

CERTIFIED TRUE COPY

For GMR Infrastructure Limited

Carver

Company Secretary



GMR INFRASTRUCTURE LIMITED

(CIN: L45203KA1996PLC034805)

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

NOTICE OF POSTAL BALLOT PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

Dear Member(s),

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) to the members of GMR Infrastructure Limited (hereinafter referred to as 'the Company') to seek their approval by way of Postal Ballot for the proposals contained in the draft resolutions as given below:

- (i) Approval to issue and allot 18,00,00,000 number of Warrants to GMR Infra Ventures LLP, promoter group entity, on a preferential basis;
- (ii) Approval to borrow in excess of the paid up share capital and free reserves of the Company under Section 180(1)(c) of the Companies Act, 2013;
- (iii) Approval to create charge / mortgage over the properties of the Company for the purpose of borrowing in terms of Section 180(1)(a) of the Companies Act, 2013; and
- (iv) Approval to make investment in securities under Section 186 of the Companies Act, 2013.

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 pertaining to the resolutions stating the material facts of the proposals are annexed hereto along with the Postal Ballot for your consideration.

The Board of Directors of the Company has appointed Mr. V. Sreedharan, Practicing Company Secretary, as Scrutinizer at the meeting held on July 2, 2014, for conducting the postal ballot (physical & e-voting) process in accordance with the law in a fair and transparent manner.

The Company in compliance with Clause 35B of the Listing Agreement and the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, is pleased to provide the members with the facility to exercise their right to vote on the matters included in the postal ballot by electronic means i.e. through e-voting services provided by M/s. Karvy Computershare Private Limited, Registrar and Share Transfer Agent (RTA). The e-voting period commences on July 11, 2014 (9.00 a.m.) and ends on August 9, 2014 (5.30 p.m.). Please read carefully and follow the instructions as printed in this Notice for e-voting.

However, those members, who do not have access to e-voting facility can send their assent or dissent in writing on the postal ballot form attached herewith.

Members are requested to carefully read the instructions printed on the postal ballot form and return the form duly completed and signed in the attached self-addressed, business reply envelope, so as to reach the Scrutinizer before the close of working hours (5.30 p.m.) on Saturday, August 9, 2014. Please note that any postal ballot form(s) received after the said date will be treated as not received.

The Scrutinizer will be submitting his report to the Chairman or in his absence, any person authorised by him, after the completion of the scrutiny of the postal ballots (physical and e-voting). The results of the Voting by Postal Ballot will be announced by the Chairman of the Company or in his absence, any person authorized by him, on August 12, 2014 at 11.00 a.m. at the Registered Office of the Company at Skip House, 25/1, Museum Road, Bangalore -560 025. The results of the Postal Ballot will be posted on the Company's website www.gmrgroup.in and Karvy Computershare e-voting website i.e. <https://evoting.karvy.com> besides communicating to the Stock Exchanges where the Company's shares are listed. The results of the postal ballot shall also be announced through newspaper advertisement. The resolutions, if approved, will be taken as passed effectively on the date of declaration of results.

Members requiring any clarifications on e-voting may contact M/s. Karvy Computershare Private Limited on toll free number 1800 3454001 or by email einward.ris@karvy.com.

Proposed Resolutions

Item No. 1:

Approval to issue and allot 18,00,00,000 number of Warrants to GMR Infra Ventures LLP, promoter group entity, on a preferential basis

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and the applicable Rules thereunder (the "Act") and any applicable subsisting Sections of the Companies Act, 1956, as amended, and the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to and in accordance with any other applicable law or regulation in India or outside India including without limitation, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations"), the Listing Agreements entered into with the respective stock exchanges where the shares of the Company are listed, the provisions of the Foreign Exchange Management Act, 1999, as amended, and rules and regulations framed there under as in force and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India ("GoI"), the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI") and the stock exchanges where the shares of the Company are listed ("Stock Exchanges") and subject to requisite approvals, consents, permissions and/or sanctions, if any, of the GoI, the SEBI, the Stock Exchanges and other appropriate statutory, regulatory or other authority (including RBI) and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting any such approvals, consents, permissions, and/or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee which the Board may have constituted or may hereinafter constitute to exercise one or more of its powers including the powers conferred hereunder), the consent of the Company, be and is hereby accorded to the Board to create, offer, issue and allot up to 18,00,00,000 number of Warrants having an option to apply for and be allotted equivalent number of equity shares of face value of Re.1/- each of an aggregate nominal amount of up to Rs. 18,00,00,000 to M/s. GMR Infra Ventures LLP (forming part of promoter group), hereinafter referred to as Allottee, on a preferential basis at an issue/exercise price to be determined in accordance with Regulation 76 of the SEBI ICDR Regulations.

