8th November, 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.

NSE CODE: GAMMONIND

BSE Limited
1st Floor, New Trading Ring
Rotunda Building,
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

BSE CODE : 509550

Dear Sir,

Sub: Submission of Notice of the Court Convened Meeting of the Equity Shareholders of Gammon India Limited pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We wish to inform you that by an Order made on 27th October, 2016 in the Company Summons for Direction No. 835 of 2016, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the equity shareholders of the Company be convened and held on Friday, the 2nd day of December, 2016 at 2.00 P.M. at Textiles Committee, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025 to consider and approve the Scheme of Arrangement between Gammon India Limited ('GIL" or the "Transferor Company') and Transrail Lighting Limited ('TLL' or 'the Transferee Company') and their Respective Shareholders and Creditors ('the Scheme' or 'this Scheme').

Accordingly, a Court Convened Meeting of the Company is scheduled to be held on Friday, 2nd December, 2016 at 2.00 P.M. at Textiles Committee, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025 and the Notice along with Explanatory Statement in this regard has been dispatched to all shareholders of the Company. We enclose herewith a copy of the said Notice along with the Explanatory Statement.

Please take note of the same.

Thanking you.

Yours faithfully,

For GAMMON INDIA LIMITED

GITA G. BADE
COMPANY SECRETARY

Encl.: As above

GAMMON INDIA LIMITED

[CIN No.L74999MH1922PLC000997]
Registered Office: Gammon House, Veer Savarkar Marg,
Prabhadevi, Mumbai - 400 025, India.
Tel. +91 22 6111 4000 Fax: +91 22 2430 0221
Email: investors@gammonindia.com, Website: www.gammonindia.com

COURT CONVENED MEETING OF
THE EQUITY SHAREHOLDERS OF GAMMON INDIA LIMITED

Day	**:**	Friday
Date	**:**	2nd December, 2016
Time	**:**	2.00 P.M.
Venue	**:**	Textiles Committee, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025
E-voting	**:**	Commencing on 29th November, 2016 at 9.00 A.M. and ending on 1st December, 2016 at 5.00 P.M.

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SUMMONS FOR DIRECTION NO. 835 OF 2016

In the matter of the Companies Act, 1956 (1 of 1956) (or any re-enactment thereof upon effectiveness of the Companies Act, 2013);

AND

In the matter of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013;

AND

In the matter of Scheme of Arrangement

BETWEEN

Gammon India Limited ('GIL' or 'the Transferor Company')

AND

Transrail Lighting Limited ('TLL' or 'the Transferee Company')

AND

Their Respective Shareholders and Creditors

GAMMON INDIA LIMITED, (CIN : L74999MH1922PLC000997) a Company incorporated under the Companies Act, 1913 having its registered office at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025, India))))) **……Applicant Company**

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF GAMMON INDIA LIMITED, THE APPLICANT COMPANY

To,

The Equity Shareholders of Gammon India Limited ("GIL" or "the Applicant Company")

TAKE NOTICE that by an Order made on 27th October, 2016, in the above Company Summons for Direction No.835 of 2016, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of Gammon India Limited, the Applicant Company, be convened and held at Textiles Committee, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025 on Friday, 2nd day of December 2016 at 2.00 P.M., for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed arrangement embodied in the Scheme of Arrangement between Gammon India Limited ('GIL' or 'the Transferor Company') and Transrail Lighting Limited ('TLL' or 'the Transferee Company') and their Respective Shareholders and Creditors ('the Scheme' or 'this Scheme').

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of the Applicant Company will be convened and held at Textiles Committee, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025 on Friday, 2nd day of December 2016 at 2.00 P.M. at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the Registered Office of the Applicant Company at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025 not later than 48 hours before the time of the aforesaid meeting.

TAKE FURTHER NOTICE that in addition to the Court Convened Meeting, the Applicant Company also seeks the approval of its equity shareholders to the Scheme by way of e-voting pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') in the manner prescribed under Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014.

The Hon'ble High Court of Judicature at Bombay has appointed Mr. Abhijit Rajan, Chairman and Managing Director of the Applicant Company and failing him, Mr. Chandrahas Dayal, Independent Director of the Applicant Company and failing him, Mr. Vardhan Dharkar, Chief Financial Officer of the Applicant Company to be the Chairman of the said meeting.

A copy of the Explanatory Statement under Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013, the Scheme of Arrangement, Observation Letters issued by the National Stock Exchange of India Limited and BSE Limited, Valuation Report, Fairness Opinion, Complaints Report, Form of Proxy and Attendance Slip are enclosed.

Place: Mumbai
Date: 1st November, 2016

Sd/-

Abhijit Rajan
Chairman appointed for the meeting

Registered Office:
Gammon House, Veer Savarkar Marg,
Prabhadevi, Mumbai - 400 025, Maharashtra, India

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH MEMBER NEED NOT BE A MEMBER OF THE COMPANY. The Form of Proxy duly completed should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A person can act as proxy on behalf of shareholders not exceeding fifty (50) and/ or holding in aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by shareholder(s) holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Only registered Equity Shareholders of the Applicant Company may attend and vote (either in person or by proxy or by Authorized Representative) at the Equity Shareholders meeting. The authorized representative of a body corporate which is a registered Equity Shareholder of the Applicant Company may attend and vote at the Equity Shareholders meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Companies Act, 2013 or other governing body of the body corporate authorizing such representative to attend and vote at the Equity Shareholders meeting is deposited at the registered office of the Applicant Company not later than 48 hours before the meeting.
3. All alterations made in the form of proxy should be initialed.
4. The Notice and Explanatory Statement is being sent to all the equity shareholders, whose names appeared in the records of the Applicant Company as on 28th October, 2016.
5. Registered equity shareholders are informed that in case of joint holders attending the meeting, joint holder whose name stands first in the Register of Members and in his/ her absence by the next named Member of the Applicant Company in respect of such joint holding will be entitled to vote.
6. Shareholders are requested to hand over the enclosed Attendance Slip duly signed in accordance with their specimen signature(s) registered with the Applicant Company for admission to the meeting hall. Shareholders who hold shares in dematerialized form are requested to bring in their Client ID and DP ID numbers for identification.
7. The notice of the Court Convened Meeting of the Applicant Company is also posted on the website of the Applicant Company i.e. www.gammonindia.com and on the website of CDSL i.e. www.cdslindia.com.
8. Voting through electronic means:
   a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company is pleased to provide its members the facility to exercise their right to vote by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).

b. During the e-voting period, members of the Applicant Company, holding shares either in physical form or dematerialized form, as on the cut-off date i.e. Saturday, 26th November, 2016 may cast their vote electronically.

c. The e-voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on Saturday, 26th November, 2016.

The instructions for shareholders voting electronically are as under:

(i) The voting period commences on Tuesday, 29th November, 2016 at 9.00 A.M. and ends on Thursday, 1st December, 2016 at 5.00 P.M. During this period shareholders of the Applicant Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 26th November, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Applicant Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to mail at helpdesk.evoting@cdslindia.com.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Applicant Company records in order to login. • If both the details are not recorded with the depository or Applicant Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Applicant Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN No. 161102004 for GAMMON INDIA LIMITED.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

9. General Instructions

- The voting rights of shareholders shall be in proportion to their shares as on 26th November, 2016.
- The Applicant Company has appointed Mr. Vidyadhar Chakradeo of M/s. V. V. Chakradeo & Co., Practicing Company Secretary (Membership No. 3382) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- The Scrutinizer shall, within a period not exceeding 48 hours from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Applicant Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
- The results declared along with the Scrutinizers Report shall be placed on the Applicant Company's website i.e. www.gammonindia.com and on the website of CDSL i.e. www.cdslindia.com within two days of the passing of the resolution and the same will be communicated to BSE Limited and The National Stock Exchange of India Limited, where the shares of the Applicant Company are listed.
- The Resolution shall be deemed to be passed on the date of the Court Convened Meeting of the Applicant Company, subject to receipt of requisite number of votes in favour of the resolution.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 835 OF 2016

In the matter of the Companies Act, 1956 (1 of 1956) (or any re-enactment thereof upon effectiveness of the Companies Act, 2013);

AND

In the matter of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013;

AND

In the matter of Scheme of Arrangement

BETWEEN

Gammon India Limited ('GIL' or 'the Transferor Company')

AND

Transrail Lighting Limited ('TLL' or 'the Transferee Company')

AND

Their Respective Shareholders and Creditors

GAMMON INDIA LIMITED,
(CIN : L74999MH1922PLC000997) a Company incorporated under the Companies Act, 1913 having its registered office at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025, India).....Applicant Company

EXPLANATORY STATEMENT PURSUANT TO SECTION 393 OF THE COMPANIES ACT, 1956 AND SECTION 102 OF THE COMPANIES ACT, 2013

1. Pursuant to an Order dated 27th October, 2016 passed by the Hon'ble High Court of Judicature at Bombay in the Company Summons for Direction referred to hereinabove, a meeting of the Equity Shareholders of Gammon India Limited, the Applicant Company, is being convened and held at Textiles Committee, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025 on Friday, 2nd day of December 2016 at 2.00 P.M. for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement between Gammon India Limited ('GIL' or 'the Transferor Company') and Transrail Lighting Limited ('TLL' or 'the Transferee Company') and their Respective Shareholders and Creditors ('the Scheme' or 'this Scheme'). The resolution to be submitted at the said meeting will read as follows:

   "RESOLVED THAT pursuant to the provisions of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and / or Companies Act, 2013 or any amendment thereof, to the extent applicable and subject to the Memorandum of Association and Articles of Association of the Company and subject to the sanction of the Hon'ble High Court of Judicature at Bombay or such other competent authority and subject to the approval of the CDR lenders, creditors, Central Government and any other statutory / regulatory authorities as may be required and based on the recommendation of the Audit Committee, the proposed arrangement embodied in the Scheme of Arrangement between Gammon India Limited ('GIL' or 'Company') and Transrail Lighting Limited ('TLL') and their respective shareholders and creditors laid before the meeting be and is hereby approved.

   RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and for removal of any difficulties or doubts, the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee constituted by the Board of Directors of the Company or any person(s) authorized by the Board to exercise the powers conferred on the Board of Directors of the Company by this Resolution), be and are hereby authorized to do all such acts, deeds, matters and things as are considered requisite or necessary to effectively implement the Scheme and to accept such modification and / or conditions, if any, which may be required and / or imposed by the Hon'ble High Court of Judicature at Bombay while sanctioning the Scheme or by any

authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

2. In addition to the Court Convened Meeting of the Equity Shareholders of the Applicant Company, to seek their approval pursuant to Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956, approval of the Equity Shareholders of the Applicant Company is also sought by way of e-voting as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations').

3. A copy of the Scheme setting out in detail the terms and conditions of the arrangement, *inter-alia*, providing for the Slump Exchange of the Transmission and Distribution Undertaking ('T&D Undertaking') of Gammon India Limited into Transrail Lighting Limited which has been approved by the Board of Directors of the Applicant Company at its meeting held on February 12, 2016, is attached to this explanatory statement and forms part of this statement.

