



19th September, 2016

Bombay Stock Exchange Limited
PJ Towers
Dalal street
Mumbai 400 001

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

Dear Sirs,

Sub: Developments in Airport business
Ref: BSE Scrip Code:532708, NSE Scrip Code: GVKPIL

Mumbai International Airport Private Limited (MIAL), a subsidiary of GVK Power & Infrastructure Ltd ('Company') had entered into a Slum Rehabilitation Agreement ('Agreement') with Housing Development & Infrastructure Limited ('HDIL') on 15-10-2007, for implementation of the slum rehabilitation project at Chattrapati Shivaji International Airport ('CSIA') in a time bound manner for the consideration and on the terms and conditions contained therein. Due to disputes between the MIAL and HDIL ('Parties'), the Agreement was terminated by MIAL on 06-02-2013.

HDIL challenged termination of the Agreement, invoked the arbitration clause and moved a petition before the Hon'ble Bombay High Court for certain interim reliefs against MIAL which was rejected by the Hon'ble High Court. HDIL's appeal against the Order was also dismissed by the Division Bench of the High Court and thereafter, by the Hon'ble Supreme Court of India.

In the meanwhile, an Arbitral Tribunal was constituted with Chief Justice (Retd) Mr. G. B. Patnaik as the Presiding Arbitrator and Chief Justice (Retd) Mr. A. M. Ahmadi and Chief Justice (Retd) Mr. S. H. Kapadia as the other two arbitrators. Both the parties have filed their respective pleadings and documents in support thereof before the Arbitral Tribunal. Due to the unfortunate demise of MIAL's nominated arbitrator Chief Justice (Retd.) Mr. S. H. Kapadia, MIAL had nominated Chief Justice (Retd.) Mr. Altamas Kabir in his place.

During the hearing / sitting of the Arbitral Tribunal on July 25, 2016, the Arbitral Tribunal while fixing the schedule for further proceedings, urged both the Parties to seriously attempt a settlement of the present dispute.



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In deference to the above direction of the Arbitral Tribunal and considering that considerable time has lapsed from the time the present proceedings commenced, both the Parties have held discussions on various issues to put an end to the ongoing arbitration and have arrived at an amicable settlement by way of a Settlement Agreement.

Accordingly, the Parties have signed a Settlement Agreement dated 8th September, 2016 vide which they have irrevocably and unconditionally withdrawn all their respective claims and counter-claims, against each other in the present arbitration proceedings.

The Arbitral Tribunal has passed an Award on 19th September, 2016, on the terms of the Settlement Agreement dated 8th September, 2016. All the disputes between HDIL and MIAL are thus settled on the terms contained in the Settlement Agreement dated 8th September, 2016.

This is for your information & records

Thanks & regards,
For GVK Power & Infrastructure Ltd

P V Rama Seshu
AVP & Company Secretary