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RESOLVED FURTHER THAT the relevant date, as per Regulation 71 of the SEBI ICDR Regulations for the determination of issue price of the Warrants to be allotted pursuant to the preferential issue is fixed as July 11, 2014 i.e. 30 days prior to the date of passing of special resolution through Postal Ballot to approve the proposed preferential issue in terms of Section 62(1)(c) of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of equity shares upon exercise of the Warrants on or before the expiration of 18 months in accordance with Regulation 75 of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the issue and allotment of Warrants including resultant equity shares arising out of exercise of option attached to Warrants to the Allottee, shall be on the following terms and conditions:

- a) The Warrants shall be allotted within a period of 15 days from the date of passing of this resolution, provided that if any approval or permissions by any regulatory authority or the Central Government for allotment is pending, the period of 15 days shall be counted from the date of such approval or permission;
- b) Pursuant to Regulation 74(4) of the SEBI ICDR Regulations, the allotment shall only be made in dematerialised form;
- c) The price of each equity share to be issued in lieu of the Warrants will be calculated in accordance with the provisions of Regulation 76(1) of Chapter VII of the SEBI ICDR Regulations on the basis of the relevant date being the date i.e. 30 days prior to the date of passing of special resolution through Postal Ballot to approve the proposed preferential issue;
- d) Amount equivalent to at least 25% of the consideration determined in terms of Regulation 76 of the SEBI ICDR Regulations shall be paid against each Warrant on the date of allotment of Warrants and the balance consideration i.e. 75% shall be paid at the time of allotment of equity shares pursuant to exercise of option against each such Warrant;
- e) The consideration for allotment of Warrants and/or equity shares arising out of exercise of option attached to Warrants shall be paid to the Company from the Bank Account of the Allottee;
- f) In case the option to subscribe to equity shares against such Warrants is not exercised by the Allottee within eighteen months, the consideration paid by the Allottee in respect of such Warrant shall be forfeited by the Company;
- g) The equity shares allotted pursuant to exercise of options attached to Warrants issued on preferential basis shall remain locked-in from such date and for such periods as specified under Chapter VII of the SEBI ICDR Regulations; and
- h) The entire pre-preferential allotment shareholding of the Allottee, if any, shall be locked-in from the Relevant Date upto a period of six months from the date of trading approval granted by the Stock Exchange.

RESOLVED FURTHER THAT the equity shares to be allotted upon exercise of Warrants shall rank *pari passu* in all respects including as to dividend, with the existing fully paid up equity shares of face value of Re.1/- each of the Company, subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, at its discretion deem necessary, desirable or expedient to effect the issue or allotment of the aforesaid Warrants and issue or allotment of equity shares pursuant to exercise of the Warrants and listing of the equity shares to be allotted pursuant to exercise of Warrants with the Stock Exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue and allotment of any of the said Warrants and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any director or directors or to any committee of directors or any other officer or officers of the Company to give effect to the aforesaid resolution."

Item No. 2:

Approval to borrow in excess of the paid up share capital and free reserves of the Company under Section 180(1)(c) of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the earlier resolution passed by the members in the Annual General Meeting of the Company held on August 27, 2010 in terms of Section 293(1)(d) of the Companies Act, 1956 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the Company, be and is hereby accorded, to the Board of Directors of the Company (hereinafter referred to as the Board which expression shall also include a Committee thereof), to borrow (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), for the purpose of business of the Company, such sum(s) of money (in foreign currency or Indian rupee) from time to time with or without security on such terms and conditions as the Board may think fit, notwithstanding that the money(s) to be borrowed by the Company together with the money already borrowed by the Company and remaining outstanding at any time, if any, may exceed the aggregate of the paid up share capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors and outstanding at any point of time shall not exceed Rs.20,000 Crore (Rupees Twenty Thousand Crore only).

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such other acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable to give effect to the aforesaid resolution."

Item No. 3:

Approval to create charge / mortgage over the properties of the Company for the purpose of borrowing in terms of Section 180(1)(a) of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the earlier resolution passed by the members in the Extraordinary General Meeting of the Company held on May 20, 2006, in terms of provisions of Section 293(1)(a) of the Companies Act, 1956 and pursuant to the provisions of Section 180(1)(a) and other applicable



provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board which expression shall also include a Committee thereof) for mortgaging, and/or charging of all the immovable and/or movable properties of the Company, wheresoever situated both present and future and/or whole or substantially the whole of the undertaking(s) of the Company to or in favour of any public or private financial institutions, banks, mutual funds, bodies corporate or any other persons whomsoever participating in extending financial assistance, to secure any term loans, working capital facilities, debentures or any other types of financial assistance, not exceeding Rs.7,500 Crore (Rupees Seven Thousand and Five Hundred Crore only) lent and advanced, agreed to be lent and or advanced by them, together with interest, compound interest, additional interest, liquidated damages, premium on monies payable by the Company to them under loan agreements/letters of sanction/debenture trust deed etc.

