19th April, 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

Sub: Submission of Notice of Postal Ballot alongwith explanatory statement .

Dear Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Postal Ballot Notice & Postal Ballot Form of the Company transacting the business as detailed in the Notice.

Please take note of the same.

Thanking you.

Yours faithfully,
For GAMMON INDIA LIMITED

GITA BADE
COMPANY SECRETARY

Encl.: As above

GAMMON INDIA LIMITED

CIN: L74999MH1922PLC000997
Registered Office: 'Gammon House', Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025.
Tel No: 91 – 22 - 6115 3000, Fax No: 91-22-2430 0221
Email: secretarial@gammonindia.com, Website: www.gammonindia.com

POSTAL BALLOT NOTICE

{Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014}

Dear Shareholders,

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 ("the Act") and all other applicable provisions, if any, of the Act read together with the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force and further pursuant to applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the resolutions set out below are proposed to be passed as Special Resolutions by way of postal ballot /e-voting. The explanatory statement pertaining to the resolutions setting out the material facts and the reasons thereof are annexed hereto along with a postal ballot form (the "Form") for your consideration.

The Board of Directors of the Company ("Board") at its meeting held on 2nd April, 2016 has appointed Mr. Vidyadhar Chakradeo of M/s. V. V. Chakradeo & Co. Company Secretaries, Mumbai (Membership No: F3382) as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner. You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) through e-voting or by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid envelope so as to reach the Scrutinizer not later than 5.00 p.m. on Thursday, 19th May, 2016. Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman and Managing Director/Executive Director.

In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate for its Members to enable them to cast their votes electronically instead of dispatching the Form(s). Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to this Notice and instructions on the overleaf of the Form.

The results of the postal ballot will be announced by the Chairman & Managing Director / Executive Director on Friday, 20th May, 2016 on or before 6.00 pm at the registered office of the Company and will be intimated to the BSE Limited and National Stock Exchange of India Limited. The aforesaid result would also be displayed on the Notice Board at the registered office of the Company along with the Scrutinizer's report and also on the Company's website viz. www.gammonindia.com and the website of Central Depository Services (India) Limited viz. www.cdslindia.com

1. To consider and if thought fit, to give **ASSENT/DISSENT** to the following resolution as a **Special Resolution:**

   "RESOLVED THAT consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to accept amendment to the facility agreements dated December 3, 2013, February 5, 2014 and supplemental agreement dated March 20, 2014 entered into between the Company and DBS Bank Ltd. ("DBS Bank") providing for an option to DBS Bank (Joint Lender) to convert whole or part of their loans sanctioned aggregating to Rs. 210 crores into equity shares of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 read together with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification or re-enactments thereto) guidelines prescribed by the Government of India, RBI Circular dated June 8, 2015 and all amendments thereto, applicable provisions of Securities and

Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, Strategic Debt Restructuring Scheme ("SDR") sanctioned by the Joint Lenders Forum on December 16, 2015, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any modifications thereto and all other applicable laws, the consent of the members of the Company be and is hereby accorded to the Board for issue and allotment of such number of equity shares of the Company of face value of Rs. 2/- (Rupees Two only) each to DBS Bank at a price as per applicable laws, which shall not exceed the amount of principal and interest outstanding to DBS Bank as on the date of conversion in accordance with the SDR as sanctioned by the Joint Lenders Forum by issuance of a conversion notice setting out the details of conversion of outstanding amounts due to DBS Bank ("Notice of Conversion"), on the following terms:

(i) On receipt of the Notice of Conversion, the Company shall allot and issue the requisite number of fully paid-up Equity Shares to DBS Bank and DBS Bank shall accept the same in satisfaction of the outstanding dues to DBS from the Company;

(ii) The part of the said financial facilities so converted shall cease to carry interest as from the date of conversion and the said financial facilities shall stand correspondingly reduced;

(iii) The Equity Shares so allotted and issued to DBS Bank shall rank *paripassu* with the existing equity shares of the Company in all respects, *inter alia* with respect to dividends and other distributions declared or to be declared in respect of the equity capital of the Company;

(iv) In the event that DBS Bank exercises its conversion right as aforesaid, the Company shall ensure that the equity shares issued on conversion are listed on the stock exchanges, where the Company's shares are listed.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take from time to time all decisions and such steps as may be necessary."

