their respective field or profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, takes appropriate decision and recommends to the shareholders for the appointment of the Independent Directors.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under the Companies Act, 2013.

Familiarisation programmes for Board Members

The Board members are provided with necessary documents, viz., Company's corporate profile, its Mission, Vision, Values and Beliefs, Organisation Structure, the Company's history and milestones, Annual Reports, a brief background on the business of the Company, Institutional Building and highlights of its performance, major policies of the Company, Code of Conduct, fund raising history etc. Periodic presentations are made to the Board on business and performance updates of the Company, global business environment, risk management, company policies, Subsidiary information and changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates and other relevant issues. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://investor.gmrgroup.in/pdf/Familiarisation.pdf>.

Meetings of Independent Directors

The Independent Directors of the Company meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings enable Independent Directors to discuss matters pertaining to the Company's affairs and matters mentioned in Schedule IV to the Companies Act, 2013. The Independent Directors take appropriate steps to present their views to the Chairman. Two meetings of Independent Directors were held during the year.

Code of Conduct

As per requirement of Clause 49 of the Listing Agreement with the Stock Exchanges, the Board has laid down a Code of Conduct ("the Code") for all Board members and Senior Management Personnel of the Company. The Code is posted on the website of GMR Group (www.gmrgroup.in). All Board members and Senior Management Personnel affirm compliance with the code on an annual basis and the declaration to that effect by Mr. Grandhi Kiran Kumar, Managing Director, is attached to this report.

A Code of business conduct and ethics applicable to all the employees of the Group has been communicated and affirmed by them on an annual basis, which are to be followed in day to day work life which will enable the employees to maintain highest standards of values in their conduct to achieve organizational objectives.

The Company recognizes that sexual harassment violates fundamental rights of gender equality, right to life and liberty and right to work with

human dignity as guaranteed by the Constitution of India. To meet this objective, measures have been taken to eliminate and to take necessary penal action for any act of sexual harassment, which includes unwelcome sexually determined behaviour. The Company has taken initiatives to create wide awareness amongst the employees about the policy for prevention of sexual harassment by displaying posters at all the prominent places in the Offices of the Company.

Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various Companies:

Sl. No.	Name of Director	Director Identification Number [DIN]	Category @	Number of other Directorships held in other Public Limited Companies as on 31-03-2015 #		Number of committee Chairmanships / memberships held in other Public Limited Companies as on 31-03-2015 *		Board Meetings during the period April 01, 2014 to March 31, 2015		Whether present at the Previous AGM held on September 18, 2014
				Chairman	Director	Chairman	Member	Held	Attended \$	
1.	Mr. G. M. Rao	00574243	Executive Chairman	6	-	-	-	10	9	Yes
2.	Mr. Grandhi Kiran Kumar	00061669	Managing Director	2	4	-	2	10	9	Yes
3.	Mr. Srinivas Bommidala	00061464	NEPD	2	7	-	1	10	5	No
4.	Mr. G.B.S. Raju	00061686	NEPD	2	6	-	7	10	5	Yes
5.	Mr. B.V. N. Rao	00051167	NENID	2	6	1	3	10	9	Yes
6.	Mr. O. Bangaru Raju	00082228	NENID	-	8	-	7	10	9	Yes
7.	Mr. K. V. V. Rao	01165942	NENID	-	1	-	-	10	9	Yes
8.	Mr. N. C. Sarabeswaran	00167868	NEID	-	9	4	6	10	10	Yes
9.	Dr. Prakash G. Apte	00045798	NEID	-	6	-	6	10	10	Yes
10.	Mr. R.S.S.L.N. Bhaskarudu	00058527	NEID	-	7	3	4	10	9	Yes
11.	Mr. S. Sandilya	00037542	NEID	2	2	3	2	10	10	Yes
12.	Mr. S. Rajagopal	00022609	NEID	1	8	5	4	10	10	Yes
13.	Mr. C.R. Muralidharan	02443277	NEID	-	4	1	2	10	10	Yes
14.	Mr. V. Santhanaraman	00212334	NEID	-	9	-	6	10	10	Yes
15.	Mrs. Vissa Siva Kameswari^	02336249	NEID	-	6	-	4	10	4	NA

@ NEPD - Non-Executive Promoter Director, NENID - Non-Executive Non-Independent Director, NEID - Non-Executive Independent Director.

Other companies do not include directorships of private limited companies, Section 8 companies and foreign companies.

* Committee means Audit Committee and Stakeholders' Relationship Committee.

\$ Attendance includes participation through video conference.

^Appointed as Director with effect from October 01, 2014.

Ten Board Meetings were held during the financial year ended March 31, 2015, May 29, 2014, July 2, 2014, July 15, 2014, August 13, 2014, September 16, 2014, September 18, 2014, November 14, 2014, February 14, 2015, February 28, 2015 and March 19, 2015. The maximum gap between two meetings was 91 days.

III. Committees of the Board

1. Audit Committee

a. Composition of Audit Committee:

- i. The Audit Committee comprises of the following Independent Directors as members:

Names	Designation
Mr. N. C. Sarabeswaran	Chairman
Mr. S. Rajagopal	Member
Mr. R. S. S. L. N. Bhaskaradu	Member

- ii. Previous Annual General Meeting of the Company was held on September 18, 2014. Mr. N. C. Sarabeswaran, Chairman of the Audit

Committee has attended the meeting. The composition of the Audit Committee, consisting of only the Independent Directors, meets the requirement of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. C. P. Sounderarajan, Company Secretary and Compliance Officer, acted as Secretary to the Audit Committee.

b. Meetings and attendance during the year:

During the financial year ended March 31, 2015, Six Audit Committee meetings were held on May 28, 2014, July 15, 2014, August 12, 2014, November 12, 2014, December 19, 2014 and February 12, 2015.