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank *pari passu* with the mortgages and/or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board of Directors and as may be agreed to between the Company and the concerned parties.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to finalize and execute such agreements and documents, necessary for creating mortgages and/or charges as aforesaid and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient for implementing this resolution and to resolve any question or doubt arising thereto, or otherwise considered by the Board of Directors to be in the best interest of the Company."

Item No. 4:

Approval to make investments in securities under Section 186 of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the Company, be and is hereby accorded to the Board of Directors (hereinafter referred to as the Board which expression shall also include a Committee thereof) for acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate including subsidiaries, joint ventures, associates, upto to an aggregate amount of Rs.12,500 Crore (Rupees Twelve Thousand Five Hundred Crore only).

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such other acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable to give effect to the aforesaid resolution."

**By order of the Board
For GMR Infrastructure Limited**

Place: Bangalore
Date: July 2, 2014

**C.P. Sounderarajan
Company Secretary**

NOTES:

1. Explanatory Statement for the proposed resolutions mentioned above, pursuant to Section 102 of the Companies Act, 2013, setting out material facts is appended herein below.
2. The notice of postal ballot is being sent to all the members, whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on Wednesday, July 2, 2014.
3. Members who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and to others are being sent by Registered Post/Courier along with Postal Ballot Form. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link www.gmrgroup.in or <https://evoting.karvy.com> or seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited, Unit: GMR Infrastructure Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad, fill in the details and send the same to the Scrutinizer.

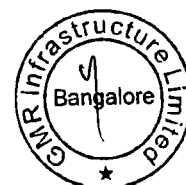
Members are requested to read the instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed in the attached self-addressed and postage prepaid envelope so as to reach the Scrutinizer on or before August 9, 2014, at the following address:

Scrutinizer
C/o Karvy Computershare Private Limited
Plot No: 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081

4. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company offers e-voting option to the Members as an alternative to enable them to cast their votes. For this purpose, the Company has engaged M/s Karvy Computershare Private Limited, for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form.

The instructions for Members for e-voting are as under:

- (a) In case of Members receiving e-mail from M/s Karvy Computershare Private Limited:
 - i) Open e-mail and then open PDF file viz, "GMR Infrastructure Limited e-Voting.pdf" with their Client ID or Folio No. as password. The said PDF file contains the User ID and password for e-voting. Please note that the password is an initial password.
 - ii) Open your web browser during the voting period and navigate to "https://evoting.karvy.com"
 - iii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your Folio/DPID and Client ID will be your User-ID.



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| User ID: | For Members holding shares in Demat Form: a) For NSDL : 8 Characters DP ID followed by 8 Digits Client ID b) For CDSL : 16 digits beneficiary ID For Members holding shares in Physical Form: Event Number followed by Folio Number registered with the Company. |
| Password: | Your Unique password is printed on the Postal Ballot Form. |
| Captcha: | Enter the Verification code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons. |

