GAMMON INFRASTRUCTURE PROJECTS LIMITED

14th February, 2015

To,
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block –G,
Bandra - Kurla Complex, Bandra (E),
Mumbai – 400051

Dear Sir,

Sub: Outcome of Board Meeting

Scrip Code: 532959, Scrip ID: GAMMNINFRA

The Board of Directors of the Company at its meeting held today has inter alia,

1) Approved the Un-Audited Standalone & Consolidated Financial results for the quarter ended 31st December 2014;
2) Approved the issue and allotment of 75,000 equity shares of Rs. 2/- each following the exercise of stock options by some employees under the 'GIPL Employee Stock Option Scheme, 2013'. Upon the allotment of these shares, the paid up capital of the Company stand increased to 939,145,724 equity shares of Rs. 2/- each.

Kindly take this on your record.

Yours truly,

For Gammon Infrastructure Projects Limited

G. Sathis Chandran
Company Secretary

GAMMON INFRASTRUCTURE PROJECTS LIMITED

PART I

Statement of Unaudited Consolidated Financial Results for the quarter ended December 31, 2014

(All amounts in Rupees lakhs)

Sr. No.	Particulars	Quarter ended			Nine months period ended
		31.12.2014	30.09.2014	31.12.2013	30.09.2014
		Unaudited			Audited
	Income from operations:				
	Net sales / Income from operations	22,633.94	17,347.45	13,416.79	52,426.62
	Other operating income	2,673.60	668.91	460.05	1,773.93
1	**Total income from operations**	25,307.54	18,016.36	13,876.84	54,200.55
	Expenses:				
	Project expenses	7,408.26	5,340.05	3,887.68	15,040.08
	Employee benefits expenses	674.61	625.02	870.02	2,085.67
	Depreciation and amortisation expenses	8,552.85	4,318.17	4,524.59	16,823.75
	Other expenses	867.37	1,408.55	674.23	2,902.92
2	**Total expenses**	17,503.09	11,691.79	9,956.52	36,852.42
3	**Profit / (loss) from operations before other income, finance costs and exceptional items (1 - 2)**	7,804.45	6,324.57	3,920.32	17,348.13
4	Other income	369.02	221.11	260.49	968.18
5	**Profit / (loss) from ordinary activities before finance costs and exceptional items (3 + 4)**	8,173.47	6,545.68	4,180.81	18,316.31
6	Finance costs	5,933.38	6,677.63	7,249.12	20,629.30
7	Share of profit /(loss) in associates	5.06	(7.71)	(1.77)	(6.23)
8	**Profit / (loss) from ordinary activities after finance costs but before exceptional items (5 - 6 + 7)**	2,245.15	(139.66)	(3,070.08)	(2,319.22)
9	Exceptional items	-	-	-	3,797.37
10	**Profit/ (loss) from ordinary activities before tax (8 + 9)**	2,245.15	(139.66)	(3,070.08)	(6,116.59)
11	Tax expense	1,519.82	(2,295.99)	135.01	(2,157.15)
12	**Net profit / (loss) from ordinary activities after tax (10 - 11)**	725.33	2,156.33	(3,205.09)	(3,959.44)
13	Extraordinary items (net of tax expenses)	-	-	-	-
14	Minority interest - share of profit/(loss)	127.15	64.96	(72.49)	65.70
15	**Net profit / (loss) for the period (12 - 13 - 14)**	598.18	2,091.37	(3,132.60)	(4,025.14)
16	Paid-up equity share capital (Face value Rs. 2 per equity share)	18,862.44	18,845.04	14,761.55	18,845.04
17	Reserves, excluding revaluation reserve as per balance sheet of the previous accounting year				76,276.19
18	**Earnings per share for the period (Rupees) :**				
	a) Before extraordinary items				
	Basic	0.06	(0.28)	(0.43)	(0.54)
	Diluted	0.06	(0.28)	(0.43)	(0.54)
	b) After extraordinary items				
	Basic	0.06	(0.28)	(0.43)	(0.54)
	Diluted	0.06	(0.28)	(0.43)	(0.54)

