GAMMON INFRASTRUCTURE PROJECTS LIMITED

August 6, 2014

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Mumbai – 400 050

Dear Sir,

Sub: Postal Ballot Notice

Scrip Code: 532959, Scrip ID: GAMMNINFRA

Please find attached the Postal Ballot Notice of Gammon Infrastructure Projects Limited, to transact the business as detailed in the Notice.

Please take note of the same.

For **Gammon Infrastructure Projects Limited**

G. Sathis Chandran
Company Secretary

Encls: Postal Ballot Notice

GAMMON INFRASTRUCTURE PROJECTS LIMITED

Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025
CIN: L45203MH2001PLC131728

POSTAL BALLOT NOTICE

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013, ("**Act**") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, to the members of Gammon Infrastructure Projects Limited (the "**Company**") to approve the business contained in the draft resolutions hereunder by Postal Ballot.

The draft resolutions and the explanatory statements thereto setting out the material facts and reasons for the resolutions is appended herewith and is being sent to you along with a Postal Ballot Form for your consideration. Mr. V. V. Chakradeo, practicing Company Secretary has been appointed by the Board of Directors of your Company as the Scrutinizer.

You are requested to carefully read the instructions printed on the Postal Ballot Form and the Notice and return the completed Form in the enclosed self-addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before the close of business hours (17:00 hrs.) on Saturday, the 6th September 2014, the last date for receipt of the completed Postal Ballot Forms. The postage on the enclosed self-addressed postage pre-paid envelope shall be borne and paid by the Company.

E-Voting Option

We are pleased to offer e-voting facility also as an alternate for our Members which would enable you to cast your votes electronically, instead of physical postal ballot form. E-voting is optional. Please carefully read and follow the instructions on e-voting printed in this notice.

The Scrutinizer will submit his report to the Chairman /Managing Director of the Company, upon completion of scrutiny of postal ballots and E-Votes in a fair and transparent manner and the result will be announced on Wednesday the 10th September, 2014 at the Registered Office of the Company at 11.00 a.m. The result of the postal ballot will also be posted on the Company's website www.gammoninfra.com besides communicating to the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

Draft Resolutions:

1. To authorize the Board to create charge on the property of the Company.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**Resolved** that, in supersession of the earlier resolution passed by the members at the first Annual General Meeting of the Company held on July 31, 2002 in terms of the provisions of Companies Act, 1956, consent of the Company be and is hereby accorded pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013 and any other applicable provisions thereof (including any statutory modification(s) or re-enactment(s) thereof and any rules thereunder for the time being in force) (the **Act**), to the Board of Directors of the Company (the "**Board**") for mortgaging and / or charging on such terms and conditions at such time or times and in such form and manner and with such ranking as to priority (whether pari-passu with subsisting charges or otherwise) as it may think fit all or some or any immoveable and/or moveable properties of the Company, wherever situate, both present and future comprised in any undertaking or undertakings of the Company as the case may be and/or the whole or substantially the whole of the Company's one or more undertakings or all the undertakings, in favor of the lender(s) / security trustee including debenture-trustees for the holders of debentures / bonds that may be issued whether privately placed / to be placed with the financial institutions, banks, bodies corporate and others with power to the lender(s) or debenture-trustees / security trustee to take over the management of the business and concern of the Company in certain events and upon the terms and conditions decided / to be decided by the Board, as and by way of security to secure any borrowing, whether by the Company or any other body corporate, together with interest thereon, additional interest, cumulative interest, liquidated damages, remuneration of debenture – trustees / security trustee, if any, premium, if any on redemption / pre-payment costs, charges, expenses and all other moneys payable by the Company or any other body corporate to the lender(s) or debenture-trustees or the security trustee or the holders of the debentures/bonds in terms of the availment of loans or issue of the said debentures/bonds subject to the maximum amount approved by the members of the Company from time to time in terms of the provisions of Section 180 (1)(c) of the Act, including the charges subsisting;

Resolved further that, the Board be and is hereby authorised to do or cause to be done all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to this resolution."