2. To consider and if thought fit, to give **ASSENT/DISSENT** to the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification of the shareholders' resolution passed vide postal ballot on December 18, 2015 pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 (the "Act") and rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with the approval of the CDR lenders approving the sale of the Conductor Division and Tower Manufacturing Facility division of the Company's Transmission & Distribution Business (T&D business) together with all assets, properties, debts and liabilities, by way of a "slump sale" on a going concern basis to Transrail Lighting Limited ("TLL"), on the terms and conditions contained in the Business Transfer Agreement dated October 27, 2015 ("BTA"), consent of the members of the Company be and is hereby further accorded to the terms of the First Amendment to the BTA dated February 12, 2016 entered into between the Company and Transrail Lighting Limited setting out such amendments, modifications or inclusions as required by the CDR lenders ("**First Amendment**") as set out in the Explanatory Statement and the Members of the Company hereby ratify the acceptance and execution of the First Amendment by the Board of Directors of the Company ("**Board**", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board or a duly authorized Committee thereof, be and is hereby authorized to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the BTA and the First Amendment and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

3. To consider and if thought fit, to give **ASSENT/DISSENT** to the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification to the shareholders' resolution passed vide postal ballot on December 18, 2015 , approving the sale of 75% (*seventy five percent*) equity shares held by the Company in Transrail Lighting Limited ("TLL") to Bilav Software Private Limited ("Investor") as per the terms and conditions contained in the Investment cum Shareholders Agreement dated 27th October, 2015 (hereinafter referred to as "Investment Agreement"), consent of the Members of the Company be and is hereby further accorded to

the amendments, modifications, inclusions contained in the First Amendment to the Investment Agreement dated February 12, 2016 entered into between the Company, TLL and Investor carried out at the instance of the CDR lenders ("First Amendment- Investment Agreement") as set out in the Explanatory Statement and the Members of the Company hereby ratify the acceptance and execution of the First Amendment- Investment Agreement by the Board of Directors of the Company ("Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board).

RESOLVED FURTHER that, for the purpose of giving effect to the above resolution the Board or a duly authorized Committee thereof, be and is hereby authorized to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the Investment Agreement and its First Amendment- Investment Agreement and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

4. To consider and if thought fit, to give **ASSENT/DISSENT** to the following resolution as a **Special Resolution**:

RESOLVED THAT consent of the Company be and is hereby accorded pursuant to Section 180(1)(a),and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Novation Agreement dated February 26, 2016 executed between the Company, Transrail Lighting Limited and the Lenders (both CDR Lenders and DBS Bank Limited), to the Board of Directors of the Company for mortgaging and/or charging on such terms and conditions at such time or times and in such form and manner and with such ranking as to priority (whether paripassu with subsisting charges or otherwise) as it may think fit the immovable and movable properties of the Transmission & Distribution (T&D) Business (more specifically all assets of the T&D Business remaining with the Company and not transferred to Transrail Lighting Limited, vide Business Transfer Agreement dated October 27, 2015) wherever situated, both present and future as the case may be, in favour of the CDR Lenders including debenture trustees for the holders of CDR debentures and DBS Bank with power to the CDR lender(s),DBS Bank and or debenture-trustees to take over the T & D Business of the Company in certain events and upon such terms and conditions as may be decided by the Board of Directors of the Company, together with interest thereon or additional interest, cumulative interest, liquidated damages, remuneration of debenture-trustees, if any, premium, if any on redemption/ pre-payment costs, charges, expenses and all other moneys payable by the Company to the CDR lender(s) and DBS Bank or debenture trustees and to the holders of debentures/bonds ,including the charges subsisting as security for the debt transferred to Transrail Lighting Limited subject to the maximum amount of Rs. 3580 crores (Rupees Three Thousand Five Hundred and Eighty crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Officer of the Company to finalize and execute the loan agreements, trust deeds and/or other deeds, documents and agreements and to do all such acts, deeds, matters and things and to take all such further steps as may in the opinion of the Board of Directors (including any Committee thereof) be necessary, proper or expedient for giving effect to this resolution."