PART II

Select information for the quarter ended December 31, 2014

		Quarter ended			Nine months
		31.12.2014	30.09.2014	31.12.2013	30.09.2014
A	**PARTICULARS OF SHAREHOLDING**				
1	**Public shareholding**				
	- Number of shares (in lakhs)	3,886.71	3,878.01	1,836.26	3,878.01
	- Percentage of shareholding	41.39%	41.33%	23.02%	41.33%
2	**Promoters and promoter group shareholding**				
	a) Pledged / Encumbered				
	- Number of shares (in lakhs)	312.06	-	4,302.86	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	5.67%	-	78.18%	-
	- Percentage of shares (as a % of the total share capital of the Company)	3.32%	-	58.62%	-
	b) Non-encumbered				
	- Number of shares (in lakhs)	5,191.94	5,504.00	1,201.14	5,504.00
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	94.33%	100.00%	21.82%	100.00%
	- Percentage of shares (as a % of the total share capital of the Company)	55.29%	58.67%	16.36%	58.67%

B	INVESTOR COMPLAINTS :	Quarter ended 31.12.2014
	Pending at the beginning of the quarter	Nil
	Received during the quarter	1
	Disposed off during the quarter	1
	Remaining unresolved at the end of the quarter	Nil

Notes :

1 **Summary of unaudited standalone financial results**

Particulars	Quarter ended			Nine months period ended
	31.12.2014	30.09.2014	31.12.2013	30.09.2014
	Unaudited	Audited	Audited	Audited
Income from operations and other operating income	4,205.74	4,321.41	1,482.39	8,135.56
Profit / (loss) before tax	(308.61)	(139.18)	(1,341.05)	(7,105.31)
Profit / (loss) after tax	(308.61)	4.63	(1,305.05)	(6,933.71)

2 The above Statement of unaudited consolidated financial results were reviewed by the Audit Committee and have been approved by the Board of Directors of the Company at their respective meetings held on February 14, 2015.

3 The above Statement of unaudited consolidated financial results have been prepared in accordance with the principles of consolidation set out in the Accounting Standard AS-21 on Consolidated Financial Statements, AS-27 on Financial Reporting of Interest in Joint Ventures and AS-23 on Accounting for Investments in Associates in Consolidated Financial Statements.

4 The figures for the quarter ended September 30, 2014 and December 31, 2013 are the balancing figure between the audited figures in respect of full nine months period ended September 30, 2014 and December 31, 2013 and the unaudited year to date published figure upto June 30, 2014 and September 30, 2013 respectively.

5 During the previous period, one of the subsidiary of the Company had initiated correspondence with NHAI towards closure of its project on mutually acceptable terms primarily due to non-availability of Right of Way to the site and Forest clearances. Subsequently vide their letter dated 29th August 2014, NHAI unilaterally terminated the concession agreement and also invoked the bank guarantees to the tune of Rs. 1,129.11 lakhs. The Group's total exposure to this project amounts to Rs 7,555.97 lakhs. The subsidiary is in the process of filing of Arbitration. The management believes that it has a strong case in this matter. Pending outcome of the proposed arbitration proceedings, no adjustments have been made to the unaudited consolidated financial results. The auditors had modified their opinion in this matter in the previous period.

6 During the previous period, the Mormugao Port Trust ('MPT') had unilaterally sought to terminate the Concession Agreement with a subsidiary citing non-compliance with certain terms of the concession agreement. MPT also encashed the bid security bank guarantee of Rs. 200 lakhs despite the stay order issued by the Hon. District Court, Goa. The court has also passed stay order from carrying into effect the termination of the agreement. The subsidiary has already taken further action in the matter including filing for arbitration. The Group's exposure towards the project is Rs. 583.18 lakhs. The management believes that it has a strong case in this matter. Pending outcome of the legal proceedings, no adjustments have been made to the unaudited consolidated financial results. The auditors had modified their opinion in this matter in the previous period.

7 In respect of the following projects there are legal issues, arbitration proceedings or negotiations with the grantor for which the Management is taking necessary steps to resolve the matters. These issues are commonly encountered in the Infrastructure business and the management is confident of a favourable resolution in due course. The auditors in their review report have made an emphasis of matter on these matters.

a. Bridge project at Cochin - the Greater Cochin Development Authority has sought to end the toll collection by unilaterally sealing the toll booth. The subsidiary has initiated arbitration. The exposure of the Group towards the project is Rs. 2,629.74 lakhs.

b. Hydro power project at Himachal Pradesh - the project is stalled due to local agitation relating to environment issues. The matter with state Government is under active negotiation to restart the project or reimburse the costs incurred. The exposure of the company is Rs. 6,735.54 lakhs.