- iv) Please contact the toll free No.1800 3454001 for any further clarifications.
 - v) Members can cast their vote online from Friday, July 11, 2014 from 9:00 a.m. to Saturday, August 9, 2014 till 5:30 p.m.
 - vi) After entering these details appropriately, click on "LOGIN".
 - vii) Members holding shares in Demat/Physical form will now reach Password Change menu, wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (\$,@,#). Kindly note that this password can be used by the Demat holders for voting relating to any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile, email ID etc., on 1st login. You may also enter the Secret Question and Answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - viii) You need to login again with the new credentials.
 - ix) On successful login, system will prompt to select the "Event" i.e., 'GMR Infrastructure Limited'.
 - x) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your exiting login id and password are to be used.
 - xi) On the voting page, you will see Resolution Description and against the same the options "FOR/AGAINST" for voting. Enter the number of shares (which represents number of votes) under "FOR/AGAINST" or alternatively you may partially enter any number in "FOR" and partially in "AGAINST", but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xiii) Corporate/Institutional Members (Corporate/FIs/FII/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to Mr. V. Sreedharan, Practicing Company Secretary at sree@sreedharancs.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
- (b) In case of Members receiving Postal Ballot Form by Post:
- (i) Initial Password is provided as below / at the bottom of the Postal Ballot Form:
- | EVEN (E-Voting Event Number) | USER ID | PASSWORD / PIN |
|------------------------------|---------|----------------|
| | | |
- (ii) Please follow all steps from Sl. No. (ii) to (xiii) of (a) above, to cast vote.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of <https://evoting.karvy.com> or contact M/s Karvy Computershare Private Limited at the Telephone No.: (Toll Free No.: 1800 3454001).
- (d) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
5. Members who have registered their e-mail id either with the Depositories or with the Company are being sent Notice of Postal Ballot by e-mail and Members who have not registered their e-mail id will receive Notice of Postal Ballot along with Postal Ballot Form through post. The Members can also seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited at Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 or Registered Office of the Company i.e. Skip House, 25/1, Museum Road, Bangalore - 560 025.
 6. Kindly note that the Members can opt for only one mode of voting i.e. either by Physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Postal Ballot also and vice versa. However, in case Members cast their vote by both Physical Postal Ballot and e-voting, then voting done through valid Physical Postal Ballot shall prevail and voting done by e-voting will be treated as invalid.
 7. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self-addressed business reply envelope to the Scrutinizer so as to reach the Scrutinizer on or before the close of working hours i.e 5:30 p.m. on Saturday, August 9, 2014. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted. Assent / Dissent received after August 9, 2014 would be strictly treated as if reply from the Members has not been received.
 8. The voting period ends on the close of working hours (i.e. 5:30 p.m.) on Saturday, August 9, 2014. The e-voting module for voting shall also be disabled by M/s Karvy Computershare Private Limited thereafter.
 9. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on July 2, 2014.
 10. The Scrutinizer will submit his report to the Chairman or Company Secretary of the Company within seven days after completion of the scrutiny of the Postal Ballot Forms and the result of Postal Ballot along with the Scrutinizer's Report will be displayed on the Company's website www.gmrgroup.in and also on the website of M/s Karvy Computershare Private Limited i.e. <https://evoting.karvy.com> and shall be communicated to the stock exchanges where the Company's shares are listed. In the event, the draft resolution is assented to by the requisite majority of Members by means of Postal Ballot,



the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolution.

11. The Board of Directors has appointed Mr. Grandhi Kiran Kumar, Managing Director and Mr. C.P.Sounderarajan, Company Secretary of the Company as the designated persons responsible for the entire postal ballot process.
12. A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company during office hours on all working days, except Saturday/ Sunday and other holidays, between 9.00 a.m. and 11.00 a.m. upto the date of declaration of results of Postal Ballot i.e. August 12, 2014.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 (the Act)

Item No. 1:

The Company proposes to issue 18,00,00,000 number of Warrants to GMR Infra Ventures LLP, promoter group entity, on a preferential basis.

Pursuant to the provisions of Section 62(1)(c) of Companies Act, 2013 (the "Act") any preferential allotment of Securities needs to be approved by the members by way of a Special Resolution. Further, in terms of Regulation 73 of the SEBI ICDR Regulations, certain disclosures are required to be made in the Explanatory Statement to the Notice of Postal Ballot.

The issue and allotment of Warrants including resultant equity shares arising out of exercise of option attached to Warrants to the Allottee has been approved by the Board of the Company on July 2, 2014, subject to necessary approval(s) and shall be on the following terms and conditions:

- a) The Warrants shall be allotted within a period of 15 days from the date of passing of this resolution, provided that if any approval or permissions by any regulatory authority or the Central Government for allotment is pending, the period of 15 days shall be counted from the date of such approval or permission;
- b) Pursuant to Regulation 74(4) of the SEBI ICDR Regulations, the allotment shall only be made in dematerialised form;
- c) The price of each equity share to be issued in lieu of the Warrants will be calculated in accordance with the provisions of Regulation 76(1) of Chapter VII of the SEBI ICDR Regulations on the basis of the relevant date being the date i.e. 30 days prior to the date of passing of special resolution through Postal Ballot to approve the proposed preferential issue;
- d) Amount equivalent to at least 25% of the consideration determined in terms of Regulation 76 of the SEBI ICDR Regulations shall be paid against each Warrant on the date of allotment of Warrants and the balance consideration i.e. 75% shall be paid at the time of allotment of equity shares pursuant to exercise of option against each such Warrant;
- e) The consideration for allotment of Warrants and/or equity shares arising out of exercise of option attached to Warrants shall be paid to the Company from the Bank Account of the Allottee;
- f) In case the option to subscribe to equity shares against such Warrants is not exercised by the Allottee within 18 months, the consideration paid by such Allottee in respect of such Warrant shall be forfeited by the Company;
- g) The equity shares allotted pursuant to exercise of options attached to Warrants issued on preferential basis shall remain locked-in from such date and for such periods as specified under Chapter VII of the SEBI ICDR Regulations;
- h) The entire pre-preferential allotment shareholding of the Allottee, if any, shall be locked-in from the Relevant Date upto a period of six months from the date of trading approval granted by the Stock Exchange; and
- i) The equity shares pursuant to exercise of Warrants shall rank *pari passu* in all respects including with respect to dividend, with the then fully paid up equity shares of the Company.