5. To consider and if thought fit, to give **ASSENT/DISSENT** to the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 186 read with Rule 11 of Companies (Meetings of Board and its Powers) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 (the "**Act**") and rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Novation Agreement dated February 26, 2016 executed between the Company, Transrail Lighting Limited and the Lenders (both CDR Lenders and DBS Bank Limited) and the Articles of Association of the Company and all other provisions of applicable laws and subject to such approvals, consents, sanctions and permissions, as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company ("**Board**", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this resolution), to provide security by way of charge on the assets of Transmission & Distribution (T&D) Business (more specifically all assets of the T&D Business remaining with the Company and not transferred to Transrail Lighting Limited, vide Business Transfer Agreement ("BTA") dated October 27, 2015) and a Corporate Guarantee to the Lenders

of Transrail Lighting Limited, an associate of the Company in connection with the debts aggregating to Rs. 3580 crores (Rupees Three Thousand Five Hundred and Eighty Crores only) transferred to Transrail Lighting Limited ("TLL") in terms of the BTA as amended by the First Amendment to the BTA dated February 12, 2016, notwithstanding that the aggregate of the investments, loans or guarantees or securities so far given or to be given and/or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate."

6. To consider and if thought fit, to give **ASSENT/DISSENT** to the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 (the "Act") and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended from time to time, consent of the members of the Company be and is hereby accorded to divest/sell/dispose off upto 30% of the shareholding in Gammon Infrastructure Projects Limited ("GIPL") held by the Company through its wholly owned subsidiary Gammon Power Limited ("GPL") such sale to be carried out on the floor of the Exchange(s) at the price prevailing on the exchanges on the date of sale ,to one or more persons and in one or more tranches and at such time and in such manner as the Board may decide, subject to the approval and release of the pledge of shares held by IDBI Bank and ICICI Bank and approvals from lenders, wherever necessary.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take from time to time all decisions and such steps as may be necessary and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate."

By Order of the Board of Directors
FOR GAMMON INDIA LIMITED

Sd/-
GITA BADE
COMPANY SECRETARY

Registered Office:'Gammon House',
Veer Savarkar Marg, Prabhadevi,
Mumbai – 400 025.

Dated: 2nd April, 2016

Notes:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 setting out all the material facts and the reasons for the proposals is annexed hereto.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/ list of Beneficial Owners, received from National Securities Depository Limited ("NSDL") / Central Depository Services (India) Limited ("CDSL") as on 8th April, 2016. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode alongwith a postage pre-paid self addressed Business Reply envelope.
3. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up Equity Share Capital of the Company on the cut-off date, i.e. 8th April, 2016.

4. As per Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot along with Postal Ballot Form is being sent to all the Members through courier and electronically by email to those shareholders who have registered their email-id with the Company / Depositories along with Postal Ballot Form.
5. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to offer e-voting facility as an option to all the Members of the Company. The Company has entered into an agreement with CDSL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form. Members may please refer to the instructions below for the purpose of voting through e-voting facility.
6. The Postal Ballot Notice is placed in the 'Investors Information' section on the Company's website: www.gammonindia.com
7. The Board of Directors has appointed Mr. Vidyadhar Chakradeo of M/s. V. V. Chakradeo & Co. Company Secretaries, Mumbai as the Scrutinizer for conducting the Postal Ballot process in accordance with the law and in a fair and transparent manner. The Postal Ballot Form and the self-addressed business reply envelope are enclosed for use of members.
8. Members are requested to carefully read the instructions printed on the attached Postal Ballot form. The Postal Ballot form, duly completed and signed, should be returned in the enclosed self-addressed, postage prepaid envelope, directly to the Scrutinizer so as to reach him on or before the close of working hours i.e. 5.00 p.m. on 19th May, 2016. Any response received from the shareholders after 5.00 p.m. on 19th May, 2016 shall be treated as if no response is received in terms of sub-rule 12 of Rule 22 of the Companies (Management and Administration) Rules, 2014.
9. The date of declaration of results of the postal ballot i.e 20th May, 2016 shall be date on which the resolutions would be deemed to have been passed, if approved by the requisite majority.
10. The Special Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if they had been passed at a General Meeting of the Members.
11. Voting period commences from 9.30 a.m. (IST) on 20th April, 2016 and ends at 5.00 p.m. (IST) on 19th May, 2016. E-voting shall not be allowed beyond the said date and time.
12. Kindly note that the Members can opt only for one mode of voting, i.e. either by physical ballot or e-voting. If you are opting for e-voting, then do not vote by physical ballot and vice versa. However, in case Members cast their vote by physical ballot as well as by e-voting, then voting done through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.
13. Members who have received the Postal Ballot Notice by e-mail and wish to vote through physical Postal Ballot Form can download the Postal Ballot Form from the link or seek a duplicate Postal Ballot Form from the Registrar & Transfer Agent, Link Intime India Private Limited or Company Secretary, Gammon India Limited, 'Gammon House', Veer Savarkar Marg, Prabhadevi, Mumbai 400 025, fill in the details and send the same to the Scrutinizer.
14. Members desiring to exercise their vote by physical Postal Ballot are requested to carefully read the instructions printed on the Postal Ballot Form and return the Postal Ballot Form duly completed and signed in the enclosed self-addressed Business Reply Envelope to the Scrutinizer. The postage cost will be borne by the Company. However, envelopes containing Postal Ballot, if sent by courier or registered / speed post at the expense of the Member will also be accepted.
15. A person who is not a Member as on the record date i.e. 8th April,2016 should treat this Notice for information purpose only.
16. Members can contact Ms. Gita Bade – Company Secretary & Compliance Officer on 022-61154050 or gita.bade@gammonindia.com for any grievances relating to e-voting.