8 As at December 31, 2014, the current liabilities exceed current assets by Rs. 64,275.22 lakhs (September 30, 2014 - Rs. 62,733.78 lakhs). The Group is taking various steps to meet its commitments, both, short term and long term in nature. The Group intends to monetise some of its mature assets, securitise some of its future receivables and raise funds through capital market. Based on detailed evaluation of the current situation, plans formulated and active discussions underway with various stakeholders, management is confident that the carrying values of the assets and liabilities in these unaudited consolidated financial results are appropriate. Accordingly the accompanying unaudited consolidated financial results do not include any adjustments that may result from these uncertainties. The auditors had highlighted the same as an Emphasis of Matter in the previous period.

9 During the period, one of the subsidiary has received an amount of Rs. 3,213 lakhs from NHAI towards partial claim towards delayed days. This has been accounted as income in the current quarter along with related expenditure.

10 During the previous period on account of inadequacy of profits, the Company had paid managerial remuneration in excess of the limits specified under Schedule XIII of the Companies Act, 1956 and Schedule V of the Companies Act, 2013 wherever applicable. The total amount paid in excess of the limits as computed under the respective regulations was Rs. 208.55 lakhs. The Company is taking steps to make an application to the Central Government for approving the excess managerial remuneration. The auditors had highlighted the same as an Emphasis of Matter in the previous period. For the current financial period the management contends that the managerial remuneration shall be within the limits specified under the Companies Act, 2013.

11 During the quarter, the Group has revised the depreciation rate on fixed assets as per the useful life specified in the Schedule II of the Companies Act, 2013. Due to this change, depreciation for the quarter ended December 31, 2014 is higher by Rs. 56.94 lakhs. Further, net book value for assets amounting to Rs. 82.87 lakhs whose useful life has ended as on October 1, 2014 is adjusted to retained earnings.

12 Based on legal opinion from a learned counsel relating to claim of depreciation u/s 32 (1)(ii) of the Income Tax Act, 1961, certain subsidiaries of the Group have recognised deferred tax liability amounting to Rs. 2,732.99 lakhs and MAT credit of Rs. 1,702.68 lakhs.

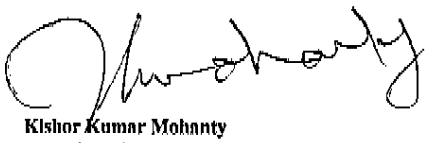
13 Other operating income includes an amount of Rs. 1,784.06 lakhs in respect of write-back of excess provision towards periodic maintenance created in earlier years.

14 During the previous period, two subsidiaries namely Birmitrapur Barkote Highway Private Limited and Yamunanagar Panchkula Highway Private Limited had terminated the contracts with NHAI on mutually acceptable terms primarily due to non-availability of Right of Way to the site and Environment and Forest clearances. The exceptional item disclosed above represents the write off of the expenditure incurred on these two projects.

15 The Company's operations constitutes a single segment namely 'Infrastructure Development' as per Accounting Standard AS-17 'Segment Reporting'. Further, the Company's operations are within single geographical segment which is India.

16 Figures for previous periods have been regrouped / reclassified wherever necessary to conform to the current quarter's presentation.

For Gammon Infrastructure Projects Limited



Kishor Kumar Mohanty
Managing Director
DIN : 00080498

Place : Mumbai
Date : February 14, 2015

Natvarlal Vepari & Co.
Chartered Accountants
Oricon House
4th floor, 12 K Dubash Marg
Mumbai 400 023

S.R. Batliboi & Co. LLP
Chartered Accountants
14th Floor, The Ruby
29 Senapati Bapat Marg
Mumbai 400 028

Limited Review Report

Review Report to
The Board of Directors
Gammon Infrastructure Projects Limited

1. We have reviewed the accompanying statement of unaudited financial results of Gammon Infrastructure Projects Limited ('the Company') for the quarter ended December 31, 2014 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. *As detailed in Note 3 and Note 4 to the Statement, with respect to two subsidiaries where the authorities had unilaterally terminated the Concession Agreement against which these subsidiaries are taking steps to claim compensation/relief as per the Concession Agreement. The Company's exposure to these projects is Rs. 8,755.17 lakhs. As the outcome of these matters is uncertain, we are unable to comment on the recoverability including any provisioning towards the same and any consequential impact, arising thereof, on these unaudited financial results. In respect of the above matters, our audit report for the nine months period ended September 30, 2014 was similarly modified.*