2. To authorize the Board to borrow in excess of paid up capital and free reserves of the Company.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**Resolved** that, in supersession of the earlier resolution passed by the members on July 24, 2012 by way of Postal Ballot, in terms of provisions of Companies Act, 1956, consent of the Company be and is hereby accorded pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 and any other applicable provisions thereof (including any statutory modification(s) or re-enactment(s) thereof and any rules thereunder for the time being in force), to the Board of Directors of the Company (the "**Board**") for borrowing moneys from time to time from any one or more banks, financial institutions and other persons, firms, bodies corporate, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained by the Company from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, so however that the total amount of moneys so borrowed and outstanding at any time shall not exceed Rs.1,500/- (Rupees One Thousand Five Hundred) Crores only;

Resolved further that, the Board be and is hereby authorised to do or cause to be done all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to this resolution."

3. To amend the Articles of Association to increase the maximum strength of the Board.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"**Resolved** that, pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013, Article 150 of the Articles of Association of the Company be and is hereby amended by substituting the sub-paragraph appearing after the names of the first Directors with the following sub-paragraph:

"The number of directors on the Board shall not be less than three and not more than fifteen or such higher number as may be approved by members."

4. To increase the maximum limit on shareholding by Foreign Institutional Investors in the Company.

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"**Resolved** that, pursuant to the provisions of Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and all other applicable rules & regulations, guidelines and laws (including any statutory modifications or re-enactment thereof for the time being in force) and in substitution of the resolution approved by the members on 25th March, 2006 and subject to all applicable approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions which may be agreed to by the Board of Directors of the Company the consent of the Company be and is hereby accorded to the Board of Directors of the Company to permit Foreign Institutional Investors (the "**FII**") registered with the Securities and Exchange Board of India ("**SEBI**") to acquire and hold on their own account and/or on behalf of each of their sub-accounts registered with SEBI, equity shares up to an aggregate limit of 49% (Forty Nine Percent) of the paid up equity share capital of the Company for the time being, provided, however, that the equity shareholding of each FII shall not exceed such limits as are or as may be prescribed, from time to time, under applicable laws, rules and regulations;

Resolved further that, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body and for matters connected therewith or incidental thereto."

5. To amend the Articles of Association to provide a right to promoters to nominate director(s) on the Board

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"**Resolved** that, pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013, the following Article be added as Article 153A after Article 153 of the Articles of Association of the Company:

"153A. Notwithstanding anything to the contrary contained in these Articles, Gammon India Limited (the 'Promoter'), shall have a right to appoint from time to time any person or persons as a Director or Directors, Whole-time or Non-Whole-time (which director or directors is/are hereinafter referred to a "Promoter Nominee Director/s") on the Board of the Company in proportion to its equity shareholding in the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Promoter Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and Meetings of the Committees of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Company shall pay to the Promoter Nominee Director/s, who are non-executive directors sitting fees and other fees and expenses and commission which other non-executive Directors of the Company are entitled to. Any expenses that may be incurred by the Promoter or by such Promoter Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Promoter or as the case may be to such Promoter Nominee Director/s.

Provided that the Promoter Nominee Director/s so appointed shall not be liable to retire by rotation and need not possess any qualification shares, if any, required to qualify him for the office of Director.

Provided also that in event of the Promoter Nominee director/s being appointed as Whole-time Director/s such Promoter Nominee Director/s shall have such rights as are usually exercised or available to a Whole-time Director, in the management of the affairs of the Company. Such Promoter Nominee Director/s shall also be entitled to receive such remuneration, fees, commission and monies as may be approved by the members."

Resolved further that, Article 154A of the Articles of Association of the Company be and is hereby substituted as follows:

154A. Subject to the provisions of Section 152 of the Act, the number of Directors appointed under Articles 152, 153, 153A and 154 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office.