The proposed issue and allotment of the Warrants and the exercise thereof will be governed by the applicable provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, the Listing Agreements entered into between the Company and the stock exchanges where the equity shares of the Company are listed, the SEBI ICDR Regulations.

Details of the Issue

1. The allotment of the Warrants is subject to the Allottee not having sold any equity shares of the Company during the 6 months preceding the relevant date. The Allottee has represented that the allottee has not sold any equity shares of the Company during the 6 months preceding the relevant date.
2. It may be noted that under the terms of Chapter VII of the SEBI ICDR Regulations, it is necessary to disclose the details of the Allottee and certain other matters relating to the preferential allotment to the members while seeking their approval. The relevant disclosures are set out below:

(a) Objects of the preferential issue

The proceeds of the preferential issue of Warrants will be used for repayment of borrowings, capital expenditure and general corporate purposes and for any other purpose as approved by the Board.

(b) Proposal of the Directors / Promoters / Key Managerial Personnel of the Company to subscribe to the preferential issue

GMR Infra Ventures LLP, promoter group entity registered in India, intends to subscribe to the preferential issue.

No shares are being offered to Directors, Key Managerial Personnel or relatives of the Directors or Key Managerial Personnel of the Company.

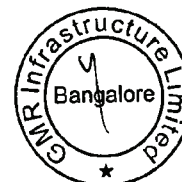
(c) Relevant Date

The Relevant date for the purpose of calculation of price of the specified Securities is July 11, 2014, being 30 days prior to the date of passing of special resolution through Postal Ballot to approve the proposed preferential issue, in accordance with the SEBI ICDR Regulations. Where the relevant date falls on a weekend / holiday, the day preceding the weekend / holiday will be reckoned to be the relevant date.

(d) Basis or Justification of Price :

The issue price will be determined in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations.

Since the Company is listed on both BSE Limited and National Stock Exchange of India Limited, the trading volume of Securities of the Company on both the stock exchanges will be considered to determine the higher trading volume for computation of issue price.



The issue of equity shares arising out of exercise of Warrants issued on preferential basis shall be made at a price not less than higher of the following or as per the law prevailing at the time of allotment of Warrants:

- i. the average of the weekly high and low of the closing prices of the equity shares quoted on a recognized stock exchange during the 26 weeks preceding the Relevant Date; or
- ii. the average of the weekly high and low of the closing prices of the equity shares quoted on a recognized stock exchange during the 2 weeks preceding the Relevant Date.

The 'recognized stock exchange' referred to above means any of the recognized stock exchanges in which the equity shares of the Company are listed and in which the highest trading volume in respect of the equity shares of the Company has been recorded during the preceding 26 weeks prior to the relevant date.

The Company would notify through the newspapers the price of each equity share to be issued in lieu of Warrants calculated in accordance with Regulation 76(1) of Chapter VII of the SEBI ICDR Regulations on the basis of the Relevant Date for the benefit of the members.

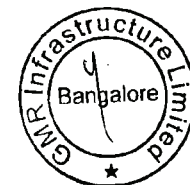
(e) Requirement as to re-computation of price and lock-in of specified securities

Since the equity shares of the Company have been listed on the recognized stock exchanges for a period of more than 6 months prior to the relevant date, the Company is not required to re-compute the price of the equity shares and therefore, the Company is not required to submit the undertakings specified under Regulations 73(1)(f) and (g) of the SEBI ICDR Regulations.

