

May 13, 2016

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited,
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E),
Mumbai - 400 051

Dear Sirs,

Sub:- **Press Release**

This is to inform you that the Company is proposing to issue Press Release titled "**GMR Infrastructure Ltd. announces Strategic Debt Restructuring of GMR Rajahmundry Energy Ltd**", a copy of which is enclosed.

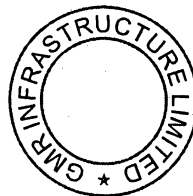
This is for your information and record.

Thanking you,

Yours faithfully,
For GMR Infrastructure Limited



A S Cherukupalli
Company Secretary & Compliance Officer



Encl: Press Release [Two Pages]

MEDIA RELEASE

GMR Infrastructure Ltd. announces Strategic Debt Restructuring of GMR Rajahmundry Energy Ltd.

- **Project is operating from the gas supply under e-RLNG bid scheme**
- **Adoption of SDR by lenders would result in**
 - **Reduction of consolidated debt by Rs 3,780 cr in GMR group**
 - **Viability of project improves due to lower debt levels and reduced interest cost**

NEW DELHI, May 13, 2016: GMR Rajahmundry Energy Limited (GREL), a subsidiary of GMR Infrastructure Limited (GIL) has announced that considering the absence of long term Fuel Supply Agreement (FSA) and long term Power Purchase Agreements (PPA), the consortium of lenders of GREL have adopted the Strategic Debt Restructuring Plan (SDR), as provided under the scheme permitted by the RBI. Accordingly, the company in its meeting held today has issued equity shares proportionately to all the lenders.

As per the SDR scheme, out of the total outstanding debt (including overdue interest) of Rs 3,780 cr, debt to the extent of Rs 1,414 cr has got converted into equity by which the consortium lenders would have 55% shareholding and balance 45% would be held by GMR.

Post conversion, balance debt of around Rs 2,366 cr would be having repayment period of 20.5 years comprising of moratorium of 1.75 years and interest rate of 10.75%. After SDR, the total equity in the project would be Rs 2,571 cr resulting in the debt-to-equity ratio of 0.9x.

The lower debt levels coupled with reduction in interest cost would result in improving the long term viability of the project.



About GMR Infrastructure Limited

GMR Group is a leading global infrastructure conglomerate with interests in Airport, Energy, Transportation and Urban Infrastructure. The group has fifteen power generation projects, nine operating road assets and a double rail track line of eastern dedicated freight corridor under development.

GMR Group developed and operates India’s busiest and currently World’s No. 1 Indira Gandhi International Airport in New Delhi and greenfield Rajiv Gandhi International Airport at Hyderabad. GMR Infrastructure in partnership with Megawide Construction Corporation is developing Mactan Cebu International Airport (MCIA) in Philippines. The Group is also developing two Special Investment Regions at Krishnagiri and Kakinada and India’s largest Smart Airport City near Hyderabad International Airport.

About GMR Rajahmundry Energy Limited

GREL is a 768 MW (2x384 MW) natural gas based Power Plant in District Rajahmundry, Andhra Pradesh (“Project”). Though the project was completed in 2012, the commissioning of the project was delayed due to unavailability of gas supply on account of unprecedented fall in gas production in KG-D6 basin which led to cost over-runs. The project was fully commissioned in the month of October 2015.

Under “e-RLNG bid scheme of Government of India for stranded gas power plants” GREL has gas supply in both phase-II & phase-III of bidding. In phase-III of the scheme, the plant will receive gas from GAIL to operate upto 30% PLF and supply the entire power produced to Andhra Pradesh Discoms as per Power Purchase Agreements executed with them.

For Further Information, please contact:

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