GAMMON

1st March, 2012

The Listing Department
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.

Sub: Submission of copies of the Abstract under Section 302 of the Companies Act, 1956.

Dear Sir,

In accordance with Clause 31 of the Listing Agreement, we enclose herewith three (3) copies of the Abstract under Section 302 of the Companies Act, 1956 which has been dispatched to the shareholders.

Kindly acknowledge receipt of the same.

Thanking you.

Yours faithfully,
For GAMMON INDIA LIMITED

GITA BADE
COMPANY SECRETARY

Encl.: As above

GAMMON INDIA LIMITED

GAMMON

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

To

The Members
Gammon India Limited

Dear Sir / Madam,

Abstract and Memorandum under Section 302 of the Companies Act, 1956.

The Board of Directors ("Board") of Gammon India Limited ("Company") at its meeting held on 9th February, 2012 has re-appointed Mr. Rajul A. Bhansali as Executive Director – International Operations of the Company for a further period of three (3) years w.e.f 30th March, 2012, subject to the approval of the members in a general meeting, on such terms and conditions including remuneration as may be set out in the agreement to be entered into between the Company and Mr. Bhansali.

As required under Section 302 of the Companies Act, 1956, an Abstract of the terms of re-appointment of Mr. Bhansali as the Executive Director – International Operations of the Company is appended herewith together with a Memorandum signifying the nature of the concern or interests of the Directors:-

I. Re-appointment of Mr. Rajul A. Bhansali as the Executive Director – International Operations will, inter-alia, be on the following terms and conditions:

1. **Designation**: Executive Director – International Operations.
2. **Period**: Three (3) years with effect from 30th March, 2012 to 29th March, 2015.

II. In consideration of the performance of his duties, Mr. Bhansali shall be entitled to receive salary and commission and perquisites as stated below:

Remuneration

(i)	Salary	:	In the scale of ₹ 800,000/- (Rupees Eight Lacs only) per month to ₹ 1,250,000/- (Rupees Twelve Lacs Fifty Thousand only) per month with authority to the Board to fix the salary within the scale from time to time. The increment, within the scale, will be merit based and will take into account the Company's performance.
(ii)	Commission	:	An amount by way of commission, payable annually in addition to the salary, calculated with reference to the net profits of the Company in a particular financial year, at the absolute discretion of and as maybe determined by the Board of Directors at the end of each financial year.
(iii)	Perquisites	:	Subject to the limits contained in Part II of Schedule XIII of the Companies Act, 1956. Perquisites shall be payable as set out in Parts A, B and C as applicable.

Mr. Bhansali shall not be paid sitting fees for attending meetings of the Board or any Committee of the Company.

PART A:

(i) Mr. Bhansali shall also be entitled to perquisites like furnished/unfurnished accommodation or HRA, gas, electricity, water, medical re-imbursement, and Leave Travel Concession for self and family, club fees, personal accident insurance etc. in accordance with the rules of the Company.

(ii) Valuation of perquisites shall be done as per the Income-Tax rules, wherever applicable.

PART B:

(i) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity not exceeding half a month's salary for each completed year of service subject to a maximum limit as specified in Payment of Gratuity Act, 1972.

The items in Part B will not be included in the computation of the ceiling on perquisites.

PART C:

Car & Telephone:

Provision of car for use on Company's business and telephone at residence will not be considered perquisites. Personal long distance calls and use of car for private purposes shall be billed by the Company to Mr. Bhansali.

The remuneration by way of salary, perquisites and other allowances payable in the event of loss or inadequacy of profits in any financial year during the aforesaid period shall be the same as specified above however the same shall be subject to the provisions of Part II of Schedule XIII of the Companies Act, 1956.

This may be treated as an Abstract of the terms of Agreement to be entered into between the Company and Mr. Bhansali pursuant to Section 302 of the Companies Act, 1956.

Mr. Bhansali may be deemed to be concerned or interested in the proposed contract of his re-appointment. No other Director of the Company is considered or interested in these terms and conditions.

By Order of the Board of Directors
For Gammon India Limited

Gita Bade
Company Secretary

Place : Mumbai

Dated : 9th February, 2012

BOOK POST

If undelivered, please return to:

GAMMON INDIA LIMITED
Gammon House, Veer Savarkar Marg,
Prabhadevi, Mumbai - 400 025