



Dear Friends,

As I look back today, I realize that an entire decade has passed since we bagged the prestigious project for PPP for DIAL. In a record time of 37 months, we gave India an illustrious airport, which is best in its class across all parameters. Fond memories rush back and my heart swells with pride for what we have achieved and the amount of knowledge and expertise we have gathered in these years. In fact I consider myself extremely lucky to have a team which always stood by all the challenges, ready to learn and to deliver much more, redefining all existing thresholds of performance in the process. In these years, the GMR group has gone through a metamorphosis, we evolved as we discovered various capabilities, we emulated the best worldwide, we garnered likeminded people to believe in us and most importantly, we discovered our ability to learn and execute as a team.

Especially in the last one year all our **airports** recorded double digit traffic growth. DIAL became the Best Airport in the 25-40 million passenger category for the 2nd year in a row. GHIAL retained its Top 3rd ranking in the 5-15 million passenger category globally, for the 7th year in the row and became the 1st airport in India to successfully implement an end-to-end E-boarding solution. In its very first year of operation, the Cebu Airport entered the ranking of best airports in the world. In the **energy sector**, all the thermal projects moved into the operational stage; there was an upward trend in revenue generation; the gas based plants were operating at a PLF of 50%.

I am also very proud to announce that we have entered into a strategic partnership with Tenaga Nasional Berhad of Malaysia for our Energy Business. TNB will invest USD 300mn (approx. Rs.2,000 crore) in a select portfolio of GMR Energy for 30% equity interest. This partnership will lead to strengthening of our balance sheet by reducing corporate debt and will help us create best in class assets in the energy sector.

In the **Transport & UI** sector a Contract Agreement between Dedicated Freight Corridor Corporation Limited and GIL-SIL (joint venture between GMR Infrastructure and SEW Infrastructure Ltd), was signed on the 27 May, 2015 for construction of 402 Km double track line between Mughalsarai-New Bhaupur (Kanpur) section of Eastern Dedicated Freight Corridor. I am proud to say, that both packages of this World Bank funded Rs.5,080 crore project have commenced construction.

KSEZ became formally operational. In next financial year we will continue our marketing efforts in China and Japan and will focus on monetizing land for big ticket developments like Ports, Petrochemical Complex, Pharma clusters etc. The **Varalakshmi Foundation** as usual kept up its good work. Our educational institutions, community services wing and GMRVF care hospitals performed exceedingly well. I urge the foundation to carry on the good work and most importantly to garner increased employee participation in all its activities.

While all these achievements are good, it is not the time to sit back and rest. We need to broaden our focus, optimize capabilities and resources in order to be ready to ride the wave. The world today is very different from what it was a decade ago. It is more connected, more aware and almost all businesses have had to evolve and reinvent to keep their heads above the water. Don't go too far, look at all the Newspapers and magazines, they now have online editions and are active on social media. They use Twitter, Facebook, and Instagram etc. They have evolved and maybe in many cases reinvented themselves.

Today, the business environment in India is very dynamic. As I look around me, I see tremendous opportunity for growth. The current government is propagating growth in

the infrastructure sector, where investments in 2015-16 have gone up by Rs.70,000 crore, including funds from the Centre and state-run undertakings. Highways and roads have proved to be a success area and in the absence of private investment, indications are that the sector will receive special attention, including unveiling of some innovative financing schemes. The last two budgets aim to unblock the infrastructure pipeline by recognizing that many projects have been stalled due to a lack of private funding, apportioning funds in increased commitments through Private Sector Enterprises for infrastructure investment. While direct investments into infrastructure certainly forms one part of the government's new strategies, it has also taken some important measures aimed at improving the environment for private infrastructure investments as well.

Look around you, is India today the same country it was 10 years ago? No. Ola, Uber, AirBnB and the likes of them have changed the horizon. And what is remarkable is that they have forced large, lethargic organizations to shape up and become agile. World's largest organizations have been forced to adapt, change or else die. We have to do the same. We have to reinvent ourselves. We have to be an organization that is more adaptable, more innovative, more engaging and more socially accountable in order to be an institution in perpetuity. At GMR the need of the hour is to create a culture of cost consciousness by advocating discipline, advocating "Anushista" and fostering a mindset change to think frugally. In the past our focus was towards serving the nation, creating national assets but now we need to focus on being frugal and create a culture of Inner Excellence, where each employee is empowered to innovate and disrupt and innovate again.

Very soon we will be announcing the Hay Group grading and banding structure. Various other organizations like Pepsi, Wal-Mart, the Aditya Birla group, Bharti, Reliance etc. have already used this. The purpose is to help us evaluate all jobs better, move to a more role centric organization and chart out more relevant career paths for all of you and it will help the organization explore the full potential of its human resource. I urge all of you to participate whole heartedly in making these initiatives a success and keep your focus on making GMR a World class organization. Do not get pulled down by negativity and obstacles.

Henry Ford always said "Obstacles are those frightful things you see when you take your eyes off your goal."

I always say, every challenge is an opportunity in disguise. These challenges that we face are the ones which motivate us to innovate, think out of the box, disrupt the routine and make our own path to success.

Jawaharlal Nehru said -"Life is like a game of cards. The hand that is dealt you represents determinism; the way you play is your own will."

Wish all of you a great year ahead