The attendance of the Audit Committee members is as under:

Names	No. of the Meetings	
	Held	Attended
Mr. N. C. Sarabeswaran	6	6
Mr. S. Rajagopal	6	6
Mr. R. S. S. L. N. Bhaskarudu	6	6

Special meetings of the Committee were held on July 15, 2014 and December 19, 2014 exclusively for considering the matters other than those considered by the Committee on quarterly basis.

c. The terms of reference of the Audit Committee are as under:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions; and
 - (g) Qualifications in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

2. Nomination and Remuneration Committee

a. Composition of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of the following Directors as members:

Names	Designation
Mr. R. S. S. L. N. Bhaskarudu (Independent Director)	Chairman
Mr. B.V.N. Rao (Non-Executive Non Independent Director)	Member
Dr. Prakash G. Apte (Independent Director)	Member
Mr. N.C. Sarabeswaran (Independent Director)	Member

Mr. C. P. Sounderarajan, Company Secretary and Compliance Officer, acted as the Secretary to the Nomination and Remuneration Committee.

b. Meetings and Attendance during the year:

During the financial year ended March 31, 2015, three meetings of the Committee were held on May 29, 2014, July 15, 2014 and September 16, 2014.

The attendance of the Nomination and Remuneration Committee members are as under:

Names	No. of the Meetings	
	Held	Attended
Mr. R. S. S. L. N. Bhaskarudu	3	3
Mr. B.V.N. Rao	3	2
Dr. Prakash G. Apte	3	3
Mr. N.C. Sarabeswaran	3	3

c. The terms of reference of the Nomination and Remuneration Committee are as under:

- i. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- ii. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- iii. Formulation of criteria for evaluation of Independent Directors and the Board;

- iv. Devising a policy on Board diversity;
- v. Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors;
- vi. All information about the Directors / Managing Directors / Whole time Directors / Key Managerial Personnel i.e., background details, past remuneration, recognition or awards, job profile shall be considered and disclosed to shareholders, where required;
- vii. The Committee shall take into consideration and ensure the compliance of provisions under Schedule V of the Companies Act, 2013 for appointing and fixing remuneration of Managing Directors / Whole time Directors;
- viii. While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee;

- ix. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and the shareholders.

d. Nomination and Remuneration Policy

In terms of the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee (NRC) is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and senior management. In line with this requirement, the Board has adopted the Nomination and Remuneration Policy. The Policy is annexed as **Annexure 'C'** to the Board's Report.

e. Details of remuneration paid during the financial year ended March 31, 2015 to the Directors are furnished hereunder:

Name	Category @	Salary & Commission (₹)	Perquisites (₹)	Sitting Fees (₹)	Total (₹)	No. of shares held
Mr. G. M. Rao	Executive Chairman	83,94,152	-	-	83,94,152	17,31,330
Mr. Grandhi Kiran Kumar	Managing Director	-	-	-	-	8,72,160
Mr. Srinivas Bommidala	NEPD	-	-	-	-	4,51,660
Mr. G. B. S. Raju	NEPD	-	-	-	-	5,44,160
Mr. B. V. N. Rao	NENID	-	-	-	-	1,50,000
Mr. O. Bangaru Raju	NENID	-	-	-	-	55,000
Mr. K. V. V. Rao	NENID	-	-	-	-	1,82,700
Mr. N. C. Sarabeswaran	NEID	-	-	9,90,000	9,90,000	20,000
Dr. Prakash G Apte	NEID	-	-	6,70,000	6,70,000	30,000
Mr. R.S.S.L.N. Bhaskarudu	NEID	-	-	10,50,000	10,50,000	Nil
Mr. S. Sandilya	NEID	-	-	6,00,000	6,00,000	5,000
Mr. S. Rajagopal	NEID	-	-	9,20,000	9,20,000	22,000
Mr. C.R. Muralidharan	NEID	-	-	6,00,000	6,00,000	Nil
Mr. V. Santhanaraman	NEID	-	-	6,00,000	6,00,000	Nil
Mrs. Vissa Siva Kameswari*	NEID	-	-	2,40,000	2,40,000	Nil

@ NEPD - Non-Executive Promoter Director, NENID - Non-Executive Non-Independent Director, NEID - Non-Executive Independent Director

* Appointed as Directors with effect from October 01, 2014.

Note: The remuneration paid to Executive Chairman does not include provision for gratuity, superannuation and premium for personal accident policy, as the same are determined for the company as a whole.

The Company does not have any stock option plan or performance-linked incentive for the Director(s)

3. Stakeholders Relationship Committee

a. Composition of the Committee:

The Stakeholders Relationship Committee comprises of the following Directors as members:

Names	Designation
Mr. R.S.S.L.N. Bhaskarudu (Independent Director)	Chairman
Mr. B. V. N. Rao (Non-Executive Non Independent Director)	Member
Mr. G.B.S. Raju (Non-Executive Promoter Director)	Member
Mr. K.V.V. Rao (Non-Executive Non Independent Director)	Member

The composition of the Committee meets the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. C. P. Sounderarajan, Company Secretary and Compliance Officer, acted as Secretary to the Stakeholders Relationship Committee.

b. Meetings and Attendance during the year:

During the financial year ended March 31, 2015, four meetings were held on May 26, 2014, August 13, 2014, November 14, 2014 and February 12, 2015. The attendance of the Stakeholders Relationship Committee members is as under:

Names	No. of the Meetings	
	Held	Attended
Mr. R.S.S.L.N. Bhaskarudu	4	3
Mr. B. V. N. Rao	4	3
Mr. G.B.S. Raju	4	3
Mr. K.V.V. Rao	4	4

c. The terms of reference of the Stakeholders Relationship Committee are as under:

- i. Allotment of all types of securities to be issued by the Company;
- ii. Transfer, transposition and transmission of securities;
- iii. Issuance of duplicate shares or other securities;
- iv. Dealing with complaints about non-receipt of declared dividend, non-receipt of Annual Reports, etc.;
- v. Investigate into security holders/ other investor's complaints and take necessary steps for redressal thereof;
- vi. To perform all functions relating to the interests of shareholders / security holders/ investors of the Company as may be required by the provisions of the Companies Act, 2013, Listing Agreements with the Stock Exchanges and guidelines issued by the SEBI or any other regulatory authority;
- vii. Authorise Company Secretary or other persons to take necessary action;
- viii. Appointment and fixation of remuneration of the Registrar and Share transfer Agent and Depositories and to review their performance.

The details of the complaints received during the financial year 2014-15 and the status of the same are as below:

Nature of Complaints	No. of Complaints eived	No. of Complaints olved	Pending Complaints
Non-Receipt of Dividend Warrants	200	200	0
Non-Receipt of Share Certificates	4	4	0
SEBI Complaints (SCORES)	5	5	0
Non-Receipt of Annual Reports	110	110	0
Total	319	319	0

4. Management Committee

a. Composition of Management Committee:

The Management Committee comprises of the following Directors as members:

Names	Designation
Mr. G.M. Rao (Executive Chairman)	Chairman
Mr. Grandhi Kiran Kumar (Managing Director)	Member
Mr. Srinivas Bommidala (Non-Executive Promoter Director)	Member
Mr. G.B.S. Raju (Non-Executive Promoter Director)	Member
Mr. B.V. N. Rao (Non-Executive Non Independent Director)	Member

Mr. C. P. Sounderarajan, Company Secretary and Compliance Officer, acted as Secretary to the Management Committee.

b. Meetings and Attendance during the year:

During the financial year ended March 31, 2015, sixteen meetings of the Management Committee were held on April 26, 2014, July 5, 2014, July 8, 2014, July 10, 2014, July 28, 2014, August 26, 2014, September 10, 2014, September 29, 2014, October 17, 2014, November 20, 2014, December 05, 2014, December 17, 2014, December 21, 2014, January 21, 2015, March 5, 2015 and March 30, 2015.

The attendance of members is as under:

Names	No. of the Meetings	
	Held	Attended
Mr. G.M. Rao	16	14
Mr. Grandhi Kiran Kumar	16	8
Mr. Srinivas Bommidala	16	6
Mr. G.B.S. Raju	16	10
Mr. B.V. N. Rao	16	8

c. The terms of reference of the Management Committee are as under:

- i. Decision-making relating to operational matters such as investments in new projects, financial matters, borrowings, capital expenditure, purchases and contracts - non-capital (including services), sales and marketing, long-term contracts, stores, HR related matters, establishment and administration, writing-off of assets, etc.
- ii. Decision-making relating to private placements/QIP/IPO/Rights issue matters like quantum of issue, issue price, appointment of lead managers and other intermediaries, registrars to the issue, bankers to the issue, listing of shares, execution of all the documents pertaining to IPO, etc.

The Board of Directors from time to time delegates specific powers to the Management Committee.

5. Debentures Allotment Committee

a. Composition of Debentures Allotment Committee:

The Debentures Allotment Committee comprises of the following Directors as members:

Names	Designation
Mr. B.V. N. Rao (Non-Executive Non Independent Director)	Member
Mr. Srinivas Bommidala (Non-Executive Promoter Director)	Member
Mr. G.B.S. Raju (Non-Executive Promoter Director)	Member

Mr. C. P. Sounderarajan, Company Secretary and Compliance Officer, acted as Secretary to the Debentures Allotment Committee.

b. Meetings and Attendance during the year:

No Meeting of Debenture allotment Committee was held during the financial year ended March 31, 2015.

c. The terms of reference of the Debentures Allotment Committee are as under:

Issuance and allotment of debentures on such terms and conditions as may be prescribed from time to time in this regard.

6. Corporate Governance Committee

a. Composition of Corporate Governance Committee:

The Corporate Governance Committee comprises of the following Directors as members:

Names	Designation
Mr. N. C. Sarabeswaran (Independent Director)	Chairman
Dr. Prakash G Apte (Independent Director)	Member
Mr. R. S. S. L. N. Bhaskarudu (Independent Director)	Member

Mr. C. P. Sounderarajan, Company Secretary and Compliance Officer, acted as Secretary to the Corporate Governance Committee.

b. Meetings and Attendance during the year:

No Meeting of Corporate Governance Committee was held during the financial year ended March 31, 2015.

c. The terms of reference of the Corporate Governance Committee are as follows:

- To review and recommend best Corporate Governance practices including Board processes, disclosure practices, policy on ethics / code of conduct etc.;
- To continuously review and reinforce the Corporate Governance practices within the Company;
- To lay down process for induction of directors after due diligence;
- Any other matter as the Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Board of Directors in their meeting held on May 29, 2015 dissolved the Corporate Governance Committee, taking into view that the terms of reference of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee overlaps with those of Corporate Governance Committee.

