GAMMON INFRASTRUCTURE PROJECTS LIMITED

PART I

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended June 30, 2015

(All amounts in Rupees lakhs)

Sr. No.	Particulars	Quarter ended			Nine months period ended		
		30.06.2015	31.03.2015	30.06.2014	30.06.2015	30.06.2014	30.09.2014
		Unaudited			Unaudited		Audited
	Income from operations:						
	Net sales / Income from operations	**20,488.85**	20,800.56	14,509.68	**63,923.35**	48,495.96	52,426.62
	Other operating income	**755.01**	622.67	554.37	**4,051.28**	1,565.06	1,773.93
1	**Total income from operations**	**21,243.86**	21,423.23	15,064.06	**67,974.63**	50,061.02	54,200.55
	Expenses:						
	Project expenses	**7,868.58**	8,956.30	5,166.43	**24,233.14**	13,587.71	15,040.08
	Employee benefits expenses	**641.03**	656.81	675.37	**1,972.45**	2,330.67	2,085.67
	Depreciation and amortisation expenses	**5,934.33**	5,402.25	4,282.03	**19,889.43**	17,030.17	16,823.75
	Other expenses	**798.44**	1,071.92	515.91	**2,737.73**	2,168.60	2,902.92
2	**Total expenses**	**15,242.38**	16,087.28	10,639.74	**48,832.75**	35,117.15	36,852.42
3	**Profit / (loss) from operations before other income, finance costs and exceptional items (1 - 2)**	**6,001.48**	5,335.95	4,424.31	**19,141.88**	14,943.87	17,348.13
4	Other income	**45.78**	67.07	586.45	**481.87**	1,007.55	968.18
5	**Profit / (loss) from ordinary activities before finance costs and exceptional items (3 + 4)**	**6,047.26**	5,403.02	5,010.76	**19,623.75**	15,951.42	18,316.31
6	Finance costs	**5,365.11**	5,580.63	7,094.48	**16,879.12**	21,200.78	20,629.30
7	Share of profit /(loss) in associates	**7.65**	(0.11)	1.81	**12.61**	(0.29)	(6.23)
8	**Profit / (loss) from ordinary activities after finance costs but before exceptional items (5 - 6 + 7)**	**689.80**	(177.72)	(2,081.91)	**2,757.24**	(5,249.65)	(2,319.22)
9	Exceptional items	**-**	-	-	**-**	3,797.37	3,797.37
10	**Profit/ (loss) from ordinary activities before tax (8 - 9)**	**689.80**	(177.72)	(2,081.91)	**2,757.24**	(9,047.02)	(6,116.59)
11	Tax expense	**498.40**	(1,075.83)	(4.94)	**942.39**	273.84	(2,157.15)
12	**Net profit / (loss) from ordinary activities after tax (10 - 11)**	**191.40**	898.11	(2,076.97)	**1,814.85**	(9,320.86)	(3,959.44)
13	Extraordinary items (net of tax expenses)	**-**	-	-		-	-
14	Minority interest - share of profit/(loss)	**(188.12)**	160.46	(16.57)	**99.49**	(71.75)	65.70
15	**Net profit / (loss) for the period (12 - 13 - 14)**	**379.52**	737.65	(2,060.40)	**1,715.36**	(9,249.11)	(4,025.14)
16	Paid-up equity share capital (Face value Rs. 2 per equity share)	**18,914.24**	18,864.24	14,761.55	**18,914.24**	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	**0.04**	0.08	(0.28)	**0.18**	**(1.26)**	**(0.54)**
	Diluted	**0.04**	0.08	(0.28)	**0.18**	**(1.26)**	**(0.54)**
	b) After extraordinary items						
	Basic	**0.04**	0.08	(0.28)	**0.18**	(1.26)	**(0.54)**
	Diluted	**0.04**	0.08	(0.28)	**0.18**	(1.26)	**(0.54)**

