GMR Infrastructure Limited

Corporate Office:
IBC Knowledge Park, Phase 2,
"D" Block, 10th Floor, 4/1,
Bannerghatta Road, Bangalore 560 029
T +91 80 40432000
F +91 80 40432333
W www.gmrgroup.in

June 3, 2010

The Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

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

Dear Sir,

This is to inform you that GMR Energy Limited (the **"Company"**), subsidiary of GMR Infrastructure Limited (GIL), today announced that IDFC Private Equity Fund III, IDFC Investment Advisors Limited, Infrastructure Development Finance Company Limited, Argonaut Ventures and Ascent Capital Advisors India Private Limited **("IDFC Private Equity Fund III & Co-Investors")** have committed to make an investment of INR 465 crore in the Company. The Company is engaged *inter alia* in the business of power generation, transmission, and distribution of electricity in India.

The Board of Directors of the Company has, on May 17, 2010, approved the aforesaid investment by the Investors for subscription to convertible securities of the Company. In connection with such investment, GMR Infrastructure Limited ("**GIL**") as the promoter of the Company, the Company and the Investors have entered into an agreement whereby the parties to the agreement have assumed certain rights and obligations including providing exit options to the investors.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For GMR Infrastructure Limited

C.P. Sounderarajan
Company Secretary & Compliance Officer

Regd. Office:
25/1, Skip House,
Museum Road, Bangalore 560 025

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Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E),
Mumbai - 400 051

Dear Sir(s),

Sub: **Press Release**

This is to inform you that GMR Energy Limited, subsidiary of the Company, is proposing to issue a press release titled "INVESTORS LED BY IDFC GROUP SIGN AGREEMENT TO INVEST INR 465 CRORES IN GMR ENERGY". A copy of the same is enclosed.

This is for your information and record.

Thanking you,

Yours faithfully,
For GMR Infrastructure Limited

C P Sounderarajan
Company Secretary

Encl: Press Release [Three Pages]

Regd. Office:
25/1, Skip House,
Museum Road, Bangalore 560 025

Creating tomorrow today

PRESS RELEASE

3rd June, 2010

INVESTORS LED BY IDFC GROUP SIGN AGREEMENT TO INVEST INR 465 CRORES IN GMR ENERGY

Mumbai, India 3 June, 2010 - GMR Energy Limited ("GEL") has signed a Shareholders' Agreement to raise capital from Investors led by IDFC Group for its energy expansion plans. IDFC Private Equity steered this investment process. The IDFC Group and co-investors, Argonaut Ventures and Ascent Capital have signed a Shareholders' Agreement to invest INR 465 crores into GEL. The funds from the IDFC Group led investors will support the company in expanding its power generation capacity from 808MW to more than 6,500MW over the next few years. The company has already achieved financial closure and fuel linkages for GMR Kamalanga (1,050 MW capacity, which is being enhanced to 1400 MW and EPC contract for the expansion is finalised with SEPCO, China, who are also the EPC contractors for 1050 MW capacity) and Emco Energy (600MW). Several other projects are also in an advanced development stage.

Mr. G.M. Rao, GMR Group Chairman said, "We are extremely happy to have IDFC Group, Argonaut and Ascent as the shareholders of GEL. Our relationship with the IDFC Group has been sustained over time and we are confident that this relationship will continue to be a mutually gratifying experience for both parties."

Dr. Rajiv Lall, Managing Director & CEO of IDFC said, "The GMR Group is one of the most dynamic and capable infrastructure developers globally. We are glad to support the Group as it continues to build and deliver world class infrastructure on time." He further added that "The Indian power generation sector represents an attractive investment opportunity given the current supply-demand imbalance. GMR Energy Ltd (GEL) has an experienced team, proven track record in implementing power projects and diversified fuels assured asset portfolio."

About GMR

GMR Group is a Bangalore headquartered global infrastructure major with interests in Airports, Energy, Highways and Urban Infrastructure. The Company has successfully employed the public-private partnership model to build a portfolio of high quality assets. The Company has thirteen power projects of which three are operational and ten are under various stages of implementation and nine road projects, of which six are operational and three are under development. In the Airports sector, it has developed and commissioned the Greenfield International Airport at Hyderabad. The Group, besides operating and modernising the existing Delhi International Airport, is also building a brand new integrated terminal T3 which will be operational in July 2010. It has also built a new terminal, designed to handle 20 million passenger capacity, at the Istanbul Sabiha Gökçen International Airport in Turkey and is operating it successfully. The Group has also acquired a 50 percent stake in global power generation company InterGen NV, marking its foray into the global energy sector. The Group is also commited to social development initiatives and executes these through its Corporate Social Responsibility arm, the GMR Varalakshmi Foundation (GMRVF).

For further information about the GMR Group, visit www.gmrgroup.in

About IDFC Group

Infrastructure Development Finance Co Ltd ("IDFC") is one of India's largest infrastructure-focused financial institutions. It was established in 1997 with a mission to bring innovation to infrastructure finance and facilitate the growth of private participation in infrastructure developments in India. IDFC is capable of financing and servicing the entire value chain in this sector through the four pillars of its businesses, namely Project & Corporate Finance, Alternative Asset Management, Public Markets Asset Management and IDFC Foundation. IDFC has played an important role in facilitating private sector involvement in Indian infrastructure and has financed over 200 projects across core infrastructure sectors such as power, roads and telecommunications. IDFC Group has mobilized and committed over $ 5 billion in debt and $ 3 billion in equity to infrastructure companies and projects in India. IDFC has demonstrated strong financial performance over the last 5 years with profits after tax increasing at a CAGR of 28% to Rs.1,062 crore in FY 2010, net worth of Rs.6,823 crore,

balance sheet size of approximately Rs.33,500 crore and market capitalization of approximately Rs.20,000 crore

About Argonaut Ventures

Argonaut is a USD 5.5 billion diversified global private equity fund with investments ranging from $1 million to $500 million and spanning such diverse markets as consumer electronics, specialty materials, telecommunications, drug discovery and delivery, medical devices, aviation and healthcare services. Argonaut's portfolio includes investments in the United States, China, Israel, India, Japan, Eastern Europe and Australia. Argonaut has invested over USD 350 million in India in private equity funds, public markets and private equity. Significant investments in India include Koutons Retail, City Union Bank, Shriram EPC, Federal Bank and VKL Spices.

About Ascent Capital Advisors India Private Limited

Ascent Capital Advisors India Pvt Ltd is an independent investment entity formed by the erstwhile UTI Ventures team and focused on growth capital. Ascent Capital currently advises and manages ITVUS (Fund I), Ascent India Fund (Fund II) and Ascent India Fund III. With total assets under management of USD 600 million, significant investments in India include Consolidated Construction Consortium, Koutons, Ind Bharath and Shriram EPC.

For media queries, please contact:

Mr. Arun Bhagat
Group Head
Corporate Communications, GMR Group
Tel: +91- 9902097470
Email: arun.bhagat@gmrgroup.in

Ms. Parminder Panesar
Vice President
Corporate Communications IDFC
Tel: +91- 9987012340
Email: parminder.panesar@idfc.com