7. Corporate Social Responsibility (CSR) Committee

a. Composition of CSR Committee:

The CSR Committee comprises of the following Directors as members:

Names	Designation
Mr. R. S. S. L. N. Bhaskarudu (Independent Director)	Chairman
Mr. B. V. N. Rao (Non-Executive Non Independent Director)	Member
Mr. O. B. Raju (Non-Executive Non Independent Director)	Member

under:

Year	Venue	Date & Time	Special Resolutions passed
2013-14	MLR Convention Centre, Brigade Millennium Campus, 7th phase, J.P. Nagar, Bengaluru - 560 078	September 18, 2014 at 3.00 p.m.	<ol style="list-style-type: none"> Increase in the number of directors of the Company from the existing maximum permissible limit of 15 (fifteen) to 16 (sixteen) Issue of securities for an aggregate amount not exceeding ₹ 2,500 Crore
2012-13	Convention Centre, NIMHANS, Hosur Road, Bengaluru - 560 029	September 17, 2013 at 2.30 p.m.	<ol style="list-style-type: none"> Appointment of Mr. G. M. Rao as Executive Chairman and fixing his remuneration Appointment of Mr. Grandhi Kiran Kumar as Managing Director and fixing his remuneration
2011-12	Convention Centre, NIMHANS, Hosur Road, Bengaluru - 560 029	September 11, 2012 at 2.30 p.m.	<ol style="list-style-type: none"> Appointment of Mr. B. V. N. Rao as Managing Director Issue of securities for an aggregate amount not exceeding ₹ 2,500 Crore

Mr. C. P. Sounderarajan, Company Secretary and Compliance Officer, acted as Secretary to the CSR Committee.

b. Meetings and Attendance during the year:

During the financial year ended March 31, 2015, one meeting was held on August 13, 2014. The attendance of the CSR Committee members is as under:

Names	No. of the Meetings	
	Held	Attended
Mr. R.S.S.L.N. Bhaskarudu	1	1
Mr. B. V. N. Rao	1	1
Mr. O. B. Raju	1	1

The terms of reference of the CSR Committee are as follows:

- Preparation of Corporate Social Responsibility Policy for the Company and to recommend the Board for its approval;
- Recommendation of projects or programmes relating to activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend on CSR activities to be undertaken by the Company on its own or in collaboration with any registered trust / society or a company established under Section 25 of the Companies Act, 1956 or under Section 8 of the Companies Act, 2013;
- To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company or trust / society / company mentioned in point no.3;
- To report periodically on the CSR activities of the Company to the Board and in the Board's report;
- To seek expert advice on CSR activities of the Company that may be appropriate to discharge its responsibilities; and
- To take up any other roles and responsibilities delegated by the Board from time to time.

IV. General Body Meetings

a. Annual General Meetings

The venue, date and time of the Annual General Meetings held during the preceding three years and the Special Resolutions passed thereat are as

b. Extraordinary General Meetings

No Extraordinary General Meetings (EGMs) were held during the preceding three years except in the year ended March 31, 2014. The venue, date and time of the EGM and the Special Resolutions passed thereat are as under:

Year	Venue	Date & Time	Special Resolutions passed
2013-14	Convention Centre, NIMHANS, Hosur Road, Bengaluru - 560 029	March 20, 2014 at 11.00 a.m.	1. Preferential allotment of Compulsorily Convertible Preference Shares (CCPS) 2. Issue of Securities up to ₹ 2,500 Crore or equivalent thereof

c. Special Resolutions passed through postal ballot:

During the year, the members of the Company have approved the following agenda items by passing the Special Resolutions through postal ballot effective August 12, 2014:

- Issue and allotment of 18,00,00,000 number of Warrants to GMR Infra Ventures LLP, promoter group entity, on a preferential basis;
- Borrowing in excess of the paid up share capital and free reserves of the Company under Section 180(1)(c) of the Companies Act, 2013;

- Creation of charge / mortgage over the properties of the Company for the purpose of borrowing under Section 180(1) (a) of the Companies Act, 2013;
- Making investments in securities under Section 186 of the Companies Act, 2013.

The Board had appointed Mr. V. Sreedharan, Practicing Company Secretary, Partner, M/s V. Sreedharan & Associates, Bengaluru as a Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

The details of the voting pattern in respect of the Special Resolutions passed for the below mentioned agenda items were as under:

1) Approval to issue and allot 18,00,00,000 number of Warrants to GMR Infra Ventures LLP, promoter group entity, on a preferential basis:

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6) =[(4)/(2)]* 100	% of Votes against on votes polled (7) = [(5)/(2)]* 100
Promoter and Promoter Group	2790843847	2790843847	100.00	2790843847	0	100.00	0.00
Public - Institutional holders	742154697	190902618	25.72	189152618	1750000	99.08	0.92
Public -Others	359436238	805078	0.22	609155	195923	75.66	24.34
Total	3892434782	2982551543	76.62	2980605620	1945923	99.93	0.07

2) Approval to borrow in excess of the paid up share capital and free reserves of the Company under Section 180(1)(c) of the Companies Act, 2013:

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6) =[(4)/(2)]* 100	% of Votes against on votes polled (7) = [(5)/(2)]* 100
Promoter and Promoter Group	2790843847	2790843847	100.00	2790843847	0	100.00	0.00
Public - Institutional holders	742154697	190902618	25.72	184732359	6170259	96.77	3.23
Public-Others	359436238	804331	0.22	601520	202811	74.79	25.21
Total	3892434782	2982550796	76.62	2976177726	6373070	99.79	0.21

3) Approval to create charge / mortgage over the properties of the Company for the purpose of borrowing in terms of Section 180(1) (a) of the Companies Act, 2013:

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6) =[(4)/(2)]* 100	% of Votes against on votes polled (7) = [(5)/(2)]* 100
Promoter and Promoter Group	2790843847	2790843847	100.00	2790843847	0	100.00	0.00
Public - Institutional holders	742154697	190902618	25.72	184732359	6170259	96.77	3.23
Public-Others	359436238	802209	0.22	608581	193628	75.86	24.14
Total	3892434782	2982548674	76.62	2976184787	6363887	99.79	0.21

