



20th September, 2017

The National Stock Exchange of India Ltd.,

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (East),
Mumbai - 400 051

BSE Limited

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

NSE CODE: GAMMONIND

BSE CODE:509550

Dear Sir,

Sub: Outcome of the Board Meeting held on 20th September, 2017

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, you are hereby informed that the Board of Directors ("Board") of the Company at its meeting held on 20th September, 2017, *inter-alia* transacted the following business:

1. The Board in its meeting held on 11th April, 2017 had approved carve out of part of Civil EPC Business of the Company, viz identified contracts essentially comprising of the Civil Engineering, Procurement and Construction ("EPC") business carried on by the Company in Cooling towers, chimneys, buildings, roads etc. without limitation the execution capabilities in relation thereto together with related assets and liabilities, to its wholly owned subsidiary "Gammon Transmission Limited" ("GTL") by way of a slump sale through a Business Transfer Agreement ("BTA") and further divestment of upto 90% of its stake in GTL to strategic investors which proposals were duly approved by the shareholders on 15th May, 2017. The Board in its meeting held today has further approved draft of the Business Transfer Agreement between the Company and GTL and a Scheme of Arrangement duly recommended by the Audit Committee, between the Company and GTL and their respective shareholders and creditors for carve out of the Civil EPC Business mentioned above. The Board has also approved transfer of identified civil EPC Contracts to GTL against the issue of 60,00,000 (Sixty lakhs) equity shares of Rs. 10/- (Rupees Ten Only) each in GTL.
2. The Board has approved the sale of part of its equity stake in GTL to Transrail Lighting Limited and Ajanma Holdings Private Limited for a consideration of Rs. 5 crores (Rupees Five Crores only) . The Board has also accepted the proposal from Transrail Lighting Limited and Ajanma Holdings Private Limited ("Investors") wherein the Investors will invest further Rs 10 crores (Rupees Ten Crores only) into GTL post the completion of the Scheme aforementioned. Post the investment, the Investors will hold 90% and the Company will hold 10% equity stake in GTL.
3. The Board in its meeting held on 11th April, 2017 had approved transfer of the Company's equity stake in its subsidiary Metropolitan Infrahousing Private Limited alongwith identified debt to its wholly owned subsidiary " Gammon Real Estate Developers Pvt. Ltd ("GREDPL") (formerly Franco Tossi Hydro Private Limited) and

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CIN: L74999MH1922PLC000997





further divestment/dilution of its stake in GREDPL in favour of strategic investors, which proposals were duly approved by the shareholders on 15th May, 2017. Pursuant to the shareholders approval, the Board has approved a proposal from M/s Satra Properties(India) Limited to invest in GREDPL .

Information required pursuant to Regulation 30(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the proposed restructuring;

I. Rationale & Objective of the Restructuring of the Civil EPC business:

The rationale and objective of the restructuring *inter-alia* includes:

- i. To create sector focused companies;
- ii. To enable investments by strategic investor;
- iii. De-risk businesses from each other; and
- iv. Deleverage balance sheet of the company.

BRIEF DETAILS OF THE DIVISION TO BE TRANSFERRED:

Civil EPC Undertaking – The Civil EPC undertaking of the Company essentially comprising of the Civil Engineering, Procurement and Construction business carried on by the Company in Cooling towers, chimneys, buildings, roads etc. without limitation the execution capabilities in relation thereto (including all contracts, agreements, licenses, engagements, financial instruments, performance qualifications, commitments, properties, assets, liabilities, debts and all duties and obligations related thereto .

QUANTITATIVE AND / OR QUALITATIVE EFFECT OF RESTRUCTURING:

The proposed restructuring will enable the Company to create sector focused companies so as to enable investment by a strategic investor and de-risk the businesses from each other.

BRIEF DETAILS OF CHANGE IN SHAREHOLDING PATTERN (IF ANY) OF THE ENTITIES.

There will be no change in the shareholding pattern of Gammon India Limited. Post the completion of the Scheme, the shareholding pattern of Gammon Transmission Limited will be: Investors 90% and Gammon India Limited 10%.

CONSIDERATION /SHARE EXCHANGE RATIO:

Consideration for slump sale through Business Transfer Agreement (“BTA”):

Pursuant to the BTA between GIL and Gammon Transmission Limited (“GTL”) the Civil EPC business will be transferred to GTL at fair value of Rs. 10,00,000/- (Rupees Ten Lakhs only).

Consideration under the Scheme of Arrangement:

On approval of the Scheme of Arrangement between Gammon India Limited

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("GIL"/"Transferor Company") and Gammon Transmission Limited ("GTL"/"Transferee Company ") by the National Company Law Tribunal, GTL will issue 7,40,000 (Seven Lakhs forty thousand) fully paid up equity shares of face value of Rs. 10/- each to GIL towards transfer of the Civil EPC Undertaking.