4. In this statement, GAMMON INDIA LIMITED is hereinafter referred to as 'GIL' or 'the Transferor Company' or 'the Applicant Company' and TRANSRAIL LIGHTING LIMITED is hereinafter referred to as 'TLL' or 'the Transferee Company'. The other definitions contained in the Scheme shall apply to this Explanatory Statement also.

5. The background of the Applicant Company is as under:

a. The Applicant Company was incorporated in the State of Maharashtra on 15th June, 1922, under the provisions of the Companies Act, 1913, under the name and style of "J. C. Gammon (Bombay) Limited". Thereafter, on 3rd December, 1923, its name was changed to "J. C. Gammon Limited". Thereafter, on 25th June, 1954, its name was changed to "Gammon India Private Limited". Subsequently, the name of the Applicant Company was changed to "Gammon India Limited" on 19th May, 1962.

b. The main objects of the Applicant Company are as under:

   i. To acquire as a going concern, take over and work, upon such terms as may appear conducive to the interest of the Company the business heretofore carried on in the Presidency of Bombay by John Charles Gammon and all the machinery, plant, furniture, fixtures, stock-in-trade, goodwill, assets and effects thereto specified in the Agreement referred to in Article 3 of the Articles of Association of the Company; and to pay therefore in cash or shares of the Company or partly in one and partly in the other, and to undertake all the liabilities of the said John Charles Gammon in connection with such business; and with the object aforesaid to adopt, become parties to, enter into and carry into effect, all such agreements, guarantees, deeds and instruments as maybe necessary or as may be deemed advisable or proper; and in particular to become parties to, enter into and carry into effect with or without modification the Agreement which has already been prepared and is referred to in Article 3 of the Articles of Association.

   ii. To construct, execute, carry out, equip, improve, work, develop, administer, manage or control works and conveniences of all kinds, whether for any Government, Public Body, Local Authority, Company/ or individual, including, but not restricted to railways, tramways, docks, harbours, piers, wharves, canals, reservoirs, embankments, irrigations, reclamations, improvement, sewage, drainage, sanitary, water, gas. Electric light, telephonic, telegraphic and power supply, works, and hotels, warehouses, markets, buildings and all other works or conveniences of public or private utility; and generally to carry on the business of builders and contractors, reinforced concrete specialists, engineers, architects, surveyors, estimators and designers in all their respective branches.

   iii. To purchase for investment or resale, and to traffic in land and house or other property of any tenure any interest therein, and to create, sell and deal in freehold and leasehold ground rents, and to make advances upon the security of land or house or other property or any interest therein, and generally to deal in traffic by way of sale, lease, exchange or otherwise with land and house property and any other property whether immovable or movable, and to develop and turn to account any land acquired by or in which the Company is interested and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting up and improving buildings, and by planting, paving, draining, letting on building lease or building agreement, and by advancing money to and entering into contracts and arrangements, of all kinds with builders, tenants and others.

c. The Registered Office of the Applicant Company is situated at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025, Maharashtra.

d. The authorised, issued, subscribed and paid-up share capital of the Applicant Company as on September 30, 2016 is as under:

Particulars	Amount Rs. (in crs)
Authorised Share Capital	
74,710,000,000 Equity Shares of Rs. 2/- each	14,942.00
3,000,000 6% Optionally Convertible Preference shares of Rs. 350/- each	105.00
Total	**15,047.00**
Issued Share Capital	
370,427,845 Equity Shares of Rs. 2/- each	74.08
Subscribed and fully paid up Share Capital	
368,847,305 Equity Shares of Rs. 2/- each	73.77
Share Forfeiture account	
Money received in respect of 1,70,948 Right shares of Rs. 10/- each forfeited	0.34
Total	**74.11**

Note:

i) Issued share capital includes 7,25,800 equity shares of Rs. 2/- each kept in abeyance.

ii) Share forfeiture amount includes Rs. 0.26 Crore of Share Premium collected on application in respect of forfeited shares.

Subsequent to September 30, 2016, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Applicant Company.

6. The Applicant Company is an engineering, procurement and construction Company with presence across all sectors of civil engineering, design and construction. It has been one of the largest physical infrastructure construction companies in India. The Applicant Company has a track record of building iconic landmark structures. The Applicant Company's area of operations include - civil engineering, procurement and construction in transportation (highways, railways, metro rail, ports, bridges & flyovers), power generation (thermal, industrial and cogeneration plants, nuclear and hydro energy, cooling towers and chimney), Transmission & Distribution (design, engineering and procurement), environmental engineering (water treatment), irrigation, high rise building etc,.

7. The equity shares of the Applicant Company are listed on the BSE Limited and National Stock Exchange of India Limited.

8. The background of TLL is as under:

a. Transrail Lighting Limited was incorporated on February 18, 2008 under the Companies Act, 1956, under the name and style of "Transrail Lighting Limited".

b. The objects of TLL are as under:

i. "To design, manufacture, test, assemble, erect, commission, repair, buy, sell, import, export, hire, exchange, alter or improve or otherwise deal in all kinds of engineering goods such as high, medium and low tension power transmission line polygonal poles, AAC/ACSR/GI conductors, lighting poles – decorative, conical, octagonal or stepped type, fixed platform type High Mast Lighting system with lantern carriage, headframes, lowering and raising winches, base hinged lowering and raising masts, and its manually or electrically operated and hydraulically powered counterbalances, mobile lighting masts with diesel genset, antenna masts, traffic light poles, sign poles, windmill masts, transmission towers, lattice masts, T.V. towers, railway electrification structures, electric substation structures, cable trays, electrical junction boxes of any type and instruments, equipments, apparatus, machinery and all articles, goods and materials required for the purpose of area illumination and for floodlighting or in connection with generation, distribution, supply of electricity or for any other purpose whatsoever and to carry on the business of metal surface treatment of every type including hot dip galvanizing, anodizing, epoxy coating, painting, heat treatment."

c. The registered office of TLL is situated at R: F, 3rd:W P: Hamilton House, J.N. Heredia Marg, Ballard Estate, Mumbai - 400 038, Maharashtra, India.

d. The authorized, issued, subscribed and paid up share capital of TLL as on September 30, 2016 is as under.

Particulars	Amount Rs.
Authorised Share Capital	
3,50,00,000 Equity shares of Rs. 10/- each	35,00,00,000
Total	**35,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
3,10,00,000 Equity shares of Rs. 10/- each	31,00,00,000
Total	**31,00,00,000**

Subsequent to September 30, 2016, there has been no change in the authorized, issued, subscribed and paid-up share capital of TLL.

9. Rationale for the Scheme:-

The Scheme, *inter-alia*, deals with the transfer of the T&D Undertaking of the Transferor Company to the Transferee Company (more particularly described in Part II of the attached Scheme) and various other matters consequential to or otherwise integrally connected with the above, pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 in the manner provided for in this Scheme. Transfer of the T&D Undertaking by GIL to TLL would help in achieving the desired operating structure and shall inter alia, have the following benefits:

- To create a sector focused company;
- To enable investment by a strategic investor;
- Ring-fence businesses from each other; and
- Deleverage the balance sheet of GIL.

10. The Proposed Scheme was placed before the Board of Directors of the Applicant Company and TLL on February 12, 2016, wherein the Valuation Report from Independent Chartered Accountant, SSPA & Co, Chartered Accountants and Fairness Opinion of an Independent Merchant Banker, Fortress Capital Management Services Private Limited, a Category-I Merchant Banker, were also placed before the respective Boards.
11. The salient features of the Scheme are as follows:
    a. The Scheme envisages transfer of the Transmission & Distribution Undertaking ('T&D Undertaking') of the Applicant Company into TLL;
    b. The whole of the T&D Undertaking shall, stand transferred to and vested in and/or deemed to be transferred to and vested in TLL as a going concern so as to vest in TLL all the rights, title and interest pertaining to the T&D Undertaking;
    c. Consideration to be discharged by TLL by way of issue of 7,25,000 (Seven Lakh Twenty Five Thousand) fully paid up new equity shares of Rs. 10 (Rupees Ten) each of TLL;
    d. Appointed date is January 1, 2016 or such other date as may be fixed or approved by the High Court;
    e. The Scheme of Arrangement would become effective from the Appointed Date but shall be operative from the Effective Date;
    f. Equity shares of TLL issued as consideration of the Slump Exchange, will not be listed on any Stock Exchange;
    g. On the Scheme becoming effective, the Applicant Company shall account as under:
        - The Applicant Company shall reduce the book value of assets and liabilities pertaining to the T&D Undertaking as on the Appointed Date from its books of accounts;
        - The Applicant Company shall record all the Equity Shares received pursuant to this Scheme at fair value;
        - The difference between the fair value of the Equity Shares received pursuant to this Scheme and the book value of assets of the T&D Undertaking as reduced by the aggregate book value of liabilities of the T&D Undertaking, if positive shall be credited to the Capital Reserve Account else shall be debited to the Profit & Loss Account.
    h. On the Scheme becoming effective, TLL shall account as under:
        - TLL shall record the face value of the Equity Shares issued by it to the Transferor Company pursuant to this Scheme as capital;
        - The aggregate face value of the Equity Shares issued by TLL and the value of the liabilities of T&D Undertaking shall be apportioned to the various assets in same proportion as the fair values of the respective assets bears to the aggregate fair value of all the assets.
    i. Upon the Scheme becoming effective, the existing issued, paid-up and subscribed share capital of TLL of Rs. 31,00,00,000 (Rupees Thirty One Crores) comprising of 3,10,00,000 equity shares of Rs. 10 each shall be reduced to Rs. 20,00,000 (Rupees Twenty Lacs) comprising of 2,00,000 equity shares of Rs. 10 each. The reduced amount of Rs. 30,80,00,000 (Rupees Thirty Crores Eighty Lacs), shall be utilized for adjusting the debit balance in the profit and loss account of TLL and excess, if any, shall be credited to the capital reserve account in TLL.
    j. The cancellation of the existing 3,08,00,000 equity shares of Rs. 10/- each amounting to Rs. 30,80,00,000 (Rupees Thirty Crores Eighty Lacs) of TLL as mentioned in Clause 7.1 of the Scheme shall be effected as an integral part of the Scheme without having to follow the process under Sections 100 to 103 of the Act separately and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and hence the provisions of Section 101 of the Act will not be applicable. Further, TLL shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.

k. The Scheme is and shall be conditional upon and subject to:

- The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and creditors of the Applicant Company and the members and / or creditors of TLL as may be directed by the High Court of Judicature at Bombay or any other competent authority, as may be applicable;
- The Scheme being sanctioned by the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and any other provision of the Companies Act, 1956 or Companies Act, 2013 as may be applicable;
- Certified or authenticated copies of the Orders of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by the Applicant Company and TLL;
- Sanctions and approvals including but not limited to in principle approvals, sanctions of any person or any governmental authority or any Stock Exchanges as may be required by law or under contract in respect of this Scheme being obtained.

l. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by TLL.

12. The proposed scheme of arrangement would not have any adverse impact on the financial position or the business of the Applicant Company and would not be prejudicial to the interest of its shareholders.