By order of the Board,
For, **Gammon Infrastructure Projects Ltd.**

(sd)

G.Sathis Chandran
Company Secretary

Mumbai
Date: 28.07.2014

NOTES:

1. The Board of Directors has appointed Mr. V.V. Chakradeo, practicing Company Secretary, as the Scrutinizer to conduct the postal ballot process and the E-Voting process in a fair and transparent manner.
2. The Statement as required under Section 102 of the Companies Act, 2013 is annexed to this Notice. A Postal Ballot Form is also enclosed.
3. Shareholders who have registered their e-mail IDs with depositories or with the Company are being sent Notice of Postal Ballot by email and shareholders who have not registered their e-mail IDs will receive Notice of Postal Ballot along with Postal Ballot Form by post. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form can download the Postal Ballot Form from the link www.evoting.nsdl.com **o**r from the website of the Company www.gammoninfra.com. The voting shall be reckoned in proportion to a Members share of the paid up equity share capital of the Company as on July 25, 2014.
4. The Scrutinizer will submit the report to the Chairman of the Company after completion of scrutiny.
5. The results of the Postal Ballot will be announced by the Managing Director or any other Director on Wednesday, the 10th September, 2014 at

the Registered Office of the Company at 11.00 a.m.

6. The date of announcement of the result of postal ballot shall be taken to be the date of passing of the resolution.
7. The result of Postal Ballot shall also be informed to the stock exchanges and hosted on the Company's website www.gammoninfra.com.
8. The shareholders are requested to carefully read the instructions printed on the backside of the attached Postal Ballot Form before exercising their vote.
9. Shareholders who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof.
10. The e-voting period commences on Friday, 8th August, 2014 (10:00 am) and ends on Saturday, 6th September, 2014 (5:00 pm). The e-voting module shall be disabled by NSDL for voting thereafter.

E-Voting Facility

(A) In case of shareholders receiving e-mails from NSDL

i. Open e-mail and open PDF file viz. "Gammoninfra e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.

ii. Launch internet browser by typing the URL : **https://www.evoting.nsdl.com/**.

iii. Click on "Shareholder-Login".

iv. Put user ID and password as initial password noted in step (a) above. Click login.

v. Password change menu will appear. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. Home page of "e-voting" opens. Click on "e-voting". : Active E Voting Cycles.

vii. Select E Voting Event Number (EVEN) of Gammon Infrastructure Projects Limited.

viii. Now you are ready for "e-voting" as "Cast Vote" page opens.

ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

x. Upon confirmation, the message "Vote cast successfully" will be displayed.

xi. Once you have voted on the resolution, you will not be allowed to modify your vote.

xii. Institutional shareholders and bodies corporate (i.e. other than individuals, HUF, NRIs, etc.) are required to send scanned copy (PDF/ JPG format) of the relevant Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote to the Scrutinizer through e-mail at vvchakra@gmail.com with a copy marked to compliances@gammoninfra.com.

(B) In case of shareholders receiving Postal Ballot Form by Post:

i. Initial password is provided at the bottom of the Postal Ballot Form.

ii. Please follow all steps from Sl. No. (ii) to (xii) of (A) above, to cast your vote.

(C) In case of any queries, you may refer the "Frequently Asked Questions (FAQs)" for shareholders and e-voting user manual for shareholders available at the "downloads" section of NSDL website at www.evoting.nsdl.com.

(D) If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.

(E) 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 communications.

ANNEXURE TO THE NOTICE

(Statement under Section 102 of the Companies Act, 2013)

ITEM NO. 1 & 2

The members of the Company at the first Annual General Meeting held on 31st July, 2002, had by way of Ordinary Resolution under Section 293(1) (a) of the Companies Act, 1956, accorded consent to the Board of Directors for creation of mortgages, charges and hypothecation on all or any of the movable or immovable or any other tangible and intangible assets / properties of the Company (both present & future), in favor of any lender including the financial institutions / banks / debenture trustees etc. in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time up to the maximum amount approved by the shareholders under Section 293(1)(d) of the Companies Act, 1956. The members of the Company had at the same Meeting accorded its consent to the Board under Section 293(1)(d) of the Companies Act, 1956 to borrow moneys for the purpose of the business of the Company, apart from temporary loans from its bankers, up to a limit of Rs.1,000 (One Thousand) crores.

