



## **GAMMON INFRASTRUCTURE PROJECTS LIMITED**

Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025

**Tel. :** 91 22 6748 7200 **CIN:** L45203MH2001PLC131728;

**E mail :** info@gammoninfra.com; **Website:** www.gammoninfra.com

### **POSTAL BALLOT NOTICE**

Dear Member(s),

Notice is hereby given that pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, ('Act'), if any, read together with Rule 22 of the Companies (Management and Administration) Rules, 2014, including any statutory modifications or re-enactment thereof for the time being in force, that the resolution appended below is proposed to be passed as special resolution by way of postal ballot /electronic voting. The Explanatory Statement, pursuant to Section 102 of the Act, pertaining to the said Resolution, setting out the material facts concerning the items and the reasons thereof is annexed hereto along with a Postal Ballot Form (the "**Form**") for your consideration. The Board of Directors has appointed CS Sunil M. Dedhia of M/s. Sunil M. Dedhia & Co., Practicing Company Secretary (Membership No. F3483) as the Scrutinizer for conducting the Postal Ballot process and Electronic Voting process in a fair and transparent manner.

Rule 22 of the Rules specify that any consent or otherwise received after thirty days from the date of dispatch of this notice shall be treated as if the reply from the member has not been received. You are requested to carefully read the instructions printed on the Postal Ballot Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed Form in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than 5:00 p.m. **on Friday, October 23, 2015** to be eligible for being considered, failing which, it will be considered that no reply has been received from the Member. The postage on the enclosed self-addressed postage pre-paid envelope shall be borne and paid by the Company.

#### **E-Voting Option**

As per the provisions of the Act, read with the Rules and the Listing Agreement, the Company is required to provide to its members facility to exercise their right to vote by electronic means. Accordingly, instructions for e-voting have been provided hereunder. E-voting is optional. Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the instructions in the notes to the Postal Ballot Notice.

#### **PROPOSED SPECIAL RESOLUTION**

##### **Approval for divestment of investments in subsidiaries .**

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

**"Resolved** that, pursuant to Section 180 (1) (a) and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and subject to all other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and further subject to the necessary approvals, consents, permissions and sanctions required from the Company's lenders, and/or other institutions or bodies, statutory authorities, and such conditions or modifications as may be prescribed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the Board of Directors of the Company (hereinafter referred to as "**the Board**", which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the powers conferred by this resolution), consent of the Members of the Company be and is hereby accorded for divestment by way of sale, transfer or disposal of entire shareholding in the following subsidiaries of the Company to BIF India Holdings Pte. Ltd. ('**Purchaser**') upon terms and conditions contained in the Share Purchase Agreement dated August 27, 2015 ('**SPA**') entered into by the Company with the Purchaser and with power to agree to and accept modifications, if any, as may be required by any of the concerned authorities/lenders or otherwise, as the Board of the Company may deem fit and appropriate in the interest of the Company:

- 1) Aparna Infraenergy India Private Limited;
- 2) Sikkim Hydro Power Ventures Limited;
- 3) Pravara Renewable Energy Limited;
- 4) Andhra Expressway Limited;
- 5) Rajahmundry Expressway Limited;
- 6) Kosi Bridge Infrastructure Company Limited;
- 7) Gorakhpur Infrastructure Company Limited;
- 8) Mumbai Nasik Expressway Limited; and
- 9) Vijayawada Gundugolanu Road Project Private Limited;

**Resolved further** that, for the purpose of giving effect to the above resolution the Board of Directors of the Company 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 sale of shares to the Purchaser and to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith.”