4) Approval to make investments in securities under Section 186 of the Companies Act, 2013:

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6) =[(4)/(2)]* 100	% of Votes against on votes polled (7) = [(5)/(2)]* 100
Promoter and Promoter Group	2790843847	2790843847	100.00	2790843847	0	100.00	0.00
Public - Institutional holders	742154697	188450134	25.39	41377479	147072655	21.96	78.04
Public-Others	359436238	800475	0.22	622764	177711	77.80	22.20
Total	3892434782	2980094456	76.56	2832844090	147250366	95.06	4.94

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

V. Disclosures

a. Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, Directors or their relatives, management, its subsidiaries etc., that may have potential conflict with the interests of the Company at large:

The transactions with related parties are mentioned in note no. 32 of the financial statements and may be verified in the Annual Report. None of the transactions with related parties were in conflict with the interests of the Company at large.

b. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years hence no penalties or strictures have been imposed by the Stock Exchanges or SEBI or any statutory authority.

c. Whistle Blower Policy:

To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to voice concern in a responsible and effective manner about serious malpractice, impropriety, abuse or wrongdoing within the organisation, the Company has a Whistle Blower Policy in place, applicable to the Company and its subsidiaries.

This mechanism has been communicated to all concerned and posted on the Company's website <http://investor.gmrgroup.in/investors/GIL-Policies.html>.

The Company has set up an "Ethics Helpline", with a toll free number and entrusted the running of the said helpline to an outside agency so as to address issues relating to protecting the confidentiality of the information and identity of the whistle blower.

d. Details of compliance with mandatory requirements and adoption of non-mandatory requirements under Clause 49:

Clause 49 of the Listing Agreement mandates us to obtain a certificate from either the Auditors or Practicing Company Secretaries regarding the compliance to conditions of the corporate governance and attach the certificate with the Board's Report, which is circulated annually to all our shareholders. The certificate has been obtained and is attached as Annexure to the Board's Report. Clause 49 further states that the non mandatory requirements may be implemented as per the company's discretion. However, disclosure of the compliance in this regard shall be made in this section of the Annual Report.

The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure XIII to the Clause 49 of the Listing Agreements entered into with the Stock Exchanges:

- The company has appointed separate persons to the post of Chairman and Managing Director;
- The Internal auditor of the Company is reporting directly to the Audit Committee.

VI. Means of Communication

The Company has been sending Annual Reports, notices and other communications to each household of shareholders through e-mail, post or courier.

The quarterly / annual results of the Company as per the statutory requirement under Clause 41 of the Listing Agreement with the Stock Exchanges are generally published in the 'Business Line and / or Financial Express' and 'Samyukta Karnataka' (a regional daily in Kannada language). Quarterly and Annual Financial Statements, along with segment report and Quarterly shareholding pattern are posted on the GMR Group website (www.gmrgroup.in), BSE website (www.bseindia.com) and NSE website (www.nseindia.com). The presentations made to analysts and others are also posted on the GMR Group website. The shareholding pattern, Reconciliation of Share Capital Audit Report and Corporate Governance disclosures as per the Listing Agreement are filed electronically through Corporate Filing and Dissemination System (CFDS), NSE Electronic Application Processing System (NEAPS), BSE Corporate Compliance & Listing Centre (BSE Listing Centre) and investor complaints are redressed through SEBI Complaints redress System (SCORES).

VII. General Shareholder Information

a. Date, time and venue of the 19th AGM:

Wednesday, September 23, 2015 at 3.00 p.m. at MLR Convention Centre, Brigade Millennium, 7th Phase, J. P. Nagar, Bengaluru - 560 078.

b. Financial Calendar:

The Financial year is 1st April to 31st March and financial results are proposed to be declared as per the following tentative schedule:

Particulars	Schedule
Financial reporting for the quarter ending June 30, 2015	First fortnight of August 2015
Financial reporting for the quarter / half year ending September 30, 2015	First fortnight of November 2015
Financial reporting for the quarter / nine months ending December 31, 2015	First fortnight of February 2016
Financial reporting for the quarter / year ending March 31, 2016	Second fortnight of May 2016
Annual General Meeting for the year ending March 31, 2016	August / September 2016

c. Book Closure Date:

The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, September 16, 2015 to Wednesday, September 23, 2015 (both days inclusive) for the purpose of the 19th Annual General Meeting.

d. Dividend Payment Date:

Your Directors have not recommended any dividend for the financial year 2014-15. Preference dividend aggregating to ₹ 1,13,667 for the financial year 2014-15 @ 0.001% per annum on 11,366,704 Compulsorily Convertible Preference Shares (CCPS) of face value of ₹ 1,000/- each has been provided and the same will be paid to the CCPS holders subject to the approval of shareholders at the Annual General Meeting on September 23, 2015.

e. Listing on Stock Exchanges:
(i) Equity Shares:

The Company's shares are listed on the following Stock Exchanges with effect from August 21, 2006.

Name of the Stock Exchange	Address	Stock Code
National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051.	GMRINFRA
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	532754

The Company had paid Annual listing fees for the year 2015-16 to both the Stock Exchanges.

(ii) Privately placed Debt instruments:

The Company's privately placed debentures allotted to ICICI Bank Limited in FY 2009-10 were listed on National Stock Exchange of India Limited and were fully redeemed on March 20, 2015.