TURNOVER OF THE DEMERGED DIVISION AND AS PERCENTAGE TO THE TOTAL TURNOVER AS ON 31ST MARCH, 2017.

Particulars	Amt (Rs. In crores)	%age to total turnover as on 31 st March, 2017
EPC Turnover -BTA	46	6.04%
EPC Turnover -Scheme	0	0
Total Turnover	46	6.04%

DETAILS OF BENEFIT, IF ANY, TO THE PROMOTER/PROMOTER GROUP/ GROUP COMPANIES FROM SUCH PROPOSED RESTRUCTURING:

The Promoter/Promoter Group/Group Companies will not receive any benefit from the proposed restructuring otherwise than in their capacity as shareholders of Gammon India Limited.

WHETHER LISTING WOULD BE SOUGHT FOR THE RESULTING ENTITY:

The resulting company i.e. Gammon Transmission Limited will be an unlisted company.

BRIEF DETAILS OF THE SCHEME OF ARRANGEMENT BETWEEN GAMMON INDIA LIMITED ("GIL") AND GAMMON TRANSMISSION LIMITED ("GTL")

- Transfer and vesting of the Company's Civil EPC Undertaking (as defined in the Scheme) viz; the Civil Engineering, Procurement and Construction ("EPC") business carried on by the Company in Cooling towers, chimneys, buildings, roads etc. without limitation the execution capabilities in relation thereto (including all contracts, agreements, licenses, engagements, financial instruments, performance qualifications, commitments, etc. as a going concern, which shall include all the pre-qualifications, properties, rights and powers and all debts, liabilities, duties and obligations comprised in/and pertaining to the Civil EPC business (as defined in the Scheme) into Gammon Transmission Limited against issue and allotment of equity shares by GTL to GIL.
- The Appointed Date of the Scheme of Arrangement between GIL and GTL shall be 1st October, 2017 or such other date as may be fixed or approved by the National Company Law Tribunal ,Mumbai Bench .
- The Scheme will become effective upon receipt of approvals, *inter-alia*, from the lenders, the BSE Limited and National Stock Exchange of India Limited, Securities and Exchange Board of India, the shareholders and creditors of the Company, the National Company Law Tribunal and filing of the Order of the Tribunal approving the Scheme with the concerned Registrar of Companies.

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II. Sale/Disposal of Company's shareholding in Gammon Transmission Limited to Transrail Lighting Limited (TLL) and Ajanma Holdings Private Limited (hereinafter referred to "INVESTORS")

- a) date on which the agreement for sale has been entered into;
No agreement has been signed on date .
- b) the expected date of completion of sale/disposal ;
31st March,2018
- c) consideration to be received from such sale/disposal;
Consideration of Rs. 5 crores (Rupees Five Crores only) is receivable. Investors will further invest a sum of Rs. 10 crores (Rupees Ten crores) into GTL post completion of the Scheme.
- d) brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;
None of the investors belong to the promoter or promoter group Transrail Lighting Limited, an associate of the Company is engaged in the business of transmission and distribution which it has recently acquired from the Company. Ajanma Holdings Private Limited is the holding Company of TLL.
- e) whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";
The transaction is not a related party transaction.

III. DIVESTMENT OF COMPANY'S SHAREHOLDING IN GAMMON REAL ESTATE DEVELOPERS PRIVATE LIMITED ("GREDPL").

- a) date on which the agreement has been entered into;
The Board has accepted the proposal of Satra Properties(India) Limited for investment in GREDPL.No Agreement has been executed as on date .
- b) the expected date of completion of sale/disposal/divestment;
31st March,2018
- c) consideration to be received from such sale/disposal;
The Company will not receive any consideration since the divestment or dilution is due to investment by Satra Properties (India) Limited into GREDPL. Satra Properties will invest into GREDPL Rs. 10 crores (Rupees Ten Crores) towards equity .By virtue of this investment GREDPL shall cease to be the Company's subsidiary.Satra Properties will also infuse further Rs. 90 crores (Rupees Ninety Crores) by way of debt into GREDPL .
- d) brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;

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Satra Properties(India)Ltd. (the Investor) does not belong to the promoter or promoter group. The transaction is not with a related party. Satra Properties(India)Limited is a leading developer in Mumbai and is involved in developing commercial and residential properties.It is also developing SRA projects and has completed many successful projects like Dream Mall (Bhandup),Satra Plaza (vashi) Satra Signature (Juhu), Satra Park (Borivali)etc .

e) whether the transaction would fall within related party transactions?
If yes, whether the same is done at "arms length";

The transaction is not a related party transaction

The aforementioned proposals for investment as accepted by the Board are subject to the CDR Lenders approval.

You are requested to take the aforementioned disclosures on record.

**By Order of the Board
For Gammon India Limited**


**Niki Shingade
Compliance Officer**

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