The features set out above being only the salient features of the Scheme the Equity Shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

13. The shareholding pattern of the Applicant Company Pre and Post Arrangement is given below :

Sr. No	Description	Pre-Arrangement (as on September 30, 2016)		Post-Arrangement	
		No. of Equity Shares	%	No. of Equity Shares	%
(A)	Shareholding of Promoter and Promoter Group:				
(1)	Indian				
	Individuals/Hindu Undivided Family	8189479	2.22	8189479	2.22
	Bodies Corporate	36131240	9.78	36131240	9.78
	Sub Total	44320719	11.99	44320719	11.99
(2)	Foreign – Body Corporate	3086435	0.84	3086435	0.84
	Sub Total	3086435	0.84	3086435	0.84
	Total Shareholding of Promoter and Promoter Group (A)	**47407154**	**12.83**	**47407154**	**12.83**
(B)	Public Shareholding:				
(1)	Institutions	249154004	67.42	249154004	67.42
(2)	Non-Institutions:				
	Individuals:				
	Individual Shareholders holding nominal share capital upto Rs. 2 lakh	32397494	8.77	32397494	8.77
	Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh	4578774	1.24	4578774	1.24
	Any Others (Bodies Corporate/Trusts/OCBs/ NRIs etc,)	36035679	9.75	36035679	9.75
	Sub Total	73011947	19.76	73011947	19.76
	Total Public shareholding (B)	322165951	87.17	322165951	87.17
	Total (A) + (B)	**369573105**	**100**	**369573105**	**100**
(C)	Shares held by Custodians and against which Depository Receipts have been issued				
(1)	Non-Promoter and Non-Promoter Group	0	0	0	0
(2)	Non Public	0	0	0	0
	Sub Total	0	0	0	0
	Total (A) + (B) + (C)*	**369573105**	**100**	**369573105**	**100**

* Includes 7,25,800 equity shares of Rs. 2/- each kept in abeyance.

14. The pre and post Scheme shareholding pattern of TLL based on shareholding pattern is given below:

Sr. No	Description	Pre-Arrangement (as on September 30, 2016)		Post-Arrangement	
		No. of Equity Shares	%	No. of Equity Shares	%
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian				
	Individuals/Hindu Undivided Family*	60	0.00	60	0.00
	Bodies Corporate	30999940	100	4199940	100
	Sub Total	30999940	100	4199940	100
	Total Shareholding of Promoter and Promoter Group (A)	**31000000**	**100**	**4200000**	**100**
(B)	Public Shareholding				
(1)	Institutions	0	0	0	0
(2)	Non-Institutions				
	Bodies Corporate	0	0	0	0
	Individuals	0	0	0	0
	Individual Shareholders holding nominal share capital upto Rs. 2 lakh	0	0	0	0
	Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh	0	0	0	0
	Any Others (Specify)				
	Non Resident Indians	0	0	0	0
	Sub Total	0	0	0	0
	Total Public shareholding (B)	0	0	0	0
	Total (A) + (B)	**31000000**	**100**	**4200000**	**100**
(C)	Shares held by Custodians and against which Depository Receipts have been issued				
(1)	Non-Promoter and Non-Promoter Group	0	0	0	0
(2)	Public	0	0	0	0
	Sub Total	0	0	0	0
	Total (A) + (B) + (C)	**31000000**	**100**	**4200000**	**100**

***** held as nominee of a Body Corporate

15. The Directors of the Applicant Company and of TLL may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the respective companies, or to the extent the said directors are common directors in the companies, or to the extent the said directors are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in any of the companies. Save as aforesaid, none of the Directors of the Companies have any material interest in the proposed Scheme.

16. (a) The extent of the shareholding of the Directors/ Key Managerial Personnel of the Applicant Company in the Applicant Company and TLL either singly or as nominee as on September 30, 2016 is as under:

Sr. No.	Name of the Director / Key Managerial Personnel	Designation	Equity shares held in the Applicant Company	Equity shares held in TLL
1.	Mr. Abhijit Rajan	Chairman & Managing Director	8172459	0
2.	Mr. Ajit B. Desai	Executive Director & Chief Executive Officer	4500	0
3.	Mr. Digambar Bagde	Deputy Managing Director (Transmission & Distribution) Business	817472	10*
4.	Mr. Chandrahas C. Dayal	Independent Director	1500	0

* held as nominee of Gammon India Limited.

(b) The extent of the shareholding of the Directors and Key Managerial Personnel of TLL in the Applicant Company and TLL is as under:

Sr. No.	Name of the Director / Key Managerial Personnel	Designation	Equity shares held in the Applicant Company	Equity shares held in TLL
1.	Mr. Digambar Bagde	Director	817472	10

17. In accordance with Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of the Applicant Company had on February 12, 2016 recommended the proposed Scheme of Arrangement for approval of the Board of Directors of the Applicant Company and the same was approved inter-alia taking into account:

    i) The Valuation Report from Independent Chartered Accountant, SSPA & Co, Chartered Accountants;

    ii) The Fairness Opinion issued by Fortress Capital Management Services Private Limited on the fairness of the Valuation Report;

    iii) Statutory Auditors certificate dated February 12, 2016 issued by Natwarlal Vepari & Co., Statutory Auditors of the Applicant Company, in relation to the accounting treatment prescribed in the Scheme;

    In view of the above, a report by the Audit Committee recommending the proposed Scheme was furnished to the National Stock Exchange of India Limited and BSE Limited on March 23, 2016.

18. In terms of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company has received Observation Letters issued by the National Stock Exchange of India Limited and BSE Limited on June 28, 2016 and June 27, 2016 respectively, conveying their "No Objection" for filing the Scheme with the Hon'ble High Court of Judicature at Bombay.

19. The financial position of the Applicant Company will not be adversely affected by the Scheme. Further, the rights and interests of the creditors of the Applicant Company will not be prejudicially affected by the Scheme as the assets of the Applicant Company post the Scheme, will be far more than its liabilities and as such sufficient to discharge the liabilities as they arise in the ordinary course of business. Further, the rights and interests of the shareholders and creditors of the Applicant Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.

20. SEBI has passed orders against the Applicant Company, the Chairman and the Managing Director of the Applicant Company, Mr. Abhijit Rajan from accessing capital market till 21-12-2007 and against Mr. Abhijit Rajan and Mr. Naval Choudhary an Independent Director under the provisions of Insider Trading Regulations.

21. No investigation proceedings are pending or are likely to be pending under Sections 235 to 251 and the like of the Companies Act, 1956 and corresponding sections of the Companies Act, 2013 in respect of the Applicant Company.

22. There are approximately 32 winding up petitions pending against the Applicant Company.

23. Inspection of the following documents may be had by the Equity Shareholders of the Applicant Company at its registered office up to one day prior to the date of the meeting between 11:00 am and 1:00 pm on all working days (except Saturdays, Sundays and public holidays):

    a. Copy of the Order dated 27th October, 2016 of the Hon'ble High Court of Judicature at Bombay passed in Company Summons for Direction No. 835 of 2016 directing the convening of the meeting of the Equity Shareholders of the Applicant Company.

    b. Scheme of Arrangement.

    c. Memorandum and Articles of Association of the Applicant Company and of TLL.

    d. The Audited Financial Statements of the Applicant Company for last three financial years ended March 31, 2016.

    e. The Audited Financial Statements of TLL for last three financial years ended March 31, 2016.

    f. Copies of the resolution passed by the Board of Directors of the Applicant Company and TLL approving the Scheme.

    g. Copy of the no objection / observation letters relating to the Scheme issued by the National Stock Exchange of India Limited and BSE Limited dated June 28, 2016 and June 27, 2016 respectively.

h. Complaints Report dated April 15, 2016 filed with National Stock Exchange of India Limited and BSE Limited.

i. Copy of Net Worth Certificate dated February 12, 2016 issued by Bhutada Jain & Gatagat, Chartered Accountants certifying the Net Worth of GIL, pre and post the Slump Exchange.

j. Copy of the Valuation Report dated February 12, 2016 issued by SSPA & Co., Chartered Accountants.

k. Copy of the Fairness Opinion dated February 12, 2016 issued by Fortress Capital Management Services Private Limited.

l. List of winding up proceedings pending against the Applicant Company.

This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013. A copy of the Scheme, Explanatory Statement, Form of Proxy and Attendance Slip may be obtained from the Registered Office of the Applicant Company and/or at the office of the Advocates M/s. Hemant Sethi & Co., 1602, Nav Parmanu, Behind Amar Cinema, Chembur, Mumbai - 400 071.

Place: Mumbai

Date: 1st November, 2016

Sd/-
Abhijit Rajan
Chairman appointed for the meeting

Registered Office:
Gammon House,
Veer Savarkar Marg,
Prabhadevi, Mumbai - 400 025

SCHEME OF ARRANGEMENT
BETWEEN
GAMMON INDIA LIMITED
AND
TRANSRAIL LIGHTING LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(Under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 or any re-enactment thereof) ("the Scheme")

(A) PREAMBLE

This Scheme of Arrangement is presented under Sections 391 to 394 read with Sections 100 to 103 and other applicable provisions of the Companies Act, 1956 / Companies Act, 2013 for the transfer of the T&D Undertaking *(defined hereinafter)* of Gammon India Limited ("**GIL**" or "**Transferor Company**"), a company incorporated under the Act (hereinafter defined) with registered office at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025 and engaged in, *inter alia*, the business of civil engineering, design and construction of power transmission and distribution, into Transrail Lighting Limited ("**TLL**" or "**Transferee Company**"), a company incorporated under the Act with registered office at R: F, 3rd:W P: Hamilton House, J.N. Heredia Marg, Ballard Estate, Mumbai 400 038 and engaged in, *inter alia*, the business of designing, manufacturing, installation and supply of engineered galvanized steel monopoles for transmission and distribution of power, street light poles, HI-masts, stadium masts, telecom monopoles, swaged poles with a capacity of 40,000 MT per annum.

The Company vide a business transfer agreement dated 27th October, 2015 (the "**BTA**"), has transferred one of the Company's undertakings essentially comprising of the division of conductor factory at Silvassa and the tower manufacturing facility at Deoli, Wardha District along with all the related assets and liabilities ("**BTA Undertaking**"). Simultaneously, GIL and TLL have also executed an investment cum shareholders agreement dated 27th October, 2015 with Bilav Software Private Limited ('Investor') pursuant to which GIL will transfer majority stake in TLL to the Investor.. Pursuant to this Scheme the Company proposes to transfer the T&D Undertaking to TLL as part of the effort to consolidate the entire T&D business in TLL.

This Scheme also provides for various other matters consequential to or otherwise integrally connected with the Scheme.

(B) DESCRIPTION OF THE SCHEME

In furtherance of the understanding between the Transferor Company and the Transferee Company, this Scheme, *inter alia,* deals with the transfer of the T&D Undertaking from the Transferor Company to the Transferee Company (more particularly described in Part II of this Scheme) and various other matters consequential to or otherwise integrally connected with the above, pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 in the manner provided for in this Scheme.