During 2011-12 and 2012-13, 10,000 Secured Non-Convertible Debentures of ₹ 10 lakh each aggregating to ₹ 1,000 Crore were issued to ICICI Bank Limited on a private placement basis, in various tranches. Secured Non-Convertible Debentures were listed on National Stock Exchange of India Limited and were partially redeemed. The face value of secured Non-Convertible Debentures was reduced to ₹ 8.675 lakh from ₹ 9.75 lakh for each debenture. The stock codes of Secured Non-Convertible Debentures are GMRI21, GMRI21A, GMRI21B and GMRI21C.

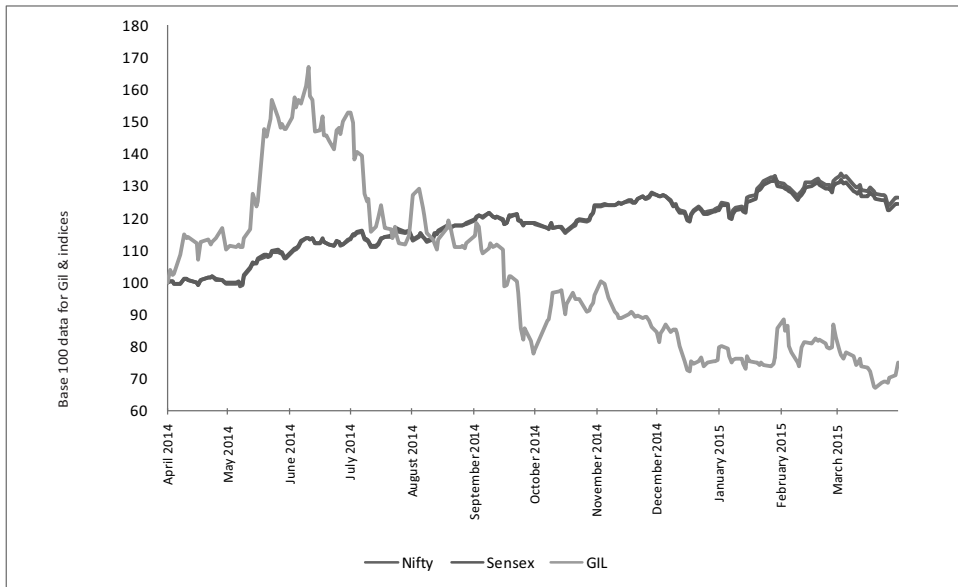
The Company had paid Annual listing fees to the Stock Exchange in respect of the listed debt securities for the above said debentures for the year 2015-16.

f. Stock Market Data relating to Shares Listed

(Amount in ₹)

Month	NSE		BSE	
	High	Low	High	Low
April 2014	26.90	21.60	26.85	21.65
May 2014	38.00	24.70	38.10	24.75
June 2014	38.25	30.80	38.30	30.85
July 2014	34.90	24.60	35.00	24.65
August 2014	29.85	24.00	29.80	24.00
September 2014	27.20	17.15	27.20	17.20
October 2014	22.50	17.50	22.50	17.50
November 2014	23.20	19.05	23.20	19.05
December 2014	19.90	14.80	19.90	15.35
January 2015	19.60	16.35	19.65	16.35
February 2015	20.70	16.40	20.70	16.40
March 2015	19.15	14.65	19.00	14.65

Performance of the share price of the company in comparison to BSE Sensex and S & P CNX Nifty



g. Registrar & Share Transfer Agent (RTA)

Main Office:

Karvy Computershare Private Limited
 Unit: GMR Infrastructure Limited
 Karvy Selenium Tower B,
 Plot 31-32, Gachibowli,
 Financial District, Nanakramguda,
 Hyderabad - 500 032
 Phone : +91 040 6716 1500
 Fax : +91 40 23001153
 Email ID: einward.ris@karvy.com

Branch Office:

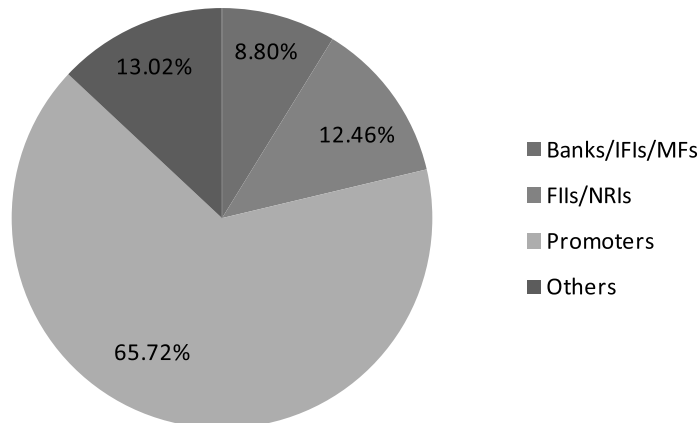
Karvy Computershare Private Limited
 No.59, Skanda,
 Puttanna Road,
 Basavanagudi,
 Bengaluru 560 004 | India
 Telephone No.: +91 080 67453236
 Fax No.: +91 080 26600786
 Email ID: kulashekara.sharma@karvy.com

h. Share Transfer System:

The share transfers which are received in physical form are processed and the share certificates are returned within a period of 7 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board of Directors of the Company has delegated powers of approving transfers and transmission of securities to the Stakeholders Relationship Committee. The Committee has authorised each member of the Committee to approve the transfer of shares up to 20,000 shares per transfer deed, the Company Secretary and other specified executives of the Company to approve the transfer of shares up to 10,000 shares per transfer deed. A summary of the transfer, transmissions / dematerialisation request / rematerialisation requests approved by the Committee / Executives is placed before the Committee. The Company obtains half-yearly certificates from a Company Secretary in Practice on compliance regarding share transfer formalities and submits a copy thereof to the Stock Exchanges in terms of Clause 47(c) of the Listing Agreement.