4. Based on our review conducted as above, *except for the possible effects of the our comments in paragraph 3 above,* nothing has come to our attention that causes us to believe that the Statement prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Without qualifying our review conclusion, we draw attention to the following matters which were also referred to in our audit report issued for the nine months period ended September 30, 2014:

   a) Note 5 (a) of the Statement, regarding unilateral termination and closure of Concessions in bridge project, which is subject to pending litigations/arbitrations at various forums which may impact the carrying values of investments and loans and advances given to a subsidiary. The Company's exposure towards the said project (funded and non-funded) is Rs. 2,437.79 lakhs. Pending conclusion on this legal matters, no adjustments have been made in these unaudited financial results.





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29 Senapati Bapat Marg
Mumbai 400 028

b) Note 5 (b) of the Statement, in relation to intention to exit one of the hydro power projects at Himachal Pradesh and seeking a claim of an amount against the amount spent on the project. The Company's subsidiary has cited reasons for non-continuance on account of reasons beyond its control. The subsidiary is negotiating with its client for an amicable settlement on beneficial terms. The Company's exposure towards the said project is Rs. 7,100.42 lakhs. Pending conclusion between the parties, no adjustments have been made in these unaudited financial results.

c) Note 5 (c) of the Statement, in connection with an amount invested (including deposits and advances given) in a joint venture of Rs.12,519.72 lakhs (funded and non-funded). The only container terminal project of the JV Company has been delayed and has been incurring losses and the company has also defaulted in repaying its debt obligation. Based on management assessment and plans to address these issues, no provision is considered necessary against the aforesaid amounts.

d) Note 6 of the Statement, wherein the Company has stated that it has incurred a net loss after tax of Rs. 308.60 lakhs for the quarter ended December 31, 2014 and as of that date the Company's current liabilities exceeded current assets. These conditions, along with other matters as set forth in Note 8 of the Statement, indicate the existence of an uncertainty as to timing and realization of cash flow.

e) Note 7 of the Statement, regarding the excess remuneration of Rs. 208.55 lakhs, paid to the managerial persons beyond the limits specified in schedule XIII to The Companies Act 1956/Schedule V to The Companies Act 2013. The said amount has been charged to statement of profit and loss for the nine months period ended September 2014. The excess remuneration is subject to approval from the Central Government for which the Company is taking steps to make necessary applications. Pending approval no adjustment is made in these unaudited financial results. For the current financial period the management contends that the managerial remuneration shall be within the limits specified under The Companies Act, 2013.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration Number: 106971W

N Jayendran
Partner
Membership No. : 40441

Place: Mumbai
Date: February 14, 2015

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number : 301003E

per Jayesh Gandhi
Partner
Membership No. : 37924

Place: Mumbai
Date: February 14, 2015

GAMMON INFRASTRUCTURE PROJECTS LIMITED

PART I

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2014

(All amounts in Rupees lakhs)