17. Instructions regarding e.-voting :-

(i) The voting period begins at 9.30 a.m., on Wednesday, 20th April, 2016 and ends at 5.00 p.m., on Thursday 19th May, 2016. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 8th April, 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 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 use the sequence number which is printed on the Postal Ballot Form.
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 company records in order to login. • If both the details are not recorded with the depository or 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 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 160416002 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) Note for Non – Individual Shareholders and Custodians:-

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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.

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.

18. The Scrutinizer will submit his report on postal ballot to the Chairman and Managing Director / Executive Director of the Company after completion of the scrutiny of the Postal Ballot Forms and e-voting. The results of the Postal Ballot will be announced by the Chairman & Managing Director / Executive Director on or before 6.00 p.m. on Friday, 20th May, 2016 at the Registered Office of the Company. The said results would be displayed on the notice board at the Registered Office of the Company, intimated to the National Stock Exchange of India Limited and BSE Limited where the Company's shares are listed and displayed along with the Scrutinizer's report on the Company's website viz. www.gammonindia.com.
19. All the material documents referred to in the explanatory statement would be available for inspection at the registered office of the Company during business hours from the date of dispatch of Notice till 5.00 pm on Thursday, 19th May, 2016.
20. The Board of Directors has appointed Ms. Gita Bade - Company Secretary as the person responsible for the entire Postal Ballot process.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE

Item No. 1

The Company has executed Facility Agreements dated December 3, 2013 and February 5, 2014 and a supplemental agreement dated March 20, 2014 (collectively, the "Facility Agreements") with DBS Bank Limited ("DBS Bank"), wherein the Company has been sanctioned financial facilities aggregating to Rs. 210 crores, subject to the terms and conditions mentioned in the Facility Agreements. The Strategic Debt Restructuring ("SDR") Scheme sanctioned by the Joint lenders forum on December 16, 2015 with reference date as November 17, 2015, requires the Company to issue and allot equity shares to its lenders, including DBS Bank, in satisfaction of the outstanding loans along with interest and other amounts due there on. DBS Bank has, in its letter dated February 11, 2016 and 8th March, 2016 referred to this requirement and instructed the Company to issue and allot 41,24,496 equity shares of face value of Rs. 2/- each at a price of Rs. 11.89 per equity share aggregating to Rs. 4.90 crores. The price per share has been arrived at on the basis of the valuation reports of M/s. H. M. Shah & Co. Chartered Accountants and M/s. Verma Mehta & Associates, Independent Chartered Accountants as per the guidelines specified in RBI Circular dated 8th June, 2015 and Regulation 70(5) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 as amended from time to time. Post this issue and allotment to DBS Bank, the lenders to the Company will hold approximately 64% of the equity capital of the Company.

Members' approval is being sought under Section 62(3) of the Companies Act, 2013 read together with the Companies (Share Capital and Debentures) Rules, 2014 to authorize the Board to accept such amendments to the Facility Agreements as may be required, including providing for an option to DBS Bank to convert outstanding debt to equity shares of the Company in accordance with the relevant RBI Regulations and also for issue and allotment of shares to DBS Bank as and when DBS Bank exercises the right of conversion pursuant to the aforementioned amendment.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, is in any way concerned or interested in the said resolution.

Your Directors recommend passing of the special resolution at Item No. 1 for your approval through Postal Ballot.