(C) RATIONALE FOR THE SCHEME

Transfer of the T&D Undertaking by GIL to TLL would help in achieving the desired operating structure and shall *inter alia* have the following benefits:

i. To create a sector focused company

ii. To enable investment by a strategic investor

iii. Ring-fence businesses from each other and

iv. Deleverage the balance sheet of GIL

(D) PARTS OF THE SCHEME:

This Scheme is divided into the following parts:

i. **PART I** deals with the definitions and share capital;

ii. **PART II** deals with Slump Exchange of T&D Undertaking into TLL;

iii. **PART III** deals with Reduction of Existing Share Capital of TLL; and

iv. **PART IV** deals with general terms and conditions and other miscellaneous provisions applicable to this Scheme.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

1.1 **"Act" or "the Act"** means the Companies Act, 1956 and/or the Companies Act, 2013 (as the case may be and to the extent applicable) as in force from time to time; it being clarified that as on the date of approval of this Scheme by the Board of Directors of GIL and TLL, Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956 / Companies Act, 2013 as may be in force;

1.2 **"Appointed Date"** means the opening of business hours on 1st day of January, 2016 or such other date as may be fixed or approved by the High Court;

1.3 **"Applicable Law"** means (a) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction, (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or governmental approvals of, or agreements with, any governmental authority or recognized stock exchange, and (c) international treaties, conventions and protocols, as may be in force from time to time;

1.4 **"Associated Transrail Structures Limited"** or **"ATSL"** means Associated Transrail Structures Limited, a public company which was amalgamated with GIL with effect from 1st April, 2008.

1.5 **"Effective Date"** means the last of the dates on which all the conditions and matters referred to in Clause 16 of this Scheme occur or have been fulfilled or waived in accordance with this Scheme. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the "Effective Date";

1.6 **"High Court"** means the High Court of Judicature at Bombay or such other authority having jurisdiction in the matter and shall include the National Company Law Tribunal, if and when applicable;

1.7 **"Remaining Business of GIL"** or **"Remaining Undertaking of GIL"** means all the undertakings, businesses, activities and operations of GIL other than the T&D Undertaking (as defined in Clause 1.11 below);

1.8 **"Scheme"** or "**the Scheme**" or "**this Scheme**" means this Scheme of Arrangement in its present form as submitted to the Honorable High Court or this Scheme with such modification(s), if any made, as per Clause 15 of the Scheme;

1.9 **"Stock Exchanges"** means BSE Limited and The National Stock Exchange of India Limited;

1.10 "**Transferred Undertaking**" means the T&D Business excluding BTA Undertaking ;

1.11 **"T&D Business"** means the engineering, procurement and construction business of the Transferor Company in the transmission and distribution sector, including the tower testing facility located at Deoli, and tower manufacturing facilities located at Baroda and Nagpur, division of conductor factory at Silvassa and the tower manufacturing facility at Deoli, Wardha District. It is hereby clarified that the T&D Business includes the business received on amalgamation of Associated Transrail Structures Limited with GIL with effect from 1st April, 2008.

1.12 **"T&D Undertaking"** means the Transferred Undertaking as a going concern with all properties, rights and powers and all debts, liabilities, duties and obligations of the Transferor Company comprised in and/ or pertaining to the Transferred Undertaking as on the Appointed Date, including:

(i) all properties and assets, movable and freehold and leasehold immovable, real and personal, tangible and intangible, corporeal and incorporeal, in possession, or in reversion, present and contingent of whatsoever nature, wheresoever situated, as on the Appointed Date relating to the Transferred Undertaking, leases, tenancies and agencies of the Transferor Company relating to the Transferred Undertaking, plant and machineries, electrical installations, vehicles, equipments, furnitures, investments

(including but not limited to identified investment in equity shares of the wholly owned subsidiaries of the Transferor Company to the extent relating to Transferred Undertaking), sundry debtors, inventories, other current assets, cash and bank balances, bills of exchange, deposits, loans and advances and other assets as appearing in the books of account of the Transferor Company in relation to the Transferred Undertaking;

(ii) all other interests or rights (including claims, arbitration awards, etc.) or accumulated experience and performance qualifications in or arising out of or relating to the T&D Business together with all respective powers, interests, charges, privileges, benefits, entitlements, building plans, drawings (including approvals obtained for such drawings or any pending applications for approvals), industrial and other registrations, licenses, quotas, brands and trademarks, patents, copyrights, other intellectual property rights, liberties, easements and advantages, subsidies, grants, taxes, tax credits/ incentives (including but not limited to credits/ incentives in respect of sales tax, value added tax, turnover tax, excise duty, service tax etc.), tax holiday benefits and other benefits appertaining to the Transferred Undertaking and/or to which the Transferor Company is entitled to in respect of the Transferred Undertaking of whatsoever kind, nature or description held, applied for or as may be obtained thereafter together with the benefit of all respective contracts and engagements relating to the Transferred Undertaking and shall include ATSL's qualifications, references, records and financials transferred to, received by and merged into GIL as T&D Business at the time of merger of ATSL with GIL;

(iii) powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, facsimile connections and installations, utilities, electricity, water and other services, and all other interests in connection with or relating to the Transferred Undertaking;

(iv) all debts, liabilities, duties, funded and non-funded facilities, bank guarantees, letters of credit and obligations of the Transferor Company in relation to the Transferred Undertaking, including liabilities on account of loans, sundry creditors, sales tax, bonus, gratuity and other taxation and contingent liabilities of the Transferor Company pertaining to or relatable to the Transferred Undertaking;

(v) all employees of the Transferor Company engaged in or in relation to the Transferred Undertaking, on the date immediately preceding the Effective Date; and

(vi) all books, records, files, papers, computer software alongwith their licenses, manuals and backup copies, drawings, data catalogues, and other data and records, whether in physical or electronic form, directly or indirectly in connection with or relating to the Transferred Undertaking.

1A CONSTRUCTION

1A. 1 Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the T&D Undertaking or whether it arises out of the activities or operations of the T&D Undertaking shall be decided by mutual agreement between the Board of Directors of GIL and TLL.

1A. 2 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996, other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. SHARE CAPITAL

2.1 The authorized, issued, subscribed and paid-up share capital of GIL as on December 31, 2015 is as under:

Share Capital	Amount in Rs. Crores
Authorized Share Capital	
74,710,000,000 Equity Shares of Rs. 2/- each	14,942.00
3,000,000 6% Optionally Convertible Preference Shares of Rs. 350/- each	105.00
Total	**15,047.00**
Issued Share Capital	
288,409,341 Equity Shares of Rs. 2/- each fully paid up	57.68
Total	**57.68**

Share Capital	Amount in Rs. Crores
Subscribed and Fully Paid up Capital	
286,828,801 Equity Shares of Rs. 2 each, fully paid up	57.37
Share Forfeiture Account	
Money received in respect of Right Shares of Rs.10/- each forfeited	0.34

The equity shareholders of GIL, in the Extra-Ordinary General Meeting held on 26th May 2015, have approved the issuance of 100 Unsecured Zero Coupon Compulsorily Convertible Debentures ("ZCCCD") of the face value of Rs.1,00,00,000/- each, aggregating to Rs.100 crores on a preferential basis to the promoters and their affiliates. Each ZCCCD is convertible into 395,256 equity shares of the face value of Rs.2 each at a price of Rs.25.50 (including premium of Rs.23.50) per share, aggregating to 3,95,25,600 Equity Shares. As on the date of the Scheme being approved by the Board of Directors of GIL, the said ZCCCD's have not been issued, pending necessary approval.

The shares of GIL are listed on Stock Exchanges.

2.2 The authorized, issued, subscribed and paid-up share capital of TLL as on December 31, 2015 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
3,50,00,000 Equity Shares of Rs. 10/- each	35,00,00,000
Total	**35,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
3,10,00,000 Equity Shares of Rs. 10/- each, fully paid-up	31,00,00,000
Total	**31,00,00,000**

Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of TLL, there has been no change in authorised, issued, subscribed and paid up share capital.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme as set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court shall be effective from the Appointed Date, but shall be operative from the Effective Date.

PART II

SLUMP EXCHANGE OF T&D UNDERTAKING INTO TLL

4. SLUMP EXCHANGE

4.1 Upon the Scheme becoming effective entire T&D Undertaking shall be transferred to and vested in TLL as a going concern from the Appointed Date, as detailed in Clause 4.2 below, against issue of shares specified in Clause 5 hereinafter.

4.2 TRANSFER AND VESTING OF T&D UNDERTAKING

Upon the Scheme becoming effective, with effect from the Appointed Date, the T&D Undertaking shall, in accordance with Sections 391 to 394 read with Sections 100 to 103 of the Act and all other applicable laws, if any, stand transferred to and vested in or be deemed to be transferred to and vested in TLL on a going concern basis and in the following manner:

4.2.1 all the assets of T&D Undertaking, except for the portions specified in Clauses 4.2.2 and 4.2.3 below, of whatsoever nature and where so ever situated and incapable of passing by manual delivery and/or endorsement or otherwise, shall, under the applicable provisions of Sections 391 and 394 read with sections 100 to 103 and all other provisions, if any, of the Act, without any further act or deed be transferred to and vested in and/or deemed to be transferred to and vested in TLL.

4.2.2 all the moveable assets including cash in hand, if any, of T&D Undertaking, capable of passing by manual delivery or by endorsement and delivery shall be so delivered or endorsed as the case may be to TLL. On such delivery or endorsement and delivery, the same shall become the property of TLL to the end and intent that the ownership and property therein passes to TLL on such handing over in pursuance of the provisions of Section 394 of the Act.

4.2.3 in respect of the moveable properties of T&D Undertaking other than specified in Clause 4.2.2 above and any intangible assets, including sundry debtors, loans receivable, advances, if any, recoverable in cash or kind or for value to be received, bank balances and deposits, if any, with the government, semi-government, local and other authorities and bodies, companies, firm, individuals, trusts, etc., TLL may itself or require GIL and GIL shall upon such requisition from TLL, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, give notices in such form as it may deem fit and proper, to each person, debtors or depositees, as the case may be, that pursuant to the High Court having sanctioned the Scheme, the said debt, loan receivable, advance or deposit be paid or made good or held on account of TLL as the person entitled thereto to the end and intent that the right of GIL to recover or realize all such debts (including the debts payable by such persons or depositors to GIL) stands transferred to and vested in TLL and that appropriate entries should be passed in their respective books to record the aforesaid change.

4.2.4 all debts, liabilities, duties, obligations of every kind, nature and description including all excise duty, custom duty, sales tax, value added tax, service tax and other government and semi government liabilities of T&D Undertaking shall also, under the provisions of Sections 391 and 394 read with Sections 100 to 103 of the Act without any further act or deed be transferred to and assumed by or deemed to be transferred to and assumed by TLL so as to become as from the Appointed Date the debts, liabilities, duties, obligations of TLL. It is hereby confirmed that the debts, liabilities and obligations of GIL pertaining to the BTA Undertaking, have been transferred to TLL pursuant to the BTA.

4.2.5 The transfer and vesting of the T&D Undertaking as aforesaid of GIL, shall be subject to the existing securities, charges and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof.

Provided that in so far as the assets comprised in the T&D Undertaking are concerned, the security and charge over such assets relating to any loans or liabilities pertaining to the Remaining Undertaking of GIL shall, without any further act or deed, be released from such encumbrance and shall no longer be available as security in relation to such loans or liabilities.

Provided further that in so far as the assets comprised in the Remaining Undertaking of GIL are concerned, the security over such assets relating to the loans, borrowings, debts and financial assistance pertaining to the T&D Undertaking shall, without further act, instrument or deed, along with any guarantees, indemnities, or undertakings provided by GIL in relation to the T&D Undertaking, be released and discharged from the obligations and security relating to the same. With effect from the Appointed Date and upon the Scheme becoming effective, TLL undertakes to meet, discharge and satisfy the loans, borrowings, debts and financial assistance pertaining to the T&D Undertaking.