i. Distribution of equity shareholding as on March 31, 2015

Distribution by category



Description	No. of Cases	Total Shares	% Equity
Banks	22	102528083	2.35
Clearing Members	302	6976113	0.16
Foreign Institutional Investors	107	527792487	12.10
Indian Financial Institutions	27	175569851	4.03
Bodies Corporates	2718	175886991	4.03
Mutual Funds	12	105799336	2.43
Non Resident Indians	4303	15662989	0.36
Promoters	17	2866087290	65.72
HUF	7274	11372037	0.26
Resident Individuals	441893	373538552	8.56
Trusts	11	33650	0.00
Total:	456686	4361247379	100.00

Distribution by size

Sl. No	Range of equity shares held	March 31, 2015				March 31, 2014			
		No. of share holders	%	No. of shares	%	No. of share holders	%	No. of shares	%
1	1 - 500	339900	74.42	61113367	1.40	326589	80.01	55934105	1.44
2	501 - 1000	56965	12.47	46929516	1.08	44184	10.82	35577551	0.91
3	1001 - 2000	30205	6.61	47722074	1.09	20862	5.11	32620964	0.84
4	2001 - 3000	9912	2.17	25833280	0.59	6055	1.48	15609972	0.40
5	3001 - 4000	5277	1.16	19509295	0.45	3362	0.82	12500337	0.32
6	4001 - 5000	3914	0.86	18675471	0.43	1992	0.49	9445000	0.24
7	5001 - 10000	5874	1.29	44170857	1.01	2918	0.71	21587546	0.55
8	10001 and above	4639	1.02	4097293519	93.95	2203	0.54	3709159307	95.29
	Total	456686	100.00	4361247379	100.00	408165	100.00	3892434782	100.00

j. Dematerialisation of Shares and Liquidity

The Company's shares are available for dematerialization with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Total 99.98% of shares have been dematerialized as on March 31, 2015.

ISIN: INE776C01039 (Fully Paid Shares)

Description	No. of Shareholders	No. of Shares	% Equity
PHYSICAL	301	1026106	0.02
NSDL	302298	4145006062	95.04
CDSL	154087	215215211	4.93
Total	456686	4361247379	100.00

k. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

Compulsorily Convertible Preference Shares (CCPS):

56,83,351 Compulsorily Convertible Preference Shares (Series A CCPS) can be converted into such number of equity shares at the expiration of 17 months in accordance with clause 76(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, taking the "relevant date" as the date which is thirty days

prior to the date on which the allottees become entitled to apply for conversion of the Series A CCPS to equity shares.

56,83,353 Compulsorily Convertible Preference Shares (Series B CCPS) can be converted into such number of equity shares at the expiration of 18 months in accordance with clause 76(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, taking the "relevant date" as the date which is thirty days prior to the date on which the allottees become entitled to apply for conversion of the Series B CCPS to equity shares.

Accordingly, the shareholders of Series A CCPS and Series B CCPS become entitled to apply for equity shares on August 26, 2015 and September 26, 2015 respectively, being 17 months and 18 months after the date of allotment of CCPS (March 26, 2014) and the equity shares shall be allotted at the minimum price determined under clause 76(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Therefore, the total number of shares of the Company on full conversion will be known only 30 days prior to the date when the investors become entitled to apply for conversion of CCPS.

Warrant:

During the year under review, your Company has issued 18,00,00,000 warrants convertible into 18,00,00,000 Equity Shares to GMR Infra Ventures LLP at an issue price of ₹ 31.50 per equity share on August 26, 2014. These warrants are convertible into equity shares within 18 months from the date

of their allotment. Your Company has received the proceeds from GMR Infra Ventures LLP on August 26, 2014 amounting to ₹ 141.75 Crore, being 25% of the consideration amount for allotment of the said warrants, as per the requirement of section 77 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

GDRs / ADRs:

The Company has not issued any GDRs / ADRs in the past and hence as on March 31, 2015, the Company does not have any outstanding GDRs / ADRs.

I. Plant locations:

In view of the nature of the Company's business viz. providing infrastructure facilities, the Company operates from various offices in India and abroad.

The number of international locations where the Company operates are Indonesia, Singapore, Nepal, Philippines (Cebu); and the number of national locations where the Company operates in India are Bengaluru, Hyderabad, Mumbai, Kamalanga (Odisha), Chattisgarh, Chennai, Hospet (Karnataka), Warora (Maharashtra), Jhansi and Allahabad (UP).

m. Address for correspondence:

GMR Infrastructure Limited

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

Telephone No. +91 80 40534000 Fax No. +91 80 22279353

Website: www.gmrgroup.in

Company Secretary and Compliance Officer

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

Telephone No. +91 80 4053 4281 Fax No. +91 80 22279353

E-mail: Gil.Cosecy@gmrgroup.in

n. Prevention of Insider Trading:

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has instituted a comprehensive Code of conduct for prevention of insider trading and Code of practices and procedures for fair Disclosure of unpublished price sensitive information in the Company's shares.

o. Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital. This audit is carried out every quarter and the report there on is submitted to the Stock Exchanges, NSDL and CDSL and is placed before the Stakeholders Relationship Committee of the Board of Directors of the Company. The audit, inter alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

In addition, Secretarial audit was carried out 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, 2015, is provided in the Annual Report.

p. Corporate Identity Number (CIN):

Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L45203KA1996PLC034805.

q. Compliance Certificate:

Certificate from the Practising Company Secretaries, M/s. V. Sreedharan & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is annexed hereinafter.

r. Equity Shares in the Suspense Account:

As per Clause 5A(I) of the Listing Agreement, the registrar to the issue shall send at least three reminders at the address given in the application form as well as captured in depository's database asking for the correct particulars. If no response is received, the unclaimed shares shall be credited to a demat suspense account with one of the Depository Participants, opened by the issuer for this purpose.

