



29th May, 2012

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Ex Bandra East,
Mumbai – 400 051.

And

Bombay Stock Exchange Limited
PJ Towers, Dalal Street,
Mumbai - 400 001.

Dear Sir,

Sub: Update on Subsidiaries

Ref: i) Clause 36 of the Listing Agreement

ii) BSE Scrip Code: 532708, NSE Scrip Code: GVKPIL.

You are aware that the Company holds 10% equity stake in GVK Coal Developers (Singapore) Pte Ltd (hereinafter referred to as GVKCD).

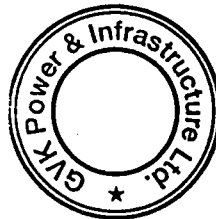
We are pleased to inform with you that the subsidiaries of GVKCD in Australia have received Queensland Coordinator General's Report on the environmental clearance for the Alpha coal and Rail Project in Queensland. This milestone is a major achievement for GVK as Alpha Project is the only Galilee Basin proponent with an approved Environmental Impact Statement (EIS).

A press release issued today in this regard is enclosed herewith for your information and record.

Thanks & regards,

For GVK Power & Infrastructure Limited

P V Rama Seshu
GM & Company Secretary



Press release

GVK achieves major milestone in Australia **Receives key environmental approval for Alpha Coal and Rail Project**

Approval extends GVK's lead as the most advanced Galilee Basin proponent for an Australian first – an integrated mine, rail and port coal project

GVK, one of India's major diversified infrastructure companies, has received the Queensland Coordinator General's Report on the environmental clearance for the Alpha Coal and Rail Project in Queensland. The milestone is a major achievement for GVK as Alpha Project is the only Galilee Basin proponent with an approved Environmental Impact Statement (EIS).

After having agreed general terms in December 2010, GVK invested in three mines (Alpha, Alpha West and Kevin's Corner) with total resources of 8 billion tonnes of thermal coal in addition to the rail and port facilities.

The Alpha Coal Project consists of a 30 million tonnes per annum (mtpa) mine, a 495km standard gauge railway with 60mtpa approvals and a terminal and two berths at Abbot Point catering for at least 60mtpa of thermal coal destined for Asian markets.

Dr. GVK Reddy, Chairman and Managing Director, GVK said, "I am tremendously proud of the hard work our team at GVK has put into achieving this milestone which now paves the way for us to complete financing and secure final mining approvals for the Alpha Project in the second half of 2012. I would like to acknowledge the Queensland government for their efforts in making this happen within a few months of their winning the elections. We remain committed to developing our world class projects in a timely and responsible manner and ultimately bring widespread benefits to this great state." The Coordinator General's report is a major step in finalising the regulatory requirements and enables us to fast track the completion of key construction and operations contracts.

Commenting on the development, Mr. G V Sanjay Reddy, Vice Chairman, GVK, who is spear-heading the project said, "GVK's vision is to be the premier, most reliable coal supplier to the world enabling better lives. The EIS is yet another milestone towards this goal and the October 2010 declaration of the rail corridor and signing the port Framework Agreement for T3 at Abbot Point all adds to the advanced nature of the project. GVK believes it can provide the best quality coal to supply power to developing countries and that power generation is a great enabler to economic growth and a better standard of living which we are all entitled to."

The infrastructure developed by this project - such as the rail, port and power will benefit other local developments.

GVK, which purchased a controlling share of Hancock Prospecting's Galilee Basin coal mines, and 100% of the rail and port assets, advertised publicly for expressions





of interest for additional users on the railway and is pleased to report a high level of interest in what will be, without doubt, the most efficient bulk haulage rail service to operate in Queensland.

In 2011 GVK Hancock delivered the first (and only Galilee Basin) bulk samples from its Alpha site to power stations in South Korea and China. The results of the trial burns (totalling approximately 100,000 tonnes) were better than anticipated. They confirm the high quality, excellent utilisation characteristics and low environmental impacts (such as low impurities and carbon dioxide) of the Galilee coal product.

The Alpha project (mine, rail and port) alone will create, during construction, over 4,000 jobs at peak, at the mine site 50 km north east of Alpha township, on the railway and at the port at Abbot Point, 25 km north of Bowen. The \$10 billion project will generate in the order of 1800 permanent jobs for people across the mine, rail and port.

About GVK: GVK is a leading Indian conglomerate with experience and expertise spanning diverse sectors including energy, resources, airports, transportation, hospitality and life sciences. Having already invested over Rs.15, 000 crore (USD 3.3 billion), GVK has projects in the pipeline worth over another Rs.30, 000 crore (USD 6.6 billion) in India apart from the Australian project in Queensland.