4.2.6 Without prejudice to the generality of the forgoing, it is clarified that upon the coming into effect of this Scheme, all permits, authorizations, licenses, consents, registrations, approvals, municipal permissions, industrial licenses, registrations, privileges, easements and advantages, facilities, rights, powers and interest (whether vested or contingent), of every kind and description of whatsoever nature in relation to the T&D Undertaking, to which GIL is a party to or to the benefit of which GIL may be eligible and which are subsisting or having effect immediately before the Appointed Date shall stand transferred to and vested in or shall be deemed to be transferred to and vested in TLL as if the same were originally given or issued to or executed in favour of TLL, and the rights and benefits under the same shall be available to TLL. Further, GIL shall execute such further deeds or documents, as may be required to give effect to this Clause.

4.2.7 the work experience, qualifications, capabilities, logistics, turnover record and track record with National & International Companies, Central and State Government / Non-Government agencies / bodies, contracts with clients and with vendors (including technical parameters, past performance, track record, financials, etc.) of the Transferor Company acquired by reason of completion of various projects and works pertaining to the T&D Undertaking and certificates of completion of projects and works pertaining to T&D Undertaking issued by clients of the Transferor Company shall be deemed to be part of and belonging to TLL and shall for all purposes be regarded as the work experience, qualifications, capabilities, logistics, turnover record and track record (including technical parameters, past performance, track record, financials, etc.) and certificates of completion of TLL. It is hereby clarified that the work experience, qualifications, turnover record, track record etc. of GIL as stated above, shall include the work experience, qualifications, turnover record, track record etc. relating to ATSL transferred to, received by and merged with the T&D Undertaking of GIL at the time of merger of ATSL and shall stand transferred to and received by TLL.

4.2.8 All cheques and other negotiable instruments, payment order, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of GIL (in relation to T&D Undertaking) after the Effective Date shall be accepted by the banker(s) of TLL and credited to the account of TLL, if presented by TLL or received through electronic transfers. Similarly, the banker(s) of TLL shall honour all cheques / electronic fund transfer instructions issued by GIL (in relation to T&D Undertaking) for payment after the Effective Date. If required, the bankers of GIL and GIL shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of GIL by TLL in relation to the T&D Undertaking for such time as may be determined to be necessary by TLL for presentation and deposition of cheques, pay order and electronic transfers that have been issued/made in the name of TLL.

4.2.9 Upon the Scheme becoming effective, GIL and TLL are expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax laws, excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.

4.2.10 Any tax liabilities under the service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/regulations dealing with taxes/duties/levies of T&D Undertaking whether or not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date or not shall be transferred to TLL.

4.2.11 Any refund / credit, under the service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/regulations in relation to the T&D Undertaking arising consequent to the assessment made on GIL whether recorded in the accounts as on the date immediately preceding the Appointed Date or not shall belong to by TLL upon this Scheme becoming effective.

4.2.12 Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, without limitation service tax, excise duty, central sales tax, applicable state value added tax etc.) to which T&D Undertaking is entitled to in terms of applicable laws, shall be available to and vest in TLL, upon this Scheme coming into effect.

5. ISSUE OF SHARES

5.1 Upon coming into effect of the Scheme, TLL shall issue and allot 7,25,000 (Seven Lakh Twenty Five Thousand) fully paid up equity shares of Rs.10/- each to the Transferor Company.

5.2 Equity shares to be issued by TLL to the Transferor Company as above shall be subject to the Memorandum and Articles of Association of TLL and shall rank pari passu with the existing equity shares of TLL in all respects including dividends.

5.3 TLL shall, if necessary and to the extent required, increase its authorized share capital to facilitate the issue of equity shares under this Scheme.

5.4 Approval of this Scheme by the shareholders of TLL shall be deemed to be the due compliance with the provisions of Section 42/62 of the Companies Act, 2013 and the other relevant and applicable provisions of the Act for the issue and allotment of equity shares by TLL to the Transferor Company, as provided in this Scheme.

5.5 The approval of this Scheme by the shareholders of both the companies under Sections 391 and 394 read with sections 100 to 103 of the Act shall be deemed to have the approval under Sections 13, 14, 180 and 186 of Companies Act, 2013 and other applicable provisions of the Act and any other consents and approvals required in this regard.

6. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEROR COMPANY AND TLL

6.1 IN THE BOOKS OF THE TRANSFEROR COMPANY

Upon the Scheme becoming effective, the Transferor Company:

6.1.1 shall reduce the book value of assets and liabilities pertaining to the T&D Undertaking as on the Appointed Date from its books of accounts;

6.1.2 shall record all the Equity Shares received pursuant to this Scheme at fair value;

6.1.3 the difference between the fair value of the Equity Shares received pursuant to this Scheme and the book value of assets of the T&D Undertaking as reduced by the aggregate book value of liabilities of the T&D Undertaking, if positive shall be credited to the Capital Reserve Account else shall be debited to the Profit & Loss Account.

6.2 IN THE BOOKS OF TLL

Upon the Scheme becoming effective:

6.2.1 TLL shall record the face value of the Equity Shares issued by it to the Transferor Company pursuant to this Scheme as capital.

6.2.2 The aggregate face value of the Equity Shares issued by TLL and the value of the liabilities of T&D Undertaking shall be apportioned to the various assets in same proportion as the fair values of the respective assets bears to the aggregate fair value of all the assets.

PART III

REDUCTION OF EXISTING SHARE CAPITAL OF TLL

7. REDUCTION OF EXISTING SHARE CAPITAL OF TLL

7.1 Upon the Scheme becoming effective, the existing issued, paid-up and subscribed share capital of TLL of INR 31,00,00,000 (Rupees Thirty One Crores only) comprising of 3,10,00,000 equity shares of INR 10 each shall be reduced to INR 20,00,000 (Rupees Twenty Lacs only) comprising of 2,00,000 equity shares of INR 10 each/-. The reduced amount of INR 30,80,00,000 (Rupees Thirty Crores Eighty Lacs only), shall be utilized for adjusting the debit balance in the profit and loss account of TLL and excess, if any, shall be credited to the capital reserve account in TLL.

7.2 The cancellation of the existing 3,08,00,000 equity shares of INR 10/- each amounting to INR 30,80,00,000 (Rupees Thirty crores eighty lacs only) of TLL as mentioned in Clause 7.1 above shall be effected as an integral part of the Scheme without having to follow the process under Sections 100 to 103 of the Act separately and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and hence the provisions of Section 101 of the Act will not be applicable. Further, TLL shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.

PART IV

GENERAL TERMS AND CONDITIONS

8. TRANSACTIONS UPTO THE EFFECTIVE DATE

8.1 With effect from the Appointed Date and up to and including the Effective Date:

(a) The Transferor Company shall carry on and be deemed to have carried on the business and activities in relation to the T&D Undertaking and shall stand possessed of their properties and assets relating to the T&D Undertaking for and in trust for the Transferee Company and all the profits / losses accruing on account of the T&D Undertaking shall for all purposes be treated as profits / losses of the respective Transferee Company.

(b) All the debts, liabilities, duties, obligations, taxes etc. as aforesaid of the T&D Undertaking incurred/ contracted during the period commencing from the Appointed Date till the Effective Date shall be deemed to have been incurred/contracted by the Transferee Company and shall be deemed to be the debts, liabilities and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any person in order to give effect to the provisions of this clause.

(c) The Transferor Company shall not without the prior written consent of the Board of Directors of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the undertaking relating to the T&D Undertaking or any part thereof except in the ordinary course of its business.

(d) The Transferor Company shall not vary the terms and conditions of service of its permanent employees relating to the T&D Undertaking except in the ordinary course of its business.

(e) The Transferee Company shall be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, Union Territories and all other concerned agencies, departments and authorities (statutory or otherwise) as are necessary under any law for such consents, approvals and sanctions, which they may require to carry on the business of the T&D Undertaking. Further, the Transferor Company shall extend all assistance to the Transferee Company, if requested by any of the Transferee Company, in obtaining the said consents, approvals and sanctions.

(f) Any payments made or benefits received by GIL in respect of the T&D Undertaking shall be deemed to have been made or received, as the case may be, for and on behalf of TLL and GIL shall be entitled to recover such expenses from TLL and be obligated to pass on the benefits to TLL. Similarly, any payments made or benefits received by TLL in respect of the Remaining Undertaking of GIL shall be deemed to have been made or received, as the case may be, for and on behalf of GIL and TLL shall be entitled to recover such expenses from GIL or obligated to pass on the benefits to GIL.

8.2 With effect from the date of approval to the Scheme by Board of Directors of the Transferor Company and the Transferee Company until the Effective Date, the Transferor Company shall preserve and carry on the business and activities of T&D Undertaking with reasonable diligence and business prudence and the Transferor Company shall not, without the prior consultation with the Transferee Company, alienate, charge or otherwise deal with or dispose of the T&D Undertaking or any part thereof or recruit any new employee (in each case except in the ordinary course of business) or employees; further, the Transferor Company shall not engage in any corporate restructuring exercise including any merger and/or demerger or substantial expansion of the T&D Undertaking without prior written consent of the Transferee Company.

9. EMPLOYEES

9.1 On the Scheme becoming effective, all employees of the T&D Undertaking in service on the Effective Date, shall be deemed to have become employees of the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to the T&D Undertaking on the Effective Date. Any question that may arise as to whether any employee belongs to or does not belong to the T&D Undertaking shall be decided by Board of Directors of Transferor Company.

9.2 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts created or existing for the benefit of the employees of the T&D Undertaking shall be deemed to have been created by the respective Transferee Company in place of Transferor Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of Transferor Company in relation to such fund or funds shall become those of the Transferee Company. It is clarified that the services of the employees of the T&D Undertaking will be treated as having been continuous and not interrupted for the purpose of the said fund or funds.

10. LEGAL PROCEEDINGS

10.1 All legal proceedings of whatsoever nature by or against Transferor Company pending and/or arising before the Effective Date and relating to the T&D Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company.

10.2 After the Appointed Date, if any proceedings are taken against Transferor Company in respect of the matters referred to in the sub-clause 10.1 above, Transferor Company shall defend the same in accordance with advise and instructions of the Transferee Company at the cost of the Transferee Company, and the respective Transferee Company shall reimburse and indemnify Transferor Company against all liabilities and obligations incurred by Transferor Company in respect thereof.

10.3 The Transferee Company undertake to have all respective legal or other proceedings initiated by or against Transferor Company referred to in Clause 10.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company as the case may be, to the exclusion of Transferor Company and Transferor Company shall extend all assistance in such transfer into the Transferee Company's name, if required by the Transferee Company.

11. CONTRACTS, DEEDS, ETC.

11.1 Notwithstanding anything to the contrary contained in any contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and

relating to the T&D Undertaking of the Transferor Company to which Transferor Company is a party or to the benefit of which Transferor Company may be eligible, shall continue in full force and effect against or in favour of the Transferee Company, and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of Transferor Company, the Transferee Company had been a party thereto from inception.