ITEM NO. 2

Members are hereby informed that the Company had executed a Business Transfer Agreement ("BTA") with Transrail Lighting Limited ("TLL") on October 27, 2015 for sale / transfer of the Identified Business viz; the tower manufacturing factory (excluding tower testing facility and store of erection and stringing equipment) at Deoli and the conductor factory at Silvassa, together with all assets, properties, debts and liabilities related to the Identified Business, which was duly approved by the shareholders vide postal ballot on December 18, 2015. The members had also authorised the Board to accept such modifications to the BTA as may be required to be carried out as the CDR Lenders may so direct.

Members are further informed that post the approval, the CDR lenders proposed certain amendments to the BTA which are significant. The Board in its meeting held on February 12, 2016 has accepted the amendments and executed the First Amendment to the BTA, subject to approval of the members.

The significant amendments to the BTA and as contained in the First Amendment Agreement are as follows:

1. The BTA shall be effective from January 1, 2016.
2. All assets transferred to TLL shall be subject to any and all encumbrances created in terms of or for the benefit of the lenders as security for the debts transferred to TLL.
3. The assets and the current assets which are being transferred as part of the Identified Business and are encumbered for securing the existing debt availed by the Company from the existing lenders including the CDR lenders and DBS Bank Limited ("Existing Lenders"), prior to the completion shall continue to be encumbered post completion and the assets of the Company which are charged to secure liabilities that are being transferred as part of the Identified Business shall continue to be so encumbered post completion until released by approval of the Scheme by the courts in favour of or for the benefit of the existing lenders.
4. Fresh encumbrance shall be created by the Company and TLL, if so required by the lenders, over such transferred assets and current assets post Completion in favour of and for the benefit of the existing lenders to

secure (i) such part of the existing debt being transferred under the Novation Agreement dated February 26, 2016 executed between the Company, Transrail Lighting Limited and the Lenders (both CDR Lenders and DBS Bank Ltd.) ("Novation Agreement") and (ii) such part of the existing debt being transferred under the proposed scheme of arrangement between the Company and Transrail Lighting Limited for transfer of the remaining T&D business of the Company.

5. TLL agrees and undertakes to create the necessary encumbrances in favor of or for the benefit of the existing lenders to their satisfaction over all assets, rights, title, interest and claims being transferred under the BTA and pursuant to the Scheme to further secure the existing debt and execute all documents, make all filings, procure all consents and priority sharing arrangements, and do all acts that may be required to create and perfect such encumbrance to the satisfaction of the existing lenders.
6. The Company agrees and undertakes to execute a deed of guarantee in favor of or for the benefit of the existing lenders as mentioned in the Novation Agreement to guarantee the due repayment of the existing debt being transferred to TLL in terms of the BTA. This guarantee will be in force till the approval of the Scheme by the Courts.
7. TLL and the Company agree to enter into such documents and do all such acts as are required by the Existing Lenders to ensure compliance with the provisions set out above.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, is in any way concerned or interested in the said resolution.

Your Directors recommend passing of the special resolution at Item No. 2 for your approval through Postal Ballot.

ITEM NO. 3:

Members are hereby informed that the Company had executed an Investment cum Shareholders Agreement ("Investment Agreement") with Bilav Software Private Limited ("Investor") and Transrail Lighting Limited ("TLL") for sale of 75% (*seventy five percent*) stake held by the Company in the equity share capital of TLL on October 27, 2015 as duly approved by the shareholders of the Company by way of Postal Ballot on December 18, 2015 in compliance with Clause 49 (V) of Listing Agreement / Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The members had also authorised the Board to accept such modifications to the Investment Agreement as may be required to be carried out as the CDR Lenders may so direct.

Members are further informed that post the approval, the CDR lenders proposed certain amendments to the Investment Agreement which are significant. The Board in its meeting held on February 12, 2016 has accepted the amendments and executed the First Amendment to the Investment Agreement ("First Amendment - Investment Agreement") subject to approval of the members.