PART II

Select information for the quarter and nine months ended June 30, 2015

		Quarter ended			Nine months period ended		
		30.06.2015	31.03.2015	30.06.2014	30.06.2015	30.06.2014	30.09.2014
A	**PARTICULARS OF SHAREHOLDING**						
1	**Public shareholding**						
	- Number of shares (in lakhs)	**3,912.61**	3,887.61	1,836.26	**3,912.61**	1,836.26	3,878.01
	- Percentage of shareholding	**41.55%**	41.39%	25.02%	**41.55%**	25.02%	41.33%
2	**Promoters and promoter group shareholding**						
	a) Pledged / Encumbered						
	- Number of shares (in lakhs)	**5,280.00**	5,280.00	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%**	95.93%	78.18%	**95.93%**	78.18%	-
	- Percentage of shares (as a % of the total share capital of the Company)	**56.07%**	56.22%	58.62%	**56.07%**	58.62%	-
	b) Non-encumbered						
	- Number of shares (in lakhs)	**224.00**	224.00	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%**	4.07%	21.82%	**4.07%**	21.82%	100.00%
	- Percentage of shares (as a % of the total share capital of the Company)	**2.38%**	2.39%	16.36%	**2.38%**	16.36%	58.67%

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Website : www.gammoninfra.com • CIN : L45203MH2001PLC131728
Registered Office : Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025. INDIA.

B	INVESTOR COMPLAINTS :	Quarter ended 30.06.2015
	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

Notes :

1 **Summary of unaudited standalone financial results**

Particulars	Quarter ended			Nine months period ended		
	30.06.2015	31.03.2015	30.06.2014	30.06.2015	30.06.2014	30.09.2014
	Unaudited			Unaudited		Audited
Income from operations and other operating income	**6,727.50**	4,870.86	1,863.46	**15,804.10**	5,296.54	8,135.56
Profit / (loss) before tax	**362.12**	97.00	(1,604.38)	**150.49**	(8,307.17)	(7,105.31)
Profit / (loss) after tax	**362.12**	97.00	(1,583.58)	**150.49**	(8,243.39)	(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 August 13, 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 During the earlier 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 August 29, 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 has initiated arbitration proceedings. The management believes that it has a strong case in this matter. Pending outcome of the arbitration proceedings, no adjustments have been made to the unaudited consolidated financial results. The auditors had modified their opinion in this matter in their audit report on the consolidated financial statements for the period ended September 30, 2014.

5 During the earlier period, 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. 626.79 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 their audit report on the consolidated financial statements for the period ended September 30, 2014.

6 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 commanly encountered in the infrastructure business and the management is confident of a favourable resolution in due course. The auditors had highlighted the same as an Emphasis of Matter in their audit report on the consolidated financial statements for the period ended September 30, 2014.

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 agititions relating to environment issues. The matter with state government is under active negotiation to restrat the project or reimburse the cost incurred. The exposure of the group towards the project is Rs. 6,751.08 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 group towards the project is Rs. 31,008.58 lakhs.

7 As at June 30, 2015, the current liabilities exceed current assets by Rs. 56,801.06 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. Based on detailed evaluation of the current situation, plans formulated and active discussions underway with various stakeholders, management is confident that the going concern assumption and 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 their audit report on the consolidated financial statements for the period ended September 30, 2014.

8 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 had highlighted the same as an Emphasis of Matter in their audit report on the consolidated financial statements for the period ended September 30, 2014. For the current financial period the management contends that the managerial remuneration shall be within the limits specified under the Companies Act, 2013.

9 During the earlier 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.

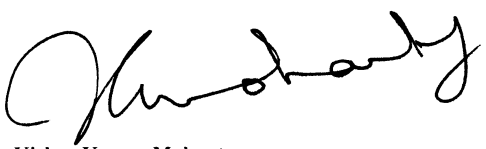
10 During the quarter the Company has issued 2,500,000 equity shares on exercise of ESOPs by eligible employee.

11 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.

12 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 nine months ended June 30, 2014 are derived by aggregating the figures for the quarters ended December 31, 2013, March 31, 2014 and June 30, 2014.

13 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 : August 13, 2015