Sr. No.	Particulars	Quarter ended			9 Months ended
		31.12.2014 (Unaudited)	30.09.2014 (Audited) (Refer note 2)	31.12.2013 (Audited) (Refer note 2)	30.09.2014 (Audited)
	Income from operations	4,205.74	4,321.41	1,482.39	8,135.56
1	**Total Income from operations**	**4,205.74**	**4,321.41**	**1,482.39**	**8,135.56**
	Expenses :				
	Project expense	2,765.21	2,010.37	296.19	3,788.82
	Employee benefits expenses	397.14	393.40	611.49	1,361.65
	Depreciation & amortisation expense	74.44	59.71	63.49	177.15
	Other expenses	239.67	343.33	185.09	897.04
2	**Total expenses**	**3,476.46**	**2,806.81**	**1,156.26**	**6,224.66**
3	**Profit from operations before other income, finance costs and Exceptional Items (1 - 2)**	**729.28**	**1,514.60**	**326.13**	**1,910.90**
4	Other Income	138.71	97.40	80.73	245.10
5	**Profit before Finance Costs and Exceptional Items (3 + 4)**	**867.99**	**1,611.99**	**406.86**	**2,156.00**
6	Finance Costs	1,176.59	1,751.18	1,747.91	5,345.15
7	**Profit / (Loss) after Finance Costs but before Exceptional Items (5 - 6)**	**(308.60)**	**(139.18)**	**(1,341.05)**	**(3,189.16)**
8	Exceptional Items	-	-	-	3,916.16
9	**Profit / (Loss) from Ordinary Activities before tax (7 + 8)**	**(308.60)**	**(139.18)**	**(1,341.05)**	**(7,105.31)**
10	Tax Expense :	-	(143.82)	(36.00)	(171.60)
11	**Profit / (Loss) from Ordinary Activities after tax (9 - 10)**	**(308.60)**	**4.63**	**(1,305.05)**	**(6,933.72)**
12	Extraordinary items (Net of tax expense)	-	-	-	-
13	**Net Profit / (Loss) for the period (11 - 12)**	**(308.60)**	**4.63**	**(1,305.05)**	**(6,933.72)**
14	Paid-up Equity Share Capital (Face Value Rs.2/- per equity share)	18,862.44	18,845.04	14,761.55	18,845.04
15	Reserves, excluding Revaluation Reserve as per the Balance Sheet of the previous accounting year				62,885.20
16	**Earnings Per Share for the period (Rupees) :**				
	a) Before Extraordinary Items				
	Basic	(0.03)	0.00	(0.18)	(0.92)
	Diluted	(0.03)	0.00	(0.18)	(0.92)
	b) After Extraordinary Items				
	Basic	(0.03)	0.00	(0.18)	(0.92)
	Diluted	(0.03)	0.00	(0.18)	(0.92)

PART II

Select information for the quarter ended December 31, 2014

A)	**PARTICULARS OF SHAREHOLDING**				
1	**Public shareholding**				
	- Number of shares (in lakhs)	3,886.71	3,878.01	1,836.26	3,878.01
	- Percentage of shareholding	41.39%	41.33%	25.02%	41.33%
2	**Promoters and promoter group shareholding**				
	a) Pledged / Encumbered				
	- Number of shares (in lakhs)	312.06	-	4,302.86	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	5.67%	0.00%	78.18%	0.00%
	- Percentage of shares (as a % of the total share capital of the Company)	3.32%	0.00%	58.62%	0.00%
	b) Non-encumbered				
	- Number of shares (in lakhs)	5,191.94	5,504.00	1,201.14	5,504.00
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	94.33%	100.00%	21.82%	100.00%
	- Percentage of shares (as a % of the total share capital of the Company)	55.29%	58.67%	16.36%	58.67%

NATVARLAL VEPARI & CO. CHARTERED ACCOUNTANTS Mumbai

S.R. BATLIBOI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

GAMMON INFRASTRUCTURE PROJECTS LIMITED

B)	**INVESTOR COMPLAINTS**	**Quarter ended 31.12.2014**
	Pending at the beginning of the quarter	Nil
	Received during the quarter	1
	Disposed off during the quarter	1
	Remaining unresolved at the end of the quarter	Nil

Notes:

1 The financial results were reviewed by the Audit Committee and have been considered and approved by the Board of Directors of the Company at their respective meetings held on February 14, 2015. These results have been subjected to a limited review by the Statutory Auditors of the Company.

2 The figures for the quarter ended September 30, 2014 are the balancing figures between audited figures in respect of full financial period of nine months ended September 30, 2014 and the unaudited published year to date figures upto June 30, 2014, being the end of the previous quarter. The figures for the quarter ended December 31, 2013 are the balancing figures between audited figures in respect of full financial period of nine months ended December 31, 2013 and the unaudited published year to date figures upto September 30, 2013, being the end of the previous quarter.

3 During the previous period, one of the subsidiary of the Company had initiated correspondence with NHAI towards closure of its project on mutually acceptable terms primarily due to non-availability of Right of Way to the site and Forest clearances. Subsequently vide their letter dated 29th August 2014, the NHAI unilaterally terminated the concession agreement and also invoked the bank guarantees to the tune of Rs. 1,129.11 lakhs. The Company's total exposure to this project includes investments and loans and advances of Rs. 8,175.59 lakhs. The subsidiary is in the process of filing of Arbitration. The management believes that it has a strong case in this matter. Pending outcome of the proposed Arbitration proceedings, no adjustments have been made to the unaudited financial results. The auditors in their review report have modified their conclusion in this matter.