On 24th July, 2012, members of the Company by way of an ordinary resolution under Section 293 (1)(d) passed by Postal Ballot increased the borrowing powers of the Board of Directors to Rs. 1,500/- crores in excess of the paid up capital and free reserves of the Company.

Consequent to implementation of Section 180 of the Companies Act, 2013 the consent of the Company is required by way of a special resolution to borrow funds in excess of the paid up capital and free reserves of the company and to create security for the same. The members are therefore required to pass fresh resolutions under Section 180(1)(a) and Section 180 (1)(c) of the Companies Act, 2013. For the avoidance of doubt, it is clarified that these resolutions do not increase the amounts that may be borrowed by the Board of Directors or the amount of charges that may be created that had already been approved by the members of the Company.

The Board recommends the Special Resolutions mentioned at item no. 1 and 2 of this Notice for your approval.

None of the Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolutions.

ITEM NO. 3

The sub-paragraph appearing after the names of the first Directors in Article 150 of the Articles of Association of the Company provides as follows:

"*Until otherwise determined by a General Meeting, the number of directors shall not be less than three nor more than twelve*."

As per Section 149 of the Companies Act, 2013 the Board can have a maximum number of fifteen directors which could further be increased by a special resolution of members.

Currently, the Board comprises of eight Directors. It is proposed to amend the Articles of Association to bring the same in consonance with the provisions of the Companies Act, 2013.

The resolution at Item No. 3 of the Notice is set out as a Special Resolution for approval by the members in terms of Section 14 of the Companies Act, 2013.

The Board recommends the Special Resolution mentioned at item no. 3 of this Notice for your approval.

None of the Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolutions.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the members at the Registered Office of the Company on all working days between 10.30 a.m. to 5.30 p.m. upto the date of declaration of the result of Postal Ballot.

ITEM NO. 4:

The Foreign Institutional Investors (FII) have assumed a crucial role in the Indian capital market. The ceiling on investment by FIIs in a listed company is 24% of the paid up capital which could be increased up to the sectorial ceiling for investment in the Company by a special resolution of members. The FIIs hold about 7.55% of the paid up capital of the Company as on June 30, 2014. The sectorial cap for investment in investing companies in infrastructure sector is 49% of the paid up capital of the listed company.

It is proposed to facilitate greater FII investment in the Company with a view to increase the Company's accessibility to funds.

The members had at the extra-ordinary general meeting held on 25th March, 2006 approved (FII) investment of up to 35% of the paid up equity capital of the Company. However, the said increase was not registered with the Reserve Bank of India.

With a view to provide for increased FII participation in the Company, the Board considers it desirable to increase the ceiling on FIIs investment in the Company from 24% to 49% of the paid up equity share capital of the Company by passing the resolution as stated at Item No.4 of the Notice.

The Board of Directors recommends the Resolutions at Item No.4 of the Notice for approval by the Members.

None of the Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolutions.

ITEM No. 5

The Company was promoted by Gammon India Limited ("**GIL**") in the year 2001 for participating in infrastructure project development on public private partnership basis. The Company draws substantial strength from its synergy with GIL. The construction expertise built by GIL over several decades of operations helps us in the bidding process as well as in getting competitive bids from others in the construction industry. We also make use of the Gammon logo in our operations. GIL holds about 74.98% of the paid up capital of the Company.

In view of the Promoter's contribution in the promotion and growth of the Company it is proposed to amend the Articles of Association of the Company to make an enabling provision for the Promoter to appoint its nominees on the Board of the Company in proportion to its equity holding in the paid up equity capital of the Company. Accordingly, it is proposed to amend the Articles of Association of the Company by insertion of a new Article 153A after the existing Article 153.

Section 152 of the Companies Act, 2013 provides that not less than two-thirds of the total number of directors of the Company, other than independent directors, shall be liable to retire by rotation. Accordingly, the existing Article 154A is also proposed to be amended to provide that the total number of non-retiring directors including the Promoter Nominee Director/s, if any, shall not exceed one-third of the total number of directors.