**Registered Office:**

Gammon House,  
Veer Savarkar Marg,  
Prabhadevi, Mumbai 400 025

By order of the Board,

For, **Gammon Infrastructure Projects Ltd.**

Place : Mumbai

Date: September 15, 2015

Renuka Matkari

Company Secretary

**NOTES:**

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 is annexed to this Notice. A Postal Ballot Form is also enclosed.
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 September 11, 2015.
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. September 11, 2015.
4. 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, Notice of Postal Ballot is being sent by registered post / courier / electronically by email to those shareholders who have registered their email-id with the Company / Depositories along with Postal Ballot Form. Shareholders who wish to vote through Postal Ballot Form can download the Postal Ballot Form from the link [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or from the website of the Company [www.gammoninfra.com](http://www.gammoninfra.com) or seek duplicate Postal Ballot Form from M/s. Link Intime India Private Limited, Unit: Gammon Infrastructure Projects Limited, address C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078, fill in the details and send the same to the Scrutinizer. The Scrutinizer will submit his report to the Chairman /Managing Director/ Director /Company Secretary of the Company, upon completion of scrutiny of postal ballots and E-Votes in a fair and transparent manner.
5. The results of the Postal Ballot will be announced by the Chairman / Managing Director / Director / the Company Secretary of the Company at 11.00 a.m. on **Wednesday, October 28, 2015** at the Registered Office of the Company. The said results would be displayed 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.gammoninfra.com**.
6. The date of declaration of results of the postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
7. The shareholders are requested to carefully read the instructions printed on the backside of the attached Postal Ballot Form before exercising their vote.

8. Voting period commences on and from **10.00 a.m. (IST) Thursday, September 24, 2015 and ends at 5.00 p.m. (IST) on Friday, October 23, 2015.**

9. All the material documents referred to in the Postal Ballot Notice and explanatory statement will be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch of the Notice till closing of the e-voting facility.

**10. E-voting Instructions:**

**The instructions for shareholders voting electronically are as under:**

**(A) In case of shareholders receiving e-mails from NSDL**

- i. Open e-mail and open PDF file viz. "Gammoninfra e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.
- ii. Launch internet browser by typing the URL :<https://www.evoting.nsd.com/>.
- iii. Click on "Shareholder-Login".
- iv. Put user ID and password as initial password noted in step (i) above. Click login.
- v. Password change menu will appear. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of "e-voting" opens. Click on "e-voting" : Active E Voting Cycles.
- vii. Select E Voting Event Number (EVEN) of Gammon Infrastructure Projects Limited.
- viii. Now you are ready for "e-voting" as "Cast Vote" page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xii. Institutional shareholders and bodies corporate (i.e. other than individuals, HUF, NRIs, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote to the Scrutinizer through e-mail at [sunil@sunildedhia.com](mailto:sunil@sunildedhia.com) with a copy marked to [compliances@gammoninfra.com](mailto:compliances@gammoninfra.com).

**(B) In case of shareholders receiving physical copy of the Notice of Postal Ballot:**

- i. Initial password is provided at the bottom of the Postal Ballot Form.
- ii. Please follow all steps from Sl. No. (ii) to (xii) of (A) above, to cast your vote.

(C) In case of any queries, you may refer the "Frequently Asked Questions (FAQs)" for shareholders and e-voting user manual for shareholders available at the "downloads" section of NSDL website at [www.evoting.nsd.com](http://www.evoting.nsd.com).

(D) If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.

(E) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communications.

(F) The e-voting period commences on **Thursday, September 24, 2015 (10.00 am) and ends on Friday, October 23, 2015 (5.00 pm)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 11, 2015 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013**

Gammon Infrastructure Projects Limited ("**GIPL or the Company**"), being a pioneer in the Indian Infrastructure sector, was the first one to set up a pure play asset platform and own / manage assets across various sectors. Its core expertise has always been to identify potential new opportunities and leverage its in-house expertise to develop assets. Its strategy is to continue to create value for its shareholders by focusing on development of new opportunities and move to higher growth paths accompanied by recycling / monetizing its existing assets to generate the required capital for growth.

The relatively subdued economic growth, as well as delays during the construction phase for a number of projects over the last few years have led to a challenging market environment for the infrastructure sector in general, as well as your Company. While the domestic banking system has been facing NPA challenges, the global meltdown has also adversely affected the capital availability from investors. As a result of all this, capital which is the main stay of public private partnership (PPP Model) of infrastructure sector had dried up in the recent past.

The Company is in need of capital to complete the under construction / development projects and to pursue further growth plans through both organic and inorganic routes. It has been facing constraints in raising capital due to the recent market environment. The efforts for alternative financing arrangement have not yielded the desired results due to the overall gloomy situation.

In order to overcome capital constraints, the Company had explored various options and taking into account the current market dynamics and after considering net cash inflow, valuation, economic value offered by the transaction, future strategy and plans for growth in the light of significant opportunities coming up in the sector and in order to optimize the shareholder value, your Board considered that it is an opportune time to divest and focus on the remaining existing and newer projects.

