

19th August, 2016

The National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Scrip Code: GAMMONIND

Dear Sir,

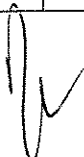
Sub: Company Updates

Ref: Our letter dated 17th August, 2016 and your e-mail dated 18th August, 2016.

In continuation to our aforementioned letter regarding contract awarded by M/s National Highways Authority of India (NHAI) we furnish below additional information as sought by you pursuant to Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. Significant terms and conditions of project awarded in brief:

(i)	Project Details	:	Four laning of Hospet – Bellary – Karnataka / AP Border from Km.280.080 (Design Ch.) to Km.375.450 (Design Ch.), design length 98.370, NH-63 in the State of Karnataka under NHDP Phase-IVB on EPC mode.
(ii)	Contract Value (CV)	:	Rs. 869,99,99,993 (Rupees Eight Hundred Sixty Nine Crores Ninety Nine lakhs Ninety Nine Thousand Nine Hundred and Ninety Three).
(iii)	<u>Advance</u>		
	a) Mobilisation	:	10% of CV against Bank Guarantee.
			Interest -10% per annum (made in 2 installments 5% (after Appnt date) & 5% (after 60 days from Appnt date).
	b) Machinery	:	NA
	Bid Security	:	Rs.11.67 Crores
(iv)	Performance Security	:	5% of Contract Price valid till 60 days after Defects Liability Period
(v)	Retention Money		6% of RA bill, Max. 5% of CV
(vi)	Project Milestones		Mile Stone I - 150th Day : Financial Progress 10%
			Mile Stone II -330th Day : Financial Progress 35%
			Mile Stone III -510th Day : Financial Progress 70%
			Scheduled Completion Date - 730th Day -Financial Progress 100%
(vii)	Defects Liability Period	:	4 years from the Date of Provisional/Completion Certificate
	(Maintenance period)		



GAMMON INDIA LIMITED

An ISO 9001 Company

GAMMON HOUSE, VEER SAVARKAR MARG, P. O. BOX NO. 9129, PRABHADEVI, MUMBAI-400 025. INDIA.
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E-Mail : gammon@gammonindia.com • Website : www.gammonindia.com

CIN: L74999MH1922PLC000997



(viii)	Payment During DLP (Maintenance Period)	:	For 1st year - 0.5% of CV 2nd year - 1% of CV 3rd year - 1.5% of CV 4th year - 2% of CV Total =5% of CV
(ix)	Recovery of Advance	:	Deduction shall made @15% of each stage payment. Deductions shall commence in the next Stage Payment Statement following that in which the total of all stage payments exceeds 20% of the CV & Shall be completely recovered before 80% of CV.
(x)	Damages for delay in Handing over of site from Authority	:	Amount of Damages in Rs. per day per metre = $0.05 \times C (CV) \times 1/L(\text{in m}) \times 1/N(\text{completion period in days})$ - (Amount of damages works out to be Rs 8384.22 per km per day for above estimated cost.
(xi)	Liquidated damages	:	0.05% of Contract Value per day subject to maximum 10% of CV Rs. 58.371 Lacs/Day , Max : Rs. 116.472 Cr
(xii)	Bonus	:	Payable @ 0.03% per day subject to max 3% of CV.
(xiii)	Escalation	:	Payable

2. Whether the project would fall within related party transactions? If yes, whether the same is done at arms-length:

The contract is not a related party transaction.

3. Whether the promoter/ promoter group / group companies have any interest in the entity that awarded the order(s)/contract(s)? If yes, nature of interest and details thereof:

No promoter/ promoter group / group companies have any interest in the entity that awarded the order(s)/contract(s).

4. Time period by which the project is to be executed:

730 days (2 years)

You are requested to take note of the same

Thanking you,

For **GAMMON INDIA LIMITED**

GITA G. BADE
COMPANY SECRETARY

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