(f) Shareholding pattern of the Company before and after the proposed issue

| Sr No. | Category | Pre Issue Holding | | | | | Post Issue Holding (After exercise of Warrants) * | | | | |
|--------|---|-----------------------|---------------|------------------|------------------|---------------|---|---------------|------------------|------------------|---------------|
| | | Equity Shares | | CCPS** | | | Equity Shares | | CCPS** | | |
| | | No. of shares | % | Series A | Series B | % | No. of shares | % | Series A | Series B | % |
| A. | PROMOTER SHAREHOLDING | | | | | | | | | | |
| | Promoter and Promoter Group | 2,75,95,22,032 | 70.90 | | | | 2,75,95,22,032 | 67.76 | | | |
| | GMR Infra Ventures LLP | 3,13,21,815 | 0.80 | | | | 21,13,21,815 | 5.19 | | | |
| B. | PUBLIC SHAREHOLDING | | | | | | | | | | |
| I. | INSTITUTIONAL INVESTORS | | | | | | | | | | |
| | Mutual Funds | 73,84,986 | 0.19 | | | | 73,84,986 | 0.18 | | | |
| | Financial Institutions / Banks | 28,33,64,547 | 7.28 | | | | 28,33,64,547 | 6.96 | | | |
| | Foreign Institutional Investors | 45,14,48,351 | 11.60 | | | | 45,14,48,351 | 11.09 | | | |
| II. | NON INSTITUTIONAL INVESTORS | | | | | | | | | | |
| | Bodies Corporate | 7,95,63,321 | 2.04 | | | | 7,95,63,321 | 1.95 | | | |
| | Resident Individuals / HUF | 25,87,06,162 | 6.65 | | | | 25,87,06,162 | 6.35 | | | |
| | NRIs | 94,96,650 | 0.24 | | | | 94,96,650 | 0.23 | | | |
| | Others | 1,16,26,918 | 0.30 | | | | 1,16,26,918 | 0.29 | | | |
| | Dunearn Investments (Mauritius) Pte Ltd | | | 39,44,084 | 39,44,085 | 69.39 | | | 39,44,084 | 39,44,085 | 69.39 |
| | IDFC Limited | | | 2,09,550 | 2,09,550 | 3.69 | | | 2,09,550 | 2,09,550 | 3.69 |
| | GKFF Ventures | | | 2,72,415 | 2,72,416 | 4.79 | | | 2,72,415 | 2,72,416 | 4.79 |
| | Premier Edu-Infra Solutions Private Limited | | | 2,09,550 | 2,09,550 | 3.69 | | | 2,09,550 | 2,09,550 | 3.69 |
| | Skyron Eco Ventures Private Limited | | | 10,47,752 | 10,47,752 | 18.44 | | | 10,47,752 | 10,47,752 | 18.44 |
| | Total | 3,89,24,34,782 | 100.00 | 56,83,351 | 56,83,353 | 100.00 | 4,07,24,34,782 | 100.00 | 56,83,351 | 56,83,353 | 100.00 |

* Assuming exercise by the allottee of all Warrants and subject to compliance with the minimum public shareholding requirements, as applicable, including under Rule 19A of the Securities Contracts (Regulation) Rules, 1957.



** The shareholders of Series A CCPS and Series B CCPS become entitled to apply for equity shares on August 26, 2015 and September 26, 2015, respectively, being 17 months and 18 months after the date of allotment of CCPS i.e. March 26, 2014.

The above shareholding pattern does not include any allotment that may arise in respect of Qualified Institutions Placement (QIP) which opens on July 2, 2014.

(g) The time within which the preferential issue shall be completed

As required under the SEBI ICDR Regulations, the allotment of the Warrants on preferential basis will be completed within a period of 15 days from the date of passing of the special resolution. Provided that where any approval or permission by any regulatory authority or the Central Government for allotment is pending, the allotment of the Warrants shall be completed within 15 days from the date of such approval or permission.

(h) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottee, the percentage of post-preferential issued capital that may be held by the said allottee and change in control, if any, in the Company consequent to the preferential issue

| Name of the allottee | Ultimate Beneficial Owners | Pre Issue Equity Holding | | No. of Warrants to be allotted | Post Issue Holding (After exercise of Warrants) * | |
|--|-----------------------------|--------------------------|-------|--------------------------------|---|-------|
| | | | | | | |
| GMR Infra Ventures LLP (Promoter group entity) | 1. Grandhi Mallikarjuna Rao | 3,13,21,815 | 0.80% | 18,00,00,000 | 21,13,21,815 | 5.19% |
| | 2. Grandhi Varalakshmi | | | | | |

* Assuming exercise by the Allottee of all Warrants and subject to compliance with the minimum public shareholding requirements, as applicable, including under Rule 19A of the Securities Contracts (Regulation) Rules, 1957.

There shall be no change in control of the Company pursuant to the issue of Warrants.

(i) Auditor's Certificate

A copy of the certificate from M/s S.R. Batliboi & Associates LLP, Chartered Accountants, the Statutory Auditors of the Company, certifying that the proposed preferential issue of Warrant is being made in accordance with the requirements contained in Chapter VII of the SEBI ICDR Regulations, shall be available for inspection at the Registered Office of the Company during office hours on all working days, except Saturday/ Sunday and other holidays, between 9.00 a.m. and 11.00 a.m. upto the date of declaration of results of Postal Ballot i.e. August 12, 2014.

