GMR Infrastructure Limited

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Date: August 11, 2011

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(s),

GMR Energy Ltd, (a subsidiary of the company) has, through its overseas subsidiary GMR Infrastructure Investments (Singapore) Pte Ltd., entered into a Conditional Sale and Purchase Agreement (CSPA) with PT Dian Swastatika Sentosa Tbk (DSS), a limited liability company of Sinar Mas Group, Indonesia, for acquisition of stake in PT Golden Energy Mines Tbk (GEMS), Indonesia, a subsidiary of DSS.

GEMS, a limited liability company of Sinar Mas Group, established under the laws of Indonesia and having registered office at Jalan Johar No 2F, Kebon Sirih , Menteng, Jakarta Pusat, Indonesia is carrying out mining operations in Indonesia through its various subsidiaries which owns coal concessions in South Kalimantan, Central Kalimantan and Sumatra. Coal mines owned by GEMS have certified total JORC resources of more than 1.9Bt resources and 860Mt reserves of thermal coal. The purchase transaction is subject to the fulfillment of the terms and conditions as set out in CSPA and on closing of the transaction, GMR Infrastructure Investments (Singapore) Pte Ltd will own 30% of issued shares in GEMS. As part of the transaction, GMR has also signed a Coal Off take Agreement with GEMS which entitles it to off take coal for 25 years starting from 1st January 2012 with the annual off take quantity steadily increasing to 10 million tonnes per annum over the coming years.

Sinar Mas Group is a major Indonesian conglomerate, with many listed entities in its fold and with a track record of successful partnerships with major Japanese and Chinese companies. The core business of the group consists of agri, property, pulp and paper, finance, telecommunications and coal mining & power generation.

This strategic alliance with Sinar Mas group, Indonesia will significantly enhance the fuel security of the power plants under construction and development by GMR Energy Limited as also provide a coal portfolio for trading activity . It will also support the growth and expansion of the energy business of GMR Group.

Kindly take the same on record

Thanking You,

Yours faithfully,
For GMR Infrastructure Limited

C. P. Soundararajan
Company Secretary & Compliance Officer

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