

GVK signs an Agreement to cooperate with Adani in relation to Mumbai International Airport Limited

Hyderabad, August 31st, 2020: GVK Power & Infrastructure Limited (NSE: GVKPIL, BSE: 532708) ("**GVKPIL**") today announced that it, along with its subsidiaries, GVK Airport Developers Limited ("**GVKADL**") and GVK Airport Holdings Limited ("**GVKAHL**") (collectively "**GVK**"), have agreed to cooperate with Adani Airport Holdings Limited ("**AAHL**"), the flagship holding company of Adani Group for its airports business (and a subsidiary of Adani Enterprises Limited ("**AEL**") (collectively "**Adani**")).

The terms of cooperation include:

1. Acquisition of debt by Adani from various GVK lenders including a Goldman Sachs led consortium and HDFC.
2. Release GVK of various obligations, securities and Corporate Guarantees given in respect of debt to be acquired by Adani.
3. The ability for Adani to convert the acquired debt to equity of GVKADL on mutually agreed terms, subject to obtaining necessary regulatory approvals.
4. Infusion of funds by Adani into Mumbai International Airport Limited to provide liquidity support.
5. Achieving Financial Closure of the Navi Mumbai International Airport project by Adani at the earliest in order to commence construction.

Commenting on the development, Dr. GVK Reddy, Founder & Chairman, GVK said, "The aviation industry has been severely impacted by COVID-19, setting it back by many years and has impacted the financials of Mumbai International Airport Limited. It was therefore important, that we bring in a financially strong investor in the shortest possible time to improve the financial position of MIAL, as well as to help achieve Financial Closure of the Navi Mumbai International Airport project, which is a project of national importance. It is under these circumstances that we agreed to cooperate with Adani so as to achieve these twin objectives. Further, when the transaction is consummated, which is subject to customary approvals, we would be reducing a significant portion of liabilities to our lenders, which is of utmost importance to the group".

GVK Power & Infrastructure Limited

Paigah House, 156-159, Sardar Patel Road
Secunderabad 500003, Telangana, India.

T +91 40 2790 2663/64 F +91 40 2790 2665
www.gvk.com

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Separately, GVK has notified the Abu Dhabi Investment Authority, National Investment and Infrastructure Fund and PSP, collectively (“Investors”) that the Transaction Documents stand terminated, as it is no longer effective and implementable. The reason for this decision was a) the terms of the transaction envisaged in the Transaction Documents were not implementable and b) the alternative proposals discussed would not provide a resolution to the lenders of ADL by the end of August, which was a requirement of our lenders.

About GVK

GVK is a leading Indian conglomerate with presence across energy, airports, transportation, hospitality and life sciences. In addition, GVK EMRI (Emergency Management and Research Institute), a not-for-profit organization and a pioneer in Emergency Management Services in India, is the world’s largest Emergency Service Provider with a presence across 15 States and two Union Territories in India.

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