The Resolution at Item No. 5 of the Notice is set out as a Special Resolution for approval by the members in terms of Section 14 of the Companies Act, 2013.

The Board of Directors recommends the Resolution at Item No.5 of the Notice for approval by the Members.

Mr. Abhijit Rajan and Mr. C. C. Dayal, directors, are also on the Board of GIL and may be considered as interested in the resolution. Mr. Himanshu Parikh, director, is an employee of GIL and may be considered as interested in the resolution. None of the other Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolution.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the members at the Registered Office of the Company on all working days between 10.30 a.m. to 5.30 p.m. up to the date of declaration of the result of Postal Ballot.

By order of the Board,
For, **Gammon Infrastructure Projects Ltd.**

(sd)

G.Sathis Chandran
Company Secretary

Mumbai
Date: 28.07.2014

GAMMON INFRASTRUCTURE PROJECTS LIMITED

Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025
CIN: L45203MH2001PLC131728

POSTAL BALLOT NOTICE

(Please read the instructions before completing the Form)

Name(s) of Members
including Joint holders, if any

Registeres Address of the Sole / first named Members :

Registered Folio No. / DP ID No. / Client ID No. :

No. of shares held :

I/We hereby exercise my/our vote(s) in respect of the following Resolutions to be passed through Postal Ballot/e-voting as set out in the Notice dated July 28, 2014 of the Company by conveying sending my/our assent (for) or dissent (against) the said Resolutions by placing the tick mark (✓) at the appropriate box below:

Resolution No.	Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	To authorize the Board to create charge on the property of the Company			
2.	To authorize the Board to borrow in excess of paid up capital and free reserves of the Company			
3	To amend the Articles of Association to increase the maximum strength of the Board.			
4	To increase the maximum limit on shareholding by Foreign Institutional Investors in the Company			
5	To amend the Articles of Association to provide a right to promoters to nominate director(s) on the Board			

_____

Signature of the Member/Authorised Representative

Date:

Place:

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password

INSTRUCTIONS

1. General Instructions:

a. There will be one Postal Ballot Form/e-voting for every Client ID No./Folio No., irrespective of the number of joint holders.

b. Members have option to vote either through Postal Ballot Form or through e-voting. If a member has opted for Physical Postal Ballot, then he/she should not vote by e-voting and vice versa. However, in case Shareholders cast their vote through both physical postal ballot and e-voting, then vote cast through e-voting shall prevail and vote cast through Physical Postal Ballot shall be considered as invalid.

c. Voting in the Postal ballot/e-voting cannot be exercised by a proxy. However, corporate and institutional members shall be entitled to vote through their authorised representatives with proof of their authorization as stated below.

d. Any query in relation to the Resolutions proposed to be passed by Postal Ballot may be addressed to G. Sathis Chandran, Company Secretary, at the Registered Office of the Company.

e. The Scrutinizer's decision on the validity of a Postal Ballot/E-voting shall be final and binding.

2. Instructions for voting physically by Postal Ballot Form:

a. A member desirous of exercising his/her Vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer, V.V. Chakradeo, Practicing Company Secretary, in the attached self-addressed envelope. Postage will be borne and paid by the Company. Further, any envelopes containing postal ballot, if deposited in person or sent by courier at the expense of the Registered Member(s) will also be accepted.

b. The self-addressed postage pre-paid envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.

c. This Form must be completed and signed by the Member, as per specimen signature registered with the Company or Depository Participant, as the case may be. In case of joint holding, this Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member.

d. In respect of shares held by corporate and institutional members (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory (ies) duly attested.

e. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (√) in the appropriate column in the Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.

f. Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.

g. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours (17:00 hrs.) on Saturday, the 6th September, 2014. All Postal Ballot Forms received after this date will be strictly treated as if no reply has been received from the Member.

h. Members are requested not to send any other paper along with the Postal Ballot Form. They are also requested not to write anything in the Postal Ballot Form except giving their assent or dissent and putting their signature. If any such other paper is sent, the same will be destroyed by the Scrutinizer.

i. Incomplete, unsigned or incorrectly ticked Postal Ballot Forms will be rejected.