Based on the above, M/s. Karvy Computershare Private Limited had sent three reminder notices on June 23, 2009, August 27, 2009 and January 15, 2010.

Since no response was received from any of the shareholders, the Company had opened a demat suspense account on June 7, 2010 in the name and style - "GMR Infrastructure Limited - Unclaimed Securities Suspense Account" with the Depository Participant, M/s. Karvy Stock Broking Limited. The details in respect of equity shares lying in the suspense / escrow account is as under:

Particulars	Number of share holders	Number of equity shares held
Aggregate number of shareholders and the outstanding shares in the suspense /escrow account lying as on April 1, 2014	7	16000
Number of shareholders who approached the Company for transfer of shares from suspense /escrow account during the year	0	0
Number of shareholders to whom shares were transferred from the suspense / escrow account during the year	0	0
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2015	7	16000

The voting rights on the shares outstanding in the aforesaid suspense account as on March 31, 2015 shall remain frozen till the rightful owner of such shares claims the shares.

As per the provisions of Clause 5A(II) of the Listing Agreement, there was no unclaimed equity shares issued in physical form.

s. Forfeiture of shares:

In August 2014, the Board of Directors of the Company has approved forfeiture of 4,500 partly paid up equity shares of ₹ 1 each, with effect from August 14, 2014, in accordance with the provision of the Articles of Association. Your Company has issued a notice to each of the erstwhile shareholders of 4,500 partly paid up Equity Shares intimating them about the forfeiture.

VIII. Risk Management

Risk is inherent in all aspects of any business, especially in a dynamic industry such as infrastructure. The Company's Enterprise Risk Management philosophy is to integrate the process for managing risk across the

organization and throughout its business and lifecycle to enable protection of stakeholder value and ensure an institution in perpetuity.

Company's risk management framework is in line with the current best practices. The framework defines the applicability, risk management organization structure, coverage, processes and linkages. The framework is being implemented with the development of risk registers at the enterprise, sector and key business unit levels. Identified risk-owners are responsible for treatment of top risks at the business unit, sector and enterprise levels. The process of decentralizing risk management is in progress by setting up sector specific risk management teams and embedding risk thinking in the day to day functioning of the businesses.

At the Bid / Opportunity stage, a formal screening framework is firmly in place and both the qualitative as well as quantitative risks are analyzed through financial models and detailed contractual risk review to ensure proactive evaluation of risks and aid decision making.

The ERM inputs are considered by Sectors / Businesses during formulation of their Strategy / Annual Operating Plan.

The internal audit function (Management Assurance Group) takes into account the inputs from ERM function for preparing Annual Audit Plan.

Regular risk newsletters and current risk-related news & analysis are circulated to relevant leadership team / staff members to ensure propagation of a risk-aware culture throughout the organization.

The Company has also strengthened its processes to build resilience to deal with eventualities through Business Continuity Planning (BCP) and Disaster overy Planning (DRP) exercise for its key locations, assets and projects. Besides, a Physical Risk Benchmarking exercise is being initiated to assess the current state of readiness of operating power plants to deal with physical risks.

The Board of Directors of the Company and its subsidiaries are regularly informed on the status of key risks, their assessment and mitigation

measures that have been planned, thus ensuring the effectiveness of the frameworks and monitoring mechanism.

IX. Subsidiary Companies

The Company monitors the performance of its subsidiary companies, inter alia, by the following means:

- i. The financial statements, in particular the investments made by subsidiary companies, are reviewed by the Audit Committee of the Company periodically;
- ii. The minutes of the Board / Audit Committee Meetings of the subsidiary companies are noted at the Board / Audit Committee Meetings respectively of the Company;
- iii. The details of significant transactions and arrangements entered into by the material subsidiary companies are placed periodically before the Board of the Company.

Declaration on compliance with Code of Conduct

To

The Members of GMR Infrastructure Limited

Sub: Declaration by the CEO under Clause 49 (II)(E)(2) of the Listing Agreement

I, Grandhi Kiran Kumar, Managing Director of GMR Infrastructure Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of the Company for the year ended March 31, 2015.

Place: Bengaluru

Date : August 21, 2015

Grandhi Kiran Kumar
Managing Director

CEO / CFO certification under Clause 49(IX)

To the Board of Directors
GMR Infrastructure Limited
We hereby certify that:

- a) We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2015 and to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee (wherever applicable):
 - i. Significant changes in internal controls over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; wherever applicable; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For GMR Infrastructure Limited

For GMR Infrastructure Limited

Grandhi Kiran Kumar
Managing Director

Madhva Bhimacharya Terdal
Group CFO

Place: Bengaluru
Date: August 21, 2015

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No : L45203KA1996PLC034805
Nominal Capital : ₹ 1,950 Crore

To the Members of

GMR INFRASTRUCTURE LIMITED

We have examined all the relevant records of GMR Infrastructure Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under Clause 49 of the Listing Agreement with BSE Limited and National Stock Exchange of India Ltd., for the year ended March 31, 2015. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records, produced and the explanations and information furnished, we certify that the Company has complied with the mandatory conditions of Clause 49 of the Listing Agreement. As regards Annexure XIII relating to Non-Mandatory requirements, the Company has complied with Sl. Nos. 4 and 5 of the same.

For V. Sreedharan & Associates
Company Secretaries

V. Sreedharan
Partner
FCS 2347; C.P. No. 833

Place : Bengaluru
Date : August 21, 2015