The proposal for divestment in the 9 (nine) projects companies ("**Special Purpose Vehicles/SPV's**") as set out in the resolution and the associated terms and conditions were considered by the Audit Committee in its meeting held on August 26, 2015 and recommended to the Board.

Accordingly, given the value accruing to the Company, the Board at its meeting held on August 27, 2015 has, subject to your approval and other statutory or contractual obligations/approvals, approved the transaction to divest its shareholding in the 9 (nine) SPV's on the key terms as set out herein below and accordingly entered into the Share Purchase Agreement ("**SPA**") with BIF India Holdings Pte. Ltd. ("**BIHPL**") which is jointly held by funds managed by Brookfield Asset Management and its affiliates ("**Brookfield**") and Core Infrastructure India Fund Pte. Ltd. ("**CIIF**") subject to necessary approvals.

Headquartered in Canada, Brookfield is a leading global alternative asset manager with over \$200 billion in assets under management, focusing on infrastructure, renewable energy, private equity and property. The Transaction marks Brookfield's first investment in infrastructure sector in India. CIIF is an India focused infrastructure fund managed by the Singapore branch of Kotak Mahindra (UK) Ltd.

The material terms and conditions of the SPA are:

- a. The Project Companies being sold include 6 (six) operational, 1 (one) under expansion (and under construction) and 2 (two) under development projects:

Project Company	Category	Project Description
Aparna Infraenergy India Private Limited (100% subsidiary)	Power, Under Pre Development	250 MW coal fired plant in Chandrapur, State of Maharashtra located at Nagpur.
Sikkim Hydro Power Ventures Limited (100% subsidiary)	Power, Under Development	Build, own, operate and transfer of a 66 MW "run of the river" hydropower project at Rimbi Khola, a tributary of Rangit River, in the State of Sikkim.
Pravara Renewable Energy Limited (100% subsidiary)	Power, Near Operational	Build, own, operate and transfer of a 30 MW co-generation power plant in Ahmednagar District, State of Maharashtra.
Andhra Expressway Limited (100% subsidiary)	Roads, Operational	Strengthening of existing 2 lane 47kms road from KM 253 to 300 and widening thereof to a four lane on a build own transfer basis under concession from National Highways Authority of India ('NHAI') in the Dharmavaram Tuni section on NH-5 Andhra Pradesh.
Rajahmundry Expressway Limited (100% subsidiary)	Roads, Operational	Strengthening of existing 2 lanes from KM 200 to 253 and widening of 4 lane dual carriageway on build, operate and transfer basis from Vijayawada to Vishakhapatnam on NH-5 in the State of Andhra Pradesh under concession from NHAI.
Kosi Bridge Infrastructure Company Limited (100% subsidiary)	Roads, Operational	Design, construction, finance and management of 4 lane bridge across Kosi river including approaches from 155 km to 165 km on NH-57 in the State of Bihar under concession from NHAI.

Project Company	Category	Project Description
Gorakhpur Infrastructure Company Limited (100% subsidiary)	Roads, Operational	Design, construction, finance and maintenance of highway from 0km to 32 km at Gorakhpur bypass on NH28 in the State of Uttar Pradesh under concession from NHAI.
Mumbai Nasik Expressway Limited (MNEL) (approx. 80% subsidiary)	Roads, Operational	Strengthening of existing 2 lane road and widening it into four lane divided highway from Vadape to Gonde on NH-3 from 440 km to 539 km under concession from NHAI. Project also included construction of a new road i.e. Kasara bypass for Mumbai bound traffic movement.
Vijayawada Gundugolanu Road Project Private Limited (100% subsidiary)	Roads, Under Expansion	Six laning of four lane Vijayawada- Gundugolanu section of NH5 from km 1076.48 to km 1022.48 including new construction of new six lane Hanuman junction bypass and 4 lane Vijayawada bypass in State of Andhra Pradesh under NHDP Phase V.