4 During the previous period, Mormugao Port Trust ('MPT') had unilaterally sought to terminate with a subsidiary the Concession Agreement for the project citing non-compliance with certain terms of the concession agreement. MPT also encashed the bid security bank guarantee for Rs. 200 lakhs despite the stay order issued by the Hon. District Court, Goa. The court has also passed stay order from carrying into effect the termination of the agreement. The subsidiary has already taken further action in the matter including filing for arbitration. The Company's exposure including investments and loans and advances is around Rs 579.58 lakhs. The management believes that it has a strong case in this matter. Pending outcome of the legal proceedings, no adjustments have been made to the unaudited financial results. The auditors in their review report have modified their conclusion in this matter.

5 In respect of the following projects there are legal issues, arbitration proceedings or negotiations with the grantor for which the Management is taking necessary steps to resolve the matters. These issues are commonly encountered in the Infrastructure business and the management is confident of a favourable resolution in due course. The auditors in their review report have made an emphasis of matter on these matters.

(a) Bridge project at Cochin - the Greater Cochin Development Authority has sought to end the toll collection by unilaterally sealing the toll booth. The subsidiary has initiated arbitration. The exposure of the Company is Rs. 2,437.79 lakhs (funded and non-funded).

(b) Hydro power project at Himachal Pradesh - the project is stalled due to local agitation relating to environment issues. The matter with state Government is under active negotiation to restart the project or reimburse the costs incurred. The exposure of the company is Rs. 7,100.42 lakhs.

(c) Container terminal at Mumbai – where the group is a Joint Venture (JV) partner, the project is delayed due to non-fulfillment of certain conditions by the Mumbai Port Trust. This has resulted in the company incurring losses and default in repayment of debt obligation. The matter with the MBPT is under active discussions for resolving the outstanding issues. The management is also negotiating with the bankers for re-scheduling the loans. The exposure of the Company in the JV is Rs. 12,519.72 lakhs (funded and non-funded).

6 During the quarter, the Company has incurred cash loss and its Current Liabilities exceeds Current Assets by Rs. 38,010.91 lakhs as at December 31, 2014 (Rs. 40,772.66 lakhs as on September 30, 2014) The Company is taking various steps to meet its commitments, both, short term and long term in nature. The Company intends to monetise some of its mature assets and securitise some of its future receivables. Based on detailed evaluation of the current situation, plans formulated and active discussions underway with various stakeholders, management is confident that the carrying values of the assets and liabilities in these unaudited financial results are appropriate. Accordingly the accompanying financial results do not include any adjustments that may result from these uncertainties. The auditors in their review report have highlighted the same as an Emphasis of Matter.

7 During the previous period on account of inadequacy of profits, the company had paid managerial remuneration in excess of the limits specified under Schedule XIII of the Companies Act 1956 and Schedule V of the Companies Act 2013 wherever applicable. The total amount paid in excess of the limits as computed under the respective regulations was Rs. 208.55 lakhs. The Company is taking steps to make an application to the Central Government for approving the excess managerial remuneration. The auditors in their review report have highlighted the same as an Emphasis of Matter. For the current financial period the management contends that the managerial remuneration shall be within the limits specified under the Companies Act, 2013.

GAMMON INFRASTRUCTURE PROJECTS LIMITED

8 During the quarter, the Company has revised the depreciation rate on fixed assets as per the useful life specified in the Schedule II of the Companies Act 2013. Due to this change depreciation for the quarter ended December 31, 2014 is higher by Rs. 14.81 lakhs. Further, net book value for assets whose useful life has ended as on October 1, 2014 of Rs. 8.78 lakhs is adjusted to retained earnings.

9 The Company's operations constitutes a single segment namely "Infrastructure Development" as per Accounting Standard AS' - 17 Segment Reporting. Further, the Company's operations are within single geographical segment which is India.

10 Figures for previous periods have been regrouped / reclassified wherever necessary to conform to the current quarters presentation.

For Gammon Infrastructure Projects Limited

Kishor Kumar Mohanty
Managing Director
DIN : 00080498

Place : Mumbai.
Date: February 14, 2015

S.R. BATLIBOI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

NATVARLAL VEPARI & CO. * CHARTERED ACCOUNTANTS * Mumbai