(j) Lock-in Period

The equity shares allotted pursuant to exercise of options attached to Warrants issued on preferential basis will be subject to lock-in as provided in the SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the Allottee, if any, shall be locked-in from the Relevant Date upto a period of six months from the date of trading approval granted by the Stock Exchange.

As it is proposed to issue and allot the aforesaid Securities on preferential allotment basis, special resolution is required to be approved by members pursuant to the provisions of Section 62(1)(c) of the Act and Chapter VII of the SEBI ICDR Regulations.

The Board recommends passing of the resolution set out in Item No.1 as a special resolution.

Except Mr. G.M. Rao, Mr. Srinivas Bommidala, Mr. G.B.S. Raju, Mr. Grandhi Kiran Kumar and their relatives, none of the Directors of the Company including their relatives is in anyway, concerned or interested in the resolution.

Except Mr. Grandhi Kiran Kumar (Managing Director) and his relatives, none of the Key Managerial Personnel including their relatives is in anyway, concerned or interested in the resolution.

Item No. 2:

The members of the Company at the Annual General Meeting of the Company held on August 27, 2010, had approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956, to borrow any sums of money in excess of the limits specified for an amount not exceeding Rs. 20,000 Crore (Rupees Twenty Thousand Crore only).

The Ministry of Corporate Affairs (MCA) had notified Section 180(1)(c) of the Companies Act, 2013 (corresponding to Section 293(1)(d) of the Companies Act, 1956) effective from September 12, 2013.

MCA vide its General circular no.04/2014 dated March 25, 2014 notified that the resolutions passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings (subject to the limits prescribed) and / or creation of security on assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 for a period of one year from the date of notification. Hence, it is required to obtain the approval of the members as per the provisions of Section 180 of the Companies Act, 2013 before expiry of the said period.

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, and based on the clarifications issued by the MCA, the Board of Directors of the Company shall not borrow in excess of the paid up share capital and free reserves of the Company, except with the consent of the Company accorded by way of Special Resolution.

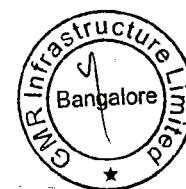
The Board recommends passing of the resolution set out in Item No.2 as a special resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution.

Item No.3:

The Members at the Extraordinary General Meeting of the Company held on May 20, 2006, had approved by way of an Ordinary resolution under Section 293(1)(a) of the Companies Act, 1956, for creation of charge / mortgage over the properties of the Company for the purpose of borrowing, for an amount not exceeding Rs.5,000 Crore.

The Ministry of Corporate Affairs (MCA) had notified Section 180(1)(a) of the Companies Act, 2013 (corresponding to Sections 293(1)(a) of the Companies Act, 1956) effective from September 12, 2013.



MCA vide its General circular no.04/2014 dated March 25, 2014 notified that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings (subject to the limits prescribed) and / or creation of security on assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 for a period of one year from the date of notification.

As per the provisions of Sections 180(1)(a) of the Companies Act, 2013 and based on the clarifications issued by the MCA, the Board of Directors of the Company shall not create charge / mortgage over the properties of the Company for the purpose of borrowing, except with the consent of the Company accorded by way of Special Resolution. It is proposed to fix a limit of Rs.7,500 Crore for creation of charge / mortgage over the movable / immovable properties of the Company.

The Board recommends passing of the resolution set out in Item No.3 as a special resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution.

Item No. 4:

The Board of Directors of a Company has been permitted to make investments in the securities of other bodies corporate to the extent of 60% of its paid-up share capital and free reserves and securities premium account or 100 % of its free reserves and securities premium account, whichever is higher, in terms of Section 186 of the Companies Act, 2013, from time to time, for business purposes.

Under erstwhile Section 372A of the Companies Act, 1956, the Company was exempted from the limits prescribed for investment in securities. However under Section 186 of the Companies Act, 2013, the Company is exempted from the prescribed limits only in respect of giving loans, guarantees and providing securities and not for making investments in securities of other bodies corporate. Further, pursuant to Rule 11(1) of the Companies (Meetings of Board and its Powers) Rules, 2014 in relation to any acquisition by a holding company by way of subscription, purchase or otherwise of the Securities of its wholly owned subsidiary company, the requirement of passing a special resolution under Section 186(3) of the Companies Act, 2013 shall not apply.

Section 186 provides that where the aggregate of investments made exceeds the prescribed limits, prior approval of the Members by way of a special resolution is required. A period of one year is provided for obtaining members approval.

