GAMMON INFRASTRUCTURE PROJECTS LIMITED

April 1, 2015

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.

Fax: 26598237/38; 26598347/48

Dear Sirs,

Subject: Gammon Infrastructure Projects Ltd. (Scrip Code-532959, Scrip ID-GAMMNINFRA) – clarification on News Report in Financial Express captioned "Gammon Infra misses principal payments on port project cost spiral'.

We refer to your letter NSE/CM/Surveillance/R-1799 dated April 01, 2015 asking for clarification on a news item appearing in the Financial Express issue on April 01, 2015 captioned "Gammon Infra misses principal payments on port project cost spiral".

You have asked us "whether such negotiations were taking place? If so, you are advised to provide the said information along with sequence of events in chronological order from the start of negotiations till date."

We have gone through the subject News Report which does not mention anything about 'negotiations' and therefore we are not in a position to comment on the same. The subject news report is the FE's report on what their reporters understood of what they heard in the course of the Annual General Meeting of the Company on March 31, 2015; over which we cannot comment.

However, with respect to the Indira Container Terminal Project, the Company's offshore container project at Mumbai Harbor, we have reported to both the NSE and the BSE about the issues being faced by us at this project in the notes to our

'Statement of Consolidated Financial Results for the quarter and nine months ended September 30, 2014' (sent to NSE / BSE on November 18, 2014). We have also covered this aspect in Note no. 41 of our 14th Annual Report for the Financial Year ended September 30, 2014, which has been sent to NSE / BSE as well as all the members of the Company.

At this stage, we do not have anything further to disclose on the Indira Container Terminal project beyond what has already been disclosed in the 14th Annual Report of the Company.

Yours truly,

For, **Gammon Infrastructure Projects Ltd.**

Kishor Kumar Mohanty
Managing Director