11.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Transferor Company.

11.3 It is hereby clarified that (i) if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the T&D Undertaking to which Transferor Company is a party to, cannot be transferred to the Transferee Company for any reason whatsoever, Transferor Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company; and (ii) if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature relate to the T&D Undertaking as well as Transferor Company (pursuant to the transfer of the T&D Undertaking), Transferor Company and the Transferee Company shall both be entitled to all rights and benefits and be liable for all obligations under the said arrangements, each to the extent of its respective undertaking only.

12. REMAINING UNDERTAKING

12.1 The Remaining Undertaking and all the assets, properties, rights, liabilities and obligations thereto shall continue to belong to and be vested in and be managed by Transferor Company and the Transferee Company shall have no right, claim or obligation in relation to the Remaining Undertaking. From the Appointed Date, Transferor Company shall carry on the activities and operations of the Remaining Undertaking distinctly and as a separate business from the T&D Undertaking.

12.2 All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against Transferor Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case pertaining to the Remaining Undertaking shall be continued and enforced by or against Transferor Company after the Effective Date. The Transferee Company shall in no event be responsible or liable in relation to any such legal or other proceeding against Transferor Company.

13. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the T&D Undertaking as above and the continuance of proceedings by or against Transferor Company in relation to the T&D Undertaking shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date in accordance with this Scheme, to the end and intent that the Transferee Company accept and adopt all acts, deeds and things done and executed by Transferor Company in respect thereto as done and executed on their behalf.

14. APPLICATION TO HIGH COURT

The Transferor Company and the Transferee Company shall as may be required make applications and/or petitions under Sections 391 to 394, read with Sections 100 to 103 and other applicable provisions of the Act to the High Court for sanction of this Scheme and all matters ancillary or incidental thereto.

15. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company, by their respective Boards of Directors ('the Board', which term shall include Committee thereof), may assent to/make and/or consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Court and/or any other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). The Transferor Company and the Transferee Company by their respective Boards are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for in relation to carrying out the Scheme, whether by reason of any directive or Orders of any other authorities

or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. However any modification or amendment to the Scheme after the High Court has sanctioned the scheme will require the prior approval of the High Court.

16. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

16.1 The requisite consent, approval or permission of the Central Government including Stock Exchange and Securities and Exchange Board of India;

16.2 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the Hon'ble High Court of Judicature at Bombay or any other competent authority, as may be applicable;

16.3 The Scheme being sanctioned by the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 read with sections 100 to 103 of the Act;

16.4 Certified copy of the Order of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra, at Mumbai by the Transferor Company and the Transferee Company.

17. EFFECT OF NON-RECEIPT OF APPROVALS

17.1 In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/or the Scheme not being sanctioned by the High Court or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2017 or within such further period or periods as may be agreed upon between GIL and TLL by their respective Board of Directors or any committee thereof (and which the Board of Directors of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

18. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.

19. REGULATORY

19.1 SEBI has passed orders against GIL, the Chairman and the Managing Director of GIL, Mr. Abhijit Rajan from accessing capital market till 21-12-2007 and against Mr. Abhijit Rajan and Mr. Naval Chaudhary an Independent Director under the provisions of Insider Trading Regulations.

20. REPEALS AND SAVINGS

Any matter filed with Registrar of Companies, Regional Director, Income Tax authority or the Central Government under the Companies Act, 1956, before the notification of the corresponding provisions under the Companies Act, 2013 and not fully addressed at that time shall be concluded by the Registrar of Companies, Regional Director, Income Tax authority or the Central Government, as the case may be, in terms of the Act. Any direction or order given by the Hon'ble High Court under the provisions of the Companies Act, 1956 and any act done by the Company based on such directions or order shall be deemed to be in accordance with and consistent with the provisions of the Companies Act, 2013. Accordingly, the provisions of the Companies Act, 2013, shall not apply to acts done by the Company as per direction or order of the Hon'ble High Court sanctioning the Scheme.

DCS/AMAL/AM/24(f)/440/2016-17
June 27, 2016

The Company Secretary,
Gammon India Ltd.
Gammon House, Veer Savarkar Marg,
Prabhadevi, P O Box No 9129,
Mumbai - 400025

Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Gammon India Ltd and Transrail Lighting Ltd.

We are in receipt of Draft Scheme of Arrangement between Gammon India Ltd and Transrail Lighting Ltd.

As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated June 27, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- ***"Company to ensure that additional information submitted by the Company vide emails dated May 4, 2016 and May 19, 2016 pertaining to regulatory action initiated by SEBI is included in the scheme as 'regulatory actions by SEBI' and the same is included in the notice to explanatory statement sent to shareholders for approval of the Scheme."***
- ***"Company to ensure that additional information, if any, submitted by the Company, after filling the scheme with the stock exchange, is displayed from the date of receipt of this letter on the website of the listed company."***
- ***The Company should ensure that the shareholders are informed about SEBI's observations while seeking shareholders' approval."***
- ***"Company shall duly comply with various provisions of the Circulars."***

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

a. Copy of the High Court approved Scheme;
b. Result of voting by shareholders for approving the Scheme;
c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
d. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.

e. Status of compliance with the Observation Letter/s of the stock exchanges;
f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
g. Complaints Report as per Annexure II of this Circular.
h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



Nitin Pujari
Manager

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50 Stock of the nation

Ref: NSE/LIST/78107 June 28, 2016

The Company Secretary
Gammon India Limited
Gammon House,
Veer Savarkar Marg,
Post Box No. 9129, Prabhadevi,
Mumbai – 400025.

Kind Attn.: Mrs. Gita Bade

Dear Madam,

Sub: Observation letter for draft Scheme of Arrangement between Gammon India Limited and Transrail Lighting Limited and their respective shareholders and creditors.

This has reference to draft Scheme of Arrangement and Amalgamation under section 391 read with section 394 of the Companies Act, 1956 between Gammon India Limited and Transrail Lighting Limited and their respective shareholders and creditors submitted to NSE vide your letter dated March 22, 2016.

Based on our letter reference no. NSE/LIST/70065 submitted to SEBI and pursuant to SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated June 27, 2016, has given following comments on the draft Scheme of Arrangement:

"a. The Company shall ensure that information submitted by the Company vide mails dated May 04, 2016 & May 19, 2016 pertaining to regulatory action initiated by SEBI is included in the Scheme as 'regulatory actions by SEBI' and the same is included in the notice to explanatory statement sent to shareholders for approval of the scheme.

b. The Company shall ensure that additional information, if any, submitted after filing the scheme with the Stock Exchanges, is displayed from the date of receipt of this letter on the website of the listed company.

c. The Company shall ensure that the shareholders are informed about the Exchange's observation while seeking shareholders' approval.

d. The Company shall duly comply with various provisions of the Circulars."

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the Hon'ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from June 28, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

a. Copy of Scheme as approved by the High Court;
b. Result of voting by shareholders for approving the Scheme;
c. Statement explaining changes, if any and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme.
d. Status of compliance with the Observation Letter/s of the stock exchanges
e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
f. Complaints Report as per SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,
For **National Stock Exchange of India Limited**

Kamlesh Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed

NSE

Signer : Patel Kamlesh Naginbhai
Date: Tue, Jun 28, 2016 17:29:30 GMT+05:30
Location: NSE

SSPA & CO.
Chartered Accountants
1st Floor, " Arjun", Plot No. 6 A,
V. P. Road, Andheri (W),
Mumbai - 400 058. INDIA.
Tel. : 91 (22) 2670 4376
91 (22) 2670 3682
Fax : 91 (22) 2670 3916
Website : www.sspa.in

STRICTLY PRIVATE & CONFIDENTIAL

February 12, 2016

The Board of Directors,
Gammon India Limited
Gammon House,
Veer Savarkar Marg, Prabhadevi,
Mumbai 400 025.

The Board of Directors,
Transrail Lighting Limited
R: F, 3rd W P: Hamilton House,
J.N. Heredia Marg, Ballard Estate,
Mumbai 400 038.

Re: Recommendation of fair equity consideration for the purpose of proposed slump exchange of 'Transmission & Distribution Undertaking' of Gammon India Limited into Transrail Lighting Limited.

Dear Sirs,

As requested by the management of Transrail Lighting Limited (hereinafter referred to as "TLL" or 'Transferor') and Gammon India Limited (hereinafter referred to as "GIL" or 'Transferee') (hereinafter collectively referred to as "Companies"), we have undertaken the valuation exercise of equity shares of TLL and of 'Transmission & Distribution Undertaking' of GIL (hereinafter referred to as the "T&D Undertaking") for recommending the fair equity consideration for the purpose of proposed slump exchange of 'Transmission & Distribution Undertaking' of GIL into TLL.

1. PURPOSE OF VALUATION

1.1 We have been informed that the Board of Directors of the Companies are considering a proposal for the slump exchange of the 'T&D Undertaking' of GIL pursuant to provisions of Section 391 to 394 read with sections 100 to 103 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, to the extent applicable. Subject to necessary approvals, the T&D Undertaking, would be transferred to TLL with effect from the Appointed Date of January 1, 2016. In consideration of slump exchange of the T&D Undertaking into TLL, equity shares of TLL would be issued to GIL.



1.2 For this purpose, we have carried out valuation of the T&D Undertaking and the equity shares of TLL with a view to recommend fair equity consideration of equity shares of TLL to be issued to GIL for consideration of the Board of Directors of the Companies.

2. BRIEF BACKGROUND

2.1. GAMMON INDIA LIMITED

2.1.1. GIL is one of the India's most prominent infrastructure conglomerate having fully diversified businesses in civil engineering, design, construction, infrastructure investment and development, oil exploration and production and real estate development, as well as full-fledged EPC and manufacturing capabilities for power equipment and power T&D business.

2.1.2. GIL's civil engineering business expands over projects involving transportation (highways, railways, metro-rails, bridges and flyovers), power generation (nuclear, hydro and thermal), environmental engineering (water treatment, transmission and distribution), irrigation and high rise buildings.

2.1.3. Shares of GIL are listed on BSE Limited and the National Stock Exchange of India Limited.

2.2. TRANSMISSION AND DISTRIBUTION UNDERTAKING

2.2.1. T&D business means the engineering, procurement and construction business of the Transferor Company in the transmission and distribution sector, including the tower testing facility located at Deoli and tower manufacturing facilities located at Baroda and Nagpur. The T&D Business also includes the business received on amalgamation of Associated Transrail Structures Limited with GIL with effect from April 01, 2008.

2.3. TRANSRAIL LIGHTING LIMITED

2.3.1. TLL was incorporated on September 18, 2009 and is engaged in the business of designing, manufacturing, installation and supply of Engineered galvanized steel monopoles for transmission & distribution, street light poles, HI-masts, stadium masts, telecom monopoles, special structures etc. with a capacity of 10,000 MT per annum at Silvassa. Further, it proposes to expand into the business of building power transmission and distribution lines.

2.3.2. TLL is in process of acquiring 2 tower manufacturing and conductor manufacturing factories located at Amboli Village in the Union Territory of Silvassa and at Deoli in Wardha District of Maharashtra from GIL vide Business Transfer Agreement signed in October 2015.