The amendments to the Investment Agreement are as follows:

1. The Investment Agreement shall be effective from January 1, 2016.
2. The Company shall at all times, during the term of the Investment Agreement, continue to hold a minimum of 25% of the total equity shares in TLL, on a fully diluted basis.
3. No transfer of shares by the Company or the Investor shall prejudice any rights of CDR Lenders.
4. Investor shall not part with the control of TLL for a period of two years without the prior written consent of the CDR Lenders, other than a transfer by it of their shareholding, or any part thereof to an affiliate, which transfer shall not require such prior written consent.
5. Investors Rights : In case the Scheme of Arrangement is not consummated, the Investor shall be entitled to either of the following, at the option of the Investor:

   (i) continue to be in control of TLL and shall ask TLL to modify the terms of Optionally Convertible Debentures ("OCDs") and to consider the amount of INR 12,67,50,000 (Indian Rupees Twelve crores Sixty Seven lakhs Fifty thousand only) already paid as full consideration for issue of 8,25,000 (Eight lakh Twenty Five thousand) Equity Shares and the balance amount of INR 10,00,00,000 (Indian Rupees Ten crores) be refunded to the Investor at 11% yield, provided that in the event the Investor exercises this right, the CDR Lenders shall retain such part of, or the entire novated Indebtedness "Retained Debt" (including assessed limits corresponding to the fair valuation of TLL's assets) in TLL subject to renewal based on performance of TLL and the Company shall be bound to re-novate and hold as borrower, any part of the novated Indebtedness that the CDR Lenders do not retain in TLL;

(ii) continue to be in control of TLL and require TLL to acquire the Gammon T&D Undertaking by, subject to procuring all approvals required from counter parties and creditors and compliance with all requirements under law, entering into a new BTA with the Company. The consideration for the said transfer to be the same as agreed by the Parties for the Scheme of Arrangement. On consummation of the new BTA, the Investor should bring in the balance amount of INR 25,02,50,000 (Rupees Twenty Five crores Two lakh Fifty Thousand only), make the OCDs fully paid up and get the same converted into equity shares of TLL.

(iii) require the repayment of the OCDs held by the Investor, by TLL, at a 11% (eleven percent) yield and require repurchase of the Sale Shares by the Company from the Investor, at mutually agreed price such that the Investor receives an yield of at least 11% (eleven percent) p.a. on the amount invested, provided that in the event the Investor exercises such rights, the Company and TLL shall, at the request of the CDR Lenders take all the necessary steps to ensure that all the assets, rights and liabilities pertaining to the T&D Undertaking as on the date that the Scheme of Arrangement was rejected are re-transferred/re-novated by TLL and re-acquired by the Company.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, is in any way concerned or interested in the said resolution.

Your Directors recommend passing of the special resolution at Item No. 3 for your approval through Postal Ballot.

ITEM NO. 4 & ITEM NO. 5

Members are informed that the Company vide a 'Business Transfer Agreement' ("**BTA**") dated October 27, 2015 entered into with M/s Transrail Lighting Limited ("**TLL**") duly amended by an amendment to the BTA dated February 12, 2016 ("**First Amendment**") has transferred by way of a "slump sale" the following business of the Company which is a part of the Company's Transmission and Distribution Undertaking ("hereinafter referred to as the "**Identified Business**") as duly approved by the shareholders vide postal ballot dated December 18, 2015:

1. the division of conductor factory at Silvassa;
2. the tower manufacturing facility at Deoli in Maharashtra (excluding the tower testing facility and store of erection and stringing equipment); and
3. all the assets and properties, whether tangible or intangible, rights, titles, interests, privileges, licenses and all liabilities, debts, obligations of all nature related to the Identified Business of the Company, including employees engaged therein.

As part of the business transfer the Company has entered into a Novation Agreement with the lenders for transferring the debts and obligations pertaining to the transmission and distribution business aggregating to Rs. 3580 crores (both fund based and non fund based limits).

In terms of the First Amendment and the Novation Agreement, the Company is required to create a mortgage and other charges on the Retained T& D Assets (*as defined in the Novation Agreement*) and specifically the assets of the Transmission and Distribution Undertaking ,not transferred through the BTA .

Section 180(1)(a) of the Companies Act, 2013, provides that a company shall not sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking(s) of the Company without the consent of its Members in a general meeting. Creation of charge /mortgage on the Retained T & D Assets may be considered as disposal of the Company's undertaking within the meaning of Section 180(1)(a) of the Companies Act, 2013, requiring Members' consent for the same.

