GAMMON INFRASTRUCTURE PROJECTS LIMITED

PART I

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2015

(All amounts in Rupees lakhs)

Sr. No.	Particulars	Quarter ended			6 Months ended		9 Months ended
		31.03.2015 (Unaudited)	31.12.2014 (Unaudited)	31.03.2014 (Unaudited)	31.03.2015 (Unaudited)	31.03.2014 (Unaudited)	30.09.2014 (Audited)
	Income from operations	4,870.86	4,205.74	1,950.69	9,076.60	3,433.08	8,135.56
1	**Total Income from operations**	**4,870.86**	**4,205.74**	**1,950.69**	**9,076.60**	**3,433.08**	**8,135.56**
	Expenses :						
	Project expense	3,135.06	2,765.21	864.71	5,900.27	1,160.91	3,788.82
	Employee benefits expenses	355.37	397.14	525.61	752.51	1,137.10	1,361.65
	Depreciation & amortisation expense	63.51	74.44	58.39	137.96	121.88	177.15
	Other expenses	212.53	239.67	271.77	452.20	456.85	897.04
2	**Total expenses**	**3,766.47**	**3,476.46**	**1,720.48**	**7,242.94**	**2,876.74**	**6,224.66**
3	**Profit from operations before other income, finance costs and Exceptional Items (1 - 2)**	**1,104.39**	**729.28**	**230.21**	**1,833.66**	**556.34**	**1,910.90**
4	Other Income	25.26	138.71	66.97	163.97	147.70	245.10
5	**Profit before Finance Costs and Exceptional Items (3 + 4)**	**1,129.65**	**867.99**	**297.18**	**1,997.63**	**704.04**	**2,156.00**
6	Finance Costs	1,032.65	1,176.59	1,742.77	2,209.24	3,490.68	5,345.16
7	**Profit / (Loss) after Finance Costs but before Exceptional Items (5 - 6)**	**97.00**	**(308.60)**	**(1,445.59)**	**(211.61)**	**(2,786.64)**	**(3,189.16)**
8	Exceptional Items	-	-	3,916.16	-	3,916.16	3,916.16
9	**Profit / (Loss) from Ordinary Activities before tax (7 - 8)**	**97.00**	**(308.60)**	**(5,361.74)**	**(211.61)**	**(6,702.80)**	**(7,105.31)**
10	Tax Expense :	-	-	(6.98)	-	(42.97)	(171.60)
11	**Profit / (Loss) from Ordinary Activities after tax (9 - 10)**	**97.00**	**(308.60)**	**(5,354.77)**	**(211.61)**	**(6,659.83)**	**(6,933.72)**
12	Extraordinary items (Net of tax expense)	-	-	-	-	-	-
13	**Net Profit / (Loss) for the period (11 - 12)**	**97.00**	**(308.60)**	**(5,354.77)**	**(211.61)**	**(6,659.83)**	**(6,933.72)**
14	Paid-up Equity Share Capital (Face Value Rs.2/- per equity share)	18,864.24	18,862.44	14,761.55	18,864.24	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	0.01	(0.03)	(0.73)	(0.02)	(0.91)	(0.92)
	Diluted	0.01	(0.03)	(0.73)	(0.02)	(0.91)	(0.92)
	b) After Extraordinary Items						
	Basic	0.01	(0.03)	(0.73)	(0.02)	(0.91)	(0.92)
	Diluted	0.01	(0.03)	(0.73)	(0.02)	(0.91)	(0.92)

PART II

Select information for the quarter ended March 31, 2015

A)	PARTICULARS OF SHAREHOLDING						
1	**Public shareholding**						
	- Number of shares (in lakhs)	3,887.61	3,886.71	1,836.26	3,887.61	1,836.26	3,878.01
	- Percentage of shareholding	41.39%	41.39%	25.02%	41.39%	25.02%	41.33%
2	**Promoters and promoter group shareholding**						
	a) Pledged / Encumbered						
	- Number of shares (in lakhs)	5,280.00	312.06	4,302.86	5,280.00	4,302.86	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	95.93%	5.67%	78.18%	95.93%	78.18%	0.00%
	- Percentage of shares (as a % of the total share capital of the Company)	56.22%	3.32%	58.62%	56.22%	58.62%	0.00%
	b) Non-encumbered						
	- Number of shares (in lakhs)	224.00	5,191.94	1,201.14	224.00	1,201.14	5,504.00
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	4.07%	94.33%	21.82%	4.07%	21.82%	100.00%
	- Percentage of shares (as a % of the total share capital of the Company)	2.39%	55.29%	16.36%	2.39%	16.36%	58.67%

B)	INVESTOR COMPLAINTS	Quarter ended 31.03.2015
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed off during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil

NATVARLAL VEPARI & CO. Mumbai

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GAMMON INFRASTRUCTURE PROJECTS LIMITED

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Amounts in Rupees lakhs)

	Particulars	As at 31-Mar-15 (Unaudited)	As at 30-Sep-14 (Audited)
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds**		
	a) Share capital	18,864.24	18,845.04
	b) Reserves and surplus	62,653.02	62,885.20
	Sub-total : Shareholders' Funds	**81,517.26**	**81,730.24**
2	**Non-current liabilities**		
	a) Long-term borrowings	27,942.53	26,933.56
	b) Deferred tax liability, net	-	-
	c) Other long-term liabilities	8,571.06	10,983.41
	d) Long-term provisions	25.31	42.10
	Sub-total : Non-current liabilities	**36,538.90**	**37,959.07**
3	**Current Liabilities**		
	a) Short-term borrowings	7,956.11	6,446.59
	b) Trade payables	2,313.07	999.44
	c) Other current liabilities	38,559.14	36,448.77
	d) Short-term provisions	1,863.37	1,882.44
	Sub-total : Current liabilities	**50,691.69**	**45,777.24**
	TOTAL : EQUITY AND LIABILITIES	**168,747.85**	**165,466.56**
B	**ASSETS**		
1	**Non-current assets**		
	a) Fixed assets	976.64	1,122.77
	b) Non current investments	83,848.33	80,796.33
	c) Long-term loans and advances	74,541.80	76,648.51
	d) Trade receivables	1,450.91	882.87
	e) Other non-current assets	898.79	1,011.49
	Sub-total : Non-current assets	**161,716.47**	**160,461.97**
2	**Current assets**		
	a) Current investments	490.19	620.00
	b) Inventories	17.46	51.51
	c) Trade receivables	195.75	153.86
	d) Cash and cash equivalents	973.89	1,242.07
	e) Short term loans and advances	3,178.11	2,922.34
	f) Other current assets	2,175.98	14.81
	Sub-total : Current assets	**7,031.38**	**5,004.59**
	TOTAL : ASSETS	**168,747.85**	**165,466.56**

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 May 15, 2015. These results have been subjected to a limited review by the Statutory Auditors of the Company.

2 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. 8,165.46 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.

3 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 588.70 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.

4 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. 2,466.98 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. 7,101.33 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. 12,590.14 lakhs (funded and non-funded).

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5 The Company's Current Liabilities exceeds Current Assets by Rs. 43,660.32 lakhs as at March 31, 2015 (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.

6 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 has filed 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.

7 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.

8 During the quarter the Company has issued 90,000 equity shares on exercise of ESOPs by eligible employees.

9 In the previous periods the Company had closed its accounts for nine months ended December 31, 2013 and September 30, 2014. Comparative figures in Part 1 above, for the six months ended March 31, 2014 are derived by aggregating the figures for the quarters ended December 31, 2013 and March 31, 2014.

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 : May 15, 2015