SSPA & CO. MUMBAI CHARTERED ACCOUNTANTS

2.3.3. We have been informed that upon the Scheme becoming effective, the existing issued, paid-up and subscribed share capital of TLL of INR 31,00,00,000 (Rupees Thirty One Crores only) comprising of 3,10,00,000 equity shares of INR 10 each shall be reduced to INR 20,00,000 (Rupees Twenty Lacs only) comprising of 2,00,000 equity shares of INR 10 each. The reduced amount of INR 30,80,00,000 (Rupees Thirty Crores Eighty Lacs only), shall be utilized for adjusting the debit balance in the profit and loss account of TLL and excess, if any, shall be credited to the capital reserve account in TLL.

3. SOURCES OF INFORMATION

For the purposes of our valuation exercise, we have relied upon the following sources of information as provided to us by the management of the Companies (hereinafter referred to as the "Management"):

(a) Management certified position of assets and liabilities of the T&D Undertaking and TLL as at December 31, 2015.

(b) Projected Profit & Loss Account, capex and working capital requirement for TLL (including 2 factories, that are in the process of being acquired from GIL) for three months ended March 31, 2016 and from financial years (FY) 2016-17 to 2019-20 as provided by the Management.

(c) Projected Profit & Loss account, working capital and capex requirements of the T&D Undertaking for three months ended March 31, 2016 and financial years (FY) 2016-17 to 2021-22 as provided by the Management.

(d) Draft Scheme of Arrangement u/s 391 to 394 read with sections 100 to 103 of the Companies Act, 1956.

(e) Other relevant details regarding the Companies such as their history, past and present activities, existing shareholding pattern and other relevant information and data, including information in the public domain.

(f) Discussions with the Management on various issues relevant for the valuation including the prospects and outlook for the industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc.

(g) Such other information and explanations as we have required and which have been provided by the Management.

4. EXCLUSIONS AND LIMITATIONS

4.1. Our report is subject to the scope limitations detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

4.2. Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While SSPA & Co. has provided an assessment of the value based on the information available, application of certain formulae and within the scope and constraints of our engagement, others may place a different value to the same.

4.3. No investigation of the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

4.4. Our work does not constitute an audit or certification of the historical financial statements / prospective results including the working results of the Companies / T&D Undertaking referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report is as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

4.5. A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that the management of the Companies have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies / T&D Undertaking and any other matter, which may have an impact on our opinion, on the fair value of the shares of the Companies / T&D Undertaking including any significant changes that have taken place or are likely to take place in the financial position of the Companies / T&D Undertaking , subsequent to the Appointed Date for the proposed slump

exchange. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

4.6. In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Companies through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Public information, estimates, industry and statistical information relied in this report have been obtained from the sources considered to be reliable. However, we have not independently verified such information and make no representation as to the accuracy or completeness of such information from or provided by such sources. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Companies. We assume no responsibility for any errors in the above information furnished by the Companies and consequential impact on the present exercise.

4.7. Our recommendation is based on the estimates of future financial performance as projected by the management of the Companies, which represents their view of reasonable expectation at the point of time when they were prepared, but such information and estimates are not offered as assurances that the particular level of income or profit will be achieved or events will occur as predicted. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as our being associated with or a party to such projections.

4.8. Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed slump exchange with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed slump exchange.

4.9. This Report is prepared only in connection with the proposed slump exchange exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law.

4.10. Any person/ party intending to provide finance / invest in the shares / business of the Companies shall do so after seeking their own professional advice and after carrying out



their own due diligence procedures to ensure that they are making an informed decision.

4.11. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed slump exchange as aforesaid, can be done only with our prior permission in writing.

4.12. SSPA & Co., nor its partners, managers, employees makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

5. VALUATION APPROACH

5.1. For the purpose of valuation for slump exchange, generally the following approaches are adopted:

(a) the "Underlying Asset" approach

(b) the "Income" approach; and

(c) the "Market" approach

5.2. In the present case, net worth of both TLL and the T&D Undertaking is negative, therefore the Underlying Asset approach is not adopted for the present valuation exercise.

5.3. The shares of TLL as well as the T&D Undertaking of GIL are not listed on any stock exchange. Hence, market approach has not been adopted.

5.4. **INCOME APPROACH**

Under the "Income" approach, shares of TLL and the T&D Undertaking of GIL have been valued using Discounted Cash Flow (DCF) method.

5.4.1. Under the DCF method the projected free cash flows from business operations after considering fund requirements for projected capital expenditure and incremental working capital are discounted at the Weighted Average Cost of Capital (WACC). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.

5.4.2. The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to profit before tax, depreciation and amortizations (non-cash charge). The cash flow is adjusted for



outflows on account of capital expenditure, tax and change in working capital requirements.

5.4.3. WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the company. In other words, WACC is the weighted average of the company's cost of equity and debt. Considering an appropriate mix between debt and equity for the company/undertaking, we have arrived at the WACC to be used for discounting the Free Cash Flows.

5.4.4. Value for equity shareholders is arrived at after making adjustment for loan funds and cash & cash equivalents.

5.4.5. The equity value so arrived at is divided by the diluted number of equity shares (considering capital reduction of TLL) to arrive at the value per share.

6. RECOMMENDATION

6.1. The fair basis of slump exchange of the T&D Undertaking of GIL into TLL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. As mentioned above we have considered the 'income' approach for arriving at the value of the shares of TLL and the value of the T&D Undertaking.

6.2. In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

'If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is



difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.'

6.3. **In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove in this report, in our opinion, fair equity consideration for transfer of T&D Undertaking works out to 7,25,000 equity shares of INR 10 each of TLL.**

Thank you,
Yours faithfully,

SSPA & Co.



SSPA & CO.
Chartered Accountants
Firm registration number: 128851W

Place: Mumbai

STRICTLY PRIVATE & CONFIDENTIAL

February 12, 2016

The Board of Directors,
Gammon India Limited
Gammon House,
Veer Savarkar Marg, Prabhadevi,
Mumbai 400 025.

The Board of Directors,
Transrail Lighting Limited
R: F, 3rd W P: Hamilton House,
J.N. Heredia Marg, Ballard Estate,
Mumbai 400 038.

Re: Fairness Opinion on the Valuation Report by SSPA & Co. on the proposed slump exchange of 'Transmission & Distribution Undertaking' of Gammon India Limited into Transrail Lighting Limited.

Dear Sirs,

We refer to our engagement wherein the Management of Transrail Lighting Limited (hereinafter referred to as "TLL") and Gammon India Limited (hereinafter referred to as "GIL") (hereinafter collectively referred to as "Companies"), have requested Fortress Capital Management Services Private Limited ('us') to give a fairness opinion on the Valuation Report issued by SSPA & Co Chartered Accountants (hereinafter referred to as 'Valuer') on the valuation exercise of equity shares of TLL and of 'Transmission & Distribution Undertaking' of GIL (hereinafter referred to as the "T&D Undertaking") for recommending the fair equity consideration of equity shares of TLL to be issued to GIL for the purpose of proposed slump exchange.

1. BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

1.1 GAMMON INDIA LIMITED

1.1.1 Gammon India Limited is an infrastructure conglomerate having fully diversified businesses in civil engineering, design, construction, infrastructure investment and development, oil exploration and production and real estate development, as well as full-fledged EPC and manufacturing capabilities for power equipment and power T&D business.

1.1.2 GIL's civil engineering business expands over projects involving transportation (highways, railways, metro-rails, bridges and flyovers), power generation

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Daryanagar House, 2nd Floor, 69, Maharshi Karve Road, Marine Lines, Mumbai - 400 002. INDIA
Tel.: +91 (22) 2200 1924/25 • Fax : +91 (22) 2203 1609 • E-mail : fortress@fortress.co.in • Website : www.fortress.co.in

(nuclear, hydro and thermal), environmental engineering (water treatment, transmission and distribution), irrigation and high rise buildings.

1.1.3 Shares of GIL are listed on BSE Limited and the National Stock Exchange of India Limited.

1.2 **TRANSMISSION AND DISTRIBUTION UNDERTAKING**

T&D business means the engineering, procurement and construction business of the Transferor Company in the transmission and distribution sector, including the tower testing facility located at Deoli, and tower manufacturing facilities located at Baroda and Nagpur. The T&D Business also includes the business received on amalgamation of Associated Transrail Structures Limited with GIL with effect from April 01, 2008.

1.3 **TRANSRAIL LIGHTING LIMITED**

1.3.1 TLL was incorporated on September 18, 2009 and is engaged in the business of designing, manufacturing, installation and supply of Engineered galvanized steel monopoles for transmission & distribution, street light poles, HI-masts, stadium masts, telecom monopoles, special structures etc. with a capacity of 10,000 MT per annum at Silvassa. Further, it proposes to expand into the business of building power transmission and distribution lines.

1.3.2 TLL is in process of acquiring 2 tower manufacturing and conductor manufacturing factories located at Amboli Village in the Union Territory of Silvassa and at Deoli in Wardha District of Maharashtra from GIL vide Business Transfer Agreement signed in October 2015.

1.4 We have been informed that the Board of Directors of the Companies are considering a proposal for the slump exchange of 'the T&D Undertaking' of GIL pursuant to provisions of Section 391 to 394 read with sections 100 to 103 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, to the extent applicable. Subject to necessary approvals, the T&D

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Undertaking, would be transferred to TLL with effect from the Appointed Date of January 1, 2016. In consideration of slump exchange of the T&D Undertaking into TLL, equity shares of TLL would be issued to GIL.

1.5 Accordingly, the Companies have appointed SSPA & Co. Chartered Accountants, to undertake valuation exercise of the T&D Undertaking and the equity shares of TLL with a view to recommend fair equity consideration of equity shares of TLL to be issued to GIL for consideration of the Board of Directors of the Companies.

1.6 Further, they have appointed us to give a fairness opinion on Valuation Report issued by the Valuer.

1.7 The information contained in our report herein is confidential. It is intended only for the sole use of captioned purpose including for obtaining the requisite statutory approvals.

2. SOURCES OF INFORMATION

For the purposes of this exercise, we have relied upon the following sources of information:

(a) Management certified position of assets and liabilities of the T&D Undertaking and TLL as at December 31, 2015.

(b) Projected Profit & Loss Account, capex and working capital requirement for TLL (including 2 factories in the process of being acquired from GIL) for three months ended March 31, 2016 and from financial years (FY) 2016-17 to 2019-20 as provided by the Management.

(c) Projected Profit & Loss account, working capital and capex requirements of the Undertaking for three months ended March 31, 2016 and financial years (FY) 2016-17 to 2021-22 as provided by the Management.

(d) Draft Scheme of Arrangement u/s 391 to 394 read with section 100 – 103 of the Companies Act, 1956.

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(e) Valuation Report of SSPA & Co. dated February 12, 2016

(f) Such other information and explanations as we required and which have been provided by the management of the Company and Valuer.

3. LIMITATIONS & EXCLUSIONS

3.1 Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

3.2 Our recommendation is dependent upon the information furnished to us being complete in all material respects. Our work does not constitute certification of the historical financial statements of the company referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.

3.3 Our report is not nor should it be construed as our opining or certifying the compliance of the proposed transaction with provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed transaction.