Members are further informed that pursuant to the BTA read with the First Amendment and the Novation Agreement, the Company is required to create a charge by way mortgage/hypothecation on the Remaining T&D Assets (i.e more specifically the assets of the T&D Undertaking remaining with the Company and not transferred through the BTA) and also to issue a Corporate Guarantee in favour of the Lenders (i.e CDR Lenders and DBS Bank) till the Scheme of Arrangement between the Company and Transrail Lighting Limited is sanctioned by the Court, as security for the debts aggregating to Rs. 3580 crores (Rupees Three Thousand Five Hundred and Eighty crores) transferred to TLL pursuant to the Novation Agreement.

In terms of the provisions of Section 186 of the Companies Act, 2013 ("Act"), where giving of any loan or guarantee or providing any security or the acquisition of securities exceeds (a) sixty percent of the aggregate of the paid-up capital and free reserves and securities premium account, or (b) hundred percent of its free reserves and securities premium account, whichever is more, prior approval of the shareholders is required by means of passing a special resolution.

Further, the giving of loan/guarantee or providing of security as mentioned in the resolutions in item nos. 4 and 5 to the lenders of TLL being an associate of the Company is a 'Related Party Transaction' pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has been duly approved by the Audit Committee and the Board of Directors of the Company .

In view of the above, shareholders' approval is being sought pursuant to Section 180(1)(a), Section 186 of the Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for creation of mortgage/charge and giving loans / guarantee to the Existing Lenders of TLL as set out above in Item nos. 4 and 5.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the passing of the above Resolutions.

Your Directors recommend passing of the Special Resolutions at Item Nos. 4 and 5 for your approval through postal ballot.

ITEM NO. 6

The Company has availed a short term loan of Rs. 205,00,00,000 (*Rupees Two hundred five crores*) from IDBI Bank and an overdraft facility aggregating to Rs.175,00,00,000 (*Rupees One hundred seventy five crores*) from ICICI Bank against the pledge of shares of Gammon Infrastructure Projects Limited ("GIPL") by its wholly owned subsidiary Gammon Power Limited ("GPL"). In order to reduce its debt, the Company proposes to divest/sell/ dispose off upto 30% of its total shareholding in Gammon Infrastructure Projects Limited ("GIPL") held by it through its wholly owned subsidiary Gammon Power Limited, such sale to take place on the floor of the Exchange(s) at price prevailing on the date of sale, to one or more persons and in one or more tranches and in such manner as the Board may decide. The sale proceeds will be utilized in repaying the loans of ICICI Bank and IDBI Bank.

Members are further informed that 23,27,94,400 equity shares(24.79%) of GIPL are presently pledged with IDBI Bank and 26,40,00,000 equity shares (28%) of GIPL are pledged with ICICI bank .Therefore sale of the shares as mentioned in the resolution will be subject to release of pledges by IDBI Bank Limited, ICICI Bank and approval of lenders thereof.

In accordance with the provisions of Section 180(1)(a) of the Companies Act, 2013 and Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 approval of shareholders is necessary by way of a special resolution in order for the Company to effect the sale of the above mentioned shares.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the passing of the above Resolution.

Your Directors recommend passing of the special resolution at Item No.6 for your approval through postal ballot.

By Order of the Board of Directors
For Gammon India Limited

Sd/-
Gita Bade
Company Secretary

Registered Office: 'Gammon House',
Veer Savarkar Marg,
Prabhadevi, Mumbai – 400 025.

Dated: 2nd April, 2016

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GAMMON INDIA LIMITED
CIN: L74999MH1922PLC000997
Registered Office: 'Gammon House', Veer SavarkarMarg,
Prabhadevi, Mumbai – 400 025.
Tel No: 91 – 22 - 6115 3000, Fax No: 91-22-2430 0221
Email: secretarial@gammonindia.com, Website: www.gammonindia.com

POSTAL BALLOT FORM

Sr. No.:

1. Name (s) and Registered Address of the sole/first- named Shareholders :

2. Name(s) of Joint–Holder(s), If any :

3. Registered Folio No./DP ID No./ Client ID No.* (*Applicable to Investors holding shares in dematerialized form) :

4. Number of shares held :

I/We hereby exercise my/our vote in respect of the Special Resolutions to be passed through postal ballot for the businesses stated in the notice by sending my/our assent or dissent to the said resolutions by placing the tick (√) mark in the appropriate box below:

Sr.No	Description of Resolution	No. of shares for which votes cast	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Special Resolution under Section 62(3) of the Companies Act, 2013 providing for an option to DBS Bank for conversion of their loans into equity shares of the Company.			
2.	Special Resolution according approval for amendment to Business Transfer Agreement (BTA) entered into between the Company and Transrail Lighting Limited (TLL).			
3.	Special Resolution according approval for amendment to Investment cum Shareholders Agreement, executed between the Company, Transrail Lighting Limited (TLL) and Bilav Software Pvt Ltd (Investor).			
4.	Special Resolution pursuant to Section 180(1)(a) of the Companies Act, 2013 for creation of mortgage/charge on immovable and movable properties of the Transmission and Distributions business for securing the debts transferred to Transrail Lighting Limited.			
5.	Special Resolution pursuant to Section 186 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to provide security and corporate guarantee to the lenders of Transrail Lighting Limited (TLL).			
6.	Special Resolution pursuant to Section 180(1)(a), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for divestment of upto 30% of shares held by the Company in Gammon Infrastructure Projects Limited, through its wholly owned subsidiary, Gammon Power Limited.			

Place:
Date:

_____
Signature of the Member

Notes:
i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
ii) Last date for receipt of Postal Ballot Form is **Thursday,19th May,2016.**
iii) Please read the instruction printed overleaf carefully before casting your vote

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ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	USER ID	PASSWORD / PIN
160416002		

INSTRUCTIONS

1.	**GENERAL INFORMATION**	
	a	There will be one Postal Ballot Form/e-voting for every Client ID No./Folio No., irrespective of the number of joint holders.
	b.	Members have option to vote either through Postal Ballot Form or through e-voting. If a member has opted for Physical Postal Ballot, then he/she should not vote by e-voting and vice versa. However, in case Members cast their vote through both physical postal ballot and e-voting, then vote cast through e-voting shall prevail and vote cast through Physical Postal Ballot shall be considered as invalid.
	c.	Voting in the Postal ballot/e-voting cannot be exercised by a proxy. However, corporate and institutional members shall be entitled to vote through their authorised representatives with proof of their authorization as stated below.
	d.	Any query in relation to the Resolutions proposed to be passed by Postal Ballot may be addressed to Ms. Gita Bade - Company Secretary & Compliance Officer, at the Registered Office of the Company.
	e.	The Scrutinizer's decision on the validity of a Postal Ballot/E-voting shall be final and binding.
	f.	The voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders as on **Friday, 8th April, 2016.**
	g.	A Shareholder need not use all the votes nor does he need to cast all the votes in the same way.
	h.	Members are requested to refer to the Postal Ballot Notice and Notes thereto for detailed instructions with respect to E-Voting.
	i.	The Scrutinizer will collate the votes downloaded from e-voting system and votes received through Postal Ballot to declare the final results for the resolutions placed for voting by the Company.
2.	**INSTRUCTIONS FOR VOTING PHYSICALLY BY POSTAL BALLOT FORM:**	
	a.	A member desirous of exercising his/her Vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer, in the attached self-addressed envelope. Postage will be borne and paid by the Company. Further, any envelopes containing postal ballot, if deposited in person or sent by courier at the expense of the Registered Member(s) will also be accepted.
	b.	The self-addressed postage pre-paid envelope bears the name of the Scrutinizer appointed by the Board of Directors and the postal address of Registrar & Transfer Agents of the Company.
	c.	This Form must be completed and signed by the Member, as per specimen signature registered with the Company or Depository Participant, as the case may be. In case of joint holding, this Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member.
	d.	In respect of shares held by corporate and institutional members (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory (ies) duly attested.
	e.	The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (√) in the appropriate column in the Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
	f.	Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
	g.	Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours (5.00 p.m.) on Thursday, **19th May, 2016**. All Postal Ballot Forms received after this date will be strictly treated as if no reply has been received from the Member. The Members are requested to send the duly completed Postal Ballot Forms well **before** Thursday, **19th May, 2016** providing sufficient time for postal transit.
	h.	Members are requested not to send any other paper along with the Postal Ballot Form. They are also requested not to write anything in the Postal Ballot Form except giving their assent or dissent and putting their signature. If any such other paper is sent, the same will be destroyed by the Scrutinizer.
	i	Incomplete, unsigned or incorrectly ticked Postal Ballot Forms will be rejected.
	j	The result of the voting on the resolutions will be announced on Friday ,20th May , 2016 and be communicated to the stock exchanges and shall also be posted on the website of the Company **www.gammonindia.com.**