b. **Key Commercial Terms of the Transaction**

#	Parameter	Value	Remarks
1a	Cash to be received towards equity	<b>INR 192 crore</b>	• Subject to closing adjustments
1b	Repayment of Inter Corporate Deposits given by GIPL to Project Companies	<b>INR 371 crore</b>	
1	Aggregate cash received by GIPL (= 1a + 1b)	<b>INR 563 crore</b>	
2	Additional cash expected	<b>INR 100 crore</b>	Upon crystallization of certain milestones in future
3	Outstanding liabilities getting reduced	<b>INR 87 crore</b>	
4	Waiver of advances given by Project Companies to GIPL	<b>INR 285 crore</b>	
5	Past contingent receivables	<b>75% of all such receivables whose estimated value is nearly INR 1000 crore subject to realisation</b>	• To receive in the coming years
6	Obligation to purchase JV Partner's 20% stake in MNEL	<b>INR 72 crore</b>	<ul style="list-style-type: none"> <li>• JV Partner's stake to be transferred to the purchaser</li> <li>• This would be to comply with the Company Law Board order in this regard</li> </ul>

This compares to the net exposure of GIPL in these 9 (nine) Project Companies of INR 415 crore, after the waiver of advances given by Project Companies to GIPL of INR 285 crore (as set out in point 4 above).

c. The aforementioned divestment is also subject to necessary statutory and regulatory approvals, consents from the lenders and shareholders and satisfaction of certain contractual conditions.

The proposed transaction will allow the Company after payment of taxes to, *inter alia* make either equity or working capital contributions for existing projects of the Company, to finish construction / development and operationalise the projects, repay current borrowings from banks and financial institutions, and use the surplus for acquisition of new projects by considering the present and future market scenario, meet other exigencies as approved by the Board and suitably reward the current shareholders. Further, the proceeds of the sale arising from the proposed transaction would be invested in interest bearing instruments till the Company apports and identifies specific usage of the same.

Members are further informed that the Company will continue to be committed towards its other project companies with interests across various sectors such as Road, Expressways, Ports and Renewable Energy etc. and its future growth.

The Board believes that the consideration of the sale of investments as proposed, generates significant shareholder value and presents an attractive monetization opportunity to the Company.

As per the provisions of Section 180(1)(a) of the Companies Act, 2013 ('**the Act**'), the sale, lease or otherwise disposal of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) requires the approval of the shareholders by way of a special resolution.

As the disposal of entire shareholding in the 9 (nine) project companies (subsidiaries) by the Company may be deemed to be sale or otherwise disposal of whole or substantially the whole of undertaking(s), pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, consent of the shareholders is also required to be obtained through postal ballot.

Further, in terms of clause 49(V)(F) of the Listing Agreement, a company shall not dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting.

Accordingly, the consent of the members by way of special resolution is being sought for divestment of investments in the 9 (nine) project companies (subsidiaries) in the Postal Ballot Notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the aforementioned Special Resolution.

**Registered Office:**

Gammon House,  
Veer Savarkar Marg,  
Prabhadevi, Mumbai 400 025

Place : Mumbai

Date: September 15, 2015

By order of the Board,  
For, **Gammon Infrastructure Projects Ltd.**

Renuka Matkari  
Company Secretary

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## GAMMON INFRASTRUCTURE PROJECTS LIMITED

Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025

Tel. : 91 22 6748 7200 CIN: L45203MH2001PLC131728;

E mail : info@gammoninfra.com; Website: www.gammoninfra.com

### POSTAL BALLOT FORM

Sr. No.:

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

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 following Special Resolution to be passed through Postal Ballot/e-voting, by conveying my/our assent or dissent to the said Resolution by placing tick(✓) mark in the appropriate box below:

Description of Resolution	No. of Shares for which votes cast	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
To Approve divestment of investments in subsidiaries			

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: October 23, 2015 (5.00 pm).
- (iii) Please read the instructions printed overleaf carefully before exercising your vote.

#### ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

## INSTRUCTIONS

### 1. General Instructions:

- 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 Shareholders 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 Resolution proposed to be passed by Postal Ballot may be addressed to Ms. Renuka Matkari, Company Secretary, 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 **September 11, 2015**.
- 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 Friday, the **October 23, 2015**. 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 October 23, 2015** 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 **October 28, 2015** and published in the newspapers and displayed at the registered office of the Company and also communicated to the stock exchanges and shall also be posted on the website of the Company **www.gammoninfra.com**.