Considering the increasing business operations and future growth plans of the Company which would require making investments in the securities of other bodies corporate, including subsidiaries, joint ventures, associates, over a period of time, exceeding the higher of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, it is necessary to empower the Board to acquire by way of subscription, purchase or otherwise the securities of body corporate(s) in India or abroad, for an amount of Rs.12,500 Crore.

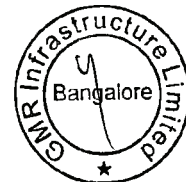
The Board recommends passing of the resolution set out in Item No.4 as a special resolution.

Except the Directors and Key Managerial Personnel or their relatives who may be concerned or interested, financial or otherwise, by way of directorship or shareholding or in any other manner in the bodies corporate described in the resolution, none of the other Directors or Key Managerial Personnel or their relatives is concerned or interested in the Resolution.

**By order of the Board
For GMR Infrastructure Limited**

Place: Bangalore
Date: July 2, 2014

**C.P. Sounderarajan
Company Secretary**



CERTIFIED TRUE COPY

Company Secretary



GMR INFRASTRUCTURE LIMITED

(CIN: L45203KA1996PLC034805)

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

POSTAL BALLOT FORM

(to be returned to the Scrutinizer appointed by the Company)

SERIAL No.

- 1. Name (s) of Member(s) (Including joint holders, if any) (in block letters)
2. Registered address of the sole / first named member
3. Registered Folio No. (applicable to members holding shares in physical form)
4. DP ID No. & Client ID No. (applicable to members holding shares in dematerialized form)
5. Number of shares held
6. I/We hereby exercise my / our vote in respect of the special resolutions to be passed through Postal Ballot for the business stated in the postal ballot notice of the Company by conveying my / our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below.

Table with 5 columns: Item No., Description, No. of equity shares, I/We assent to the resolution (For), I/We dissent to the resolution (Against). Contains 4 rows of resolutions regarding warrants, borrowing, charge creation, and securities investment.

Place Date Signature of the Member

#Email #Optional #TelNo

Table with 3 columns: EVEN (E-Voting Event Number), USER ID, PASSWORD / PIN

Note: 1. Kindly read the instructions printed overleaf before filing the form. 2. Last date for receipt of Postal Ballot Forms by the Scrutinizer is August 9, 2014: (5:30 p.m.)

INSTRUCTIONS

1. A member desirous of exercising vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed Business Reply Envelope. Postage will be borne by the Company. Envelopes containing Postal ballot Form, if deposited in person or sent by courier or any other mode at the expense of the member(s) will also be accepted.
2. Please convey your assent / dissent in this Postal Ballot form only. The assent or dissent received in any other form shall not be considered valid.
3. The self-addressed Business Reply Envelope bears the postal address of the Scrutinizer appointed by the Company.
4. The Postal Ballot Form should be completed and signed by the member (as per specimen signature registered with the Company/ RTA or Depository Participants, in respect of shares held in the physical form or dematerialized form respectively). In case of joint holding, this Form must be completed and signed by the first named member and in his/her absence, by the next named member.
5. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board resolution/authorization giving requisite authority to the person voting on the Postal Ballot Form, together with the duly attested specimen signature(s) of the authorized signatories.
6. The Postal Ballot Form duly completed and signed should be forwarded to the Scrutinizer i.e., Mr.V. Sreedharan, Practicing Company Secretary, appointed by the Company so as to reach the Scrutinizer not later than the close of working hours on or before August 9, 2014 (i.e. 5:30 p.m.). Postal Ballot Forms received after this date will be strictly treated as if the reply from such members has not been received.
7. A member can apply for duplicate Postal Ballot Form through an email at einward.ris@karvy.com, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on or before August 9, 2014 (i.e. 5:30 p.m.). For any clarification(s), please contact M/s Karvy Computershare Private Limited on toll free number: 1800 3454001.
8. The right of voting by Postal Ballot shall not be exercised by proxy.
9. Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing mediums like pencil.
10. Voting rights shall be reckoned on the paid up value of shares registered in the name(s) of member(s) on the cut-off date i.e. July 2, 2014.
11. Unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected.
12. Members are requested not to send any other paper along with the postal Ballot Form in the enclosed self-addressed postage prepaid envelope. If any extraneous paper is found, the same will be destroyed by the Scrutinizer.
13. There will be one Postal Ballot Form for every Folio/Client ID, irrespective of the number of Joint holders.
14. The Scrutinizer's decision on the validity of Postal Ballot shall be final.
15. The Company is pleased to offer e-voting facility as an alternative, for all the Members of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. The detailed procedure of e-voting is enumerated in the Notes to the Postal Ballot Notice.
16. The Result along with Scrutinizer's Report of the Postal Ballot shall be placed on the Website of the Company announced on August 12, 2014.