3.4 No investigation on the Companies' claims to title of assets has been made for the purpose of this report and their claim to such rights has been assumed to be valid. Therefore, no responsibility is assumed for matters of a legal nature.

3.5 The information contained herein and our report is intended only for the sole use and information of the Companies and only in connection with the proposed transaction as aforesaid. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed transfer of business as aforesaid, can be done only with our prior permission in writing.

3.6 We assume no responsibility for any errors in the information furnished by the Companies and consequential impact on the present exercise.

3.7 Neither Fortress, nor its directors, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy,

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reasonableness or completeness of the information, based on which this report is being issued. All such parties expressly disclaim any and all liability for, or based on or relating to, any such information contained in this report.

4. VALUATION APPROACH

For the purposes of valuation, the Valuer has adopted the Discounted Cash Flow Method under "Income" Approach for determining the fair value of the 'T&D Undertaking' and fair value per share of TLL.

5. CONCLUSION

We have reviewed the methodology as mentioned above used by the Valuer for arriving at the valuation of the 'T & D Undertaking' and equity shares of TLL and also reviewed the working and underlying assumptions adopted to arrive at the fair values.

On the basis of the foregoing and based on the information and explanation provided to us, in our opinion, the equity consideration for the proposed transfer of T&D Undertaking on a slump exchange basis of 7,25,000 equity shares of INR 10 each of TLL, recommended by the Valuer is fair and reasonable.

Thanking you,

Yours faithfully,

For Fortress Capital Management Services Pvt. Ltd.



Authorized Signatory

Place: Mumbai

SEBI Registration No.: INM000011146

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Date: 15th April, 2016

To,
Listing Department
The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: 509550

To,
Listing - Compliance Department
National Stock Exchange of India Ltd.
Exchange Plaza,
C-1, Block G, Bandra Kurla Complex,
Bandra (E) , Mumbai – 400 051
NSE Scrip Code: GAMMONIND EQ

Dear Sir,

Ref: Scheme of Arrangement between Gammon India Limited and Transrail Lighting Limited and their respective Shareholders and Creditors under Sections 391 to 394 read with sections 100 – 103 of the Companies Act, 1956

Sub: Complaints report pursuant to application under Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") and in terms of the SEBI Circular no. CIR/CFD/CMD/16/2015 dated 30th November, 2015 ("SEBI Circular")

In continuation to our application dated March 23, 2016 under the aforementioned regulation for the proposed Scheme of Arrangement between Gammon India Limited and Transrail Lighting Limited and their respective Shareholders and Creditors and pursuant to SEBI Circular, please find enclosed herewith "Complaints Report", in the prescribed format for your necessary actions.

The Complaints Report will also be uploaded on the website of the Company, i.e. www.gammonindia.com as per the requirement of the said Circular.

Request you to take the same on records and oblige.

We request you to provide necessary "No Objection" to the Scheme at the earliest so as to enable us to file the same with the Hon'ble High Court.

Thanking you,

Yours Faithfully,

For GAMMON INDIA LIMITED

GITA BADE
COMPANY SECRETARY

Encl: as above

Complaints Report

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NA
5.	Number of complaints pending	NA

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA		

For GAMMON INDIA LIMITED

GITA BADE
COMPANY SECRETARY

Date: 15th April, 2016

GAMMON INDIA LIMITED

CIN: L74999MH1922PLC000997

Registered Office: 'Gammon House', Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025.
Tel No: 91 – 22 - 6111 4000, Fax No: 91-22-2430 0221
Email: investors@gammonindia.com, Website: www.gammonindia.com

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO 835 OF 2016

In the matter of the Companies Act, 1956 (1 of 1956) (or any re-enactment thereof upon effectiveness of the Companies Act, 2013);

AND

In the matter of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013;

AND

In the matter of Scheme of Arrangement

Between

Gammon India Limited ('GIL' or 'the Transferor Company')

AND

Transrail Lighting Limited ('TLL' or 'the Transferee Company')

AND

Their Respective Shareholders and Creditors

GAMMON INDIA LIMITED, **(CIN : L74999MH1922PLC000997)** a company incorporated under the Companies Act, 1913 having its registered office at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025, India **)……..Applicant Company**

PROXY FORM

I/We,_____, the undersigned Equity Shareholder/(s) of Gammon India Limited, the Applicant Company, do hereby appoint :

1. Mr./ Ms._____of _____ and failing him/her;
2. Mr./ Ms._____ of _____ and failing him/her;
3. Mr./ Ms._____ of _____ as my/our proxy, to

act for me/us at the Court Convened Meeting of the Equity Shareholders of Gammon India Limited, to be held on Friday, 2nd December, 2016 at 2.00 p.m at Textiles Committee, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025 for the purpose of considering and if thought fit, approving, with or without modification(s), the proposed arrangement embodied in the Scheme of Arrangement between Gammon India Limited ('GIL' or 'the Transferor Company') and Transrail Lighting Limited ('TLL' or 'the Transferee Company') and their Respective Shareholders and Creditors ('the Scheme' or 'this Scheme') and at such meeting and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name _____ (here, 'if for', insert 'FOR'; 'if against', insert 'AGAINST', and in the latter case, strike out the words "either with or without modification" after the word 'Scheme') the said Scheme, either with or without modification*, as my/our proxy may approve.

** Strike out what is not necessary.*

Dated this _____ day of _____ 2016

Name: _____

Address: _____

No. of shares held: _____

(For Demat holding)

DP Id. _____ Client Id. _____

(For Physical holding)

Folio No. _____

Affix One Rupee Revenue Stamp

(Signature)

Signature of

Shareholder(s) : Sole holder / First holder _____

Second holder _____

Third holder _____

Signature of Proxy: _____

Notes:

1. Proxy need not be a member of the Company.
2. Alterations, if any, made in the form of proxy should be initialled.
3. Proxy form in order to be effective must be duly completed and deposited at the registered office of the Applicant Company at 'Gammon House', Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025, India, not later than 48 (Forty eight) hours before the scheduled time of the commencement of the said meeting.
4. In case of multiple proxies, the proxy later in time shall be accepted.

TEAR HERE

GAMMON INDIA LIMITED

CIN: L74999MH1922PLC000997

Registered Office: 'Gammon House', Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025.
Tel No: 91 – 22 - 6111 4000, Fax No: 91-22-2430 0221
Email: investors@gammonindia.com, Website: www.gammonindia.com

Attendance Slip

I hereby record my presence at the meeting of the equity shareholders of Gammon India Limited, convened pursuant to the Order dated 27th October, 2016 of the Hon'ble High Court of Bombay, at Textiles Committee, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025 on Friday, 2nd day of December, 2016 at 2.00 p.m IST.

Name and Address of the Equity Shareholder/ Proxy (in block letters) : _____

Folio No. : _____

DP ID No.* : _____

Client ID No.* : _____

No. of Share(s) held : _____

TEAR HERE

_____

Signature of Equity shareholder(s)/proxy

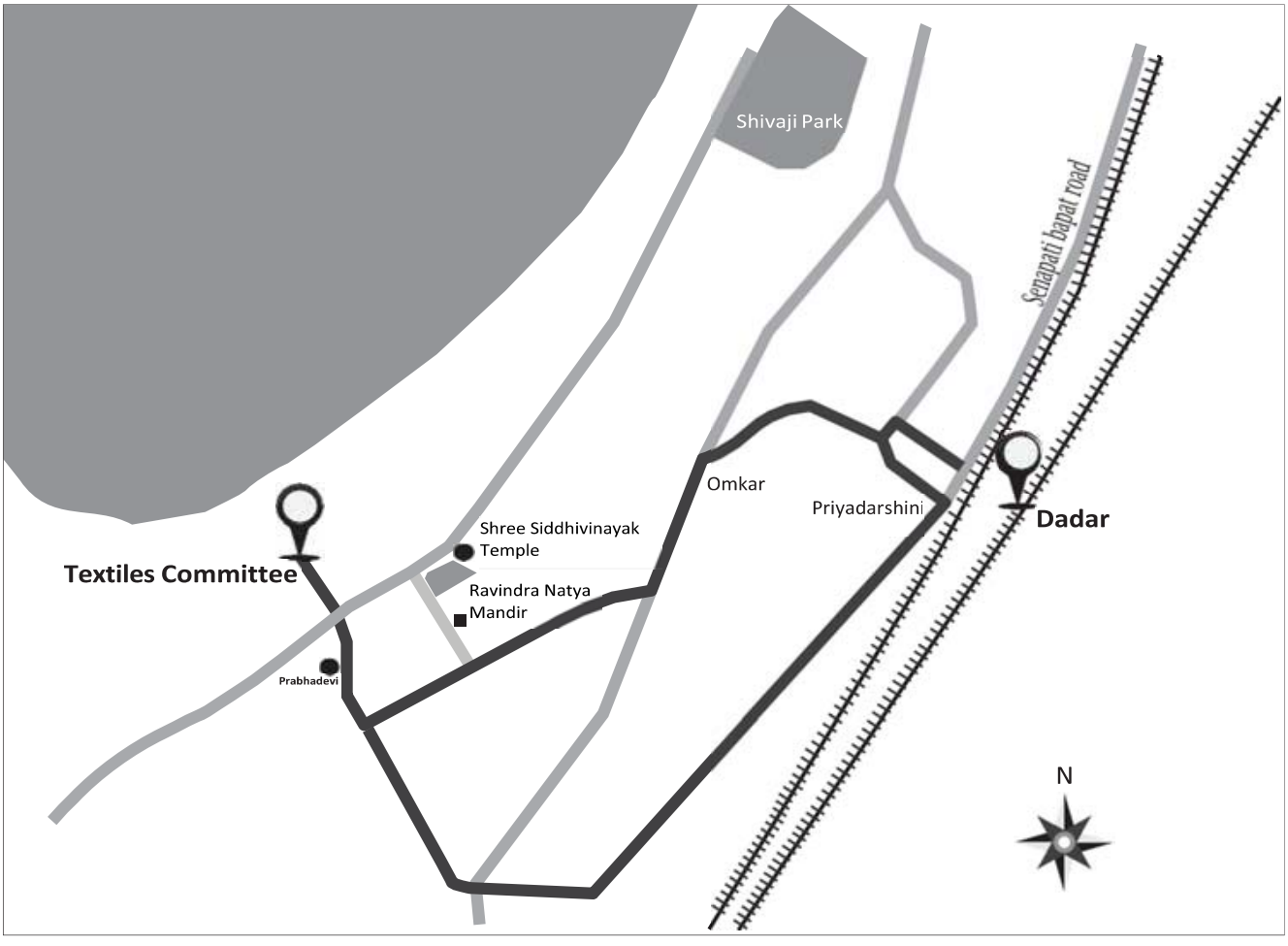
*Applicable for Shareholders holding Shares in dematerialised form.

Notes:

1) Shareholders attending the meeting in person or by Proxy or through authorised representative are requested to complete and bring the attendance slip with them and hand it over at the entrance of the meeting hall.
2) Shareholder/Proxy holder who desires to attend the meeting should bring his / her copy of the Notice for reference at the meeting.

ROUTE MAP FOR VENUE OF COURT CONVENED MEETING OF THE COMPANY

Textiles Committee, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai - 400 025.



NOTES

CRYSTAL (022) 6614 0900 • info@crystalforms.com